

2017 HALF-YEAR FINANCIAL REPORT

This half-year financial report was prepared in accordance with Article L.451-1-2 (III) of the French Monetary and Financial Code (*Code monétaire et financier*). It includes a report for the six months ended June 30, 2017, the condensed half-year consolidated financial statements of the Bureau Veritas Group for the six months ended June 30, 2017, the Statutory Auditors' report and the statement by the person responsible for the half-year financial report.



CONTENTS

| | | |
|-------------|--|-----------|
| 1. | Half-year business report at June 30, 2017 | 3 |
| 1.1. | Preliminary note | 3 |
| 1.2. | First-half 2017 highlights | 3 |
| 1.2.1. | Growth Initiatives accelerating, offsetting down-cycle activities | 3 |
| 1.2.2. | Proactive cost management | 3 |
| 1.2.3. | Four targeted acquisitions completed, all supporting the Growth Initiatives | 4 |
| 1.3. | Change in activity and results | 4 |
| 1.3.1. | Revenue | 4 |
| 1.3.2. | Operating profit | 5 |
| 1.3.3. | Adjusted operating profit | 5 |
| 1.3.4. | Net financial expense | 6 |
| 1.3.5. | Income tax expense | 6 |
| 1.3.6. | Attributable net profit | 6 |
| 1.3.7. | Adjusted attributable net profit | 7 |
| 1.3.8. | Results by business | 8 |
| 1.4. | Cash flows and sources of financing | 11 |
| 1.4.1. | Cash flows | 11 |
| 1.4.2. | Financing | 13 |
| 1.5. | Main risks and uncertainties for the remaining six months of the financial year | 17 |
| 1.6. | Related-party transactions | 19 |
| 1.7. | Outlook | 19 |
| 1.8. | Events after the end of the reporting period | 19 |
| 1.8.1. | Financing | |
| 2. | Condensed Half-Year Consolidated Financial Statements at June 30, 2017 | 20 |
| 2.1. | Condensed half-year consolidated financial statements | 20 |
| | Half-year consolidated income statement | 20 |
| | Half-year consolidated statement of comprehensive income | 21 |
| | Half-year consolidated statement of financial position | 22 |
| | Half-year consolidated statement of changes in equity | 23 |
| | Half-year consolidated statement of cash flows | 24 |
| 2.2. | Notes to the condensed half-year consolidated financial statements | 25 |
| | Note 1: General information | 25 |
| | Note 2: First-half 2017 highlights | 25 |
| | Note 3: Summary of significant accounting policies | 26 |
| | Note 4: Financial indicators not defined by IFRS | 27 |
| | Note 5: Seasonal fluctuations | 28 |
| | Note 6: Segment information | 28 |
| | Note 7: Operating income and expense | 29 |
| | Note 8: Income tax expense | 29 |
| | Note 9: Goodwill | 30 |
| | Note 10: Acquisitions and disposals | 32 |
| | Note 11: Discontinued operations | 33 |
| | Note 12: Share capital | 34 |
| | Note 13: Share-based payment | 34 |
| | Note 14: Borrowings and debt | 35 |
| | Note 15: Guarantees given | 38 |
| | Note 16: Provisions for liabilities and charges | 38 |
| | Note 17: Movements in working capital attributable to operations | 39 |
| | Note 18: Earnings per share | 39 |
| | Note 19: Dividend per share | 40 |
| | Note 20: Additional financial instrument disclosures | 41 |
| | Note 21: Related-party transactions | 45 |
| | Note 22: Events after the end of the reporting period | 46 |
| | Note 23: Scope of consolidation | 46 |
| 3. | Statement by the person responsible for the half-year financial report | 59 |

1. HALF-YEAR BUSINESS REPORT AT JUNE 30, 2017

1.1. PRELIMINARY NOTE

Readers are invited to refer to the information set out herein on the Group's financial position and results together with the Group's 2017 condensed half-year consolidated financial statements and the notes thereto set out in Chapter 2 of this 2017 half-year financial report, as well as the Group's 2016 consolidated financial statements and the notes thereto set out in section 5.1 of the 2016 Registration Document.

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international financial reporting standards, the condensed consolidated financial statements of Bureau Veritas for the first half of 2017 and the first half of 2016 were prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union.

1.2. FIRST-HALF 2017 HIGHLIGHTS

1.2.1. GROWTH INITIATIVES ACCELERATING, OFFSETTING DOWN-CYCLE ACTIVITIES

Organic growth was +1.3% in H1 2017 including +0.8% in Q1. Adjusted for calendar effect, growth trends were similar in Q2 compared with Q1. Marine decline had a 1.2-pt negative impact on Group organic growth in Q2.

In H1 2017, activities under the 5 Growth Initiatives accelerated their pace of organic growth at +7.1% (vs. Q1 +4.6%). They contributed 2.0 pts to Group organic growth. Key performers were Automotive (+26.7%), SmartWorld (+12.9%) and Opex (+7.1%).

Other activities had a negative 0.7-pt contribution to the Group's organic growth. This is mostly the reflection of markets facing down-cycles, including Marine & Offshore (8% of Group revenue) and Oil & Gas Capex-related activities. The latter, representing now less than 5% of Group revenue, further declined by 12% in H1 2017.

This set of figures supports the Group's emphasis on its targeted Growth Initiatives, which are delivering additional growth and the diversification the Group is focused on.

1.2.2. PROACTIVE COST MANAGEMENT

The Group continues to adjust its cost base in businesses faced with challenging market conditions, including commodities-related divisions (Oil & Gas, Upstream Metals & Minerals and Government Services) and Marine & Offshore. In addition, it is also making structural efforts to improve its margin in the future. This has led the Group to book a restructuring charge of €31.4 million in H1 2017, essentially headcount reduction protecting margin as early as H2 2017 onwards.

1.2.3. FOUR TARGETED ACQUISITIONS COMPLETED, ALL SUPPORTING THE GROWTH INITIATIVES

In H1 2017, the Group completed four acquisitions, representing around €100 million in annualized revenues, or 2.2% of Group FY 2016 revenue. Acquisition growth was 3.3% in H1 2017, combining the contribution of acquisitions made in 2017 and the acquisitions finalized in H2 2016.

- The acquisition of Shanghai Project Management¹ further secures BV's leading position in energy and infrastructure project management in China.
- The acquisition of Siemic² enhances BV's presence in SmartWorld and Automotive, both in China and the USA.
- The acquisition of Schutter³ expands BV's footprint in agri-commodities in Europe, South America and Asia, aligning synergies with the Group's existing network.
- The acquisition of CCC⁴ reinforces BV's Construction Code Compliance and building safety portfolio in California, a state that has strongly embraced outsourcing.

1.3. CHANGE IN ACTIVITY AND RESULTS

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 | Change |
|---|----------------------------|--------------------|---------------|
| Revenue | 2,360.1 | 2,221.4 | +6.2% |
| Purchases and external charges | (690.4) | (640.3) | |
| Personnel costs | (1,244.8) | (1,162.4) | |
| Other expenses | (138.7) | (115.2) | |
| Operating profit | 286.2 | 303.5 | -5.7% |
| Share of profit of equity-accounted companies | 0.5 | 0.4 | |
| Operating profit after share of profit of equity-accounted companies | 286.7 | 303.9 | -5.7% |
| Net financial expense | (60.7) | (43.4) | |
| Profit before income tax | 226.0 | 260.5 | -13.2% |
| Income tax expense | (80.0) | (93.6) | |
| Net profit | 146.0 | 166.9 | -12.5% |
| Non-controlling interests | (10.1) | (7.3) | |
| Net profit of discontinued operations | (5.7) | - | |
| Attributable net profit | 130.2 | 159.6 | -18.4% |

1.3.1. REVENUE

Revenue in H1 2017 reached €2,360.1 million, a 6.2% increase compared with H1 2016.

Organic growth was +1.3% in H1, with similar growth trends in Q2 compared with Q1 adjusted for calendar effect. Marine & Offshore decline had a 1.2-pt negative impact on Group organic growth in Q2. Solid commercial wins spurred by the 5 Growth Initiatives, softer rates of decline in Oil & Gas, as well as a firmer upstream Metals & Minerals market enabled the Group to return to organic growth in H1 2017. All businesses, with the exception of Marine & Offshore, are on improving trends.

By geography, activities in Europe, the Middle East, and Africa (43% of revenue) are up 1.3% organically. This reflects muted growth in France including a negative calendar effect, and a slight decline in Eastern

¹ Consolidation as of February, 2017

² Consolidation as of January, 2017

³ Consolidation as of March, 2017

⁴ Consolidation as of June, 2017

Europe. Business in Asia Pacific (31% of revenue; 0.6% organic growth) is impacted by the end of large contracts in Oil & Gas and the decline in Marine & Offshore, however compensated by healthy growth in China and Japan. Activities in the Americas show an improvement (26% of revenue; 2.3% organic growth), led by Latin America as the strategy of diversification outside of Oil & Gas is starting to pay off.

Acquisition growth was 3.3%, combining the contribution of acquisitions made in 2017, which are supporting 3 of the 5 Group Growth Initiatives, as well as acquisitions finalized in H2 2016.

Currency fluctuations had a positive impact of 1.6%, mainly driven by the appreciation of USD and pegged currencies as well as some emerging countries' currencies against the Euro, in particular the Brazilian real that more than offset the impact of the GBP depreciation.

1.3.2. OPERATING PROFIT

Operating profit totaled €286.2 million, down 5.7% from €303.5 million in H1 2016 (down 6.4% on a constant currency basis).

1.3.3. ADJUSTED OPERATING PROFIT

The Group internally monitors and publishes “adjusted” operating profit which management considers more representative of the operating performance in its business sector. This indicator is also used by most companies in the TIC industry.

Adjusted operating profit is defined as operating profit before income and expenses relating to business combinations and other non-recurring items.

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 | Change |
|---|--------------------|--------------------|--------------|
| Operating profit | 286.2 | 303.5 | -5.7% |
| Amortization of intangible assets resulting from acquisitions | 40.1 | 32.0 | |
| Other acquisition-related expenses | 1.7 | 3.5 | |
| Restructuring costs | 31.4 | 11.5 | |
| Adjusted operating profit | 359.4 | 350.5 | +2.5% |

Non-recurring items totaled €73.2 million, compared to €47.0 million in H1 2016, and comprised:

- €40.1 million in amortization of intangible assets, up from €32.0 million in H1 2016;
- €31.4 million in restructuring costs, relating chiefly to government services and commodities-related businesses;
- €1.7 million in acquisition-related expenses (€3.5 million in H1 2016).

Adjusted operating profit was €359.4 million, up 2.5% compared with H1 2016, and 1.4% at constant currencies.

The adjusted operating margin was 15.2% in H1 2017, a decrease of 0.6 basis points on H1 2016, of which 0.1 basis points due to exchange rate impacts.

The 0.5 basis point organic decline in the adjusted operating margin is primarily attributable to the Marine & Offshore business, where equipment certification and offshore services slowed. In addition, pressure on prices and changes to the mix in the Industry business had an estimated 0.2 basis point impact on the margin, reflecting the historically high contribution of Oil & Gas Capex-related activities to the margin and the different way in which Opex contracts – which include a development phase during which the Group has to mobilize resources to implement them – contribute to the margin. The impact of cyclical pressure was in part offset by the benefits derived from the Group's operational Excellence Program.

1.3.4. NET FINANCIAL EXPENSE

| (€ millions) | First-half 2017 | First-half 2016 |
|---------------------------------------|--------------------|--------------------|
| Finance costs, gross | (47.8) | (43.5) |
| Income from cash and cash equivalents | 1.1 | 1.2 |
| Finance costs, net | (46.7) | (42.3) |
| Foreign exchange gains (losses) | (10.9) | 1.3 |
| Interest cost on pension plans | (1.3) | (1.5) |
| Other | (1.8) | (0.9) |
| Net financial expense | (60.7) | (43.4) |

Net financial expense totaled €60.7 million in H1 2017, compared to €43.4 million in the prior-year period.

The rise in net finance costs to €46.7 million from €42.3 million in H1 2016 is primarily attributable to an increase in average debt, partly offset by a fall in average interest rates.

The Group's foreign exchange gains (losses) resulted from the impact of currency fluctuations on the assets and liabilities of the Group's subsidiaries denominated in a currency other than their functional currency. In H1 2017, the Group posted foreign exchange losses of €10.9 million, reflecting the sharp depreciation of currencies in some emerging countries.

1.3.5. INCOME TAX EXPENSE

Impact tax expense on consolidated revenue amounted to €80 million in H1 2017, compared with €93.6 million in H1 2016. The effective tax rate (ETR), corresponding to income tax expense divided by the amount of pre-tax profit, was 35.4% in H1 2017 compared with 35.9% in H1 2016. The adjusted effective tax rate, corrected for the tax impact on non-recurring items, fell 0.7 basis points period on period to 33.9%. The decrease is mainly attributable to the utilization of previous tax losses, which were offset against the amount of tax due for the period (essentially in Australia).

1.3.6. ATTRIBUTABLE NET PROFIT

Attributable net profit was €130.2 million in H1 2017.

Earnings per share came in at €0.30, down 18.2% on the H1 2016 figure of €0.37 and 14.6% on a constant currency basis.

1.3.7. ADJUSTED ATTRIBUTABLE NET PROFIT

Adjusted attributable net profit is defined as attributable net profit adjusted for other operating expenses after tax.

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 |
|---|----------------------------|--------------------|
| Attributable net profit | 130.2 | 159.6 |
| EPS ^(a) <i>(in euros per share)</i> | 0.30 | 0.37 |
| Other non-recurring items | 73.2 | 47.0 |
| Tax impact on other non-recurring items | (21.5) | (12.7) |
| Net profit of discontinued operations | 5.7 | - |
| Adjusted attributable net profit | 187.6 | 193.9 |
| Adjusted EPS^(a) <i>(in euros per share)</i> | 0.43 | 0.44 |

(a) EPS: Earnings per share: calculated based on the weighted average number of shares: 436,176,351 shares in H1 2017 and 437,112,819 shares in H1 2016.

Adjusted attributable net profit amounted to €187.6 million in H1 2017, on par with H1 2016. Adjusted net earnings per share came out at €0.43, a decrease of 3.0% compared to H1 2016 and of 0.7% on a constant-currency basis.

1.3.8. RESULTS BY BUSINESS

Change in revenue by business for the first half of the year

| (€ millions) | 2017 | 2016 ⁽¹⁾ | Growth | | | |
|----------------------------------|----------------|---------------------|-------------|-------------|-------------|-------------|
| | | | Total | Organic | Scope | Forex |
| Marine & Offshore | 190.8 | 203.7 | (6.3)% | (7.5)% | 1.1% | 0.1% |
| Agri-Food & Commodities | 541.0 | 485.4 | 11.5% | 0.8% | 8.7% | 2.0% |
| Industry | 559.6 | 551.7 | 1.4% | (1.1)% | 0.1% | 2.4% |
| Building & Infrastructure | 547.5 | 504.0 | 8.6% | 4.0% | 4.3% | 0.3% |
| Certification | 188.8 | 172.5 | 9.4% | 6.1% | 0.2% | 3.1% |
| Consumer Products ⁽¹⁾ | 332.4 | 304.1 | 9.3% | 5.2% | 2.1% | 2.0% |
| Total first-half | 2,360.1 | 2,221.4 | 6.2% | 1.3% | 3.3% | 1.6% |

Change in adjusted operating profit by business for the first half of the year

| (€ millions) | Adjusted operating profit | | | Adjusted operating margin | | |
|----------------------------------|---------------------------|---------------------|-------------|---------------------------|--------------|--------------------|
| | 2017 | 2016 ⁽¹⁾ | Change | 2017 | 2016 | Variation (bps) |
| Marine & Offshore | 45.0 | 54.5 | -17.4% | 23.6% | 26.8% | (320) |
| Agri-Food & Commodities | 61.4 | 59.3 | 3.5% | 11.3% | 12.2% | (90) |
| Industry | 64.6 | 67.5 | -4.3% | 11.5% | 12.2% | (70) |
| Building & Infrastructure | 76.8 | 67.2 | 14.3% | 14.0% | 13.3% | +70 |
| Certification | 33.6 | 29.3 | 14.7% | 17.8% | 17.0% | +80 |
| Consumer Products ⁽¹⁾ | 78.0 | 72.7 | 7.3% | 23.5% | 23.9% | (40) |
| Total first-half | 359.4 | 350.5 | 2.5% | 15.2% | 15.8% | (60) |

(1) The 2016 figures take into account the reclassification of the beauty product testing and household products segments to Consumer Products

MARINE & OFFSHORE

The business posted a sharp decline in organic growth in H1 2017 (down 7.5%), reflecting the slump in new orders experienced in past quarters, notably for categories such as bulk carriers and container ships.

The decline in New Construction accelerated in Q2, against challenging comparatives, and with new equipment certification posting a double-digit decline, particularly in Asia.

