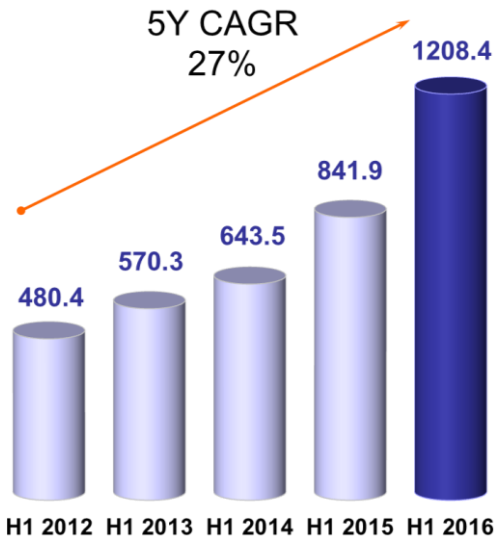
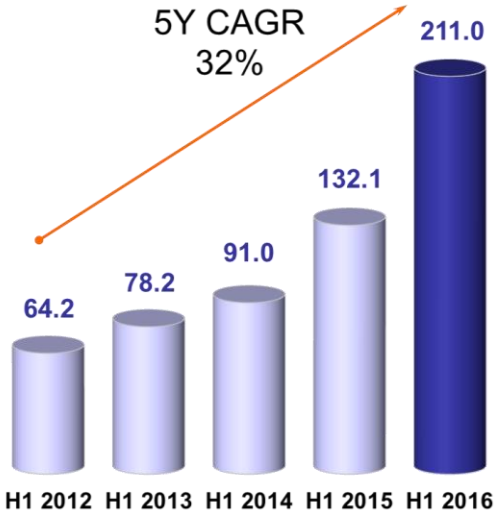
2016 Half Year Report

Key Figures – Eurofins Scientific Group

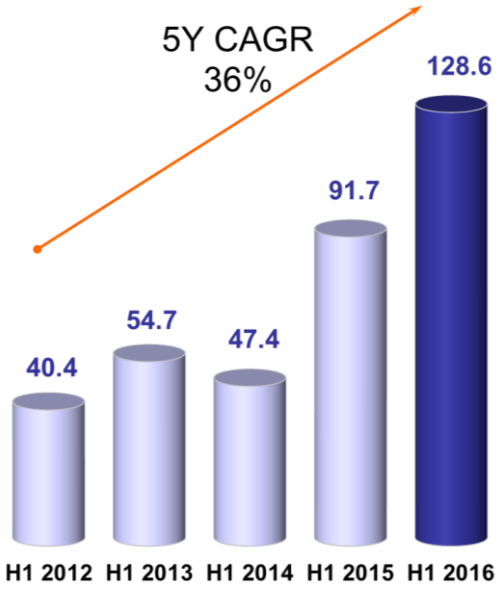
Revenues in EUR million



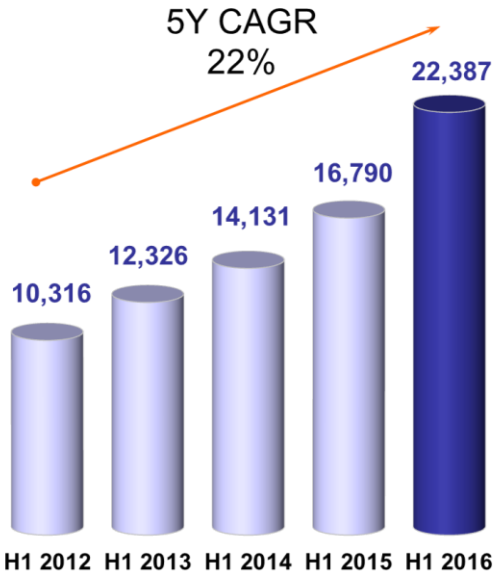
EBITDA in EUR million



Operating Cash Flow in EUR million



Average Number of Employees (FTE)



eurofins

EUR = Euro
5Y CAGR = Five Year Compound Annual Growth Rate
FTE = Full Time Employees

Disclaimer

Shareholders' information

Listing
Euronext Paris (IPO on 24.10.1997)

Segments/ Indexes

Paris: Next 150 & SBF 120, STOXX Europe 600, SRD & Compartment A

Industry Group/ Prime Sector

Healthcare/Healthcare Providers

Codes

ISIN: FR0000038259

Tickers

Paris: Reuters EUFI.PA, Bloomberg ERF FP

Nominal Capital (at 30.06.2016)

EUR 1,604,433.50 (16,044,335 x EUR 0.10)

Simplified Ownership Structure

Free Float 60.0%
Martin Family 40.0%

2015 Share Price development

Eurofins Scientific: 51.8%
SBF 120: 9.0%
Next 150 Index: 17.7%
CAC 40 Index : 8.5%
Euro Stoxx 50 Index : 3.8%
Nasdaq Composite Index : 5.7%
Dow Jones Industrial Average Index: -2.2%

Since its IPO in 1997 Eurofins has been one of the best performing shares in Europe, with a CAGR (Compound Annual Growth Rate) of its share price of 32% as of June 30th, 2016.

Analyst coverage

Berenberg	Josh Puddle
Bryan Garnier	Bruno de La Rochebrochard
Exane BNP Paribas	George Gregory
Gilbert Dupont	Guillaume Cuvillier
Goldman Sachs	Suhasini Varanasi
HSBC	Murielle André-Pinard
Jefferies	Will Kirkness
Kepler Cheuvreux	David Cerdan
Mainfirst	Mourad Lahmidi
Natixis	Kathleen Gailliot
Oddo	Christophe-Raphaël Ganet
Portzamparc	Arnaud Guérin

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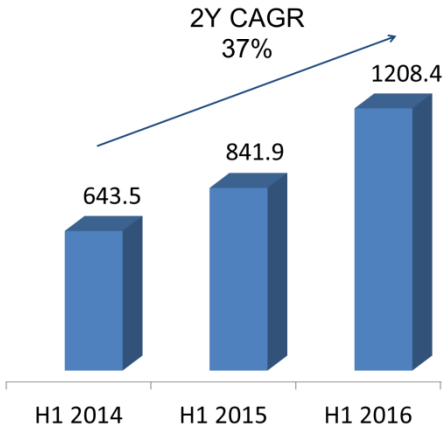
I. MANAGEMENT REPORT as of 29/07/2016

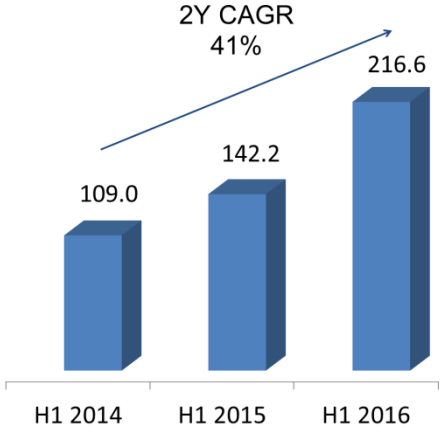
1 Key Performance Indicators (KPIs)

Developments in some of Eurofins' Key Performance Indicators (KPIs), as illustrated by the charts below, are discussed in detail in later sections of this report.

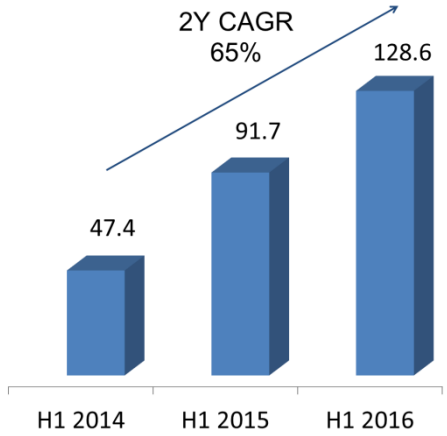
Revenues EUR m



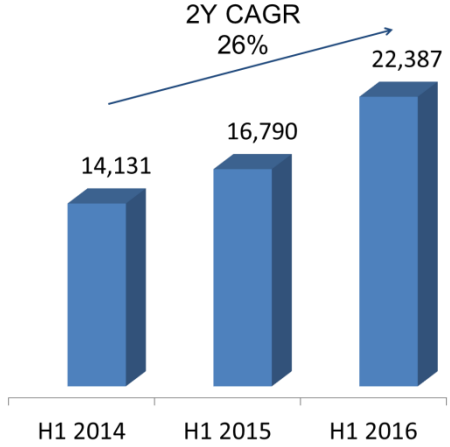
Adjusted EBITDA EUR m



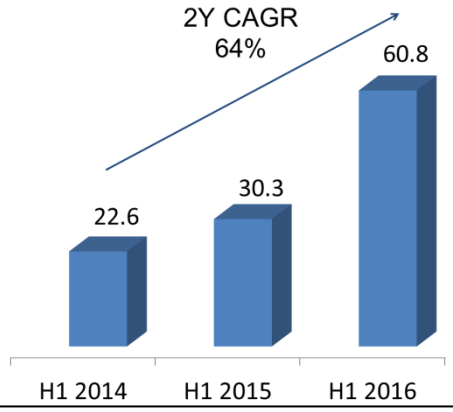
Operating Cash Flow EUR m



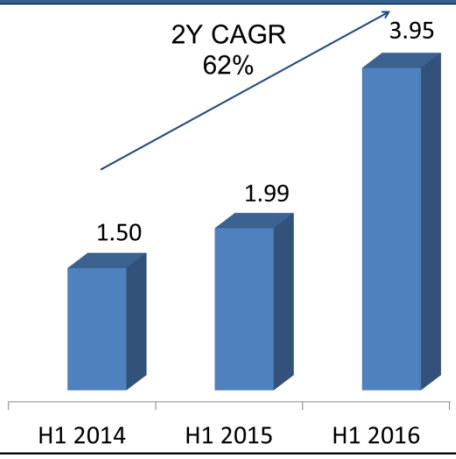
Full Time Employees



Net Profit



Earnings Per Share EUR (Basic total)



2 Message from the CEO

A lot remains to be done to achieve the operational objectives set for 2017 to build a truly unique operating platform in our industry, but the results achieved in H1 2016 already reflect some of the benefits of the large investments that the Group has put in its network of laboratories over the last few years.

Some of the highlights of the first half of 2016 include:

- Revenues of EUR 1,208m, representing a 43.5% increase over the same period in the previous year. Organic growth[9] during the period was over 11%, the highest growth generated organically since the 2008-2009 global recession, implying further acceleration in the second quarter and reflecting strong operating momentum across most businesses.
- Continued growth in most areas of the testing markets that Eurofins has chosen to focus on. Acceleration of market share gains in most geographies and increased customer penetration underpin robust growth across the Group.
- Adjusted[1] EBITDA[3] grew 52.3% to EUR 216.6m as profitability improvements in both mature and businesses recently transferred out of the start-up/businesses in reorganization perimeter drove 100bp adjusted EBITDA margin expansion to 17.9% in the seasonally weaker first half of the year.
- Reported EBITDA was EUR 211m, an uplift of 59.8%, and represents a 180bp margin expansion to 17.5%, as costs contained in the separately disclosed items[2] (SDI) continued to narrow significantly to EUR 5.6m (versus EUR 10.1m in H1 2015 and EUR 18.0m in H1 2014), or 2.6% of the EBITDA generated by the Group's mature businesses (versus 7.1% in H1 2015 and 16.5% in H1 2014).
- Adjusted net profit[5] increased 51.5% to EUR 93.4m in H1 2016, with reported net profit doubling to EUR 60.8m compared to the same period in 2015 as finance costs remained largely stable compared to H1 2015 at 2.7% of revenues, and significantly improved compared to the 3.6% level for the FY 2015, despite still covering the cost of carrying more than EUR 800m cash reserve for future investments. Strong revenue growth and profit improvements have translated to a 98.8% EPS[6] uplift to EUR 3.95 in H1 2016.
- 12 acquisitions with total annualised revenues of above EUR 70m concluded in H1 2016 (16 acquisitions for total annualised revenues of over EUR 100m as of the end of July). Most of the Group's remaining reorganization programmes (discovery services, genomics site relocation to Louisville, KY, residual costs of site relocation of some environment businesses in the UK and US) on track for completion by the end of 2016.
- Capex for H1 2016 was EUR 80.4m, representing a capex/sales ratio of 6.7% versus 7.8% in H1 2015 and 8.4% for FY 2015, in line with management's objective of managing capital expenditures programme progressively closer to 6% of sales by 2020 as the Group's site expansion, IT and infrastructure programmes are completed.
- Operating Cash Flow[7] grew 40.2% to EUR 128.6m despite the seasonally higher Net Working Capital (5.1% of annualised revenues at the end of June 2016 versus 5.9% at the end of June 2015). The management is optimistic that, as in prior years, NWC as a proportion of sales should be managed down to closer to 5% of annualised sales by year end. This, in addition to the usual profitability improvements in H2, should result in further significant cash flow expansion for the full year. Free Cash Flow to the Firm[8] was EUR 48m, an increase of 87.4% over H1 2015.
- Net debt at the end of June 2016 was EUR 817.3m (versus EUR 916.3m at the end of December 2015). Despite disbursements for capex and acquisitions, net debt to adjusted EBITDA stood at 1.88x (1.81x on a pro-forma basis), well below the Group's covenant limit of 3.5x, due to higher cash generation and the proceeds from the share issuance to La Caisse de Dépôt et Placement du Québec at the end of the period.
- During the first half of the year, Eurofins reinforced its funding capability to enable the Group to respond to compelling opportunities swiftly and efficiently and built significant balance sheet headroom with the possibility to refinance older, more expensive debt potentially with new instruments with longer maturity at more favourable rates.

Beyond progress in building large state of the art sites, bespoke IT solutions and a unique portfolio of innovative tests, as well as opening 35 start-up laboratories around the world, Eurofins has also made good progress on its financial objectives in H1 2016. Not only has margin increased significantly and capex started to return to historic levels of 6% of sales in spite of large ongoing investments on IT solutions and sites, but Eurofins has started to make its access to funding more flexible. Eurofins still bore the cost of more than EUR 800m unused cash in H1 2016 and its more recent acquisitions, which perform very well, still push the Group tax rate to an elevated level, but the Group has made progress on plans to improve on these aspects in the medium term.

Overall, Eurofins' leadership is optimistic about the prospects of its market and its ability to build a unique service delivery platform for its clients. Our continued success is a testimony of the talent and dedication of our 25,000 employees to provide a truly unique level of service to our clients based on significant long-term orientated investments.

As usual, my thanks go to all our clients, employees and shareholders for their continued support.

Sincerely,

Dr. Gilles G. Martin
CEO

(See definitions of the financial terms discussed on page 12).

3 The business

Eurofins Scientific – A global leader in bioanalysis

Eurofins Scientific through its subsidiaries (hereinafter sometimes “Eurofins” or “the Group”) believes it is the world leader in food, environment and pharmaceutical products testing and that it is also one of the global independent market leaders in certain testing and laboratory services for agroscience, genomics, discovery pharmacology and for supporting clinical studies. In addition, Eurofins is one of the significant emerging players in specialty clinical diagnostic testing in Europe and the USA.

With 25,000 staff in a network of companies operating over 250 laboratories across 39 countries, Eurofins offers a portfolio of over 130,000 analytical methods for evaluating the safety, identity, composition, authenticity, origin, traceability and purity of biological substances and products, as well as for clinical diagnostic. The Group provides its customers with high-quality services, accurate results on time, and expert advice by its highly qualified staff.

Eurofins is committed to pursuing its dynamic growth strategy by expanding both its technology portfolio and its geographic reach. Through R&D and acquisitions, the Group draws on the latest developments in the field of biotechnology and analytical chemistry to offer its clients unique analytical solutions and a very comprehensive range of testing methods.

As one of the most innovative and quality oriented international companies in its industry, Eurofins believes it is ideally positioned to support its clients’ increasingly stringent quality and safety standards and the expanding demands of regulatory authorities and healthcare practitioners around the world.

Our Vision: To be the world leader in the bioanalytical testing market

Our Mission: To contribute to global health and safety by providing our customers with high quality laboratory and advisory services whilst creating opportunities for our employees and generating sustainable shareholder value

Our Values: Achievement of our Mission is based on Eurofins "Core Values", which commit us to Customer Focus, Quality, Competence & Team Spirit and Integrity.

History and Strategy of Eurofins

Eurofins was founded in 1987 with 4 employees to market the SNIF-NMR technology, a patented analytical method used to verify the origin and purity of several types of food and beverages and identify sophisticated fraud not detectable by other methods. Today Eurofins operates a network of over 250 state-of-the-art laboratories across 39 countries in Europe, North and South America and Asia-Pacific employing 25,000 staff, and offering a portfolio of over 130,000 reliable analytical methods.

Investments in start-up laboratories in 15 countries over the last 8 years, along with focused acquisitions, have substantially increased the range of Eurofins’ offerings in its customers’ key markets around the world. Eurofins has also started seeing the benefits from its most recent intensive investment programme. The results have been reflected in a significantly enlarged network of state-of-the-art laboratories and Competence Centres, increased efficiency across the Group, and higher shares in most of the markets where the Group historicaly operates.

Eurofins is committed to supporting its clients’ objectives of ensuring that their products reach the best possible quality and safety levels in all markets in which they operate and supporting medical practitioners and patients with innovative diagnostic services. Eurofins intends to continue to develop and acquire a unique range of state-of-the-art analytical technologies as well as expand its geographical reach in order to support its clients’ increasingly stringent quality and safety standards and the expanding demands of regulatory authorities and its customers, including healthcare practitioners, around the world.

Eurofins is a global network of laboratories providing a large range of bioanalytical testing services. The Group believes it is the world leader in food and feed, environment and pharmaceutical products testing and ranks among the top five global providers of central laboratory and genomic services for research[1]. Eurofins’ mission is to contribute to the health and safety of all by providing its customers with high quality laboratory and advisory services. It operates in a range of clearly defined markets, that are considered to have high growth potential and where competition is generally fragmented.

Eurofins is structured as a decentral federation of independent companies. Each of the Group’s businesses develops plans to enable it to fulfil its mission and objectives. The Group does not operate under one single strategy, but with several that are specific to each market in which its subsidiary companies operate. In general, Eurofins companies and groups thereof constituting regional or global business lines employ all or a combination of the following to build strong positions and defendable barriers-to entry:

- Use advanced technologies, supported by a high level of R&D and bespoke IT solutions;
- Deliver standardised, accredited services of high quality;
- Leverage Eurofins’ growing global network of laboratories and service/product portfolio to generate scale effects and be a first choice provider; and
- Strive to become, over time, and remain the number one or number two service provider in every market in which the Group operates.

Eurofins Scientific is a decentralised network of independent laboratories operating across various segments and geographies. Each laboratory strives for operational excellence and aspires to be the best partner for its client by leveraging the Group's network capabilities, through sharing of know-how and best practices, IT infrastructure and solutions, logistics and financial resources.

[1] Wells Fargo Securities, Equity research, Pharma Services, Appendix 3 - 2011

This has been achieved and successfully replicated across many countries and market segments to date. The Group aims to achieve growth through organic development (selling more to existing customers and attracting new customers) and acquisitions which give access to new customers, geographic markets, technology, and innovation.

Industry Overview

The market for Testing, Inspection and Certification Services (TICS)

Bioanalytical testing (defined by Eurofins as testing all products or substances that we eat, drink, ingest, inhale or come in contact with our bodies) is a relatively new market that started expanding significantly only a few decades ago, particularly for third party service providers. Despite the ongoing consolidation process, the market is still highly fragmented with a large number of smaller and medium sized laboratories offering a limited technological portfolio, regional presence and customer reach[2]. In contrast, the Eurofins Group and a few large international peers offer its customers almost global support and a very large range of analytical services.

The Clinical Diagnostics market

The clinical diagnostics market comprises assays, instruments, and services that help in the diagnosis and treatment of diseases. Since 2014 Eurofins has been focusing a large part of its investments in this sector with a special focus, on innovative specialized diagnostic services with a growing genetic and genomic component. As further detailed below under paragraph "Global Clinical Diagnostics market growth drivers" The market is expected to grow[3] as effective diagnosis enables a more personalized medicine – i.e., allow healthcare professionals to better diagnose and prescribe more accurate treatment for each patient.

Growth drivers

Eurofins management believes that several significant trends and factors are supportive of the continued growth of the market in which it operates. Some of these trends include:

The Broader bioanalytical testing market growth drivers

Wealth & Life Expectation

Thanks to sufficient food, modern technology, healthcare, and medical coverage in industrialised countries, most people can live comfortably and grow old healthily. As the average wealth in these countries increases, the demand even for expensive pharmaceuticals enabling people to enjoy better lives is growing. The aversion to risk that may be associated with some food and consumer products and contamination of the environment is also increasing as people become more aware of the issues that surround them.

New Technologies

New technologies open new perspectives for applications in the pharmaceutical, food, and environmental markets. In recent years, the food industry has developed many new products which apply new technologies and processes, such as "functional food", a food given an additional function (often one related to health promotion or disease prevention) by adding new ingredients or more of existing ingredients.

Eurofins benefits from both the needs of its customers to test the application of new technologies and to test and control their products. The Group is capable of developing new methods to help develop and register new pharmaceutical products and to track and analyse, for example, residues of pesticides, pharmaceutical substances, allergens or GMOs in a wide range of food products. Increasingly sensitive analytical equipment and methods also act as a driver for better quality assurance and to detect substances that people were not previously aware of or able to measure.

Consumer Protection

Along with the development of new technologies and a rising standard of living in the industrialised countries, consumers are becoming increasingly aware of product safety and quality and are averse to any health risks linked with food, pharmaceuticals or the environment. The demand for higher quality goods and services, and the associated requirement for testing, are also driven by increasingly strict regulations introduced by governmental authorities, the European Commission, the US Food and Drug Administration or worldwide standardisation bodies in the pharmaceutical, food and environmental markets.

Globalisation

As businesses increasingly look to global markets for their suppliers, they also become more exposed to the additional risks that are created by this global sourcing. The wider the supply chain becomes, the greater and more complex the risk of quality divergence across the chain becomes and hence the need for testing.

In addition to Europe and North America, Eurofins is able to meet clients' needs across the globe including in an increasing number of supply chain locations in South America, Eastern Europe, and Asia. By operating laboratories in many of the countries where suppliers of food ingredients or agriculture commodities exist, Eurofins has a clear understanding of the global conditions and regulations and possibilities to test at source. Furthermore, Eurofins also offers a reliable standard of high quality and extensive expertise in those local markets for global customers with worldwide operations.

One-stop-service provider

Eurofins aims to provide its customers with as wide a range of analytical services as possible. The main way in which this is achieved is through Eurofins market-leading testing portfolio of over 130,000 tests. In addition, most large customers benefit from having

[2] KPMG Corporate Finance, Test and Measurement newsletter Q1 2016

[3] http://www.transparencymarketresearch.com/clinical-laboratory-services-market.html says they expect 5.8% CAGR 2013-2019

dedicated account managers. This account manager can draw on the possibility of a large number of Eurofins laboratories, some being very specialized. Eurofins in turn is able to allow each laboratory in the Group to focus on their own area of expertise and yet retain customers through being able to offer the complete range of tests provided by most laboratories in the Group or in one Business Line:

Brand Protection

In times of enhanced quality and safety consciousness of consumers, global marketing of products and international media coverage, brands are very valuable and highly vulnerable assets that need constant protection. By carrying out a large range of analyses as part of pro-active quality assurance programmes, Eurofins supports its global customers in maintaining the integrity of their brands.

Outsourcing

To run in-house or government/public laboratories, as a rule, is seldom cost effective and therefore outsourcing to a global supplier, such as Eurofins, is becoming increasingly common. An outsourcing deal can represent a win-win situation for both sides. It allows the outsourcing partner to use its capital more efficiently, turn fixed costs into variable costs, and to benefit from Eurofins' expertise in operating laboratories. On the other hand, Eurofins gains a long-term partnership with the customer, allowing both parties to concentrate on their core businesses.