Core In-service eroded slightly due to price pressure and challenging comparatives despite growth in the classed fleet and the gradual reinstatement of laid-up ships. There was another contraction in Offshore-related activities driven by the lack of deep-sea projects and further reduction of risk assessment studies.

New orders amounted to 2.9 million gross tons at the end of June 2017, up from 1.3 million gross tons in the prior-year period, but were still not enough to replenish the order book, which stood at 13.6 million gross tons at the end of the second quarter. The order book remains well diversified with categories such as Tankers and Passenger vessels expanding their share.

Margins were under pressure, and proactive restructuring is ongoing, with related actions taken alongside new ship deliveries.

Looking ahead, Bureau Veritas expects a similar decline in New Construction in H2 2017 to H1 2017, chiefly a reflection of the challenging market environment. The In-service ships segment is expected to remain resilient overall, apart from the offshore market which is more sensitive to fluctuations in oil prices. The regulatory environment should be supportive by year-end, with the new regulations on ballast water management and MRV (Monitoring, Reporting and Verification).

AGRI-FOOD & COMMODITIES

Revenue increased by 0.8% organically in H1 2017, with mixed performances across sub-segments.

The Oil & Petrochemicals segment (39% of divisional revenue) reported 2.6% organic growth, reflecting particularly strong expansion in Europe and in China.

The Metals & Minerals segment (26% of revenue) reported 2.5% organic growth, with overall Trade activities supported by European and Asian operations, and Upstream activities (excluding Coal) showing good growth, mostly driven by iron ore and Australia. The business is benefiting from the rebound in commodity prices as well as from the gradual recovery of Capex projects by mining companies.

Agri-Food (19% of revenue) was stable in H1, reflecting a good Q2 performance (up 3.3%) relating to contract wins, after a slow start to the year owing to the end of a contract in inspection for Agri-Products in Latin America. Solid performances were maintained in the Food sector. In the first quarter, Bureau Veritas finalized the acquisition of Schutter, expanding its footprint in agri-commodities in Europe, South America and Asia.

Government Services (16% of revenue) contracted by 5.2% in H1 2017, hampered by a further decline in the Iraqi VOC program, the end of a PSI (Pre-Shipment Inspection) contract in Guinea and, more generally, the lower volume and value of imports intended for West African countries.

The environment should progressively improve for the entire division in 2017, with less growth disparity between the various segments.

INDUSTRY

Organic growth in Industry was negative 1.1% in H1 2017, including a decrease of 0.4% in Q2. This reflects a marked decline of Oil & Gas Capex-related activities (down 12% in H1 2017 at Group level, including a decrease of 15% in Q2), partly compensated by accelerating growth in Oil & Gas Opex (i.e. In-service inspection for industrial assets) and favorable trends in other end-markets such as Power & Utilities and Transportation (including Automotive). In the Automotive sector, the Group is currently working on several outsourcing projects, such as the Code'Ngo, scheduled to open H2 2017 in France, which permits learners to take the written test for the French driver's license in centers operated by Bureau Veritas.

By geography, growth was robust in Latin America (led by Brazil), China and the Middle East. North America was back in positive territory in Q2. There was a marked decline in Australia and South Korea, due to contract ending in Oil & Gas, however broadly stable to improved rates of decline in other major geographies, due to country and sector diversification.

For 2017, Bureau Veritas expects organic growth to be slightly negative, as persistently weak levels of activity in Oil & Gas Capex are mitigated by the benefits of diversification, including the push on Opex-related services. In H2 2017 the Group will benefit from more favorable comparables while large contracts completions will be over.

BUILDING & INFRASTRUCTURE

Revenue increased by 4.0% organically with stronger organic growth in construction-related activities (59% of revenue) than for Building in-service activities (41%).

The Group recorded very strong organic growth in Asia (22% of revenue), including 13% organic growth for the operations in China (15% of Building & Infrastructure revenue), driven by growth in energy and infrastructure project management, sectors where Bureau Veritas has built strong positions. The acquisition of Shanghai Project Management, a company specialized in construction project supervision for industrial assets, illustrates the Group's strategy in this sector. Growth was also strong in the more mature Japanese market.

In the Americas (14% of revenue), the robust growth was driven in particular by regional expansion (Chile, Colombia, Argentina) through new construction projects.

Growth in Europe (59% of revenue) was slower, held back by subdued growth in France (45% of revenue) due to low levels of housing starts (despite an increase in building permits) and a negative calendar effect in the first half. The level of sales is on an upward trend, and numerous opportunities will arise from the Grand Paris project from H2 2017 onwards.

Looking ahead, market trends and the Group's order book point to accelerating growth in Europe, skewed towards Q4 2017. Business in Asia and the Americas is expected to increase.

CERTIFICATION

Revenue increased by 6.1% organically, with a strong performance across all major service categories and regions. As expected, growth slowed down in Q2 vs. Q1 due to the reversal of the positive calendar effect.

The QHSE segment was a major contributor to growth, driven in particular by the positive impact of the transition to the new versions of ISO 9001:2015 and ISO 14001:2015. Double-digit growth in customized solutions was fueled by Service Certification, as well as Supplier and Distribution Network Audits given that issues on Supplier Risk Management and Brand Protection are becoming critical in many sectors.

Revised standards also benefited training activities. Supply Chain & Sustainability-related services showed good growth, held up in particular by Energy Management, Greenhouse Gases, Food Certification and CSR (corporate social responsibility) schemes. Large Certification contracts grew by double digits thanks to new contracts signed with international companies in various sectors.

In 2017, the Certification business is expected to maintain robust growth, benefitting from revised standards (ISO 9K, 14K, AS 9100 in the Aerospace and IATF in the Automotive sectors), along with new product and service launches (including a new Certification E-commerce platform in nine key countries).

CONSUMER PRODUCTS

The Consumer products business achieved solid organic growth of 5.2% in H1 2017 (o/w 6.1% in Q2), with growth spread across all regions and categories.

Electrical & Electronics (32% of revenue) was the best performing category, led by Automotive and Mobile testing, followed by Softlines (37%), whose growth climbed above the divisional average. Lastly, the strong performing Hardlines business more than offset the decline in Toys (less than 10% of revenue). South East Asia was the region that reported the highest growth. China's domestic market contributed to the performance, with the Automotive sector spearheading growth. The acquisition of Siemic enhanced Bureau Veritas' presence in the SmartWorld and Automotive sectors both in China and in the USA.

In 2017, the business should post robust growth, with an overall performance reflecting good momentum in Softlines and progress on the SmartWorld and Automotive initiatives.

1.4. CASH FLOWS AND SOURCES OF FINANCING

1.4.1. CASH FLOWS

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 |
|--|----------------------------|----------------------------|
| Profit before income tax | 226.0 | 260.5 |
| Elimination of cash flows from financing and investing activities | 78.5 | 51.1 |
| Provisions and other non-cash items | (16.8) | 6.2 |
| Depreciation, amortization and impairment | 107.9 | 90.8 |
| Movements in working capital attributable to operations | (144.8) | (145.0) |
| Income tax paid | (100.9) | (102.4) |
| Net cash generated from operating activities | 149.9 | 161.2 |
| Acquisitions of subsidiaries | (75.6) | (134.6) |
| Purchases of property, plant and equipment and intangible assets | (60.0) | (66.8) |
| Proceeds from sales of property, plant and equipment and intangible assets | 1.8 | 9.5 |
| Purchases of non-current financial assets | (16.1) | (5.5) |
| Proceeds from sales of non-current financial assets | 5.4 | 6.7 |
| Change in loans and advances granted | 6.6 | 7.2 |
| Dividends received from equity-accounted companies | 0.5 | |
| Net cash used in investing activities | (137.4) | (183.5) |
| Capital increase | 1.1 | 0.8 |
| Purchases/sales of treasury shares | (16.7) | (20.3) |
| Dividends paid | (254.4) | (234.6) |
| Increase in borrowings and other debt | 77.7 | 42.9 |
| Repayment of borrowings and other debt | (612.2) | (13.8) |
| Interest paid | (63.3) | (60.2) |
| Repayment of amounts owed to shareholders | (0.8) | (1.0) |
| Net cash used in financing activities | (868.6) | (286.0) |
| Impact of currency translation differences | 2.2 | (4.9) |
| Net decrease in cash and cash equivalents | (853.9) | (313.2) |
| Net cash and cash equivalents at beginning of period | 1,088.0 | 510.8 |
| Net cash and cash equivalents at end of period | 234.0 | 197.6 |
| o/w cash and cash equivalents | 284.8 | 212.7 |
| o/w bank overdrafts | (50.8) | (15.1) |

Net cash generated from operating activities

Net cash generated from operating activities (operating cash flow) amounted to €149.9 million in H1 2017. Movements in working capital were stable versus H1 2016, despite an increase in revenue

At June 30, 2017, working capital requirement was €573.7 million, or 12.2% of revenue over the past 12 months including acquired entities, compared with €579.0 million at June 30, 2016 (12.6%).

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 |
|--|----------------------------|----------------------------|
| Net cash generated from operating activities | 149.9 | 161.2 |
| Purchases of property, plant and equipment and intangible assets, net of disposals | (58.2) | (57.3) |
| Interest paid | (63.3) | (60.2) |
| Free cash flow | 28.4 | 43.7 |

Free cash flow amounted to €28.4 million in H1 2017, down from €43.7 million in H1 2016 due to non-recurring items. Adjusted for outflows relating to non-recurring tax items and restructuring, free cash flow was up €21.7 million on H1 2016.

Purchases of property, plant and equipment and intangible assets

The Group's inspection and certification activities are generally non capital-intensive, whereas its laboratory testing and analysis activities require investment. These investments concern in particular the Consumer Goods and Agri-Food & Commodities businesses.

The Group's total capital expenditure (net of disposals) in property, plant and equipment and intangible assets was €58.2 million in H1 2017, slightly up from €57.3 million in H1 2016. The Group recognized €1.8 million in disposal gains during the period versus €9.5 million in H1 2016.

The Capex-to-revenue ratio came out at approximately 2.5%, on par with H1 2016 (2.6%).

Interest paid

Interest payments rose slightly in H1 2017 to €63.3 million due to the increase in net debt as compared to June 30, 2016.

Acquisitions

A brief description of the main acquisitions carried out in the first half of the year is set out in section 1.2 – First-half 2017 Highlights.

| <i>(€ millions)</i> | First-half 2017 | First-half 2016 |
|---|----------------------------|----------------------------|
| Purchase price of acquisitions | (85.4) | (131.8) |
| Cash and cash equivalents of acquired companies | 10.2 | 9.9 |
| Contingent price consideration payable in respect of acquisitions in the period | 12.0 | 12.1 |
| Purchase price paid in relation to acquisitions in prior periods | (10.1) | (20.9) |
| Impact of acquisitions on cash and cash equivalents | (73.2) | (130.7) |
| Acquisition costs | (2.4) | (3.9) |
| Acquisitions of subsidiaries | (75.6) | (134.6) |

Net cash used in financing activities

Corporate actions (capital increases/reductions and share buybacks)

In H1 2017, to cover stock option and performance share plans, the Company carried out share buybacks net of capital increases in the amount of €15.6 million.

Dividends paid

In H1 2017, the “Dividends paid” item mainly comprised dividends paid to owners in respect of the 2016 financial year in the amount of €254.4 million (dividend per share of €0.55).

Borrowings and debt

Borrowings and debt decreased by €536.6 million at June 30, 2017 compared with December 31, 2016.

1.4.2. FINANCING

Sources of Group financing

At June 30, 2017, the Group’s gross financial debt totaled €2,545.8 million, comprising:

- Non-bank financing:
 - 2008 US Private Placement (€304.7 million);
 - 2010 US Private Placement (€184.1 million);
 - 2011 & 2014 US Private Placement (€175.3 million);
 - 2013 & 2014 US Private Placement (€131.4 million);
 - various tranches of the Schuldschein “SSD” notes (€260 million);
- Three bond issues (€1.2 billion);
- Bank financing:
 - 2012 Syndicated Loan (undrawn);
 - 2015 USD bank financing carried by Bureau Veritas Holdings, Inc (€175.3 million);
 - other bank debt (€41.7 million);
 - bank overdrafts (€50.8 million);
- accrued interest and costs of borrowing (€22.5 million).

The change in the Group's gross debt is shown below:

| <i>(€ millions)</i> | June 30, 2017 | Dec. 31, 2016 |
|-------------------------------------|----------------------|----------------------|
| Bank borrowings due after one year | 2,430.5 | 2,492.9 |
| Bank borrowings due within one year | 64.5 | 583.5 |
| Bank overdrafts | 50.8 | 6.0 |
| Gross debt | 2,545.8 | 3,082.4 |

The table below shows the change in cash and cash equivalents and net debt:

| <i>(€ millions)</i> | June 30, 2017 | Dec. 31, 2016 |
|--|----------------------|----------------------|
| Marketable securities | 10.8 | 668.7 |
| Cash at bank and on hand | 274.1 | 425.4 |
| Cash and cash equivalents | 284.8 | 1,094.1 |
| Gross debt | 2,545.8 | 3,082.4 |
| Net debt | 2,261.0 | 1,988.3 |
| Currency hedging instruments (as per bank covenants) | 9.6 | 8.1 |
| Adjusted net debt | 2,270.6 | 1,996.4 |

Adjusted net financial debt (net financial debt after currency hedging instruments as defined in the calculation of bank covenants) amounted to €2,270.6 million as of June 30, 2017, compared to €1,996.4 million as of December 31, 2016.

The Group's cash on hand comprises more than 79% of the cash and equivalents located in nearly 67 countries where the establishment of loans or current accounts is difficult or impossible (for example in Brazil, South Korea and India). In these countries, cash is repatriated when dividends are paid or when amounts due under the Group's internal franchise agreements are settled.

Bank covenants

The majority of the Group's financings, the main exceptions being the bond issues and the commercial paper program, require compliance with a number of commitments and the following financial covenants:

- The first covenant is defined as the ratio of adjusted consolidated net debt, divided by consolidated EBITDA (earnings before interest, tax, amortization and provisions), adjusted for any acquisitions over the past 12 months. The ratio must be below 3.25. At June 30, 2017, it stood at 2.51;
- The second covenant represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the past 12 months, divided by the Group's net interest expense. The ratio must be greater than 5.5. At June 30, 2017, it stood at 9.61.

At June 30, 2017, the Group was in compliance with all commitments and financial ratios.

Main terms and conditions of financing

2008 US Private Placement

On July 16, 2008, the Group put in place a private placement in the United States (2008 USPP) for USD 266.0 million and GBP 63.0 million. The terms and conditions of this financing are as follows:

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|-----------|---------------------------|-----------|-------------|----------|
| July 2018 | 162.0 | GBP & USD | At maturity | Fixed |
| July 2020 | 142.7 | GBP & USD | At maturity | Fixed |

This issue was carried out in the form of four senior notes redeemable at maturity. The 2008 Private Placement has been fully drawn down.

2010 US Private Placement

The terms and conditions of this financing (2010 USPP) are as follows:

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|-----------|---------------------------|----------|-------------|----------|
| July 2019 | 184.1 | EUR | At maturity | Fixed |

As of June 30, 2017, the 2010 US Private Placement was fully drawn down for a total of €184.1 million.

2011 & 2014 US Private Placement

In 2011, the Group set up an unconfirmed, multi-currency USD 200 million facility with an investor.

The Group confirmed it had drawn down USD 100 million of this facility in 2011 with a ten-year term and USD 100 million in May 2014 with an eight-year term.

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|--------------|---------------------------|----------|-------------|----------|
| October 2021 | 87.6 | USD | At maturity | Fixed |
| May 2022 | 87.7 | USD | At maturity | Floating |

At June 30, 2017, the facility was fully drawn down in US dollars.

2013 & 2014 US Private Placement

In October 2013, the Group set up an unconfirmed, multi-currency facility of USD 150 million with an investor, available for three years.

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|----------------|---------------------------|----------|-------------|----------|
| September 2020 | 65.7 | USD | At maturity | Floating |
| July 2022 | 21.9 | USD | At maturity | Floating |
| July 2022 | 43.8 | USD | At maturity | Fixed |

At June 30, 2017, the facility was fully drawn down in US dollars.

Schuldschein notes (SSD)

In 2011 and 2012, the Group introduced Schuldschein private placements in several tranches on the German market for a total amount of €193 million, repayable on maturity, with fixed-rate and floating-rate tranches maturing at different times. Some floating-rate tranches were redeemed in advance while others reached maturity. A total of €133 million has been redeemed since 2015. At June 30, 2017, the outstanding amount drawn down was €60 million.

A new private placement for €200 million was set up in July 2015, maturing at five and seven years.

The total amount outstanding under this facility represented €260 million at June 30, 2017. The margins of the SSD vary depending on the duration of the loans.