The Clinical Diagnostics market growth drivers

Demographics

Eurofins believes that as world population grows and ages, the need for earlier and more sophisticated diagnosis and treatment of diseases will likely drive up the demand for laboratory diagnostic services.

According to a market study, the global clinical laboratory services market is anticipated to grow by 5.8% per annum from USD 162.7 billion in 2012 to an estimated valuation of USD 241.4 billion by 2019[4].

Medical/scientific innovations

Technological innovations relevant to medicine could lead to earlier or more accurate diagnosis and treatment of diseases[5]. Advances in genomics, for example, are expected to lead to advanced diagnostic tests, which in turn could bring the healthcare system closer to personalized medicine, which relies on individualised diagnostic and prognostic testing[6]. Based on such individualised testing physicians may prescribe the most effective healthcare treatments or lifestyle changes for individual patients.[7]

The increased availability of healthcare data, including those resulting from modern sequencing technologies frequently referred to as "next generation DNA sequencing" and continually improving ability to analyze such data at the patient level is likely to open new possibilities to positively impact diagnosis and treatment of diseases.

Prevention and wellness

The increasing burden of healthcare costs on government and healthcare agencies has advanced the case for better control of medical and laboratory diagnostic costs but also for greater focus on early diagnosis and prevention. In some cases, healthcare providers and payers (governments or insurance agencies) increasingly recognize the value of diagnostics as a means to improve health and reduce the cost of healthcare through early detection, prevention, and more effective treatment.

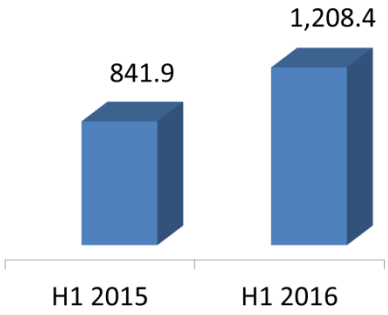
There is no guarantee that these growth trends will remain or materialize, or that the industry, or indeed Eurofins' businesses and operations may not be negatively influenced or impacted by a variety of factors and possible events. Please refer to the Risk Factors Section on Commercial risks, Technological risks, Industrial risks and other factors that could have a negative impact on the laboratory testing industry and Eurofins' growth and financial results.

[4] http://www.transparencymarketresearch.com/clinical-laboratory-services-market.html
[5] http://www.marketsandmarkets.com/Market-Reports/ivd-in-vitro-diagnostics-market-703.html
[6] http://www.mordorintelligence.com/industry-reports/global-in-vitro-diagnostics-market-growth-trends-and-forecasts-2014-2020-industry?gclid=CNnSio6Y-MwCFY5ZhgodQuMJEA
[7] http://ww2.frost.com/news/press-releases/vitro-diagnostics-players-go-global-says-frost-sullivan-us-and-europe-markets-slow-down/

4 Financial and operating review

Revenues

Revenues EUR m



Revenues in the second quarter were EUR 626.5m, pushing Group revenues for the first half of 2016 to EUR 1,208.4m, representing a year-on-year increase of 43.5%, over 11% of which was organic. Currency had a less than 1% negative impact during the period.

Revenues : Geographical Breakdown

EUR million	**H1 2016**	% of Group	H1 2015	% of Group
North America	**386.6**	32.0	287.4	34.1
France	**314.4**	26.0	118.8	14.1
Germany	**130.4**	10.8	116.6	13.8
Benelux	**89.5**	7.4	70.0	8.3
Nordic Region	**81.7**	6.8	77.2	9.2
UK & Ireland	**52.2**	4.3	46.5	5.5
Other	**153.7**	12.7	125.5	14.9
Total	**1208.4**	100.0	841.9	100.0

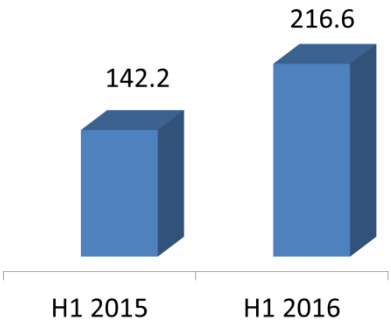
(note 2 of the notes to the unaudited condensed interim consolidated financial statements)

Eurofins' businesses in North America generated total revenues of EUR 386.6m in the first half of 2016, representing 32% of total Group revenues, and an increase of 34.5% compared to H1 2015. The Group's businesses in France, now Eurofins' second-largest market generating 26% of total revenues following the acquisitions of Biomnis and BioAccess in 2015, achieved EUR 314.4m of revenues in H1 2016, up 164.6% compared to H1 2015. Revenue contribution from Germany, which makes up 10.8% of Group revenues, was EUR 130.4m, an increase of 11.8% versus H1 2015. The Group's businesses in the Benelux delivered EUR 89.5m, representing 7.4% of total Group revenues, whilst Eurofins' Nordic businesses generated EUR 81.7m of revenues in H1 2016, making up 6.8% of total sales, and revenue contribution from businesses in the UK & Ireland were EUR 52.2m. The Group's businesses in emerging markets and Asia Pacific contributed revenues of EUR 153.7m, representing 22.5% growth over H1 2015.

Profitability

Group adjusted EBITDA increased 52.3% to EUR 216.6m in H1 2016 as margin expanded by 100bp to 17.9% driven by the strong revenue growth and profitability improvements in both the mature businesses and those that had been recently transferred out of the start-up/businesses in reorganization perimeter. The mature businesses of the Group, i.e. excluding start-ups and acquisitions in significant restructuring, generated EUR 1,071.6m of revenues during the period, implying that the margin for these businesses expanded further by 90bp to 20.2%.

Adjusted EBITDA EUR m

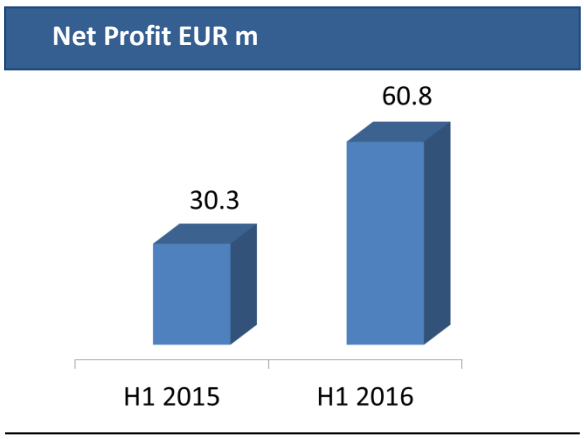


Start-ups and businesses in restructuring or reorganization generated the remaining EUR 136.8m of revenues, which means that these businesses now account for 11.3% of total Group revenues, compared to 12.4% in H1 2015.

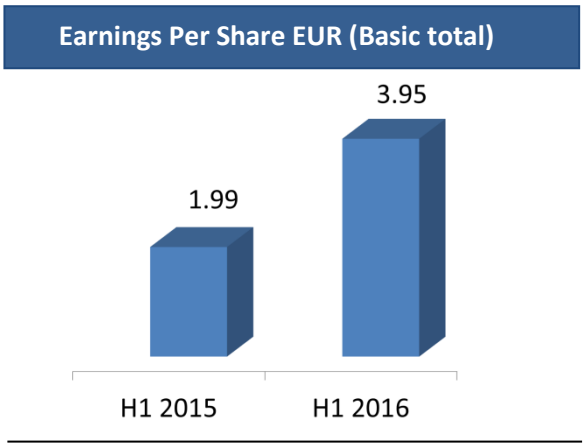
During the first half of 2016, separately disclosed items were significantly reduced to EUR 5.6m at the EBITDA level, compared to EUR 10.1m for the same period in the previous year. This means that the exceptional costs and temporary losses from non-mature businesses have been significantly reduced from 7.1% in H1 2015 to 2.6% of the EBITDA generated by the mature businesses in H1 2016, in-line with the management's stated objective. These items relate, in large part, to the reorganization of the Group's discovery services business in the US, its genomics site relocation to Louisville, KY in the US and site consolidation in the UK and Benelux, which are expected to be completed by the end of 2016, as well as the Group's ongoing programme to launch 35 start-ups, expected to be completed by the end of 2017.

The significant reduction in separately disclosed items, led to a 180bp expansion in reported EBITDA margin to 17.5% in H1 2016, reflecting a 59.8% increase in reported EBITDA to EUR 211.0m, compared to EUR 132.1m in H1 2015.

Finance costs were EUR 33.2m in H1 2016, representing 2.7% of total revenues, largely stable from the same period in H1 2015, and significantly reduced compared to the 3.6% level for the full year 2015, despite the cost of carrying EUR 808m of cash reserve for future investments. Average month end excess cash in H1 2016 was EUR 579m, versus EUR 473m in H1 2015, and the cost of this unused cash was EUR 6.0m at the net profit level during the period, versus the EUR 4.3m cost of carrying excess cash in H1 2015. Although income tax expense of EUR 32.1m is 2x as high as H1 2015 due to the strong revenue and profit growth, the 33.5% implied tax rate for H1 2016 shows an 73bp improvement compared to the previous year as the Group makes progress on its planned tax optimization programme.

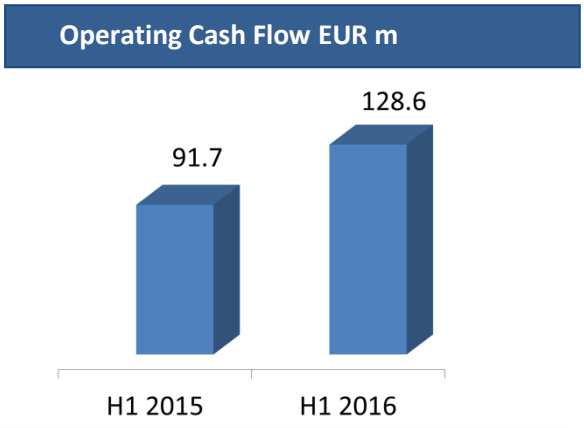


Adjusted net profit for the Group stood at EUR 93.4m in H1 2016, representing growth of 51.5%. Due to the strong revenue growth and profit improvement, and with finance costs stable relative to revenues, reported net profit doubled to EUR 60.8m for the first half of 2016, translating to a 98.8% uplift in the Group's basic earnings per share (EPS).



Cash Flow and Liquidity

Operating cash flow increased 40.2% to EUR 128.6m during the first half of the year, driven largely by the strong growth in pre-tax profit during the period (up 105.5% to EUR 95.6m) despite dilutive ongoing network investments as reflected in the Group's separately disclosed items. The Group's focus on cash flow discipline was also reflected in the reduction in net working capital (NWC) as a proportion of sales from 5.9% in the same period last year to 5.1% at the end of June 2016.



Capital expenditures as of the end of June 2016 were EUR 80.4m, or 6.7% of sales, versus 7.8% at the end of June 2015, in-line with the management's objective of progressively managing capex to a more normalized level of 6% of sales, following completion of most of its largest network infrastructure investments. On the back of strong growth in revenues and profitability, and the slower capex spend, Free Cash Flow to the Firm expanded by 87.4% during the first half of 2016 to EUR 48.2m.

Net debt at the end of June 2016 stood at EUR 817.3m, a EUR 99m reduction from the net debt at the end of December 2015. After capex and acquisition spend, payment of hybrid capital coupon, as well as repayment of the penultimate OBSAAR bond re-payment, net debt to adjusted EBITDA stood at 1.88x (1.81x on a pro-forma basis), well below the Group's covenant limit of 3.5x and significantly improved from the 2.54x level at the end of 2015, due to the higher cash generation during the period and the proceeds from the share issuance to La Caisse de dépôt et placement du Québec (CDPQ) at the end of the period.

Operational Highlights

Overall, trends remain supportive of growth across most of the Group's businesses. The food testing business continues to see positive tailwinds, as well as benefits from the Group's scale. The robust performance of Eurofins' environment testing business despite the impact of slower economic activity in most parts of Europe demonstrates the scale of the network following past investments.

The Group's pharmaceutical testing business delivered another strong performance, underpinned by the Group's ability to leverage its unparalleled network capabilities to benefit from positive underlying industry fundamentals. The strong performance from Eurofins' clinical diagnostics testing business underscores the Group's strategy of selective acquisitions in this market.

Growth variations across geographies were largely driven by the stage of Eurofins' development in its various markets, as well as progress of the Group's different optimization programmes in certain regions.

Business developments by market

Operating trends in Eurofins' businesses in North America remain positive as reflected in the continued strong performance of the Group's businesses in the region. Regulatory tailwinds continue to drive market growth in food testing in the US, whilst Eurofins' expanding footprint is reflected in market share gains as the Group leverages its ongoing investments to strengthen its network capacity, including additional capacity in both the existing sites and from the newly-launched start-up laboratories, as well as new innovative tests. In environment testing, Eurofins is well-positioned to benefit from consolidation, which is currently the main driver of the market. Increased outsourcing driven by the robust drug development pipeline in the biopharmaceutical industry, with increased demand for testing services to support the development of new biologics drugs, as well as bio-

similars, is reflected in the high organic growth generated by the Group's pharma products testing business. In addition, progress in the reorganization of the pharma discovery services business is also starting to bear fruit as reflected in a strengthening order book. The Group's specialty clinical diagnostics businesses also contributed solid organic growth as the laboratories expand their sales forces to accelerate the commercialization of their tests and invest in further development of new innovative tests and services.

Despite continued uncertainty and tepid economy in many parts of Europe, Eurofins' businesses performed strongly. Market growth from incremental regulations and customers' measures for greater brand protection, as well as acceleration in market share gains, are reflected in strong organic growth generated by the Group in the region. Network scale and market leadership translated to faster market share gains for the Group's businesses in France. During the period for example, Eurofins was selected by the Association Nationale des Expéditeurs et Exportateurs de Fruits et Légumes (ANEEFEL) as a reference laboratory, demonstrating the Group's capabilities to support the food industry, and further advancing Eurofins' industry penetration. The environment testing business also performed well, driven by new contract wins such as the recently-won public tenders ("Agence de l'Eau Seine Normandie" and "Agence de l'Eau Loire Bretagne") as well as increased volumes from existing customers. The clinical diagnostics testing business also generated stronger than expected organic growth, validating the Group's strategy of building a differentiated platform focused on building regional leadership and leading the market for specialized, highly-innovative diagnostic tests.

In Germany, the growth uptick in the second half of 2015 further accelerated in H1 2016. The strong growth in the food testing business reflects increased volumes from global retail and food manufacturing clients as the Group leverages its network scale and capabilities to accelerate its share of clients' testing spend, in addition to higher share of incremental market volumes driven by new regulations such as those addressing potential contaminants from packaging materials[8].

The Group's businesses in the Benelux were buoyed by market share gains, as well as new businesses won such as the new contract for groundwater analysis in Belgium. Eurofins' Nordic businesses continue to generate robust growth despite high market share across the region as it benefits from past investments which strengthened its ability to continually expand the services it can provide to clients, resulting in increased share of clients' testing spend. In the UK & Ireland, the strong performance from the pharma testing business offset the exit from some water testing segments.

Eurofins' businesses in emerging markets and Asia Pacific continue to gain traction as the Group expands its footprint. Capacity from recently-launched start-ups in the region, as well as the benefits from network investments in both infrastructure and acquisitions, is starting to bear fruit as the Group gains market share

Overall, the Group delivered strong performance across its businesses in the first half of 2016, supported both by positive underlying trends, and the benefits of past heavy investments to build the best laboratory network infrastructure in its markets to serve the needs of its clients.

Acquisitions & Outsourcing

In January, Eurofins acquired Sinensis Life Sciences, a leading provider of pharmaceutical product testing and cGMP Quality Control (QC) services in the Netherlands, further reinforcing the Group's global leadership in this area of pharmaceutical products testing. In the same month, Eurofins also acquired Biotech-Germande SAS, one of the leading players in the environmental clinical testing and hospital hygiene market, as well as in medical device evaluation in France. Biotech-Germande complements Eurofins' growing footprint in the testing market for the healthcare sector in France. Eurofins further strengthened its pharmaceutical products testing footprint with the acquisition of ams Laboratories and Advantar, the leading independent analytical and cGMP Quality Control (QC) service providers in Australia, and the US West Coast respectively. In April, Eurofins acquired PerkinElmer, Inc.'s U.S. prenatal screening laboratory services business PerkinElmer Labs/NTD, a reference laboratory in the US for first and second trimester prenatal screening. The acquisition strengthens Eurofins' growing footprint in the genetics segment of the specialty clinical diagnostic testing market.

Eurofins completed the acquisition of EAC Corporation from Asahi Industries in Japan in May. EAC should reinforce the Group's local footprint as well as its platform to further deploy the Group's analytical expertise especially in water and dioxin testing. As part of the acquisition, Asahi and Eurofins entered into an exclusive service contract for a period of 3 years.

At the end of May, Eurofins strengthened its leadership in the French food testing market with the acquisition of Agro-Analyses SAS, one of the leading analytical service providers supporting the food retail and catering sectors in France. In June, Eurofins acquired Bureau de Wit BV, one of the main laboratory service providers focused on food and water safety testing for the food production, hotel and catering sectors in The Netherlands.

Eurofins completed 4 other smaller acquisitions bringing total acquired companies for the first half of 2016 to 12, with combined total annualised revenues of over EUR 70m. These acquisitions either strengthen Eurofins' leadership in existing markets, or further develop the Group's expanding footprint in its newer markets, such as in clinical diagnostics testing, or in Asia Pacific.

[8] Regulation of mineral oil saturated hydrocarbons (MOSH) and mineral oil aromatic hydrocarbons (MOAH) http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B8-2016-0411+0+DOC+XML+V0//EN; Legislation on Polycyclic Aromatic Hydrocarbons (PAHs) https://ec.europa.eu/jrc/en/eurl/pahs/legislation

Infrastructure

As part of its ongoing network investment programme, Eurofins plans to deliver another 75,000m^2 of new, state-of-the-art laboratory surface by the end of 2016, following the 55,000m^2 added in 2015. The Group's network infrastructure programme includes the completion of 4 further start-up laboratories this year, which would bring 25 start-up laboratories completed out of the 35 planned by end of 2017. The Group is also undertaking several site rationalization projects with part or full site upgrades, consolidating several small sites into fewer but larger industrialized sites, or simply moving some businesses into our large campuses to maximize synergies and optimize efficiencies across our businesses.

In the US, Eurofins is on track to complete 2 of the planned remaining 9 start-ups this year, to bring total US start-up laboratories to 12 by the end of 2017. In addition, in-line with the positive outlook in the domestic testing market, the Group is further expanding its laboratory campus in Lancaster, already the largest independent single-site laboratory in the world, with a planned 17,200m^2 extension to be completed by the end of 2018, of which 1,600m^2 is expected to come on stream by the end of this year. Boston Heart Diagnostics (BHD) has also completed the extension of its testing facilities in Framingham, MA, which has increased its laboratory surface by over 40% to 9,300m^2. In Europe, the move to consolidate several small sites to a large campus in Hamburg is expected to be completed by the end of 2018, as are the site consolidation programmes in Benelux and Sweden. Finally, in Asia Pacific, the Group is on track to complete the expansion of its main Chinese food testing laboratory in Suzhou, as well as the construction new food testing laboratories in Australia and Singapore by the end of 2017. These projects follow the completion of the Group's new laboratories in Hong Kong and India, as well as the multiple site upgrade and expansion projects in Australia and New Zealand in 2015.

Between 2016 and 2017, the Group plans to deliver 120,000m^2 of modern laboratory surface. These programmes include both upgrade and modernization of laboratory surface to consolidate smaller laboratories into large, industrial facilities with higher automation, greater efficiencies, better and faster service to clients and ultimately higher profitability, as well as construction of new facilities in high-growth markets or expansion of Eurofins' existing large sites.

Post-closing events

The transaction to acquire Exova's food, water and pharmaceutical testing business in the UK & Ireland, comprising 10 laboratories generating over EUR 20m in annual revenues, was closed in July. Eurofins also completed the acquisition of a food testing laboratory in New Zealand, an agroscience business in the UK, and an environment testing business in France, with total combined annualised revenues of about EUR 8m.

Eurofins has repaid the entire principal amount of the Schuldschein loan (EUR 170m), in line with previous communication regarding the management's intention to possibly refinancing older, more expensive existing lines of debt with instruments with longer maturity.

Outlook

The management of Eurofins remains confident that the Group should be able to achieve its FY 2016 objective of reaching EUR 2.5bn of revenues and adjusted EBITDA above EUR 460m (at constant currency), based on current business trends and M&A pipeline. In addition, the Group remains on track to fulfil its mid-term objectives of achieving EUR 4bn of revenues and EUR 800m of adjusted EBITDA by 2020 given continued positive trends across its businesses.

[1] Adjusted - reflect the ongoing performance of the mature and recurring activities excluding "separately disclosed items[2]".

[2] Separately disclosed items - includes one-off costs from integration, reorganisation, discontinued operations and other non-recurring income and costs, temporary losses and other costs related to network expansion, start-ups and new acquisitions undergoing significant restructuring, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions, net finance costs related to borrowing and investing excess cash and one-off financial effects (net of finance income) and the related tax effects.

[3] EBITDA – Earnings before interest, taxes, depreciation and amortisation, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, discontinued activities and transaction costs related to acquisitions as well as income from unused amounts due for business acquisitions

[4] EBITAS – Earnings before interest, taxes, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, discontinued activities and transaction costs related to acquisitions as well as income from unused amounts due for business acquisitions.

[5] Net Profit - Net profit for equity holders after non-controlling interests but before payment to Hybrid holders.

[6] Basic EPS – earnings per share (basic) total (to equity holders before payment of dividends to hybrid bond holders)

[7] Operating Cash Flow – Net cash provided by operating activities (after tax)

[8] Free Cash Flow to the Firm - Operating Cash Flow, less capex

[9] Organic growth for a given period (Q1, Q2, Q3, Half Year, Nine Months or Full Year) - non-IFRS measure calculating the growth in revenues during that period between 2 successive years for the same scope of businesses using the same exchange rates but excluding discontinued operations.
For the purpose of organic growth calculation for year Y, the relevant scope used is the scope of businesses that have been consolidated in the Group's income statement of the previous financial year (Y-1). Revenue contribution from companies acquired in the course of Y-1 but not consolidated for the full year are adjusted as if they had been consolidated as from 1st January Y-1. All revenues from businesses acquired since 1st January Y are excluded from the calculation.

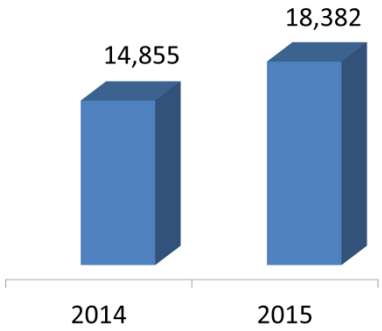
Eurofins provides in the Income Statement certain non-IFRS information ("Adjusted Results[1] and Separately Disclosed Items[2]") that excludes certain items because of the nature of these items and the impact they have on the analysis of underlying business performance and trends.

In addition, Eurofins shows the following measures: "EBITDA[3], EBITAS[4]" in the Income Statement and "Organic growth[9]" with the objective to be close and consistent with the information used in internal Group reporting to measure the performance of Group companies and information published by other companies in the sector.

Management believes that providing this information enhances investors' understanding of the company's core operating results and future prospects, consistent with how management measures and forecasts the company's performance, especially when comparing such results to previous periods or forecasts and to the performance of our competitors. This information should be considered in addition to, but not in lieu of, information prepared in accordance with IFRS.