2014 & 2016 bond issues

The Group carried out three non-rated bond issues of €1,200 million with the following terms and conditions:

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|-----------------|-----------------------------------|-----------------|------------------|-----------------|
| January 2021 | 500.0 | EUR | At maturity | 3.125% |
| September 2023 | 500.0 | EUR | At maturity | 1.25% |
| September 2026 | 200.0 | EUR | At maturity | 2.0% |

The Group redeemed the 2012 bond issue of €500 million at maturity in May 2017.

Commercial paper

The Group put in place a commercial paper program to optimize its short-term cash management wherever possible and to limit its use of other financing. The maturity of commercial paper is less than one year. This program is capped at €450 million.

At June 30, 2017, the Group had not issued any commercial paper.

2012 Syndicated Loan

On July 27, 2012, the Group contracted a new five-year revolving syndicated loan (“2012 Syndicated Loan”) for €450 million. The loan agreement was amended in 2014 to extend the loan’s maturity to April 2019.

At June 30, 2017, the 2012 Syndicated Loan had not been drawn down.

2015 bank financing

The Group set up a USD 200 million bank financing facility for a term of four years.

| Maturity | Drawdowns (€ millions) | Currency | Repayment | Interest |
|-----------------|-----------------------------------|-----------------|------------------|-----------------|
| October 2019 | 175.3 | USD | At maturity | Floating |

At June 30, 2017, the 2015 bank financing carried by Bureau Veritas Holdings, Inc. was fully drawn down in US dollars.

Sources of financing anticipated for future investments

The Group estimates that its operations will be able to be fully funded by the cash generated from its operating activities.

In order to finance its external growth, at June 30, 2017, the Group had sources of funds provided by:

- available cash flows after taxes, financial expenses and dividends;
- its cash and cash equivalents;
- the €450 million available under the confirmed 2012 Syndicated Loan at June 30, 2017. The availability of this facility depends on the Group complying with a series of bank covenants.

1.5. MAIN RISKS AND UNCERTAINTIES FOR THE REMAINING SIX MONTHS OF THE FINANCIAL YEAR

Readers are invited to refer to the 2016 Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 24, 2017 under number D.17-0225 (section 1.11 – Risk factors), which includes information about risk factors, the insurance and coverage of risks and the method used to set aside provisions for risks and legal disputes.

A detailed description of the financial and market risks for this six-month period is provided in Note 20 to the condensed half-year consolidated financial statements, presented in Chapter 2 of this 2017 half-year financial report.

With the exception of these points, the Group is not aware of any other material risks or uncertainties than those presented in this document.

Legal, administrative, government and arbitration procedures and investigations

In the normal course of business, the Group is involved in a large number of legal proceedings seeking to establish its professional liability in connection with services provided. Although the Group takes care to manage risks and ensure the quality of the services it provides, some services may give rise to claims and result in adverse financial penalties.

Provisions may be set aside to cover expenses resulting from such proceedings. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, updated as of the closing date. The costs which the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the disputes.

At the date of this report, the Group is involved in the main proceedings described below.

DISPUTE CONCERNING THE CONSTRUCTION OF A HOTEL AND COMMERCIAL COMPLEX IN TURKEY

Bureau Veritas Gozetim Hizmetleri Ltd Sirketi (“BVG”) and the Turkish company Aymet are parties to a dispute before the Commercial Court of Ankara relating to the construction of a hotel and business complex in respect of which the parties entered into a contract for project inspection and supervision in 2003. In 2004, construction on the project was halted following the withdrawal of funding for the project by Aareal Bank. Aymet filed an action against BVG in 2008, claiming damages for alleged failures in the performance of its duties and BVG’s responsibility in the withdrawal of the project’s financing.

Regarding procedural issues, the experts appointed by the judge filed two reports in 2009 that were very unfavorable to BVG. In 2014, a new panel of experts filed two further reports that were even more unfavorable to BVG. These various expert reports rely on a report prepared in February 2009 by the firm Standard Ünlü at the request of Aymet, which made assumptions that were unrealistic but supportive of Aymet for the calculation of the possible damages relating to loss of operation of the hotel and shopping complex. The Group considers that these expert reports did not take into account the evidence provided by BVG and Aareal Bank nor did they address the legal and contractual issues that might establish any liability on BVG’s part.

The court appointed a new team of experts in late 2015 to examine all aspects of the case. Their report, filed on December 16, 2015, considers that BVG fulfilled its contractual obligations and that Aymet’s claims are unfounded. Accordingly, the experts state that Aymet should reimburse BVG for the residual amount owed for its services.

Following the parties’ observations, the judge requested that the experts write an additional report. Three of the five experts have since removed themselves from the case and were replaced in February 2017. Nevertheless, on March 15, 2017, the new experts filed a report unfavorable to BVG, confirming the 2014 reports and increasing Aymet’s calculation of alleged damages. In light of the troubling circumstances that led to this most recent report, BVG initiated criminal and disciplinary proceedings which the Court brought before the public prosecutor. The next hearing is set for September 20, 2017.

Regarding the merits of the case, the documents presented to the court by BVG and Aareal Bank, which was also summoned to proceedings by Aymet, along with legal opinions provided by several distinguished professors of Turkish law, support the Group’s position according to which Aymet’s claims are without firm legal or contractual foundation. Under local law, Aymet’s claim is now capped at 87.4 million Turkish lira

(less than €25 million at the current exchange rate), plus interest charged at the statutory rate and court costs. BVG challenges both the principle of the initial claim and the assessment of the damage.

At the current stage of proceedings, the outcome of this dispute is uncertain. Based on the available insurance coverage, the provisions booked by the Group and the information currently available, and after considering the opinions of its legal counsel, the Company does not expect this claim to have a material adverse impact on the Group's consolidated financial statements.

DISPUTE CONCERNING THE GABON EXPRESS AIRPLANE CRASH

Following the crash of an airplane of Gabon Express at Libreville on June 8, 2004 causing the death of 19 passengers and crew members and injuries to 11 persons, the General Director of the subsidiary Bureau Veritas Gabon SAU ("BV Gabon") at that time was sued for involuntary homicide and injury. BV Gabon was sued for civil liability in Gabon.

At the date of this report, no quantified claim has been filed in a court of law and the assignment of liability is not yet known. The main proceedings have not yet begun. The application for withdrawal of the judgment of June 18, 2013 filed by BV Gabon in September 2013 was dismissed in February 2015 by a decision of the Court of Cassation in Libreville. To date, the evidence has not been referred back to the Criminal Court to set a hearing on the merits. BV Gabon had summonses delivered directly to the foreign brokers and insurance company who had illegally invested the policy covering the aircraft in order to include them as party in the proceedings.

Based on the available insurance coverage and on the information currently available, and after considering the opinion of its legal counsel, the Company does not expect this claim to have a material adverse impact on the Group's consolidated financial statements.

DISPUTE CONCERNING TECHNICAL INSPECTOR ACCREDITATION IN FRANCE

Proceedings were brought before the Cergy-Pontoise Administrative Court by Fédération CINOV, an association of trade unions in the intellectual property, consulting, engineering and digital sectors, seeking annulment of the November 2, 2016 ruling in which the Ministry for the Environment, Energy and the Sea, responsible for international relations focused on climate issues (now known as the Ministry for Ecological and Solidary Transition) and the Ministry for Housing and Sustainable Habitat (now known as the Ministry for Regional Cohesion) (hereafter "the Ministries") awarded Company subsidiary Bureau Veritas Construction SAS accreditation as a technical inspector for a period of three years as from the date of the accreditation decision.

Bureau Veritas Construction SAS, the receiving party of the disputed ruling, resolved to join the defense proceedings in support of the findings to be presented by the Ministries concerned.

After considering the opinion of its legal counsel, the Group believes that the arguments put forward by Fédération CINOV are unfounded and that the Ministries are likely to be able to assert their position in the courts. Although the consequences and/or costs of this claim cannot be predicted with any certainty, the Group does not expect the claim to have a material impact on its financial position or profitability. Consequently, no provision has been accrued in this respect in the consolidated financial statements.

TAX DISPUTES

Bureau Veritas SA received a tax adjustment proposal from the French tax authorities for fiscal years 2010 to 2014. Within the scope of the adversarial proceedings, the Company presented the arguments allowing it to defend its position. Following the tax authorities' approval, the Company is only exposed to a residual risk in respect of this dispute which was provisioned as indicated in section 1.11.3 – Risks related to taxation in the 2016 Registration Document.

There are no other government, administrative, legal, or arbitration proceedings or investigations (including any proceedings of which the Company is aware, pending, or with which the Group is threatened), likely to have or to have had a material impact on the financial position or profitability of the Group within the last six months.

1.6. RELATED-PARTY TRANSACTIONS

Readers are invited to refer to Note 21 – Related-party transactions presented in Chapter 2 of this 2017 half-year financial report.

1.7. OUTLOOK

2017 OUTLOOK CONFIRMED

The global macroeconomic environment is likely to remain volatile in 2017, with persistent weakness in the oil & gas and shipping markets. Thanks to its diversified portfolio and the ramp-up of its growth initiatives, the Group still anticipates slightly positive organic revenue growth, with acceleration in the second-half confirmed.

The Group confirms its outlook of an adjusted operating margin of around 16%. Cash flow is expected to improve compared to 2016.

1.8. EVENTS AFTER THE END OF THE REPORTING PERIOD

1.8.1. FINANCING

The Group has an ongoing refinancing transaction for a total amount of USD 355 million at a fixed rate. This transaction on the private US market would extend the debt maturity date by ten years for an amount of USD 155 million with effect from 2018 for Bureau Veritas SA, and for an amount of USD 200 million with effect from 2017 for Bureau Veritas Holdings, Inc.

2. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2017

2.1. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Half-year consolidated income statement

| (€ millions, except per share data) | Notes | First-half 2017 | First-half 2016 |
|---|-------|-----------------|-----------------|
| Revenue | 6 | 2,360.1 | 2,221.4 |
| Purchases and external charges | 7 | (690.4) | (640.3) |
| Personnel costs | 7 | (1,244.8) | (1,162.4) |
| Taxes other than on income | | (23.9) | (24.7) |
| Net additions to provisions | 7 | (11.7) | (12.5) |
| Depreciation and amortization | | (107.9) | (92.0) |
| Other operating income and expense, net | 7 | 4.8 | 14.0 |
| Operating profit | 6 | 286.2 | 303.5 |
| Share of profit of equity-accounted companies | | 0.5 | 0.4 |
| Operating profit after share of profit of equity-accounted companies | | 286.7 | 303.9 |
| Income from cash and cash equivalents | | 1.1 | 1.2 |
| Finance costs, gross | | (47.8) | (43.5) |
| Finance costs, net | | (46.7) | (42.3) |
| Other financial income and expense, net | | (14.0) | (1.1) |
| Net financial expense | | (60.7) | (43.4) |
| Profit before income tax | | 226.0 | 260.5 |
| Income tax expense | 8 | (80.0) | (93.6) |
| Net profit of continued operations | | 146.0 | 166.9 |
| Non-controlling interests | | 10.1 | 7.3 |
| Net loss of discontinued operations | | (5.7) | - |
| NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY | | 130.2 | 159.6 |
| Earnings per share (€): | | | |
| Basic earnings per share | 18 | 0.30 | 0.37 |
| Diluted earnings per share | 18 | 0.30 | 0.36 |

The notes on pages 25 to 57 are an integral part of the condensed consolidated financial statements.

Half-year consolidated statement of comprehensive income

| (€ millions) | Notes | First-half 2017 | First-half 2016 |
|--|-------|-----------------|-----------------|
| Net profit | | 140.3 | 166.9 |
| Other comprehensive income | | | |
| Items to be reclassified to profit or loss | | | |
| Currency translation differences (1) | | (141.0) | (1.0) |
| Cash flow hedges (2) | | - | (0.4) |
| Tax effect on items to be reclassified to profit or loss (4) | 8 | - | 0.2 |
| Total items to be reclassified to profit or loss | | (141.0) | (1.2) |
| Items not to be reclassified to profit or loss | | | |
| Actuarial gains/(losses) (3) | | 1.4 | (14.1) |
| Tax effect on items not to be reclassified to profit (4) | 8 | (0.5) | 4.8 |
| Total items not to be reclassified to profit or loss | | 0.9 | (9.3) |
| Total other comprehensive income/(expense), after tax | | (140.1) | (10.5) |
| TOTAL COMPREHENSIVE INCOME | | 0.2 | 156.4 |
| <i>Attributable to:</i> | | | |
| owners of the Company | | (7.0) | 149.3 |
| non-controlling interests | | 7.2 | 7.1 |

(1) Currency translation differences: this item includes exchange differences arising on the conversion of the financial statements of foreign subsidiaries into euros.

The differences result mainly from fluctuations during the period in the Hong Kong dollar (losses of €19.3 million), Singapore dollar (losses of €15.1 million), Chinese yuan (losses of €14.2 million), US dollar (losses of €13.9 million) and Brazilian real (losses of €13.9 million).

(2) The change in cash flow hedges results from changes in the fair value of derivative financial instruments eligible for hedge accounting.

(3) Actuarial gains and losses: the Group recognizes actuarial gains and losses arising on the measurement of pension plans and other long-term employee benefits in equity. These actuarial differences reflect the impact of experience adjustments and changes in valuation assumptions (discount rate, salary inflation rate and rate of increase in pensions) regarding the Group's obligations in respect of defined benefit plans.

(4) The tax effect is detailed in Note 8 – Income tax expense.

The notes on pages 25 to 57 are an integral part of the condensed consolidated financial statements.

Half-year consolidated statement of financial position

| (€ millions) | Notes | June 30, 2017 | Dec. 31, 2016 |
|---|-------|----------------|----------------|
| Goodwill | 9 | 1,924.0 | 1,977.6 |
| Intangible assets | | 663.8 | 686.8 |
| Property, plant and equipment | | 484.9 | 518.6 |
| Investments in equity-accounted companies | | 5.1 | 5.0 |
| Deferred income tax assets | | 152.6 | 142.9 |
| Investments in non-consolidated companies | | 1.2 | 1.3 |
| Derivative financial instruments | | - | - |
| Other non-current financial assets | | 104.1 | 69.2 |
| Total non-current assets | | 3,335.7 | 3,401.4 |
| Trade and other receivables | | 1,576.2 | 1,496.1 |
| Current income tax assets | | 60.9 | 48.9 |
| Current financial assets | | 39.0 | 51.0 |
| Derivative financial instruments | | 3.9 | 3.7 |
| Cash and cash equivalents | | 284.8 | 1,094.1 |
| Total current assets | | 1,964.8 | 2,693.8 |
| Assets held for sale | | 6.6 | - |
| TOTAL ASSETS | | 5,307.1 | 6,095.2 |
| Share capital | | 54.1 | 53.0 |
| Retained earnings and other reserves | | 887.6 | 1,144.4 |
| Equity attributable to owners of the Company | | 941.7 | 1,197.4 |
| Non-controlling interests | | 46.1 | 45.6 |
| Total equity | | 987.8 | 1,243.0 |
| Non-current borrowings and financial debt | 14 | 2,430.5 | 2,492.9 |
| Derivative financial instruments | | 9.7 | 8.1 |
| Other non-current financial liabilities | | 70.7 | 74.8 |
| Deferred income tax liabilities | | 169.4 | 164.8 |
| Pension plans and other long-term employee benefits | | 177.2 | 178.3 |
| Provisions for liabilities and charges | 16 | 122.1 | 121.6 |
| Total non-current liabilities | | 2,979.6 | 3,040.5 |
| Trade and other payables | | 1,002.5 | 1,041.5 |
| Current income tax liabilities | | 69.3 | 66.4 |
| Current borrowings and financial debt | 14 | 115.3 | 589.5 |
| Derivative financial instruments | | 6.2 | 8.0 |
| Other current financial liabilities | | 140.9 | 106.3 |
| Total current liabilities | | 1,334.2 | 1,811.7 |
| Liabilities held for sale | 11 | 5.5 | - |
| TOTAL EQUITY AND LIABILITIES | | 5,307.1 | 6,095.2 |

The notes on pages 25 to 57 are an integral part of the condensed consolidated financial statements.