5 Social & environmental information as of 31/12/2015

Full Time Employees (FTE)



The Group's total headcount at the end of the year was 22,518, with around 90% on permanent contracts. The average weighted number of employees, expressed as full time equivalent (FTE), was 18,382, a 24% increase from 2014, primarily due to the increase in the total size of the Group, and in particular the multiple acquisitions during the course of the year. The geographical distribution of Eurofins' FTEs is as follows:

FTE by Region

	2015	2014
Benelux	1,514	1,445
France	3,455	2,450
Germany	2,718	2,574
North America	4,602	3,168
Nordic Countries	1,207	1,174
UK & Ireland	1,041	884
Other	3,845	3,159
Total	**18,382**	**14,855**

Eurofins believes one of its most important assets is its employees, and continuously invests in training and development for its personnel. In addition, the Group has developed an internal infrastructure for employees to access and share competencies across the Group.

One of the internal communications tools, in the food, environment and part of the pharmaceutical products testing laboratories, ComLIMS, developed in 2000, is continually upgraded, in order to give access to and speed up the dissemination of scientific, technical, and commercial information about the group portfolio of services within the Group. ComLIMS now has over 3,500 trained users with regular access in the Group. The Group also operates various other electronic document management systems to managed disseminated information.

Within its new recruitments, the Group welcomes every year new experienced leaders during a week-long training programme called New Leaders Introduction Tour, in order to give them some of the necessary tools and understanding to succeed in the Group. Eurofins also launched its High Potential and Top Graduate programme in 2010, designed to attract, train and develop management skills of young talented individuals who may become future top leaders at Eurofins.

Scientific Collaboration & Activities

Eurofins believes that one of the keys to securing and maintaining leadership in its fields of activity is constant innovation. Its scientists and technicians regularly engage in collaborations with academic, industrial, and public sector organisations in scientific research projects that advance the contribution of testing for health and the environment.

Eurofins' scientists and technicians are constantly engaged in the development of new testing technologies and solutions. For example, in 2015, Eurofins developed and launched an innovative DNA chip technology enabling the identification of 21 animal species in food and feed.

The Group's leading analytical capabilities is demonstrated in various partnerships with large clients, who turn to Eurofins for technical collaborations. In 2015, DuPont partnered with Eurofins to launch the "Detect & Protect" Programme, to combine their scientific expertise with Eurofins' testing capabilities to help customers identify potential contamination earlier in the production chain.

Eurofins scientists participate in several EU and other public or government-funded projects, such as the EU's ongoing "FoodSniffer" Project, investigating new, portable systems designed to provide analytical results at point-of-need. The project is part of a European-funded research project in the Seventh Framework Programme that runs for three years. Eurofins also took part in the TRACE initiative, a programme designed to trace the origin of food.

In France, Eurofins has also once again been selected by the National Food Safety Agency (ANSES) to conduct nutritional analysis for the Table Ciqual, underscoring the Group's strong reputation in the food testing industry.

The Company is part of an inner core of 38 partners from industry, academia, and research institutes participating in a 5-year European-funded research project called "Food Integrity". The aim of the project is to establish a sustainable body of expertise that can inform high level stakeholder platforms on food fraud and authenticity issues. As a globally recognized thought leader in this area, Eurofins is in charge of building a comprehensive Knowledge Base linking each food product and its potential fraud or integrity issues to appropriate analytical strategies that can be used for food fraud detection.

The Company has also joined forces with other major participants (retailers, industry and academia) in an "Adulteration Think Tank" to work on a new standardised approach for an analytical system that will be able to provide an early warning of potential contamination of food, by developing untargeted

screening techniques. This initiative, combining testing and food safety management systems certification capabilities of Eurofins and other partners is supported by the GFSI (Global Food Safety Initiative).

In the medical testing field, Eurofins is demonstrating its commitment to leverage its technological capabilities to support clinicians and patients worldwide with the launch of several innovative tests.

In 2015, Boston Heart Diagnostics (BHD), a wholly-owned subsidiary of Eurofins, launched StatinSmart™, the first and only at-home saliva laboratory developed test that analyzes the SLCO1B1 (Solute Carrier Organic Anion Transporter 1B1) gene for a variant known to increase an individual's risk for developing statin induced myopathy - the onset of muscle aches, spasms and pain associated with statin therapy. StatinSmart™ helps patients and their healthcare providers in selecting a treatment plan to lower cholesterol without suffering through the trial-and-error process of painful side effects.

A study[9] published in Transplantation[10] in 2015, showed that ImmuKnow, the FDA-cleared immune cell function assay developed by Viracor-IBT, that detects cell-mediated immunity in immunosuppressed patients, helps improve outcomes in solid organ transplant (SOT) patients. The study demonstrated that the ImmuKnow assay provided additional data which helped optimize immunosuppression, and ultimately improve patient survival rate.

Social and Charitable Initiatives

Beyond the Group's business activities, several Eurofins companies also contribute to various social projects and charitable work as part of their continuous commitment to contribute to the improvement of health and social conditions of everyone.

Locally, many of its subsidiaries and laboratories engage in social activities and donate to charitable organisations independently, over and above those undertaken at the Group level.

Eurofins has been a long-term contributor to Plan International (http://plan-international.org) whose objective is to alleviate child poverty, and ProGreffe (http://www.progreffe.com), an organisation dedicated to research to improve organ transplants. Eurofins is also a supporter of Unicef (http://www.unicef.org/index.php), whose mission is to enhance children's rights, their development and survival. Eurofins also did contribute to the Red Cross (http://www.icrc.org/eng/), an organisation focused on providing humanitarian help for people affected by conflict and armed violence worldwide.

For more information on this topic, please visit http://www.eurofins.com/en/about-us/corporate-social-responsibility/charitable-donations.aspx.

Environmental Information

By the very nature of its business, Eurofins' testing activities allow us to play a direct role in contributing to the health and safety of all, and in building a sustainable future for our environment. Furthermore, within Eurofins, we are ever mindful of the impact of our activities on the environment.

Eurofins' food and environmental testing services directly support the responsible use and minimisation of such things as pesticides, heavy metals, dioxins, persistent organic pollutants and chemical contaminants that are harmful to humans and the planet.

In general, the activity of Eurofins as a provider of testing and analysis services necessitates the use of limited amounts of water, raw material and energy (principally electricity and liquid nitrogen).

Some of the Group's companies in Brazil and Northern Europe already use renewable energy wherever possible such as that generated by wind, water or sun. Several laboratories also use energy created by recycled heat or from waste-fired energy generators.

Environmental Risk Management

Several Eurofins laboratories have developed and set up dedicated training programmes to good practice in terms of environmental risk management (e.g. safe use of chemicals and their application, proper waste disposal, autoclaving systems for decontamination, etc.). Some of the laboratories have their own department or person responsible for safety ("Safety Officer") which carries out regular inspection and internal training on the issues of safety and the protection of the environment.

For more information on this topic, please visit http://www.eurofins.com/en/about-us/corporate-social-responsibility/environment.aspx.

9 Ravaioli M, Neri F, et al. Immunosuppression Modifications Based on an Immune Response Assay: Results of a Randomized, Controlled Trial. Transplantation. Epub* March 9, 2015.

10 The official Journal of The Transplantation Society, published monthly.

6 Risk factors

Eurofins' decisions, plans and objectives for the future are based on its management's current views and expectations of the risks facing the business.

Eurofins' management considers the following list to be as comprehensive as can reasonably be expected and does not consider there to be any other significant risks than those listed, given the current operating environment and without prejudice to any new or highly unusual events taking place. Nevertheless, Eurofins may be significantly affected by risks that its management has not identified or considered not to be material or the measures it undertook to avoid or limit those risks may not prove effective.

Some risks faced by Eurofins, whether they are mentioned in the following list or not, may arise from external factors beyond Eurofins' control.

Where mitigations are mentioned in the following list, there is no guarantee that such mitigation actions measures will be effective, in whole or in part, to remove or reduce the effect of the risk. Some specific risks are also mentioned in the notes to the periodical financial statements.

1. Commercial risks

Changes in the market

Eurofins operates mainly in the food, pharmaceutical, environmental and clinical testing markets as well as individual testing, which are relatively less cyclical and less susceptible to the full impact of economic downturns than many other sectors. This is because of the basic underlying human need to consume food and drink and the consumer and governmental demands, certainly in more affluent and developed countries, that food and drink be safe for consumption. The pharmaceutical testing business is supported by the growth in pharmaceutical products development and use as well as by the search for new and more effective drugs within the framework of new drug development programmes. The environmental testing market is driven by regulations that are enforced in an increasing number of countries around the world.

In 2015, the global economy, especially in Europe, continued to struggle with sluggish growth and persistent uncertainty. The slower growth and consequent funding squeeze may negatively impact some of Eurofins' customers, or governments may be forced to suspend or revoke regulations and reduce testing frequency to ease financial burden, which would directly impact our industry. If this were to be the case then the impact on Eurofins' net worth, financial position and operating results could be severe, including the remote possibility of a cessation of the business.

Regulations and the regulatory environment

Eurofins also has businesses where regulatory supervision extends not only to the analytical process, but also to fee structures and/or schedules. This is particularly relevant in the clinical diagnostics market, where third-party payers, such as government/healthcare agencies and insurers have increased their efforts to control the cost, utilization and delivery of health care services. Reductions of reimbursement from these third-party payers, changes in policy regarding coverage of tests or other requirements for payment, such as prior authorization from a physician or the payer or qualified practitioner's signature on test requisitions, may have a material adverse impact on the Company's business.

General Regulatory Risk

Many of the services Eurofins provides and the conduct of such services are subject to or influenced by laws and regulations that highly regulate the Group's business or the businesses of the Group's customers. Future government policies may adversely affect the supply of, demand for, and prices of Group services; restrict Eurofin's ability to do business in its existing and target markets; and adversely affect the Group's revenues and operating results. Eurofins' operating results could be affected by changes in other governmental policies, mandates, and regulations including monetary, fiscal and environmental policies, laws, regulations, acquisition approvals, and other activities of governments, agencies, and similar organizations. These risks include but are not limited to changes in a country's or region's economic or political conditions, local labor conditions and regulations, reduced protection of intellectual property rights, changes in the regulatory or legal environment, restrictions on currency exchange activities, currency exchange fluctuations, burdensome taxes, enforceability of legal agreements and judgments, and adverse tax, administrative agency or judicial outcomes. International risks and uncertainties, including changing social and economic conditions as well as terrorism, political hostilities, and war, could limit our ability to transact business in individual markets and could adversely affect our revenues and operating results.

Certain Service Line Regulatory Risk

Certain of the Group's service lines are subject to more stringent legal and regulatory requirements governing such activities, and the Group or its subsidiaries may face substantial fines and penalties, and such service line business activities may be impacted, if we fail to comply. In particular, the Group's medical diagnostic business is subject to or impacted by extensive and frequently changing healthcare laws and regulations, (especially in the United States at both the federal and state levels and in France), as well as in other jurisdictions in which the Group engages in such business. While

Eurofins seek to conduct our medical diagnostic business in compliance with all applicable laws regulating such business, many of the laws and regulations applicable to such business, especially in the US and France, are vague or indefinite and have not always been fully or partly interpreted by courts, including many of those relating to:

- billing and reimbursement of clinical testing;
- certification or licensure of clinical laboratories;
- the anti-self-referral and anti-kickback laws and regulations;
- the laws and regulations administered by the ("FDA");
- the corporate practice of medicine;
- operational, personnel and quality requirements intended to ensure that clinical testing services are accurate, reliable and timely;
- physician fee splitting;
- relationships with physicians and hospitals;
- safety and health of laboratory employees;
- protection of patient's data;
- handling, transportation and disposal of medical specimens, infectious and hazardous waste and radioactive materials; and
- the control of laboratories by medical "biologists" practitioners in France.

These laws and regulations applicable to Eurofins activity may be interpreted or applied by a prosecutorial, regulatory or judicial authority in a manner that could require us to make changes in our operations, including our pricing and/or billing practices. We may not be able to maintain, renew or secure required permits, licenses or any other regulatory approvals needed to operate our medical diagnostic or other businesses. If we fail to comply with applicable laws and regulations, or if we fail to maintain, renew or obtain necessary permits, licenses and approvals, we could suffer civil and criminal penalties, fines, financial claims, exclusion from participation in governmental healthcare programs and the loss of various licenses, certificates and authorizations necessary to operate our medical diagnostic and/or other businesses, as well as incur additional liabilities from third-party claims. If any of the foregoing were to occur, our reputation could be damaged and important business relationships with third parties could be adversely affected.

Some of our businesses may regularly receive requests for information from governmental authorities (and occasionally subpoenas in US).
For example, several companies in the cardiac biomarker laboratory services business, including the Group's Boston Heart Diagnostics (BHD) subsidiary, are currently cooperating with investigations that the US Department of Health and Human Services, Office of Inspector General (OIG), is conducting in conjunction with the US Department of Justice (DOJ) related, in part, to payments made to physicians for services performed in connection with blood specimen processing and handling services. Although BHD is fully cooperating with the OIG and DOJ, neither BHD nor the Group can at this time estimate what, if any, impact these matters and any results from these matters could have on our bioanalytics business in general or our medical diagnostics business in particular. We also are subject in the US from time to time to *qui tam* claims brought by former employees or other "whistleblowers." The governments and insurance companies continue to strengthen their scrutiny and enforcement efforts against perceived healthcare fraud. Legislative provisions relating to healthcare fraud and abuse provide government enforcement personnel substantially increased funding, powers, penalties, and remedies to pursue suspected cases of fraud and abuse. In addition, the US Government has substantial leverage in negotiating settlements since the amount of potential damages far exceeds the rates at which we are reimbursed for our services, and the government has the remedy of excluding a non-compliant provider from participation in the Medicare and Medicaid programs. Regardless of merit or eventual outcome, these types of investigations and related litigation can result in:

- diversion of management time and attention;
- expenditure of large amounts of cash on legal fees, costs and payment of damages;
- limitations on our ability to continue some of our operations;
- enforcement actions, fines and penalties or the assertion of private litigation claims and damages;
- decreased demand for our services ; and/or
- injury to our reputation.

Although Eurofins believes that Group operations are in compliance, in all material respects, with applicable laws and regulations with respect to our medical diagnostic services, both in the US and in other countries where Eurofins operate, there can be no assurance that a regulatory agency or tribunal would not reach a different conclusion. Moreover, even when an investigation is resolved favorably, the process may be time-consuming and the legal costs and diversion of management focus may be

extensive. Insurance companies covering health care costs may also refuse payments to Eurofins companies, threaten or launch legal actions, in connection to violation of laws or their policies.
Changes in applicable laws and regulations with respect to our medical diagnostic business or our other service lines may result in existing practices becoming more restricted, or subject existing or proposed services to additional costs, delay, modification, withdrawal or reconsideration. Such changes also could require Eurofins to modify our business objectives.

Regulatory Approval, Accreditation and Professional Licensing Risks

Eurofins is required to obtain and hold permits, licenses and other regulatory approvals from, and to comply with operating and security standards of, numerous governmental bodies. Failure to maintain or renew necessary permits, licenses or approvals, or to comply with required standards, could have an adverse effect on our results of operations and financial condition. Group customers may require evidence of various professional licensing and accreditation as part of their selection of a provider of bioanalytical services and various governmental and regulatory authorities may mandate certain accreditations and professional licensing in connection with the performance of various services, especially with regard to the medical diagnostics market. Although Eurofins believe its operations are in compliance with all material accreditation and professional licensing requirements, there can be no assurance that it will always be able to obtain accreditations and professional licenses necessary or desirable for its business in each jurisdiction in which it operates or seeks to operate. A material delay in obtaining, the failure to obtain, or the withdrawal or revocation of material licenses, approvals, or other authorizations could have a material adverse effect on individual operations within the Group or, more broadly, could have a negative effect on the Group's overall operations.

Deregulation Risk

From time to time efforts are made to limit or prohibit the disclosure of information that might be revealed by various bioanalytical testing we offer or may offer in the future. For example, in the United States various groups oppose mandatory and/or voluntarily labeling of genetically modified (GMO) foods. Likewise various groups and governments have opposed mandatory and/or voluntarily labeling of the country of origin for assorted foods, including pursuant to various international trade agreements. Although Eurofins deems it to be unlikely, a material relaxation of certain regulations or a prohibition on certain types of disclosure could have a negative impact on the demand for, or growth of, certain of our services. Likewise, our toxicology testing businesses, which currently compose a small part of the Group's overall business, could be negatively affected by a ban on or limitations on this type of testing in specific jurisdictions or by other successful actions taken by groups opposed to such testing. Changes in regulations that, for example, streamline procedures or relax approval standards with respect to pharmaceuticals could reduce the need for our pharmaceutical bioanalytics services. If companies regulated by the FDA and other national regulatory authorities where Eurofins operates were subject to such deregulation, we could have fewer business opportunities and our revenues could decrease, possibly materially. Despite the foregoing and similar actions, Eurofins believes the current trend of increasing demand for verification and security is more likely to lead to greater regulation of, and disclosure with respect to, products subject to bioanalytical testing.

Customer and credit risk

The majority of our customers' contracts can be terminated upon short notice. Customers terminate or delay their contracts for a variety of reasons. The loss, reduction in scope or delay of a large contract or the loss or delay of multiple contracts could adversely affect our business, although our contracts frequently entitle us to receive the costs of winding down the terminated projects, as well as all fees earned by us up to the time of termination. Some contracts also entitle us to a termination fee but this is not always or often the case. Eurofins believes its customer base is diverse. Furthermore, based on the general credit profile and quality of the Group's customers, Eurofins believes the risk of bad debts or the insolvency of its customers is generally low. Eurofins periodically reviews its customer accounts and considers its provision for doubtful accounts and bad debts to be appropriate. Severe or long-lasting adverse changes in the global economy in general or in particular individual markets could have an adverse effect on our customers and, in turn, increase the Group's credit risk or decrease the demand for its services.

Contractor and Supplier Risks

Eurofins utilizes certain third party contractors, vendors, and suppliers in the ordinary course of its business. Individual laboratories subcontract on an *ad hoc* basis for specific technical know-how or services, to address production capacity demands or limitations or for other reasons related to specific applications or services. The main suppliers to the business are in the following main categories: laboratory equipment, laboratory consumables (these first two often overlap), information technology (IT), and logistics. In each category, the Group utilizes multiple suppliers

The Group believes there are currently additional available subcontractors, vendors, and suppliers for all of our subcontracted service needs, laboratory equipment and consumables supply needs, and contracted IT needs. However, a full range of subcontract services, suppliers, and vendors may not be locally available in all of the Group's markets and localized disruptions could adversely affect our operations for a limited period of time. The Group seeks to minimize its subcontractor, vendor, and supplier risk through a professional sourcing and contracting process and in-house production

capacity for some critical item. During the sourcing process, the Group reviews the risk profiles of most major vendors and assesses the criticality and availability of their services and supplies to the Group Business. Despite these initiatives, plans, and procedures, such measures may not be adequate or implemented properly or sufficiently to prevent business disruption in every instance or major price increase by or dependency from certain suppliers, and Eurofins is subject to various risks and potential liability in the case of errors by its subcontractors.

Market expansion, establishment of new companies and business segments, internationalisation

Eurofins bases a large part of its future growth on expected penetration of new regional markets. Even though Eurofins has been able to accumulate extensive experience in doing business internationally in the past and already has contacts in the various target regions for its international growth strategy, the risks in executing the Group's business strategy in and for new markets could lead to a delay or even a failure in implementation of Eurofins' international growth strategy, attempts at market development, and entry into new markets. Such failure could have a material adverse effect on Eurofins' net worth, financial position and operating results.

Expansion and Acquisition Risks

It is the strategic approach of Eurofins to acquire companies, new laboratories, and technologies in order to obtain access to complementary technologies and to expand the Group's market position in Europe, North America, and Asia as well as in other parts of the world. Our business has experienced substantial expansion in the past and such expansion and any future expansion could strain Group resources if not properly managed. Future rapid expansion could strain Group operational, human, and financial resources. In order to manage expansion, Eurofins must:

- continue to improve operating, administrative, and information systems;
- accurately predict future personnel and resource needs to meet customer commitments;
- track the progress of ongoing client projects; and
- attract and retain qualified management, sales, professional, scientific, and technical operating personnel.

If Eurofins does not take these actions and is not able to manage the expanded business, the expanded business may be less successful than anticipated. Eurofins may be required to allocate existing or future resources to the expanded business, that in either case, the Group would have otherwise allocated to another part of our business.

Some of the companies we acquire may not develop as planned, breach agreements with clients or regulatory or accounting rules and even ultimately fail. This could cause major financial losses and the need for substantial write offs for Eurofins.

If Eurofins is unable to successfully execute its acquisition strategies and successfully integrate acquired businesses, our business, results of operations and financial condition could be adversely impacted. Historically, Eurofins' growth strategy has been based in part on our ability to acquire existing businesses, services or technologies. We do not know whether in the future we will be able to:

- identify suitable businesses or technologies to buy;
- successfully perform business diligence and identify all materials risks associated with the acquisition;
- complete the purchase of any such businesses or technologies on terms acceptable to Eurofins;
- successfully integrate the operations of acquired businesses into the Group;
- obtain financing necessary for an acquisition at all or on commercially acceptable terms; or
- retain key personnel and customers of acquired businesses.

We compete with other potential buyers for the acquisition of existing businesses and technology. This competition may result in fewer opportunities to purchase companies that are for sale. It may also result in higher purchase prices for the businesses that we want to purchase. We may also spend time and money investigating and negotiating with potential acquisition targets but not complete the transaction. Any future or past acquisition could involve other risks, including liability risks and reputational damage to the Group as a result of unprofessional or lower quality business practices of acquired operations, the assumption of additional liabilities and expenses, issuances of potentially dilutive securities or interest-bearing debt, transaction costs, and diversion of management's attention from other business concerns.

Competition

The bioanalytics industry is highly competitive. We often compete for business not only with other, often independent bioanalytics companies, but also with internal analytics departments within some of our customers or governments. If we do not compete successfully, especially with respect to the competitive advantage of outsourcing analytics requirements to companies such as ours, our

business will suffer. The industry is highly fragmented, with numerous smaller specialized companies and a handful of full-service companies with global capabilities similar to ours. Increased competition might lead to price and other forms of competition that might adversely affect our operating results. As a result of competitive pressures, our industry has experienced consolidation in recent years and we expect such trend toward consolidation to continue. This trend is likely to produce more competition among the larger companies for both customers and acquisition candidates. Bioanalytic testing companies generally compete on:

- regulatory compliance record;
- reputation for on-time quality performance;
- quality systems;
- previous experience;
- medical and scientific expertise in specific testing and diagnostic areas;
- scope of services;
- quality of data and related services;
- financial viability;
- database management;
- statistical and regulatory services;
- ability to recruit scientists and other personnel;
- ability to integrate information technology with systems to optimize research efficiency;
- accreditation and quality of facilities;
- international presence with strategically located facilities; and
- price.

Eurofins is confident in its know-how and expertise accumulated by its scientific teams, in particular in its database of methods and test results. Nevertheless, there is no certainty that it will have the necessary resources in order to successfully deal with changes in the market, a process of consolidation, or the entry of new competitors into its markets.

Some of the current and potential competitors have longer business experience or greater financial resources or marketing capacities at their disposal than Eurofins. Some have a better-known name in their market segment and a larger customer base. Eurofins proceeds from the assumption that the market for the supply of analytical testing methods will become more concentrated.

It also cannot be ruled out that financially powerful market participants, such as food or water companies or other large corporations may enter into competition with Eurofins and create challenges that Eurofins will have to overcome.

Cost pressures, price falls and profit margins

As a result of competition and improvement of testing technologies, test prices do and can fall, especially for the most common and standard tests. It is impossible to rule out further significant price reductions in the market for food, pharmaceutical, clinical or environmental analysis. At the same time, due to factors such as inflation, Eurofins' costs could grow due to increased expenses for personnel, materials and other supplies/resources. Although Eurofins will attempt to maintain or improve profit margins through measures to increase scale and cost efficiency, there can be no certainty that Eurofins' profit margins may not significantly decrease in the future. Sustained erosion of its margins would have adverse effects on Eurofins' net worth, financial position and operating results and even its very existence.