Half-year consolidated statement of changes in equity

| (€ millions) | Share capital | Share premium | Currency translation reserves | Other reserves | Total equity | Attributable to owners of the Company | Attributable to non-controlling interests |
|---|---------------|---------------|-------------------------------|----------------|----------------|---------------------------------------|---|
| December 31, 2015 | 53.0 | 43.9 | (70.3) | 1,098.3 | 1,124.9 | 1,095.3 | 29.6 |
| Exercise of stock options | - | 1.4 | - | - | 1.4 | 1.4 | - |
| Fair value of stock options | - | - | - | 16.1 | 16.1 | 16.1 | - |
| Dividends paid | - | - | - | (225.2) | (225.2) | (222.8) | (2.4) |
| Treasury share transactions | - | - | - | (19.6) | (19.6) | (19.6) | - |
| Additions to the scope of consolidation | - | - | - | 14.5 | 14.5 | - | 14.5 |
| Other movements (1) | - | - | - | (25.4) | (25.4) | (21.1) | (4.3) |
| Total transactions with owners | - | 1.4 | - | (239.6) | (238.2) | (246.0) | 7.8 |
| Net profit | - | - | - | 166.9 | 166.9 | 159.6 | 7.3 |
| Other comprehensive income | - | - | (1.0) | (9.5) | (10.5) | (10.3) | (0.2) |
| Total comprehensive income | - | - | (1.0) | 157.4 | 156.4 | 149.3 | 7.1 |
| June 30, 2016 | 53.0 | 45.3 | (71.3) | 1,016.1 | 1,043.1 | 998.6 | 44.5 |
| December 31, 2016 | 53.0 | 42.3 | (17.1) | 1,164.8 | 1,243.0 | 1,197.4 | 45.6 |
| Exercise of stock options | - | 3.1 | - | - | 3.1 | 3.1 | - |
| Fair value of stock options | - | - | - | 10.2 | 10.2 | 10.2 | - |
| Dividends paid | - | - | - | (245.4) | (245.4) | (239.8) | (5.6) |
| Treasury share transactions | - | - | - | (14.2) | (14.2) | (14.2) | - |
| Additions to the scope of consolidation | - | - | - | 6.1 | 6.1 | - | 6.1 |
| Other movements (1) | - | - | - | (15.2) | (15.2) | (8.0) | (7.2) |
| Total transactions with owners | - | 3.1 | - | (258.5) | (255.4) | (248.7) | (6.7) |
| Net profit | - | - | - | 140.3 | 140.3 | 130.2 | 10.1 |
| Other comprehensive income | - | - | (141.0) | 0.9 | (140.1) | (137.2) | (2.9) |
| Total comprehensive income | - | - | (141.0) | 141.2 | 0.2 | (7.0) | 7.2 |
| June 30, 2017 | 53.0 | 45.4 | (158.1) | 1,047.5 | 987.8 | 941.7 | 46.1 |

(1) The "Other movements" line mainly relates to:

- transfers of reserves between the portion attributable to owners of the Company and the portion attributable to non-controlling interests;
- changes in the fair value of put options on non-controlling interests.

The notes on pages 25 to 57 are an integral part of the condensed consolidated financial statements.

Half-year consolidated statement of cash flows

| (€ millions) | Notes | First-half 2017 | First-half 2016 |
|--|-------|-----------------|-----------------|
| Profit before income tax | | 226.0 | 260.5 |
| Elimination of cash flows from financing and investing activities | | 78.5 | 51.1 |
| Provisions and other non-cash items | | (16.8) | 6.2 |
| Depreciation, amortization and impairment | | 107.9 | 90.8 |
| Movements in working capital attributable to operations | 17 | (144.8) | (145.0) |
| Income tax paid | | (100.9) | (102.4) |
| Net cash generated from operating activities | | 149.9 | 161.2 |
| Acquisitions of subsidiaries | 10 | (75.6) | (134.6) |
| Purchases of property, plant and equipment and intangible assets | | (60.0) | (66.8) |
| Proceeds from sales of property, plant and equipment and intangible assets | | 1.8 | 9.5 |
| Purchases of non-current financial assets | | (16.1) | (5.5) |
| Proceeds from sales of non-current financial assets | | 5.4 | 6.7 |
| Change in loans and advances granted | | 6.6 | 7.2 |
| Dividends received from equity-accounted companies | | 0.5 | |
| Net cash used in investing activities | | (137.4) | (183.5) |
| Capital increase | 12 | 1.1 | 0.8 |
| Purchases/sales of treasury shares | | (16.7) | (20.3) |
| Dividends paid | | (254.4) | (234.6) |
| Increase in borrowings and other financial debt | | 77.7 | 42.9 |
| Repayment of borrowings and other financial debt | | (612.2) | (13.8) |
| Repayment of amounts owed to shareholders | | (0.8) | (1.0) |
| Interest paid | | (63.3) | (60.2) |
| Net cash used in financing activities | | (868.6) | (286.0) |
| Impact of currency translation differences | | 2.1 | (4.9) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | | (854.0) | (313.2) |
| Net cash and cash equivalents at beginning of period | | 1,088.0 | 510.8 |
| NET CASH AND CASH EQUIVALENTS AT END OF PERIOD | | 234.0 | 197.6 |
| Of which cash and cash equivalents | | 284.8 | 212.7 |
| Of which bank overdrafts | 14 | (50.8) | (15.1) |

The notes on pages 25 to 57 are an integral part of the condensed consolidated financial statements.

2.2. NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Note 1: General information

Since it was formed in 1828, Bureau Veritas has developed recognized expertise for helping its clients to comply with standards and/or regulations on quality, health and safety, security, the environment and social responsibility. The Group specializes in inspecting, testing, auditing and certifying the products, assets and management systems of its clients in relation to regulatory or self-imposed standards, and subsequently issues compliance reports.

Bureau Veritas SA (“the Company”) and all of its subsidiaries make up the Bureau Veritas Group (“Bureau Veritas” or “the Group”).

Bureau Veritas SA is a joint stock company (*société anonyme*) incorporated and domiciled in France. The address of its registered office is Immeuble Newtime, 40/52 Boulevard du Parc, 92200 Neuilly-sur-Seine, France.

At June 30, 2017, Wendel held 40.05% of the capital of Bureau Veritas and 56.12% of its voting rights.

These condensed half-year consolidated financial statements were adopted on July 27, 2017 by the Board of Directors.

Note 2: First-half 2017 highlights

Acquisitions

The Group’s main acquisitions during the first half of 2017 were the following:

- Shanghai Project Management, a Chinese company specializing in construction project supervision;
- Siemic, Inc., a US-based testing and certification body for electrical and electronic equipment;
- Schutter Groep BV, a company specialized in testing and inspection services, certification, and logistics support for global agri-commodity markets;
- California Code Check, Inc., a US-based company specialized in construction code compliance and building safety.

Further details of these acquisitions, along with their impacts on the half-year financial statements, are detailed in Note 10 – Acquisitions and disposals.

Dividend payout

On May 22, 2017, the Group paid out dividends on eligible shares totaling €239.8 million in respect of 2016.

Note 3: Summary of significant accounting policies

Basis of preparation

The 2017 condensed half-year consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union. They should be read in conjunction with the annual financial statements for the year ended December 31, 2016, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

IFRS developments

At June 30, 2017, the Group has not early adopted any standards, amendments or interpretations published by the IASB and adopted by the European Union.

Regarding IFRS 15, Revenue from Contracts with Customers, the Group is in the process of assessing the standard's impact on the principles for recognizing revenue under its main types of contracts in each of its six business sectors, particularly in terms of the timing of revenue recognition:

- Revenue under short-term contracts, which is currently recognized on completion of the contract, will be deferred until the issuance of a report for contracts that do not grant an enforceable right to payment in respect of performance completed at the reporting date;
- Revenue under other contracts, notably in the Marine & Offshore, Construction and Industry businesses, is expected to be recognized on a percentage-of-completion basis in most cases.

Preparation of half-year financial statements

Applicable accounting policies

The accounting policies applied are consistent with those applied in preparing the annual financial statements for the year ended December 31, 2016, except as regards income tax expense and expenses relating to pension plans and other long-term employee benefits which are described below.

Use of estimates

The preparation of financial statements in compliance with IFRS requires the use of certain key accounting estimates. It also requires management to exercise its judgment when applying the Group's accounting policies.

In preparing the half-year financial statements, estimates and assumptions were used for the same items as those indicated in the annual consolidated financial statements for the year ended December 31, 2016, except as regards income tax expense and expenses relating to pension plans and other long-term employee benefits, for which the following estimation methods were applied:

- Income tax expense:

Income tax expense for H1 2017 was determined by projecting over the full year the weighted average tax rate expected in each country, based on estimated taxable profit for the period.

- Pension plans and other long-term employee benefits:

As there were no material changes, the expense recognized in the income statement for the six months ended June 30, 2017 was estimated based on the 2017 projections set out in actuarial reports dated December 31, 2016. The provision is adjusted in the event of a material change in the discount rate, based on the rate published at June 30, 2017.

Note 4: Financial indicators not defined by IFRS

In its external reporting, the Group uses several financial indicators not defined by IFRS.

These are described below:

Adjusted operating profit represents the Group's operating profit before income and expenses relating to business combinations and other non-recurring items.

When an acquisition is carried out during the financial year, the amortization of the related intangible assets is calculated on a time proportion basis.

Since a measurement period of 12 months is allowed for determining the fair value of acquired assets and liabilities, amortization of intangible assets in the year of acquisition may, in some cases, be based on a temporary measurement and be subject to minor adjustments in the subsequent reporting period, once the definitive value of the intangible assets is known.

| (€ millions) | First-half 2017 | First-half 2016 |
|---|-----------------|-----------------|
| Operating profit | 286.2 | 303.5 |
| Amortization of intangible assets resulting from acquisitions | 40.1 | 32.0 |
| Restructuring costs | 31.4 | 11.5 |
| Gains on disposals of businesses and other income and expenses relating to acquisitions | 1.7 | 3.5 |
| ADJUSTED OPERATING PROFIT | 359.4 | 350.5 |

Adjusted attributable net profit is defined as net profit attributable to owners of the Company adjusted for income and expenses relating to acquisitions and other non-recurring items (net of tax) as well as for net profit of discontinued operations.

| (€ millions) | First-half 2017 | First-half 2016 |
|--|-----------------|-----------------|
| Attributable net profit | 130.2 | 159.6 |
| Income and expenses relating to acquisitions and other non-recurring items | 73.2 | 47.0 |
| Net profit of discontinued operations | 5.7 | - |
| Tax impact | (21.5) | (12.7) |
| ADJUSTED ATTRIBUTABLE NET PROFIT | 187.6 | 193.9 |

Free cash flow relates to net cash generated on operations adjusted for net purchases of property, plant and equipment, intangible assets and interest paid.

| (€ millions) | First-half 2017 | First-half 2016 |
|--|-----------------|-----------------|
| Net cash generated from operating activities | 149.9 | 161.2 |
| Purchases of property, plant and equipment and intangible assets | (60.0) | (66.8) |
| Proceeds from sales of property, plant and equipment and intangible assets | 1.8 | 9.5 |
| Interest paid | (63.3) | (60.2) |
| FREE CASH FLOW | 28.4 | 43.7 |

Adjusted net debt is defined in Note 14 – Borrowings and debt.

Note 5: Seasonal fluctuations

Revenue, operating profit and cash flows are sensitive to seasonal fluctuations, with the Group typically recording a stronger performance in the second half of the year.

Seasonal fluctuations in revenue and operating profit essentially concern the Consumer Products, Building & Infrastructure and Certification businesses. In the Consumer Products business, seasonality arises from the fact that end consumers tend to concentrate the bulk of their purchases in the closing stages of the calendar year. For Building & Infrastructure and Certification businesses, this phenomenon results from clients' wish to obtain certification before the end of the fiscal and corporate year (typically December 31). Profit is more sensitive to seasonal fluctuations than revenue, due to a lower absorption of fixed costs in the first half of the year.

Cash flows are affected by:

- the seasonal fluctuations in operating profit described above;
- strong cyclical trends in working capital requirement, as the following three types of expenses are incurred only in the first few months of the year:
 - insurance premiums,
 - bonuses and profit-sharing payments, along with the related payroll charges (payable in March),
 - income tax balances in respect of the previous financial period (payable during the first six months of the year, at a date which varies according to the country concerned).

Note 6: Segment information

The following table provides a breakdown of revenue and operating profit by business segment:

| (€ millions) | Revenue | | Operating profit | |
|---------------------------|-----------------|-----------------|------------------|-----------------|
| | First-half 2017 | First-half 2016 | First-half 2017 | First-half 2016 |
| Marine & Offshore | 190.8 | 203.7 | 40.6 | 51.0 |
| Agri-Food & Commodities | 541.0 | 485.4 | 29.0 | 41.6 |
| Industry | 559.6 | 551.7 | 52.8 | 54.4 |
| Building & Infrastructure | 547.5 | 504.0 | 58.9 | 58.1 |
| Certification | 188.8 | 172.5 | 32.2 | 27.8 |
| Consumer Products | 332.4 | 304.1 | 72.7 | 70.6 |
| TOTAL | 2,360.1 | 2,221.4 | 286.2 | 303.5 |

Note 7: Operating income and expense

| (€ millions) | First-half 2017 | First-half 2016 |
|---|------------------|------------------|
| Supplies | (47.2) | (40.8) |
| Operational subcontracting | (191.1) | (183.5) |
| Lease payments | (77.2) | (71.5) |
| Transport and travel costs | (203.1) | (187.5) |
| Service costs rebilled to clients | 40.4 | 44.0 |
| Other external services | (212.2) | (201.0) |
| Total purchases and external charges | (690.4) | (640.3) |
| Salaries and bonuses | (977.0) | (909.4) |
| Payroll taxes | (222.3) | (205.7) |
| Other employee-related expenses | (45.5) | (47.3) |
| Total personnel costs | (1,244.8) | (1,162.4) |
| Provisions for receivables | (7.5) | (13.3) |
| Provisions for liabilities and charges | (4.2) | 0.8 |
| Total additions to provisions | (11.7) | (12.5) |
| Gains on disposals of property, plant and equipment and intangible assets | (0.4) | 2.0 |
| Other operating income and expense | 5.2 | 12.0 |
| TOTAL OTHER OPERATING INCOME AND EXPENSE, NET | 4.8 | 14.0 |

Note 8: Income tax expense

Impact tax expense on consolidated earnings stood at €80 million in H1 2017, compared with €93.6 million in H1 2016. The effective tax rate (ETR), corresponding to income tax expense divided by pre-tax profit, was 35.4% in H1 2017 versus 35.9% in H1 2016.

The effective tax rate adjusted for non-recurring items was 33.9%, down 0.7 basis points on H1 2016. The decrease is mainly attributable to the utilization of previous tax losses, which were offset against the amount of tax due for the period.

As at December 31, 2016, deferred tax assets and liabilities were offset at the level of each tax consolidation group in the period.

Deferred taxes before offsetting at the level of taxable entities mainly relate to pension obligations, tax loss carryforwards, customer relationships and non-competition agreements acquired within the scope of business combinations, as well as provisions for disputes and accrued charges and fair value adjustments on financial instruments.

The breakdown of the tax effect on other comprehensive income is as follows:

| (€ millions) | First-half 2017 | | | First-half 2016 | | |
|---|-----------------|--------------|----------------|-----------------|------------|---------------|
| | Before tax | Tax | After tax | Before tax | Tax | After tax |
| Currency translation differences | (141.0) | | (141.0) | (1.0) | - | (1.0) |
| Actuarial gains/(losses) | 1.4 | (0.5) | 0.9 | (14.1) | 4.8 | (9.3) |
| Cash flow hedges | - | - | - | (0.4) | 0.2 | (0.2) |
| TOTAL OTHER COMPREHENSIVE INCOME/(EXPENSE) | (139.6) | (0.5) | (140.1) | (15.5) | 5.0 | (10.5) |

Note 9: Goodwill

Changes in goodwill in first-half 2017

| (€ millions) | First-half 2017 | First-half 2016 |
|---|-----------------|-----------------|
| Gross value | 2,128.0 | 1,949.1 |
| Accumulated impairment | (150.4) | (148.7) |
| Net goodwill at January 1 | 1,977.6 | 1,800.4 |
| Acquisitions of consolidated businesses during the period | 51.0 | 85.8 |
| Currency translation differences and other movements | (104.6) | (2.8) |
| Net goodwill at June 30 | 1,924.0 | 1,883.4 |
| Gross value | 2,072.9 | 2,031.9 |
| Accumulated impairment | (148.9) | (148.5) |
| NET GOODWILL AT JUNE 30 | 1,924.0 | 1,883.4 |

Changes

The four acquisitions made during first-half 2017 resulted in an increase in goodwill of €51 million. The main sources of goodwill were the acquisitions of Shanghai Project Management in China and Siemic in the United States, which respectively contributed €19.6 million and €17.3 million. These amounts were allocated to the Construction CGU group and the Consumer Goods CGU.

Methodology

The net carrying amount of goodwill is assessed at least yearly as part of the annual accounts closing process and tested for impairment. In order to do so, goodwill is allocated to cash-generating units (CGUs) or groups of cash-generating units.

At the beginning of 2017, Bureau Veritas changed the segment reporting for its results to reflect its business approach, focused primarily on end markets.

The “Commodities” business was renamed “Agri-Food and Commodities” and now includes the Group’s agri-food activities.

The Government Services & International Trade (GSIT) business was allocated to the Agri-Food and Commodities business, with the exception of Automotive which was allocated to the “Industry” business.