2. Financial Risks

Liquidity risk

Eurofins has entered into several loan and credit facility agreements to ensure the Group has sufficient financial liquidity to be able to respond swiftly to strategic opportunities.

Eurofins periodically carries out reviews of the liquidity risk and considers itself able to face its current financial obligations. In regards to the current economic environment it should be noted that Eurofins and its subsidiaries are compliant with the criteria of the most important respective lines of credit and at this time do not anticipate any particular liquidity problems or issues regarding the financial covenants within the near future.

The Group's ability to generate sufficient cash flows from operations to make scheduled payments on our debt obligations will depend on our future financial performance, which will be affected by a range of economic, competitive, regulatory, legislative, and business factors, many of which are outside of our control. If Eurofins is unable to meet debt service obligations or comply with covenants, a default under debt agreements would occur. To avoid a possible default or upon a default, Eurofins could be forced to reduce or delay the completion or expansion of new laboratories and technologies, sell assets, obtain additional equity capital, or refinance or restructure its debt.

In order to finance parts of the acquisition and expansion costs, the Company and its subsidiaries have entered into several loan and facility agreements as described in this report. Such loans and facilities are either based on a fixed rate or on a

variable rate. The variation risk of some loans and facilities with a variable interest rate in the Company and in some of its subsidiaries has been partially hedged by various financial instruments (e.g., swap with a fixed rate or cap with a maximum interest rate covering a certain period. However, as there are certain lines of credit that are still based on a variable rate, it cannot be excluded that the interest rate concerning these loans will rise in the future. This could have an adverse effect on the Company's liquidity, financial position, and operating results.

For more information on financial risk management, please see the notes to the 2015 consolidated financial statements (note 4.2) and note 6 to the unaudited condensed interim consolidated financial statements.

Future capital requirements risk

Eurofins' strategic growth, particularly the acquisition of new laboratories and technologies in order to obtain access to complementary technologies and to expand Eurofins' market position in different continents, requires the extensive use of resources. Eurofins believes that it has sufficient internal funds for its current needs. It cannot be ruled out, however, that Eurofins may determine that it is necessary or desirable to acquire additional funds through public or private financing, including external and equity capital financing or other agreements. Any additional acquisition of equity capital may have a dilutive effect for shareholders, while external financing may subject Eurofins to restrictions in dividend payouts or other restrictions.

In light of the current economic uncertainty, and the volatility in the capital markets, particularly in Europe, it is also possible that adequate funds may not be available at all, at the proper time, or under acceptable conditions, either through procurement via the capital markets or other means. If additional financing is limited or unavailable, Eurofins could be forced to limit the planned expansion of its business activities. Furthermore, if Eurofins' business activities are incurring deficits at that point in time, and should additional Eurofins funds be unavailable to finance its business activity, it cannot be ruled out that Eurofins will be unable to maintain its operational business activity.

Interest rate risk

As previously noted Eurofins' exposure to the risk of changes in market interest rates relates to variable interest rate indebtedness and hedging activities. To mitigate the Group's exposure to interest rates changes, Eurofins has entered into several and in the future might enter into additional hedging contracts in order to limit the potential impact of adverse changes in interest rates. However, there are no guarantees that such contracts would be sufficient to fully protect the Group in the event of large interest rate volatility. Also hedging contracts entered into may have negative consequences on its income statement (paying interests based on higher rates than market in a given period) and balance sheet (derivative accounting on hedging instruments) which could have a material adverse effect on the Group's net worth, financial position and operating results.

Foreign currency risk

Eurofins' reported financial performance can be impacted by changes in foreign currencies (both transaction and translation related). To mitigate the Group's exposure to currency fluctuations, Eurofins might enter into several hedging contracts in order to limit the potential impact of adverse changes in foreign currency fluctuations. However, there are no guarantees that such contracts would be sufficient to fully protect the Group in the event of large volatility in one or more foreign currencies. Also hedging contracts entered into may have negative consequences on its income statement and balance sheet (derivative accounting on hedging instruments) which could have a material adverse effect on the Group's net worth, financial position and operating results.

Counterparty risk

Eurofins exposure relates to the potential default of a counterparty holding financial assets (cash and cash equivalents held for trading financial assets, loans receivable and derivative instruments), with the maximum exposure being equal to the carrying amount of these instruments. The counterparty risk from a cash management perspective is sometimes reduced by the implementation of several cash pools, accounts and related paying platforms with different counterparties.

To mitigate the counterparty risk, Eurofins endeavours to mainly deal with recognised financial institutions with an appropriate credit rating. All counterparties are generally financial institutions which are regulated and controlled by the national financial supervisory authorities in their respective countries.

Revenues and results variability

Revenues and results depend on many factors and may not reach the level expected by the Group or by analysts or even already reached on previous results. Eurofins' revenues vary from one quarter to another because of the seasonality of its activities (with a traditionally low cycle at the beginning of the year) and it is expected that these fluctuations shall carry on. Eurofins' revenues may also vary from one accounting year to another. Fluctuations in Eurofins' revenues can have a strong impact on various factors within the business. These factors include the continued acceptance of the existing services offered by the Group, the acceptance of future services offered by the Group, changes in the prices of services, changes in terms of staff and employees, increasing competition, economic and market conditions, the financial health of or consolidation between Eurofins' customers, legal

changes that could have an impact on Eurofins' activities, and other economic factors. Fluctuations in Eurofins' revenues and results may have an additional significant impact on the level and volatility of Eurofins' stock price.

3. Technological risks

Rapid Technological Change Risks

The Group's future success depends on our ability to keep pace with rapid technological changes that could make our services and products less competitive or obsolete. The bioanalytics industry generally and, more specifically, biologic, genomics, and medical testing are subject to increasingly rapid technological changes. Our competitors or others might develop technologies, services or products that are more effective or commercially attractive than our current or future technologies, services or products, or that render our technologies, services or products less competitive or obsolete. If competitors introduce superior technologies, services or products and we cannot make enhancements to ours to remain competitive, our competitive position and, in turn, our business, revenues, and financial condition, would be materially and adversely affected.

Patents

Our bioanalytics business is dependent, in part, on our ability to obtain patents in various jurisdictions on our current and future technologies and services, to defend our patents and protect our trade secrets and to operate without infringing on the proprietary rights of others. There can be no assurance that our patents will not be challenged by third parties or that, if challenged, those patents will be held valid. In addition, there can be no assurance that any technologies or products developed by us will not be challenged by third parties owning patent rights and, if challenged, will be held not to infringe on those patent rights. The expense involved in any patent litigation can be significant. We also rely on unpatented proprietary technology, and there can be no assurance that others will not independently develop or obtain similar products or technologies.

Eurofins attempts to obtain patent protection as deemed appropriate for its inventions from the appropriate patent offices. The prosecution and/or defence of this protection can involve a great deal of time and entail significant costs. There is no guarantee that all of the applications for patents filed will successfully pass the examination process. As noted above, there is a risk that Eurofins could be subjected to patent litigation with third parties and that an examination process could end with a negative result for Eurofins. The loss of material patents, material successful infringement claims or the costs of litigation, all could have a negative effect on the net worth, financial position and operating results of Eurofins.

In addition, it cannot be ruled out that patent rights will not be identified in the future that can significantly impair Eurofins' business activities. For example, no guarantee can be given that the research conducted by Eurofins and its patent attorneys has actually uncovered all relevant patents/patent applications. Likewise, it is possible for competitors to develop technology processes that Eurofins would like to use, but with respect to which Eurofins cannot obtain a license nor have the rights thereto invalidated. Eurofins is aware and has been aware from time to time of various potential infringements of its patents or copies of its technology but in view of the limited impact of these on Eurofins' markets so far and the cost, duration and uncertainty of legal action, Eurofins has not generally deemed necessary to take legal actions. It cannot be ruled out that these infringements or copies make a larger impact on existing or future markets in which Eurofins operates or may seek to operate with a corresponding negative impact on Eurofins' operations or results of operations.

Infringement of property rights

Industrial property rights allow patent infringement litigation to be initiated to obtain injunctive relief and compensatory damages. Claims for commensurate compensation can be asserted in legal action based on published patent applications. Competitors can be prevented from using the patented technology based on an enforceable judgement.

It may also become necessary to take legal action against third parties that infringe upon the (licensed) patents of Eurofins or patents Eurofins will receive in the future, and to defend against patent infringement litigation brought by third parties. Furthermore, if a completely or partially legally valid patent of a third party or a patent subject to an opposition procedure or national invalidity proceedings is the subject of patent infringement litigation brought by a third party against Eurofins, and if the court hearing the case were to decide that Eurofins has infringed upon the patent, the court could prohibit the further use of the analytical method and could award the third party compensatory damages for the past patent infringement. In addition, Eurofins could be a plaintiff in litigation concerning its own patents and not win the case or fail to be successful to the extent necessary. In this case, for example, a third party could bring competing technologies to market, resulting in a negative effect on Eurofins' business activities and its net worth, financial position and operating results. Such patent disputes can extend over long periods of time and tie up significant Eurofins personnel and its financial potential.

Neither Eurofins nor its patent attorneys can guarantee that patent rights of third parties do not exist that could impair the business operations of Eurofins. In addition, there is no certainty that a national court will not interpret the scope of protection offered by the patent of a third party differently than Eurofins and its patent attorneys. This could result in Eurofins or one of its business partners being charged with patent infringement and

not succeeding in invalidating the patent alledged to be infringed, although neither Eurofins nor its patent attorneys had viewed the corresponding action in this document as a patent infringement or had viewed the patent not strong enough to withstand legal proceedings.

Licenses and research contracts

Eurofins' business involves entering into license, collaboration and other agreements with third parties relating to the development of the technologies and products both as licensor and licensee. There is no guarantee that Eurofins will be able to negotiate commercially acceptable licenses or other agreements necessary for the future exploitation of its technologies and products or that any of its licenses or other agreements will be successful. In addition, there is no guarantee that Eurofins' collaborative partners will not pursue or develop competing technologies or products, either on their own or in collaboration with others. Eurofins' license agreements are generally for a fixed term and, prior to the expiry of such term, may be terminated in certain circumstances, some of which may be beyond the control of Eurofins. There is no certainty that license agreements that expire or are terminated will be renewed or replaced which could have an adverse effect on Eurofins' business, financial condition, operating results and prospects.

Information Security Risks

Attacks on our IT systems, or failure or delays in these systems or their interconnections, including failures resulting from our systems could disrupt our operations and cause the loss of confidential information, customers and business opportunities or otherwise adversely impact our business.

IT systems are used extensively in virtually all aspects of our business, including clinical testing, test reporting, billing, customer service, logistics, and management of data. Our success depends, in part, on the continued and uninterrupted performance of our IT systems. IT systems may be vulnerable to damage, disruptions and shutdown from a variety of sources, including telecommunications or network failures, human acts, and natural disasters. Unauthorized persons may seek to obtain intellectual property and other confidential information like client or patient data that we house on our IT systems. Moreover, despite the security measures we have implemented, our IT systems may be subject to physical or electronic intrusions, computer viruses, unauthorized tampering and similar disruptive problems. A failure of our network or data gathering procedures could impede the processing of data, delivery of databases and services, customer orders and day-to-day management of our business and could result in the corruption or loss of data and ultimately to the failure of our operations.