A large majority of Inspection and In-Service Verification (ISV) businesses were allocated to the “Building & Infrastructure” business, while the remainder were allocated to the “Industry” business.

The organization of the CGUs was not revised at June 30, 2017 to take account of any changes resulting from the above-described change. The Group is currently considering the organization of the CGUs in view of said change and changes will probably be made at the end of the year.

Analyses were performed on the basis of the current organization of the CGUs taking into account earnings for the year ended December 31, 2016 and the performance of the businesses during the first six months of 2017.

Only the Agri-Food and Commodities CGU group was subject to a detailed test, using the same methods as those used in full-year 2016. Future cash flows were revised to take into account the latest available earnings forecasts and any changes in estimates over the mid- to long-term.

The methodology used at June 30, 2017 was similar to that adopted for the year ended December 31, 2016. There are two key inputs to the calculation:

- growth assumptions: the perpetual growth rate used for the test is similar to that used in the year ended December 31, 2016 and stood at 2%;
- discount rate: value in use is determined based on estimated surplus future cash flows discounted at the weighted average cost of capital, which is determined by an independent expert. A discount rate of 8.3% was used for the Agri-Food and Commodities CGU group at June 30, 2017. The discount rate at December 31, 2016 was 8.2%.

Results of impairment tests

All analyses performed at June 30, 2017 confirm the value of goodwill on the Group’s statement of financial position.

The summary below presents the recoverable amount and carrying amount (including intangible assets resulting from acquisitions) of the business tested for impairment at June 30, 2017.

(€ millions)

| CGU group | | Recoverable amount | Carrying amount | Impairment |
|-------------------------|-------|---------------------------|------------------------|-------------------|
| Agri-Food & Commodities | World | 1,753 | 1,381 | Non applicable |

In general, for the group of CGUs tested, no reasonably possible change in the key assumptions for a single input at a given time could call into question the carrying amount of these assets.

Note 10: Acquisitions and disposals

Acquisitions during the period

Acquisitions of 100% interests

| Month | Company | Business | Country |
|----------|-----------------------------|----------------------|---------------|
| January | Siemic, Inc. | Electrical equipment | United States |
| February | Shanghai Project Management | Construction | China |
| March | Schutter Groep | Commodities | Netherlands |
| June | California Code Check, Inc. | Construction | United States |

The main acquisitions in first-half 2017 are detailed below:

- Shanghai Project Management, a Chinese company specializing in construction project supervision. Shanghai Project Management reported revenue of around €31.0 million in 2016.
- Siemic, Inc., a US-based testing and certification body for electrical and electronic equipment. With operations in California and Asia, the company has around 100 employees and reported estimated revenue of €9.5 million in 2016.
- Schutter Groep, a Dutch company operating in the food commodity industry. The company provides inspection, laboratory testing and risk management services, as well as supply chain quality audits and certification in the field of edible oils and fats, grains, animal feed and biofuels. Schutter Group has 600 employees across 11 countries and reported revenue of around €35 million in 2016.
- California Code Check, Inc., a US-based company specialized in third-party services such as plan reviews, verification of building permit compliance and municipal inspections. Its client base consists of some 30 cities and counties in California. The company has 31 employees and generated revenue of €3.7 million in 2016.

The table below was drawn up prior to completing the final purchase price accounting for companies acquired in the first six months of 2017:

| (€ millions) | First-half 2017 | | First-half 2016 | |
|--|------------------------|-------------------|------------------------|-------------------|
| PURCHASE PRICE OF ACQUISITIONS | | 85.4 | | 131.8 |
| Cost of assets and liabilities acquired/assumed | | 85.4 | | 131.8 |
| Assets and liabilities acquired/assumed | Carrying amount | Fair value | Carrying amount | Fair value |
| Non-current assets | 6.6 | 51.2 | 15.1 | 86.9 |
| Current assets (excluding cash and cash equivalents) | 70.1 | 70.1 | 64.8 | 64.8 |
| Current liabilities (excluding borrowings) | (76.9) | (76.7) | (72.3) | (77.1) |
| Non-current liabilities (excluding borrowings) | 0.3 | (14.0) | (1.6) | (21.1) |
| Borrowings | (0.3) | (0.3) | (2.9) | (2.9) |
| Non-controlling interests acquired | (6.1) | (6.1) | (14.5) | (14.5) |
| Cash and cash equivalents of acquired companies | 10.2 | 10.2 | 9.9 | 9.9 |
| Total assets and liabilities acquired/assumed | 3.9 | 34.4 | (1.5) | 46.0 |
| GOODWILL | | 51.0 | | 85.8 |

The residual unallocated goodwill is chiefly attributable to the human capital of the companies acquired and the significant synergies expected to result from these acquisitions.

The Group's acquisitions were paid exclusively in cash.

The impact of these acquisitions on cash and cash equivalents for the period was as follows:

| (€ millions) | First-half 2017 | First-half 2016 |
|--|--------------------|--------------------|
| Purchase price of acquisitions | (85.4) | (131.8) |
| Cash and cash equivalents of acquired companies | 10.2 | 9.9 |
| Purchase price outstanding at June 30 in respect of acquisitions in the period | 12.0 | 12.1 |
| Purchase price paid in relation to acquisitions in prior periods | (10.1) | (20.9) |
| IMPACT OF ACQUISITIONS ON CASH AND CASH EQUIVALENTS | (73.2) | (130.7) |

The negative amount of €75.6 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows includes negative €2.4 million in acquisition-related fees.

Unpaid contingent consideration

Contingent consideration for acquisitions carried out prior to January 1, 2017 expired during the first half of 2017. The unpaid contingent consideration had a positive €2.5 million impact on the income statement for first-half 2017, compared to a positive €0.4 million impact in first-half 2016.

Note 11: Discontinued operations

In early 2017, as part of its efforts to streamline the business portfolio of the Industry division, the Group decided to discontinue some of its non-destructive testing operations in Europe.

The assets of the discontinued operations were depreciated in full and remeasured at fair value. The fair value and estimated liquidation costs were recognized in "Net loss of discontinued operations" in the income statement in a negative amount of €3.4 million.

The assets and liabilities of held-for-sale operations were reclassified at their net carrying amount to dedicated items in the statement of financial position. As the net carrying amount of held-for-sale assets was less than the estimated sale price, no fair value adjustment was recognized.

The net loss for the period was booked in "Net loss of discontinued operations" in the income statement in a negative amount of €2.3 million.

The impact of discontinued operations on cash and cash equivalents for the period as well as on indicators in the consolidated statement of cash flows was not material.

Note 12: Share capital

Increase in share capital following exercise of stock options

Following the exercise of 330,000 stock options, the Group carried out a share capital increase which included a share premium of €3.1 million.

Share capital

The total number of shares comprising the share capital was 442,330,000 at June 30, 2017 and 442,000,000 at December 31, 2016. All shares have a par value of €0.12 and are fully paid up.

Treasury shares

At June 30, 2017, the Group held 5,983,143 of its own shares. The carrying amount of these shares was deducted from equity.

Note 13: Share-based payment

Stock purchase option plans

In first-half 2017, the Group recognized a net share-based payment expense of €7.8 million (first-half 2016: €10.2 million).

Description

Pursuant to a decision of the Board of Directors on June 21, 2017, the Group awarded 1,229,060 stock purchase options to certain employees and to the Executive Corporate Officer. The options granted may be exercised at a fixed price of €20.7.

Beneficiaries must have completed three years of service to be eligible for the stock purchase option plans. Eligibility for stock purchase options also depends on meeting a series of performance targets based on 2017 adjusted operating profit and on the adjusted operating profit/revenue ratio for 2018 and 2019. The stock purchase options are valid for ten years after the grant date.

Measurement

The average fair value of options granted during the period was €1.7 per option. Fair value was determined using the Black-Scholes option pricing model and the following key assumptions:

- expected share volatility: 17.0%;
- dividend yield: 2.7%;
- expected option life: 4 years;
- risk-free interest rate: negative 0.4%, determined by reference to the yield on government bonds over the estimated life of the option.

The number of shares that will vest under all plans was estimated using an attrition rate of 1% per year (June 30, 2016: 1%). The performance condition attached to the June 21, 2016 stock purchase option plan was based on 2016 adjusted operating profit. The attainment rate for the performance condition was

96.5%. The net share-based payment expense recognized by the Group for first-half 2017 was €0.7 million (first-half 2016: €1.6 million).

Performance share plans

Description

Pursuant to a decision of the Board of Directors on June 21, 2017, the Group awarded 1,207,820 performance shares to certain employees and to the Executive Corporate Officer. Beneficiaries must have completed three years of service to be eligible for the stock purchase option plans. Eligibility for stock purchase options also depends on meeting a series of performance targets based on 2017 adjusted operating profit and on the adjusted operating profit/revenue ratio for 2018 and 2019.

Measurement

The fair value of the shares awarded to certain employees and to the Executive Corporate Officer in first-half 2017 comes out at €18.9 per share. Fair value was determined using the Black-Scholes option pricing model and the following key assumptions:

- share price at the grant date;
- dividend yield: 2.7%.

The expense recognized by the Group in first-half 2017 in respect of performance share awards was €7.1 million (first-half 2016: €8.6 million). The number of shares that will vest under all plans awarded to certain employees and to the Executive Corporate Officer was estimated using an attrition rate of 5% per year, as in first-half 2016. The number of shares that will vest under the plan awarded to the Executive Corporate Officer was estimated using an attrition rate of 0% per year, as in first-half 2016. The performance condition attached to the June 21, 2016 performance share plan was based on adjusted operating profit for 2016. The attainment rate for the performance condition was 96.5%.

Note 14: Borrowings and debt

| (€ millions) | Total | Due within 1 year | Due between 1 and 2 years | Due between 3 and 5 years | Due beyond 5 years |
|--|----------------|----------------------|------------------------------|------------------------------|-----------------------|
| At June 30, 2017 | | | | | |
| Bank borrowings and debt (long-term portion) | 1,230.5 | | 222.1 | 667.4 | 341.0 |
| Bond issue | 1,200.0 | | | 500.0 | 700.0 |
| NON-CURRENT BORROWINGS AND FINANCIAL DEBT | 2,430.5 | - | 222.1 | 1,167.4 | 1,041.0 |
| Current bank borrowings and debt | 64.5 | 64.5 | | | |
| Bank overdrafts | 50.8 | 50.8 | | | |
| CURRENT BORROWINGS AND FINANCIAL DEBT | 115.3 | 115.3 | | | |
| At December 31, 2016 | | | | | |
| Bank borrowings and debt (long-term portion) | 1,292.9 | | 174.5 | 852.8 | 265.6 |
| Bond issue | 1,200.0 | | - | 500.0 | 700.0 |
| NON-CURRENT BORROWINGS AND DEBT | 2,492.9 | | 174.5 | 1,352.8 | 965.6 |
| Current bank borrowings and debt | 83.5 | 83.5 | | | |
| Bond issue | 500.0 | 500.0 | | | |
| Bank overdrafts | 6.0 | 6.0 | | | |
| CURRENT BORROWINGS AND DEBT | 589.5 | 589.5 | | | |

Gross debt decreased by €536.6 million between December 31, 2016 and June 30, 2017 to €2,545.8 million.

In the table above, interest takes into account the impact of hedging (currency derivatives).

At June 30, 2017, virtually all of the Group's gross debt related to the facilities described below:

Non-bank financing

Non-banking financing includes:

- the 2008, 2010, 2011 & 2014, 2013 & 2014 US Private Placements in a total amount of USD 616 million, €184.1 million and GBP 63 million;
- the different tranches of Schuldschein notes totaling €260 million;
- The bond issues launched in January 2014 and September 2016 for a total amount of €1.2 billion.

Bank financing

Bank financing included two facilities at June 30, 2017:

- a confirmed, undrawn 2012 Syndicated Loan for an amount of €450 million at June 30, 2017;
- a bank facility totaling USD 200 million and drawn in full at June 30, 2017;

Available financing

At June 30, 2017, the Group had a confirmed financing facility for a total amount of €450 million from the 2012 Syndicated Loan.

Bank covenants

At June 30, 2017, the same financial covenants were in force as at December 31, 2016. The Group complied with all such covenants at end-June 2017 and end-December 2016.

- The first covenant is defined as the ratio of adjusted consolidated net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the past 12 months. The ratio must be below 3.25. At June 30, 2017, it stood at 2.51.
- The second covenant represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the past 12 months, divided by the Group's net interest expense. The ratio must be greater than 5.5. At June 30, 2017, it stood at 9.61.

Breakdown by currency

Short-and long-term bank borrowings and debt can be analyzed as follows by currency:

| Currency (€ millions) | June 30, 2017 | Dec. 31, 2016 |
|-----------------------|----------------|----------------|
| US dollar (USD) | 716.6 | 775.3 |
| Euro (€) | 1,764.0 | 2,283.3 |
| Other currencies | 14.4 | 17.8 |
| TOTAL | 2,495.0 | 3,076.4 |

The GBP tranches of the 2008 US Private Placement were converted into euros using a currency swap and are therefore included on the "Euro (€)" line. Derivative financial instruments are described in Note 20 – Additional financial instrument disclosures.

Fixed rate/floating rate breakdown

At June 30, 2017, gross borrowings and debt can be analyzed as follows:

| (€ millions) | June 30, 2017 | Dec. 31, 2016 |
|---------------|----------------|----------------|
| Fixed rate | 1,960.9 | 2,518.4 |
| Floating rate | 534.1 | 558.0 |
| TOTAL | 2,495.0 | 3,076.4 |

The contractual repricing dates for floating rates are six months or less. The reference rates used are Euribor for floating-rate borrowings in euros and USD Libor for floating-rate borrowings in US dollars.

The interest rates applicable to the Group's bank borrowings and the margins at June 30, 2017 and December 31, 2016 are detailed below:

| Currency | June 30, 2017 | Dec. 31, 2016 |
|-----------------|---------------|---------------|
| US dollar (USD) | 2.45% | 2.18% |
| Euro (€) | 1.10% | 1.10% |

Effective interest rates approximate nominal rates for all financing facilities.

Analyses of sensitivity to changes in interest and exchange rates as defined by IFRS 7 are provided in Note 20 – Additional financial instrument disclosures.

Financial indicators not defined by IFRS

In its external reporting on borrowings and debt, the Group uses an indicator known as **adjusted net financial debt**. This indicator is not defined by IFRS but is determined by the Group based on the definition set out in its bank covenants:

| (€ millions) | June 30, 2017 | Dec. 31, 2016 |
|--|----------------|----------------|
| Non-current borrowings and financial debt | 2,430.5 | 2,492.9 |
| Current borrowings and financial debt | 115.3 | 589.5 |
| BORROWINGS AND FINANCIAL DEBT, GROSS | 2,545.8 | 3,082.4 |
| Cash and cash equivalents | (284.8) | (1,094.1) |
| NET FINANCIAL DEBT | 2,261.0 | 1,988.3 |
| Currency hedging instruments (as per bank covenants) | 9.6 | 8.1 |
| ADJUSTED NET FINANCIAL DEBT | 2,270.6 | 1,996.4 |

Note 15: Guarantees given

The amount and maturity of guarantees given can be analyzed as follows:

| (€ millions) | Total | Due within 1 year | Due between 1 and 5 years | Due beyond 5 years |
|-------------------------|--------------|----------------------|------------------------------|-----------------------|
| At June 30, 2017 | 396.8 | 214.2 | 152.0 | 30.6 |
| At December 31, 2016 | 421.2 | 231.2 | 165.8 | 24.2 |

Guarantees given include bank guarantees and parent company guarantees.

At June 30, 2017, the Group believed that the risk of payout under the guarantees described above was low.

Note 16: Provisions for liabilities and charges

| (€ millions) | Dec. 31, 2016 | Additions | Utilized provisions reversed | Surplus provisions reversed | Impact of discounting | Changes in scope of consolidation | Currency translation differences and other movements | June 30, 2017 |
|--|---------------|-------------|------------------------------------|-----------------------------------|--------------------------|---|--|---------------|
| Provisions for contract-related disputes | 57.8 | 2.8 | (3.6) | (0.7) | 0.5 | - | (2.2) | 54.6 |
| Other provisions for liabilities and charges | 63.8 | 23.2 | (8.0) | (10.1) | - | (0.3) | (1.1) | 67.5 |
| TOTAL | 121.6 | 26.0 | (11.6) | (10.8) | 0.5 | (0.3) | (3.3) | 122.1 |

Provisions for contract-related disputes

Provisions for contract-related disputes recognized in the statement of financial position at June 30, 2017 take into account the disputes described in section 1.5 – Main risks and uncertainties for the remaining six months of the financial year, in the management report.

Based on the available insurance coverage, the provisions booked by the Group and the information currently available, the Group considers that these disputes will not have a material adverse impact on its consolidated financial statements.

Other provisions for liabilities and charges

Other provisions for liabilities and charges include provisions for restructuring, tax risks, losses on completion and miscellaneous other provisions, the amounts of which are not material taken individually.

The Group, assisted by its advisors, deems that the provisions for liabilities relating to all ongoing tax disputes presented in its financial statements reflect the best estimate of the potential consequences of those disputes.

There are no other government, administrative, legal, or arbitration proceedings or investigations (including any proceedings of which the Group is aware, pending, or threatened) likely to have or to have had a material impact on the financial position or profitability of the Group within the last six months.

Note 17: Movements in working capital attributable to operations

This caption totaled a negative €144.8 million in first-half 2017 (negative €145 million in first-half 2016) and can be analyzed as follows:

| (€ millions) | First-half 2017 | First-half 2016 |
|--|-----------------|-----------------|
| Trade receivables | (70.2) | (46.8) |
| Trade payables | (2.6) | (13.9) |
| Other receivables and payables | (72.0) | (84.3) |
| MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS | (144.8) | (145.0) |

Note 18: Earnings per share

Details of the calculation of the weighted average number of ordinary and diluted shares outstanding used to compute basic and diluted earnings per share are provided below:

| (in thousands) | First-half 2017 | First-half 2016 |
|---|-----------------|-----------------|
| Number of shares constituting the share capital at January 1 | 442,000 | 442,000 |
| Number of shares issued during the period (accrual basis) | | |
| Performance shares awarded | - | - |
| Stock purchase or subscription options exercised | 91 | 105 |
| Number of treasury shares | (5,915) | (4,993) |
| Weighted average number of ordinary shares outstanding | 436,176 | 437,113 |
| Dilutive impact | | |
| Performance shares awarded | 3,723 | 3,358 |
| Stock purchase or subscription options | 409 | 416 |
| WEIGHTED AVERAGE NUMBER OF DILUTED SHARES USED TO CALCULATE DILUTED EARNINGS PER SHARE | 440,308 | 440,887 |

Basic earnings per share

Basic earnings per share is calculated by dividing net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

| | First-half 2017 | First-half 2016 |
|---|-----------------|-----------------|
| Net profit attributable to owners of the Company (€ thousands) | 130,230 | 159,605 |
| Weighted average number of ordinary shares outstanding (in thousands) | 436,176 | 437,113 |
| BASIC EARNINGS PER SHARE (€) | 0.30 | 0.37 |

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the conversion of dilutive potential ordinary shares.

The Company has two categories of dilutive potential ordinary shares: stock options and performance shares.

For stock options, a calculation is carried out in order to determine the number of shares that could have been issued based on the exercise price and the fair value of the subscription rights attached to the outstanding stock options. The number of shares calculated as above is then compared with the number of shares that would have been issued had the stock options been exercised.

Performance shares are potential ordinary shares whose issue is contingent on beneficiaries completing a minimum period of service as well as meeting a series of performance targets.

| | First-half 2017 | First-half 2016 |
|--|-----------------|-----------------|
| Net profit attributable to owners of the Company (€ thousands) | 130,230 | 159,605 |
| Weighted average number of ordinary shares used to calculate diluted earnings per share (in thousands) | 440,308 | 440,887 |
| DILUTED EARNINGS PER SHARE (€) | 0.30 | 0.36 |

Note 19: Dividend per share

On May 22, 2017, Bureau Veritas SA paid out dividends to eligible shareholders in respect of 2016. The dividend payout totaled €239.8 million, corresponding to a dividend per share of €0.55 (2016: €0.51).

Note 20: Additional financial instrument disclosures

The table below presents the carrying amount, valuation method and fair value of financial instruments classified in each IAS 39 category at the end of each reporting period:

| | IAS 39 category | Carrying amount | IAS 39 measurement method | | | | Fair value |
|---|-----------------|-----------------|---------------------------|------|---------------------------|-----------------------------------|------------|
| | | | Amortized cost | Cost | Fair value through equity | Fair value through profit or loss | |
| At June 30, 2017 | | | | | | | |
| Financial assets | | | | | | | |
| Investments in non-consolidated companies | FVPL | 1.2 | - | - | - | 1.2 | 1.2 |
| Other non-current financial assets | HTM | 104.1 | 104.1 | - | - | - | 104.1 |
| Trade and other receivables | LR | 1,504.9 | 1,504.9 | - | - | - | 1,504.9 |
| Current financial assets | LR | 39.0 | 39.0 | - | - | - | 39.0 |
| Derivative financial instruments | FVPL/FVE | 3.9 | - | - | - | 3.9 | 3.9 |
| Cash and cash equivalents | FVPL | 284.8 | - | - | - | 284.8 | 284.8 |
| Financial liabilities | | | | | | | |
| Bank borrowings and debt | AC | 2,495.0 | 2,495.0 | - | - | - | 2,555.2 |
| Bank overdrafts | FVPL | 50.8 | - | - | - | 50.8 | 50.8 |
| Other non-current financial liabilities | AC/FVE | 70.7 | 44.7 | - | 26.0 | - | 70.7 |
| Trade and other payables | AC | 1,002.5 | 1,002.5 | - | - | - | 1,002.5 |
| Current financial liabilities | AC/FVE | 140.9 | 113.0 | - | 27.9 | - | 140.9 |
| Derivative financial instruments | FVPL/FVE | 15.9 | - | - | 9.7 | 6.2 | 15.9 |
| At December 31, 2016 | | | | | | | |
| Financial assets | | | | | | | |
| Investments in non-consolidated companies | FVPL | 1.3 | - | - | - | 1.3 | 1.3 |
| Other non-current financial assets | HTM | 69.2 | 69.2 | - | - | - | 69.2 |
| Trade and other receivables | LR | 1,439.3 | 1,439.3 | - | - | - | 1,439.3 |
| Current financial assets | LR | 51.0 | 51.0 | - | - | - | 51.0 |
| Current financial assets | FVPL | - | - | - | - | - | - |
| Derivative financial instruments | FVPL/FVE | 3.7 | - | - | - | 3.7 | 3.7 |
| Cash and cash equivalents | FVPL | 1,094.1 | - | - | - | 1,094.1 | 1,094.1 |
| Financial liabilities | | | | | | | |
| Bank borrowings and debt | AC | 3,076.4 | 3,076.4 | - | - | - | 3,278.4 |
| Bank overdrafts | FVPL | 6.0 | - | - | - | 6.0 | 6.0 |
| Other non-current financial liabilities | AC/FVE | 74.8 | 66.2 | - | 8.6 | - | 74.8 |
| Trade and other payables | AC | 1,041.5 | 1,041.5 | - | - | - | 1,041.5 |
| Current financial liabilities | AC/FVE | 106.3 | 73.2 | - | 33.1 | - | 106.3 |
| Derivative financial instruments | FVPL/FVE | 16.1 | - | - | 8.1 | 8.0 | 16.1 |

NB: The following abbreviations are used to represent IAS 39 financial instrument categories:

- HTM for held-to-maturity assets;
- LR for loans and receivables;
- FVPL for instruments at fair value through profit or loss (excluding accrued interest not yet due);
- FVE for instruments at fair value through equity (excluding accrued interest not yet due);
- AC for debt measured at amortized cost.

With the exception of the items listed below, the Group considers the carrying amount of the financial instruments reported on the statement of financial position to approximate their fair value.

The fair value of current financial instruments such as SICAV mutual funds is their last known net asset value (level 1 in the fair value hierarchy).

The fair value of cash, cash equivalents and bank overdrafts is their face value in euros or equivalent value in euros translated at the closing exchange rate. Since these assets and liabilities are very short-term items, the Group considers that their fair value approximates their carrying amount.

The fair value of each of the Group's fixed-rate facilities (2008 USPP, 2010 USPP, 2011 USPP, 2014 USPP, SSD facilities and the three bond issues) is determined based on the present value of future cash flows discounted at the appropriate market rate for the currency concerned (euro, pound sterling or US dollar) at the end of the reporting period, adjusted to reflect the Group's own credit risk. The fair value of the Group's floating-rate facilities (2012 Syndicated Loan, 2013 USPP, 2014 USPP, 2015 bank loan and certain tranches of the SSD facilities) approximates their carrying amount. This corresponds to level 2 in the fair value hierarchy (fair value based on observable market inputs).

The fair value of foreign exchange derivatives is equal to the difference between the present value of the amount sold or purchased in a given currency (translated into euros at the futures rate) and the amount sold or purchased in this same currency (translated into euros at the closing rate).

The fair value of currency derivatives (mainly in pounds sterling) is determined by discounting the present value of future cash flows (interest receivable in pounds sterling and payable in euros, along with the future purchase of pounds sterling against euros) over the remaining term of the instrument at the end of the reporting period. The discount rates used are the market rates that correspond to the maturity of the cash flows. The present value of the cash flows denominated in pounds sterling is translated into euros at the closing exchange rate.

The fair value of foreign exchange derivatives and other currency instruments is calculated using valuation techniques drawing on observable market inputs (level 2 of the fair value hierarchy) and generally accepted pricing models.

The nature of the gains and losses arising on each financial instrument category can be analyzed as follows:

| | | Adjustments | | | | Net gains/ (losses) in H1 2017 | Net gains/ (losses) in H1 2016 |
|---|------|---------------|------------|-------------------|-------------------------|--------------------------------------|--------------------------------------|
| | | Interest | Fair value | Amortized cost | Exchange differences | | |
| (€ millions) | | | | | | | |
| Held-to-maturity assets | HTM | - | - | - | - | - | - |
| Loans and receivables | LR | - | - | - | (11.1) | 6.1 | (1.9) |
| Financial assets and liabilities at fair value through profit or loss | FVPL | 1.1 | - | - | (1.9) | - | (0.8) |
| Borrowings and financial debt carried at amortized cost | AC | (47.7) | - | - | 2.1 | - | (45.6) |
| TOTAL | | (46.6) | - | - | (10.9) | 6.1 | (42.2) |

Sensitivity analysis

Due to the international scope of its operations, the Group is exposed to currency risk on its use of several different currencies, even though hedges arise naturally with the matching of income and expenses in a number of Group entities where services are provided locally.

Operational currency risk

For the Group's businesses present in local markets, income and expenses are mainly expressed in local currencies. For the Group's businesses relating to international markets, a portion of revenue is denominated in US dollars.

A total of 9% of first-half 2017 consolidated US dollar revenue was generated in countries with functional currencies other than the US dollar or currencies linked to the US dollar.

The impact of a 1% rise or fall in the US dollar against all other currencies would have had an impact of 0.09% on consolidated Group revenue.

Translation risk

Since the presentation currency of the financial statements is the euro, the Group translates any foreign currency income and expenses into euros when preparing its financial statements, using the average exchange rate for the period. As a result, changes in the value of the euro against other currencies affect the amounts reported in the consolidated financial statements, even though the value of the items concerned remains unchanged in their original currencies.

For the first half of 2017, over 70% of Group revenue resulted from the consolidation of financial statements from entities with functional currencies other than the euro:

- 19.0% of revenue was generated by entities whose functional currency is the US dollar or a currency linked to the US dollar (including the Hong Kong dollar);
- 10.7% of revenue was generated by entities whose functional currency is the Chinese yuan;
- 4.1% of revenue was generated by entities whose functional currency is the Brazilian real;
- 3.8% of revenue was generated by entities whose functional currency is the Australian dollar;
- 3.7% of revenue was generated by entities whose functional currency is the pound sterling;
- 3.6% of revenue was generated by entities whose functional currency is the Canadian dollar.

Taken individually, other currencies did not account for more than 3% of Group revenue.

A 1% rise or fall in the euro against the US dollar and other linked currencies would have had an impact of 0.19% on first-half 2017 consolidated revenue and of 0.21% on operating profit for the same period.

Financial currency risk

If it deems appropriate, the Group may hedge certain commitments by matching financing costs with operating income in the currencies concerned.

When financing arrangements are set up in a currency other than the country's functional currency, the Group takes out foreign exchange or currency hedges for the main currencies or uses perpetuity financing to protect itself against the impact of currency risk on its income statement.

The table below shows the results of the sensitivity analysis for financial instruments exposed to currency risk on the Group's main foreign currencies (euro, US dollar and pound sterling) at June 30, 2017:

| (€ millions) | Non-functional currency | | |
|---|-------------------------|---------------|---------------|
| | USD | EUR | GBP |
| Financial liabilities | (1,002.8) | (74.1) | (119.4) |
| Financial assets | 903.5 | 26.0 | 94.3 |
| Net position (Assets - Liabilities) before hedging | (99.3) | (48.1) | (25.1) |
| Currency hedging instruments | 389.7 | | 23.3 |
| Net position (Assets - Liabilities) after hedging | 290.4 | (48.1) | (1.8) |
| Impact of a 1% rise in exchange rates | | | |
| On equity | | | 1.8 |
| On net profit before income tax | 2.9 | (0.5) | |
| Impact of a 1% fall in exchange rates | | | |
| On equity | | | (1.9) |
| On net profit before income tax | (2.9) | 0.5 | |

The Group is exposed to currency risk inherent to financial instruments denominated in foreign currencies (i.e., currencies other than the functional currency of each Group entity). The sensitivity analysis presented above shows the impact that a significant change in the value of the euro, US dollar and pound sterling would have on earnings and equity in a non-functional currency. The analysis for the US dollar does not include entities whose functional currency is strongly correlated to the US dollar, for example Group entities based in Hong Kong. Liabilities denominated in a currency other than the functional currency of the entity, for which a hedge has been taken out converting the liability to the functional currency, have not been included in the analysis. The impact of a 1% change in exchange rates on hedges is shown in the table above. Financial instruments denominated in foreign currencies which are included in the sensitivity analysis relate to key monetary statement of financial position items and in particular, current and non-current financial assets, trade and operating receivables, cash and cash equivalents, current and non-current borrowings and debt, current liabilities, and trade and other payables.

Interest rate risk

The Group's interest rate risk arises primarily from assets and liabilities bearing interest at floating rates. The Group seeks to limit its exposure to a rise in interest rates and may use interest rate instruments where appropriate.

Interest rate exposure is monitored on a monthly basis. The Group continually analyses the level of hedges put in place and ensures that they are appropriate for the underlying exposure. The Group's policy at all times is to prevent more than 60% of its consolidated net debt being exposed to the risk of a rise in interest rates. The Group may therefore enter into other swaps, collars or similar instruments for this purpose. No financial instruments are contracted for speculative purposes. At June 30, 2017, the Group had no interest rate hedges.

The table below shows the maturity of fixed- and floating-rate financial assets and liabilities at June 30, 2017:

| (€ millions) | Less than 1 year | 1 to 5 years | More than 5 years | Total at June 30, 2017 |
|--|---------------------|------------------|----------------------|---------------------------|
| Fixed-rate bank borrowings and debt | - | (1,173.0) | (787.9) | (1,960.9) |
| Floating-rate bank borrowings and debt | (64.5) | (391.7) | (77.9) | (534.1) |
| Bank overdrafts | (50.8) | | | (50.8) |
| Total - Financial liabilities | (115.3) | (1,564.7) | (865.8) | (2,545.8) |
| Total - Financial assets | 284.8 | | | 284.8 |
| Floating rate net position (Assets - Liabilities) before hedging | 169.5 | (391.7) | (77.9) | (299.9) |
| Interest rate hedges | | | | |
| Floating rate net position (Assets - Liabilities) after hedging | 169.5 | (391.7) | (77.9) | (299.9) |
| Impact of a 1% rise in interest rates | | | | |
| On equity | | | | |
| On net profit before income tax | | | | (3.0) |
| Impact of a 1% fall in interest rates | | | | |
| On equity | | | | |
| On net profit before income tax | | | | 3.0 |

At June 30, 2017, given the net floating-rate position after hedging in the above table, the Group considers that a 1% rise in short-term interest rates across all currencies would lead to an increase of around €3.0 million in interest payable.

Debt maturing after five years, representing a total amount of €865.8 million, is essentially at fixed rates. At June 30, 2017, 77% of the Group's gross debt was at fixed rates.

Note 21: Related-party transactions

Parties related to the Company are its majority shareholder Wendel as well as the Chairman of the Board of Directors and the Chief Executive Officer (Corporate Officers of the Company).

As from March 8, 2017, the compensation due or awarded to the Chairman of the Board comprises fixed compensation and Directors' fees, and excludes any and all types of variable compensation, benefits in kind, stock options and performance shares.

At June 30, 2017, amounts recognized with respect to compensation paid (fixed and variable portions) and long-term compensation plans (stock purchase options and performance share awards) are as follows:

| (€ millions) | First-half 2017 | First-half 2016 |
|--|-----------------|-----------------|
| Wages and salaries | 1.1 | 1.2 |
| Stock options | 0.1 | 0.3 |
| Performance shares awarded | 0.6 | 1.0 |
| TOTAL EXPENSE RECOGNIZED FOR THE PERIOD | 1.8 | 2.5 |

The amounts in the above table reflect the fair value for accounting purposes of options and shares in accordance with IFRS 2. Consequently, they do not represent the actual amounts that may be paid if any stock subscription options are exercised or any performance shares vest. Stock options and performance shares require a minimum period of service and are also subject to a number of performance conditions.

Shares are measured at fair value as calculated under the Black-Scholes model rather than based on the compensation effectively received. The performance share awards require a minimum period of service and are also subject to a number of performance conditions.

The Chief Executive Officer held a total of 510,960 stock options at June 30, 2017 (June 30, 2016: 1,110,720), with a fair value per share of €2.23 (June 30, 2016: €2.46).

The number of performance shares awarded to the Chief Executive Officer amounted to 890,320 at June 30, 2017 (1,218,240 at June 30, 2016).

Note 22: Events after the end of the reporting period

Financing

The Group has an ongoing refinancing transaction for a total amount of USD 355 million at a fixed rate. This transaction on the private US market would extend the debt maturity date by ten years for an amount of USD 155 million with effect from 2018 for Bureau Veritas SA, and for an amount of USD 200 million with effect from 2017 for Bureau Veritas Holdings, Inc.

Note 23: Scope of consolidation

Fully consolidated companies

The above entities are all fully consolidated since they are controlled by Bureau Veritas. The Group has the majority of the voting rights in these entities or governs their financial and operating policies.

| Country | Company | Type | 2017 | | 2016 | |
|-----------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Algeria | Bureau Veritas Algérie SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Angola | Bureau Veritas Angola Limitada | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Argentina | Bureau Veritas Argentina SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Argentina | ACME Analytical Laboratories (Argentina) SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Argentina | Net Connection International S.R.L | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Argentina | CH International Argentina S.R.L | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Argentina | Schutter Argentina S.A | S | 100.00 | 100.00 | - | - |
| Armenia | BIVAC Armenia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas Australia Pty Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas HSE | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas Asset Integrity & Reliability Services Australia Pty Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas Asset Integrity & Reliability Services Pty Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas International Trade Pty Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas Minerals Pty Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Ultra Trace Pty Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Matthew sDaniel Int. (Australia) Pty | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | TMC Marine Pty Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Australia | Bureau Veritas AsureQuality Finance Pty Ltd. | S | 51.00 | 51.00 | 51.00 | 51.00 |

| Country | Company | Type | 2017 | | 2016 | |
|--------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Australia | Bureau Veritas AsureQuality Holding Pty Ltd. | S | 51.00 | 51.00 | 51.00 | 51.00 |
| Australia | Dairy Technical Services Pty Ltd. | S | 51.00 | 51.00 | 51.00 | 51.00 |
| Austria | Bureau Veritas Austria GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Azerbaijan | Bureau Veritas Azeri Ltd Liability Company | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Azerbaijan | Inspectorate International Azeri LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bahamas | Inspectorate Bahamas Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bahrain | Bureau Veritas SA– Bahrain | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Bangladesh | BIVAC Bangladesh | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bangladesh | Bureau Veritas CPS Bangladesh Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bangladesh | Bureau Veritas Bangladesh Private Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bangladesh | Bureau Veritas CPS Chittagong Ltd | S | 99.80 | 99.80 | 99.80 | 99.80 |
| Belarus | Bureau Veritas Bel Ltd FLLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Bureau Veritas Certification Belgium | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Association Bureau Veritas ASBL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Bureau Veritas Marine Belgium & Luxembourg SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Inspectorate Ghent NV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Inspectorate Antwerp NV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | UniCar Benelux SPRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | SA Euroclass NV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Belgium | Schutter Belgium BVBA | S | 100.00 | 100.00 | - | - |
| Belgium | Bureau Veritas SA - Belgium | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Benin | BIVAC International Bénin SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Benin | Bureau Veritas Bénin SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Benin | Société d'exploitation du guichet unique du Bénin - SEGUB SA | S | 51.00 | 46.00 | 51.00 | 46.00 |
| Bermuda | MatthewsDaniel Services (Bermuda) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bermuda | MatthewsDaniel Holdings (Bermuda) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bolivia | Bureau Veritas Fiscalizadora Boliviana SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bolivia | Bureau Veritas Argentina SA Bolivia branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bosnia | Bureau Veritas BH DOO Sarajevo | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Bureau Veritas do Brasil Sociedade Classificadora e Certificadora Ltda. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | BVQI do Brasil Sociedade Certificadora Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Auto Reg Serviços Técnicos de Seguros Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Auto Vis Serviços Técnicos de Avaliações Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Inspectorate do Brasil Inspeções Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Sistema PRI Engenharia Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | ACME Analytical Laboratorios Ltda. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | MatthewsDaniel do Brasil Avaliação de Riscos Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | NCC Certificações do Brasil Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Ch International do Brasil Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Associação NCC Certificações do Brasil | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Kuhlmann Monitoramento Agrícola Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Brazil | Schutter do Brasil Ltda | S | 100.00 | 100.00 | - | - |
| Brunei | Bureau Veritas SA - Brunei | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Bulgaria | Bureau Veritas Bulgaria Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Bulgaria | Inspectorate Bulgaria EOOD | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Burkina Faso | Bureau Veritas Burkina Faso Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Burma | Myanmar Bureau Veritas Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Cambodia | Bureau Veritas (Cambodia) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Cameroon | Bureau Veritas Douala SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Canada | Bureau Veritas Canada Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|--------------------------|--|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Canada | Bureau Veritas Certification Canada Inc | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Canada | Maxxam Analytics International Corporation | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Canada | Bureau Veritas Commodities Canada Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Canada | Matthew sDaniel International (Canada) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Canada | Matthew sDaniel International (Newfoundland) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Central African Republic | BIVAC Export RCA SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chad | Bureau Veritas Chad SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chad | BIVAC Chad SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chad | Société d'inspection et d'Analyse du Tchad (SIAT SA/CA) | S | 51.00 | 51.00 | 51.00 | 51.00 |
| Chile | Bureau Veritas Chile SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | Bureau Veritas Certification Chile SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | Bureau Veritas Chile Capacitacion Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | ECA Control y Asesoramiento SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | Centro de Estudios Medicion y Certificacion de Calidad Cesmec SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | Asesoria Minera Geoanalitica Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Chile | Inspectorate Servicios de Inspeccion Chile Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bizheng Engineering Technical Consulting (Shanghai) Co Ltd | S | 68.00 | 68.00 | - | - |
| China | Bureau Veritas Hong Kong Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Investment (Shanghai) Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas CPS Shanghai Co Ltd | S | 85.00 | 85.00 | 85.00 | 85.00 |
| China | Bureau Veritas LCIE China Company Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Certification Hong Kong Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Certification Beijing Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | BIVAC Asian Cre (Shanghai) Inspection CO. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Hong-Kong Branch Marine | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas CPS Hong-Kong Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Tecnitas Far East Co, Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas CPS Guangzhou Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas (Tianjin) Safety Technology Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Shenzhen Co Ltd | S | 80.00 | 80.00 | 80.00 | 80.00 |
| China | NDT Technology Holding Company | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas-Fairweather Inspection & Consultants Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Marine China Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | ADT (Shanghai) corporation | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Quality Services Shanghai Co., Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Inspectorate (Shanghai) Ltd JV China | S | 85.00 | 85.00 | 85.00 | 85.00 |
| China | Bureau Veritas 7 Layers Communications Technology (Shenzen) Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas CPS HK Hsinchu Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas CPS Jiangsu Co. Ltd | S | 60.00 | 51.00 | 60.00 | 51.00 |
| China | Beijing Huaxia Supervision Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Shanghai Davis Testing Technology Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Zhejiang Bureau Veritas CPS Shenyue Co., Ltd. | S | 60.00 | 51.00 | 60.00 | 51.00 |

| Country | Company | Type | 2017 | | 2016 | |
|------------------------------|--|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| China | Bureau Veritas CPS (Shenou) Zhejiang Co Ltd | S | 60.00 | 51.00 | 60.00 | 51.00 |
| China | Matthews Daniel Offshore (Hong Kong) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Shanghai TJU Engineering Service Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Shandong Chengxin Engineering Consulting & Jianli Co. Ltd | S | 70.00 | 70.00 | 70.00 | 70.00 |
| China | Ningbo Hengxin Engineering Testing Co. Ltd | S | 70.00 | 70.00 | 70.00 | 70.00 |
| China | Beijing Huali Bureau Veritas Technical Service Co. Ltd | S | 60.00 | 60.00 | 60.00 | 60.00 |
| China | Centre of Testing Service (Ningbo) Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Shandong Hengyuan Engineering Consulting | S | 100.00 | 70.00 | 100.00 | 70.00 |
| China | Bureau Veritas-CQC Testing Technology Co. Ltd | S | 60.00 | 60.00 | 60.00 | 60.00 |
| China | Chongqing Liansheng Construction Project Management Co. Ltd | S | 80.00 | 80.00 | 80.00 | 80.00 |
| China | Chongqing Liansheng Seine cost consulting Co. Ltd. | S | 80.00 | 80.00 | 80.00 | 80.00 |
| China | Wuhu Liansheng Construction Project Management Co., Ltd | S | 80.00 | 80.00 | 80.00 | 80.00 |
| China | Chongqing Liansheng Henggu Construction Testing Co. Ltd. | S | 80.00 | 80.00 | 80.00 | 80.00 |
| China | Hangzhou VEO Standards Technical Services Co. Ltd. | S | 65.00 | 65.00 | 65.00 | 65.00 |
| China | Bizheng Engineering Technical Consulting (Shanghai) Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| China | Bureau Veritas Commodities (Hebei) Co. Ltd. | S | 67.00 | 67.00 | 67.00 | 67.00 |
| China | Wuhan Detect Technology Company Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | Bureau Veritas Colombia Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | BVQI Colombia Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | ECA Interventorias Y Consultorias de Colombia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | Inspectorate Colombia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | T H Hill Colombia branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | Tecnicontrol SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Colombia | PRI Colombia SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Congo | Bureau Veritas Congo SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Congo | BIVAC Congo | H | 100.00 | 100.00 | 100.00 | 100.00 |
| Croatia | Bureau Veritas Croatia SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Croatia | Inspectorate Croatia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Cuba | Bureau Veritas SA - Cuba | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Cyprus | Bureau Veritas Cyprus Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Czech Republic | Bureau Veritas Czech Republic, spol. s r.o. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Democratic Republic of Congo | BIVAC République Démocratique du Congo SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Democratic Republic of Congo | Société d'Exploitation du Guichet Unique du Commerce Extérieur de la RDC | S | 70.00 | 70.00 | 70.00 | 70.00 |
| Denmark | Bureau Veritas Certification Denmark A/S | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Denmark | Bureau Veritas HSE Denmark AS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Denmark | Bureau Veritas SA - Denmark | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Dominican Republic | Inspectorate Dominicana SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Dominican Republic | Acme Analytical Laboratories (RD) SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ecuador | BIVAC Ecuador SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ecuador | Bureau Veritas Ecuador SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ecuador | Inspectorate del Ecuador SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ecuador | Andes Control Ecuador SA Ancoesa | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|-------------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Egypt | Bureau Veritas Egypt LLC | S | 90.00 | 90.00 | 90.00 | 90.00 |
| Egypt | Watson Gray (Egypt) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Egypt | Matthew sDaniel Int. (Egypt) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Equatorial Guinea | Bureau Veritas SA - Equatorial Guinea | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Estonia | Bureau Veritas Estonia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Estonia | Inspectorate Estonia AS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ethiopia | Bureau Veritas Services PLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Finland | Bureau Veritas SA – Finland | B | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas CPS France SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | BIVAC International SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Certification France SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Certification Holding SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | CEP Industrie SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas International SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Services France | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Services SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Tecnitas SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Laboratoire Central des Industries Electriques SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding 5 | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding 6 | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding 7 | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding 8 | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Environnement Contrôle Services SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | SOD.IA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Coreste SAS | S | 99.60 | 99.60 | 99.60 | 99.60 |
| France | Bureau Veritas Laboratoires | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Conception Développement Durable Environnement SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Transcable Halec SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | GUCEL SAS | S | 90.00 | 90.00 | 90.00 | 90.00 |
| France | BIVAC Mali SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Océanic Développement SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | MEDI Qual SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Unicar Group SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Construction | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Exploitation | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | HydrOcean | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Marine & Offshore SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas GSIT | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding 4 | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas Holding France | S | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas SA – France | B | 100.00 | 100.00 | 100.00 | 100.00 |
| France | Bureau Veritas SA - Mayotte | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Fujairah | Inspectorate International Ltd Fujairah (Branch Office) | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Gabon | Bureau Veritas Gabon SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Georgia | Inspectorate Georgia LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Georgia | Bureau Veritas Georgie LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas Certification Germany GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas CPS Germany GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas Construction Services GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas Germany Holding GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas Industry Services GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|-------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Germany | Inspectorate Deutschland GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Tecnitas Central Europe | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Unicar Germany GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | 7 Layers GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas Material Testing GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Schutter Deutschland GmbH | S | 100.00 | 100.00 | - | - |
| Germany | Wireless IP GmbH | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Germany | Bureau Veritas SA – Germany | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Ghana | BIVAC International Ghana | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ghana | Bureau Veritas Ghana | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ghana | Inspectorate Ghana Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Greece | Bureau Veritas Hellas AE | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Guatemala | Bureau Veritas CPS Guatemala SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Guinea | BIVAC Guinée SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Guinea | Bureau Veritas Guinea SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Guyana | Acme Analytical (Lab.) Guyana Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Hungary | Bureau Veritas Magyarorszag | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Iceland | Bureau Veritas EHF | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Bureau Veritas Industrial Services Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Bureau Veritas CPS India Pvt Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Bureau Veritas India Pvt Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Inspectorate Griffith India Pvt Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Bhagavathi Ana Labs Private Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Sievert India Pvt Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| India | Bureau Veritas sa – India | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Indonesia | PT Bureau Veritas Indonesia LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Indonesia | PT Bureau Veritas CPS Indonesia | S | 85.00 | 85.00 | 85.00 | 85.00 |
| Indonesia | PT IOL Indonesia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Indonesia | PT Schutter Inspection Services | S | 95.00 | 95.00 | - | - |
| Indonesia | PT Schutter Laboratory Services | S | 49.00 | 49.00 | - | - |
| Iran | Inspectorate Iran QESHM Ltd | S | 99.00 | 99.00 | 99.00 | 99.00 |
| Iran | Bureau Veritas SA - Iran | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Iraq | Honesty Road (Tareek Al Sidik) for testing and engineering services | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ireland | Bureau Veritas Ireland Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | Bureau Veritas Italia Spa | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | Bureau Veritas Italia Holding SPA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | Bureau Veritas Nexta Srl | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | Inspectorate Italia SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | Bureau Veritas Certest SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Italy | CEPAS Srl | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ivory Coast | Bureau Veritas Côte d'Ivoire SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ivory Coast | BIVAC Scan Côte d'Ivoire SA | S | 61.99 | 61.99 | 61.99 | 61.99 |
| Ivory Coast | BIVAC Côte d'Ivoire CI SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ivory Coast | Bureau Veritas Mineral Laboratories SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Japan | Bureau Veritas Japan Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Japan | Bureau Veritas Human Tech Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Japan | Inspectorate (Singapore) Pte. Ltd. Japan Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Japan | Kanagawa Building Inspection Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Jordan | BIVAC for Valuation Jordan LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Kazakhstan | Bureau Veritas Kazakhstan LLP | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Kazakhstan | Bureau Veritas Kazakhstan Industrial Services LLP | S | 60.00 | 60.00 | 60.00 | 60.00 |
| Kazakhstan | Kazinspectorate Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Kazakhstan | Bureau Veritas Marine Kazakhstan LLP | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|-------------|--|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Kenya | Bureau Veritas Kenya Limited | S | 99.90 | 99.90 | 99.90 | 99.90 |
| Kuwait | Inspectorate International Ltd. Kuwait | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Kuwait | Bureau Veritas SA – Kuwait | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Laos | BIVAC LAO Sole Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Laos | Lao National Single Window | S | 75.00 | 75.00 | 75.00 | 75.00 |
| Latvia | Bureau Veritas Latvia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Latvia | Inspectorate Latvia Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Lebanon | Bureau Veritas Liban SAL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Lebanon | BIVAC Rotterdam Branch in Lebanon | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Liberia | BIVAC Liberia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Liberia | Bureau Veritas Liberia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Libya | Bureau Veritas Lybia for Inspection & Conformity | S | 51.00 | 51.00 | 51.00 | 51.00 |
| Lithuania | Bureau Veritas Lithuania Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Lithuania | Inspectorate Klaipeda UAB | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Luxembourg | Soprefira SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Luxembourg | Bureau Veritas Luxembourg SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malaysia | Bureau Veritas (M) Sdn Bhd | S | 49.00 | 49.00 | 49.00 | 49.00 |
| Malaysia | Bureau Veritas Certification Malaysia Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malaysia | Bureau Veritas CPS Sdn Bhd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malaysia | Inspectorate Malaysia Sdn Bhd | S | 49.00 | 49.00 | 49.00 | 49.00 |
| Malaysia | Scientige Sdn Bhd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malaysia | Matthews Daniel (Malaysia) Sdn BHD | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malaysia | Schutter Malaysia Sdn Bhd | S | 100.00 | 100.00 | - | - |
| Mali | Bureau Veritas Mali SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malta | Inspectorate Malta Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Malta | Bureau Veritas SA – Malta | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Mauritania | Bureau Veritas SA - Mauritania | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Mauritius | Bureau Veritas SA - Mauritius | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | BVQI Mexicana SA de CV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Bureau Veritas Mexicana SA de CV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Bureau Veritas CPS Mexico SA de CV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Inspectorate de Mexico SA de CV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Chas Martin Mexico City Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Unicar Automotive Inspection Mexico LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | Matthews Daniel Mexico Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mexico | CH Mexico International I sociedad de responsabilidad Limitada de CV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Monaco | Bureau Veritas Monaco SAMAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mongolia | Bureau Veritas Inspection & Testing Mongolia LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Morocco | Bureau Veritas Maroc SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Morocco | Bureau Veritas SA – Morocco | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Mozambique | Bureau Veritas Controle Ltda | S | 63.00 | 63.00 | 63.00 | 63.00 |
| Mozambique | Bureau Veritas Mozambique Ltda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Mozambique | Bureau Veritas - Laboratorios de Tete Ltd | S | 66.66 | 66.66 | 66.66 | 66.66 |
| Namibia | Bureau Veritas Namibie Pty Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | BIVAC Rotterdam | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Bureau Veritas Inspection & Certification The Netherlands Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Risk Control Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Bureau Veritas Marine Netherlands Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Bureau Veritas Nederland Holding | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Inspectorate Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Inspectorate II Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | IOL Investments Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Inspectorate Inpechem Inspectors Bureau Veritas | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|------------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Netherlands | Inspectorate Curaçao NV | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Certificatie Instelling Voor Beveiliging en Veiligheid B.V | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Netherlands | Schutter Certification BV | S | 100.00 | 100.00 | - | - |
| Netherlands | Schutter Groep BV | S | 100.00 | 100.00 | - | - |
| Netherlands | Schutter Havenbedrijf BV | S | 100.00 | 100.00 | - | - |
| Netherlands | Schutter International BV | S | 100.00 | 100.00 | - | - |
| Netherlands | Schutter Rotterdam BV | S | 100.00 | 100.00 | - | - |
| New Caledonia | Bureau Veritas SA - New Caledonia | B | 100.00 | 100.00 | 100.00 | 100.00 |
| New Zealand | Bureau Veritas New Zealand Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Nicaragua | Inspectorate America Corp. – Nicaragua | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Nigeria | Bureau Veritas Nigeria Ltd | S | 60.00 | 60.00 | 60.00 | 60.00 |
| Nigeria | Inspectorate Marine Services (Nigeria) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Norway | Bureau Veritas Norway AS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Norway | MatthewsDaniel International (Norge) A/S | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Oman | Inspectorate International Ltd. Oman | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Oman | Sievert Technical Inspection LLC | S | 70.00 | 70.00 | 70.00 | 70.00 |
| Oman | Bureau Veritas Middle East Co. LLC | S | 70.00 | 70.00 | 70.00 | 70.00 |
| Pakistan | Bureau Veritas Pakistan (Private) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Pakistan | Bureau Veritas CPS Pakistan Ltd | S | 80.00 | 80.00 | 80.00 | 80.00 |
| Panama | Bureau Veritas Panama SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Panama | Inspectorate de Panama SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Papua New Guinea | Branch of Bureau Veritas Asset Integrity and Reliability Services Pty Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Paraguay | BIVAC Paraguay SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Paraguay | Inspectorate Paraguay SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Paraguay | Schutter Paraguay SA | S | 100.00 | 100.00 | - | - |
| Peru | BIVAC del Peru S.A.C | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Peru | Bureau Veritas del Peru SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Peru | Inspectorate Services Peru SAC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Peru | Tecnicontrol Ingenieria SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Philippines | Inspectorate International Ltd. (Philippines branch) | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Philippines | Inspectorate Philippines Corp. | S | 80.00 | 80.00 | 80.00 | 80.00 |
| Philippines | Schutter Philippines Inc | S | 100.00 | 100.00 | - | - |
| Philippines | Bureau Veritas SA - Philippines | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Poland | Bureau Veritas Polska Spolka Spolka z ograniczona odpowiedzialnoscia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Portugal | Bureau Veritas Certification Portugal SARL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Portugal | Registro International Naval - Rinave S.A . | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Portugal | Bureau Veritas Rinave Sociedade Unipessoal Lda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Portugal | BIVAC Iberica Unipessoal, Lda | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Portugal | Inspectorate Portugal SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Puerto Rico | Inspectorate America Corporation Puerto Rico | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Qatar | Inspectorate International Ltd Qatar LLC | S | 49.00 | 49.00 | 49.00 | 49.00 |
| Qatar | Sievert International Inspection WLL | S | 49.00 | 34.30 | 49.00 | 34.30 |
| Qatar | Bureau Veritas International Doha LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Qatar | Bureau Veritas SA - Qatar | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Romania | Bureau Veritas Romania Controle International Srl | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Romania | Inspect Balkan Srl | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Russia | Bureau Veritas Rus OAO | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Russia | Bureau Veritas Certification Russia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Russia | JSC Inspectorate Russia | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Russia | Unicar Russia LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Russia | LLC MatthewsDaniel International (Rus) | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|--------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Rwanda | Bureau Veritas Rwanda Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Saudi Arabia | Bureau Veritas Saudi Arabia Testing Services Ltd | S | 75.00 | 75.00 | 75.00 | 75.00 |
| Saudi Arabia | Inspectorate International Saudi Arabia Co. Ltd. | S | 65.00 | 65.00 | 65.00 | 65.00 |
| Saudi Arabia | MatthewsDaniel Loss Adjusting and Survey Company Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Saudi Arabia | Sievert Arabia Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Saudi Arabia | Bureau Veritas SA - Saudi Arabia | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Senegal | Bureau Veritas Senegal SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Serbia | Bureau Veritas Serbia DOO | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Branch Office Singapore - Tecnitax | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Bureau Veritas Singapore Pte Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Bureau Veritas Marine Singapore Pte Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Atomic Technologies Pte Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Inspectorate (Singapore) Pte Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | MatthewsDaniel International Pte Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Sievert Veritas Pte Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | CKM Consultants Pte Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | 7 Layers Asia Private Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | TMC Marine Pte Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Singapore | Schutter Inspection Services Pte Ltd | S | 100.00 | 100.00 | - | - |
| Slovakia | Bureau Veritas Slovakia Spol | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Slovenia | Bureau Veritas Slovenia DOO | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Africa | Bureau Veritas South Africa (Pty) Ltd | S | 70.00 | 70.00 | 70.00 | 70.00 |
| South Africa | Bureau Veritas Testing and Inspections South Africa (Pty) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Africa | Bureau Veritas Inspectorate Laboratories (Pty) Ltd | S | 73.30 | 73.30 | 73.30 | 73.30 |
| South Africa | Bureau Veritas Marine Surveying (Pty) Ltd | S | 51.00 | 37.38 | 51.00 | 37.38 |
| South Africa | M&L Laboratory Services (Pty) Ltd. | S | 100.00 | 73.30 | 100.00 | 73.30 |
| South Africa | Bureau Veritas Gazelle (Pty) Ltd | S | 70.00 | 70.00 | 70.00 | 70.00 |
| South Africa | Carab Technologies (Pty) Ltd. | S | 100.00 | 70.00 | 100.00 | 70.00 |
| South Africa | Tekniva (Pty) Ltd | S | 100.00 | 70.00 | 100.00 | 70.00 |
| South Korea | Bureau Veritas Korea Co Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Korea | Bureau Veritas KOTITI Korea Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Korea | Bureau Veritas CPS ADT Korea Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Korea | 7 Layers Korea Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| South Korea | Bureau Veritas SA - Korea | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Bureau Veritas Iberia S.L | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Bureau Veritas Inversiones SL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | ECA Global'S Investments Heritage And Assets S.L.U | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Entidad Colaborada De La Administración S.L.U | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Bureau Veritas Formacion S.A.U | S | 95.00 | 95.00 | 95.00 | 95.00 |
| Spain | Activa, Innovación Y Servicios, S.A.U | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Instituto De La Calidad, SAU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Inspectorate Española S.A.U | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Spain | Unicar Spain S.R.L | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Sri Lanka | Bureau Veritas CPS Lanka (Pvt) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Sri Lanka | Bureau Veritas Lanka Private Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Sweden | Bureau Veritas Certification Sverige AB Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Sweden | LW Cargo Survey AB | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Sweden | Bureau Veritas SA - Sweden | B | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|----------------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| Switzerland | Bureau Veritas Switzerland AG | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Switzerland | Inspectorate Suisse SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Syria | BIVAC Branch Syria | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Tahiti | Bureau Veritas SA - Tahiti | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Branch Office of Bureau Veritas CPS Hong-Kong in Taiwan | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Bureau Veritas Certification Taiwan Co. Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Bureau Veritas Taiwan Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Advance Data Technology Corporation | S | 99.10 | 99.10 | 99.10 | 99.10 |
| Taiwan | Bureau Veritas CPS (Hong Kong) Limited Taoyuan Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Bureau Veritas SA - Taiwan | B | 100.00 | 100.00 | 100.00 | 100.00 |
| Taiwan | Siemic- Taiwan Branch | S | 100.00 | 100.00 | - | - |
| Tanzania | Bureau Veritas-USC Tanzania Ltd | S | 60.00 | 60.00 | 60.00 | 60.00 |
| Tanzania | Bureau Veritas Tanzania Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Thailand | Bureau Veritas Thailand Ltd | S | 49.00 | 49.00 | 49.00 | 49.00 |
| Thailand | Bureau Veritas CPS Thailand Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Thailand | Bureau Veritas Certification Thailand Ltd | S | 49.00 | 49.00 | 49.00 | 49.00 |
| Thailand | Inspectorate (Thailand) Co. Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Thailand | Sievert Thailand Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Thailand | MatthewsDaniel International (Thailand) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Togo | Bureau Veritas Togo SARLU | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Togo | Société d'Exploitation du Guichet Unique pour le Commerce Extérieur - SEGUCE SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Trinidad and Tobago | Inspectorate America Trinidad Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Tunisia | Société Tunisienne de Contrôle Veritas SA | S | 49.90 | 49.90 | 49.90 | 49.90 |
| Turkey | Bureau Veritas Gozetim Hizmetleri Ltd Sirketi | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Turkey | Bureau Veritas CPS Test Laboratuvarlari Ltd. Sti. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Turkey | Inspectorate Uluslararası Gozetim Servisleri AS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Turkey | Bureau Veritas Deniz ve Gemi Sınıflandırma Hizmetleri Limited Sirketi | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Turkey | Acme Analitik Lab. Hizmetleri Ltd. Sirketi | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Turkmenistan | Inspectorate Suisse SA Turkmenistan branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Uganda | Bureau Veritas Uganda Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ukraine | Bureau Veritas Ukraine Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ukraine | Bureau Veritas Certification Ukraine | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Ukraine | Inspectorate Ukraine LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Arab Emirates | Inspectorate International Ltd Dubai (Branch Office) | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Arab Emirates | Sievert Emirates Inspection LLC | S | 49.00 | 49.00 | 49.00 | 49.00 |
| United Arab Emirates | MatthewsDaniel Services (Bermuda) Ltd. Abu Dhabi Branch | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Arab Emirates | Bureau Veritas SA - Abu Dhabi | B | 100.00 | 100.00 | 100.00 | 100.00 |
| United Arab Emirates | Bureau Veritas SA – Dubai | B | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas Certification Holding SAS | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas Certification UK Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas UK Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas CPS UK Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas UK Holdings Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Inspectorate Holdings PLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Inspectorate International Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | MatthewsDaniel Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |

| Country | Company | Type | 2017 | | 2016 | |
|----------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| United Kingdom | Matthew sDaniel Holdings Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Matthew sDaniel International (London) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Matthew sDaniel International (Africa) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | HCD Building Control Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | TMC Offshore Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | TMC (Marine Consultants) Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Maritime Assurance & Consulting Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | MAC Resourcing Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United Kingdom | Bureau Veritas SA - United Kingdom | B | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Bureau Veritas Holdings Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Bureau Veritas Marine Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Bureau Veritas Certification North America Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Bureau Veritas CPS Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | BIVAC North America Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Bureau Veritas North America Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | OneCIS Insurance Company | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Curtis Strauss LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | National Elevator Inspection Services Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Inspectorate America Corporation | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Unicar USA Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | 7 Layers Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Quiktrak Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Matthew sDaniel Company Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | TMC Marine Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | Summit Inspection Services Inc. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| United States | California Code check Inc. | S | 100.00 | 100.00 | - | - |
| United States | SIEMC Inc | S | 100.00 | 100.00 | - | - |
| United States | SIEMC (Shenzhen-China) InfoTech Ltd | S | 100.00 | 100.00 | - | - |
| United States | SIEMC (Nanjing-China) Infotech Ltd | S | 100.00 | 100.00 | - | - |
| Uruguay | Bureau Veritas Uruguay SRL | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Uruguay | Schutter Americas S.A | S | 100.00 | 100.00 | - | - |
| Venezuela | BVQI Venezuela SA | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Venezuela | Bureau Veritas de Venezuela | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Vietnam | Bureau Veritas Vietnam Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Vietnam | Bureau Veritas Certification Vietnam Limited | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Vietnam | Bureau Veritas CPS Vietnam Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Vietnam | Inspectorate Vietnam LLC | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Vietnam | Matthew sDaniel International (Vietnam) Ltd | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Yemen | Inspectorate International Ltd. Yemen | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Zambia | Bureau Veritas Zambia Ltd. | S | 100.00 | 100.00 | 100.00 | 100.00 |
| Zimbabwe | Bureau Veritas Zimbabwe | S | 100.00 | 100.00 | 100.00 | 100.00 |

Companies accounted for by the equity method

| Country | Company | Type | 2017 | | 2016 | |
|----------------|---|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| China | Beijing 7Layers Huarui Communications Technology Co., Ltd. | S | 50.00 | 50.00 | 50.00 | 50.00 |
| France | Assistance Technique et Surveillance Industrielle - ATSI SA | S | 49.92 | 49.92 | 49.92 | 49.92 |
| Japan | Japan Analysts Co. Inc | S | 50.00 | 50.00 | 50.00 | 50.00 |
| Jordan | Middle East Laboratory Testing & Technical Services JV | S | 50.00 | 50.00 | 50.00 | 50.00 |
| United Kingdom | UCM Global Ltd. | S | 50.00 | 50.00 | 50.00 | 50.00 |
| United Kingdom | Unicar GB Ltd. | S | 50.00 | 50.00 | 50.00 | 50.00 |
| Russia | Bureau Veritas Safety LLC | S | 49.00 | 49.00 | 49.00 | 49.00 |

Equity-accounted companies

| Country | Company | Type | 2017 | | 2016 | |
|---------|--------------------|------|-----------|------------|-----------|------------|
| | | | % control | % interest | % control | % interest |
| France | GIE CEPI CTE ASCOT | S | 55.00 | 55.00 | 55.00 | 55.00 |

2.3. STATUTORY AUDITORS' REVIEW REPORT ON THE 2017 INTERIM FINANCIAL INFORMATION (SIX MONTHS ENDED JUNE 30, 2017)

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

To the Shareholders,

BUREAU VERITAS

40/52, Boulevard du Parc
92200 Neuilly-sur-Seine

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

- the review of the accompanying condensed consolidated financial statements of Bureau Veritas, for the period from January 1 to June 30, 2017;
- the verification of the information contained in the half-yearly 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.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

II - Specific verification

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

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

Fait à Neuilly-sur-Seine and Paris, July 28, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit

Ernst & Young

Christine Bouvry

Nour-Eddine Zanouda

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

I hereby declare that, to the best of my knowledge, the condensed half-year consolidated financial statements presented in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2017 have been prepared in accordance with applicable accounting standards and provide a true and fair view of the capital, financial position and results of the Company and all of the businesses included in the consolidation, and that the half-year business report appearing in Chapter 1 – Half-year business report at June 30, 2017, presents a true and fair view of the significant events that occurred in the first six months of the financial year, their impact on the consolidated financial statements as at June 30, 2017, the principal related-party transactions and a description of the main risks and uncertainties for the remaining six months of the 2017 financial year.

Neuilly-sur-Seine, July 28, 2017

Didier Michaud-Daniel
Chief Executive Officer, Bureau Veritas



Move Forward with Confidence

Immeuble Newtime, 40/52, boulevard du Parc – 92200 Neuilly-sur-Seine – France
Tel.: +33 (0) 1 55 24 70 00 – Fax: +33 (0)1 55 24 70 01 – www.bureauveritas.fr