While we have disaster recovery plans for parts of our operations, and are continuously extending those plans and updating our methologies and have taken precautionary measures to prevent or minimize vulnerabilities in our IT systems, including the loss or theft of intellectual property and other confidential information that we house on our systems, they might not adequately protect us. Since 2013, we have continued to update and upgrade our IT systems and strengthen precautionary measures to reduce the risk of, and to detect and respond to, future cyber threats including through regular monitoring of our systems and implementation of various "best practices". However, cyber threats and the consequences of human error or system failures are constantly evolving, thereby increasing the difficulty of detecting and successfully defending against them. Breaches of our network or data security could disrupt the security of our internal systems and business applications, impair our ability to provide services to our customers, compromise intellectual property or confidential information or otherwise adversely impact our business. There can be no assurances that our precautionary measures will prevent or successfully defend against cyber threats, human errors or system failures that could have a significant impact on our business. Despite any precautions we take, damage from fire, floods, hurricanes, power loss, telecommunications failures, computer viruses, break-ins and similar events at our computer facilities could result in interruptions in the flow of data to our servers and from our servers to our customers. In addition, any failure by our computer environment to provide our required data communications capacity could result in interruptions in our service. In the event of a delay in the delivery of data, we could be required to transfer our data collection operations to an alternative provider of server hosting services. Such a transfer could result in delays in our ability to deliver our products and services to our customers. Additionally, significant delays in the planned delivery of system enhancements, improvements and inadequate performance of the systems once they are completed could damage our reputation and harm our business. Finally, long-term disruptions in the infrastructure caused by events such as natural disasters, sabotage, cyber crime, the outbreak of war, the escalation of hostilities and acts of terrorism, particularly involving cities in which we have offices, could adversely and fatally affect our businesses. Although we carry cybercrime insurance, our coverage might not be adequate to compensate us for all risks losses that may occur.

Confidential Information

Eurofins has confidentiality agreements with numerous customers not to disclose the results of analyses or other confidential information. If Eurofins were to fail to comply with these agreements or laws concerning patient data privacy, Eurofins could suffer financial penalties.

As a mitigating measure, it is a general rule that new staff members are contractually committed not to reveal any technology or any results of analysis;

access to the whole database is limited to a low number of staff. Staff in sensitive positions are often contractually bound by post-contractual non-compete clauses in those countries where these are generally practised and permitted by law.

Nonetheless, it is impossible to categorically rule out detrimental risk to Eurofins from the disclosure of confidential information to outside parties. Unauthorized access to Eurofins' proprietary information or to clients' or patients' data in the Group's computers or online tools could cause significant damage.

Research & development projects

In the past Eurofins has participated in various research and development (R&D) projects. Currently, there are several internal and collaborative research and development projects running including projects with the European Union. In the past, the majority of research projects undertaken by Eurofins have led to the successful application of new analytical methods. However, investment in R&D by its very nature presents a risk. The potential products and services to which we devote R&D resources might never be successfully developed or commercialized by the Group for numerous reasons, including:

- inability to develop products or services that address our customers' needs;
- inability to bring the product or services to market in a cost-effective or competitive manner;
- inability to obtain regulatory approvals in a timely manner or at all;
- competitive products or services with superior performance;
- patent conflicts or unenforceable intellectual property rights;
- lack of demand for the particular product or services; and
- other factors that could make the product uneconomical or infeasible.

Incurring material R&D expenses for potential products or services that are not successfully developed and/or commercialised could have a material adverse effect on our business, financial condition, prospects and stock price, especially in light of the fact that returns on investment may only be realized over an extended period of time or not at all.

4. Industrial risks

Partial or total destruction of the testing databases

Eurofins maintains databases containing information on almost all of its available tests, in addition to data such as isotopic and other analytical fingerprints on products capable of analysis by Eurofins, and which represent an integral part of its technological advance.

If the databases were to be corrupted, damaged, or destroyed, Eurofins' business could be adversely affected. To limit the risk of a partial or total destruction, the main databases are kept in a cluster of high availability datacentres interconnected via high-speed communication lines. To further ensure availability, Eurofins and its subsidiaries systematically apply off-site back-ups of the databases.

Environmental Contamination risks

Our business uses biological and hazardous materials, which could injure people or violate laws, resulting in liability that could adversely impact our financial condition and business. Our activities involve the controlled use of potentially harmful biological materials, as well as hazardous materials, solvents and other chemicals, and various radioactive compounds. While our risk may be mitigated by the relatively small quantities of such materials used, we cannot completely eliminate the risk of accidental contamination or injury from the use, storage, handling or disposal of these materials including in the case of error, accident, fire or other damage to our facilities or in the case of the failure of specialized companies which often dispose of such materials for us to comply with their contractual and regulatory obligations. While Eurofins maintains insurance for environmental liabilities at levels which the Group believes are appropriate, in the event of contamination or injury, we could be held liable for damages that result, and any liability could exceed our insurance coverage and ability to pay. Any contamination or injury could also damage our image and reputation, which is critical to obtaining new business. In addition, we are subject to one or more levels of laws and regulations in the countries in which we operate governing the use, storage, handling and disposal of these materials and specified waste products. The cost of compliance with these laws and regulations is significant and if changes are made to impose additional requirements, these costs could increase and have an adverse impact on our financial condition and results of operations.

Professional Liability / Insurance

As a general matter, providers of (bio)analytical services may be subject to lawsuits alleging negligence, errors and omissions or other similar legal claims. These lawsuits could involve claims for substantial damages. For example, Eurofins' business contains the potential risk of substantial liability for damages in the event of analytical errors where Eurofins and its subsidiaries not only verify the authenticity of the products analysed, but also look to detect dangerous components (pathogens, prions, pesticides, asbestos, mycotoxins, dioxins,

toxic substances, etc.). Such negligence, errors or omissions in the (reporting of the results of the) analyses could potentially lead to Eurofins' clients being forced to organise a product recall or suffering other financial losses, since these results may be relied upon and used in the marketing activities of Eurofins' clients; or could even have a wider impact on consumers' health or property. In the event that Eurofins would be found responsible for these damages, its liability could be very large. Patients' health could potentially be impacted due to errors or omissions in Eurofins clinical laboratories.

Although Eurofins practices quality assurance programmes and staff training designed to prevent errors in its laboratories, the risk of human error or accident can never be totally ruled out.

As a first line of defence however, the service contracts entered into by Eurofins for the analysis of products generally provide that Eurofins' liability for damages is limited to circumstances directly arising from the products that have been examined by Eurofins. Eurofins believes that these clauses when applicable and enforceable by law substantially limit the liability in case of an analytical error. However, any professional liability litigation could also have an adverse impact on our client base and reputation.

The second line of defence in place, is part of Eurofins' business and risk management policy where various global and centralised insurance policies have been rolled out, covering different types of liability, damage to Eurofins' assets and ensuing financial losses as well as other insurances required for its activities. In 2016, Eurofins continued its policy of centralising insurance programmes, enabling it to improve coverage, while gaining more visibility on its coverages and keeping overall insurance costs under control. For confidentiality reasons, insurers and insured limits cannot be disclosed.

In the frame of its global insurance programmes, the Group has taken out in/for some or most of its companies the following insurance policies among other coverage:

Property Damage & Business Interruption Insurance;

Terrorism Insurance

General, Products and Professional Liability Insurance;

Environmental Liability Insurance;

Directors and Officers Liability Insurance (D&O);

Cyber Insurance;

The subject of the D&O policy is to cover the insured Eurofins' Directors and Officers including some key managers (such as the Chief Executive Officer, the main operating and scientific directors, and some other executive managers), as well as the Directors and Officers of companies controlled by the Group, for any pecuniary consequences of loss or damage resulting from any claims brought against them, binding their civil liability whether individual or joint, and attributable to any professional misconduct, whether actual or alleged, committed by them in performing their managerial duties.

This policy is also subject to certain conditions and restrictions of common practice for similar contracts.

The Group's subsidiaries have subscribed to relevant insurance policies according to local regulations and practices. These policies particularly aim to cover the insured company for the financial consequences of:

damage affecting its assets and properties;

business interruption resulting therefrom;

third party liabilities;

Worker's compensation / employer's Liability where applicable;

Motor third party liability

As well as any mandatory local insurance cover

As noted above, Eurofins believes it has procured sufficient insurance coverage at reasonable terms and conditions and that, save for catastrophic damages, its insurance policies and coverage limits provide sufficient protection for Eurofins' present requirements. Insured limits are being reviewed by Eurofins and its insurance brokers on a regular basis (taking into account the insurance market evolution, historical claims within Eurofins' Industry practice as well as Eurofins' growth and exposure to potential claims) and where needed, amended. Up to the present time, Eurofins has very rarely been subject to substantial proven liability. However, it cannot be guaranteed that claims for damages will not be asserted against Eurofins in the future, that Eurofins' insurance coverage will prove to be sufficient in all cases or that Eurofins will not sustain losses outside the scope or limits of its insurance coverage.

Although Eurofins believes that the present reserves if any for professional liability claims are sufficient to cover currently estimated exposures, it is possible that the Group or individual subsidiaries may incur liabilities in excess of these recorded reserves where they exist.

Claims in excess of recorded reserves if any and/or applicable insurance coverage could have adverse effects on Eurofins' net worth, financial position, operating results (principally costs of services) and cash flows in the period that reserve estimates are adjusted or paid. In addition, successful major claims could also have a negative impact on Eurofins' image and reputation.

5. Other risks

Risk of loss of key employees

Eurofins has a number of key employees with highly specialised skills or leadership talent and extensive

experience in their fields. If one or more of these key employees were to leave, Eurofins may have difficulty replacing them. Eurofins attempts to mitigate the risk of losing key employees by retention programmes, succession planning, and long-term incentive plans.

Eurofins may be unable to retain key employees or attract new highly qualified employees which could have a negative impact on Eurofins' business, financial situation or results of operations.

Tax risks

Eurofins conducts its business activities in many different countries and is potentially subject to tax liabilities in multiple tax jurisdictions.

Eurofins believes its tax returns, which it prepares in cooperation with its local tax advisers/ accountants, are accurate and complete and that the Group has established adequate tax provisions and reserves. Accordingly, in the event of an external tax audit, Eurofins does not expect any material changes to its tax assessment notices or any additional tax liability. However, Eurofins may be subject to additional tax liability, including late payment interest and/or penalties, in particular if the tax authorities' interpretation of the facts or laws should differ.

These unforeseen tax claims may arise through a large number of reasons including identification of a taxable presence of a non-indigenous group company in a taxing jurisdiction, transfer pricing adjustments, revision of allowable expenses, application of indirect taxes on certain business transactions after the event, and disallowance of the benefits of a tax treaty. In addition, Eurofins may be subject to tax law changes in a taxing jurisdiction leading to retroactive tax claims.

Unforeseen tax claims or tax liabilities could have adverse effects on Eurofins' cash flow and thereby have adverse effects on its net worth, financial position and operating results.

Risks of litigation

Disputes in relation to Eurofins' business arise from time to time and can result in legal or arbitration proceedings. The outcome of these proceedings cannot be predicted. A negative outcome in a substantial litigation or arbitration case could have a material impact on Eurofins' business and financial position.

Currently there are a few claims which have been threatened or asserted in pending litigation or arbitration proceedings concerning Eurofins and/or its subsidiaries and affiliates in the ordinary course of business or as a result of acquisitions.

Internal Controls Risks

Eurofins is enhancing its Internal Control platform to deploy necessary measures to manage existing and potential financial and operational risks, including measures aimed at limiting incidents that could lead to claims against Eurofins and its subsidiaries. (see Section I.5 Internal Control)

If we are unable to maintain effective internal control over financial reporting or disclosure controls and procedures, the accuracy and timeliness of our financial reporting may be adversely affected. Maintaining effective internal controls over financial reporting is necessary for us to produce reliable financial statements. Moreover, we must maintain effective disclosure controls and procedures in order to provide reasonable assurance that the information required to be reported in our reports is recorded, processed, summarized and reported on a timely basis and that such information is accumulated and communicated to our management to allow timely decisions regarding required disclosure. If we are unable to maintain effective internal controls over financial reporting or disclosure controls and procedures or remediate any material weakness, it could result in a material misstatement of our consolidated financial statements that could require a restatement or other disclosures in which event investor confidence in the accuracy and timeliness of our financial reports and other disclosures could be adversely impacted, and the market price of our securities could be negatively impacted.

Fraud/ethical risks

Eurofins has implemented various systems of quality assurance in the largest part of its laboratories that are designed to ensure consistent procedures and traceability of results. Additionally, both local finance departments, Group finance teams, and Group Internal Audit as well as external auditors, perform regular controls and audit checks. Eurofins also encourages all internal and external parties to report in a confidential and secure manner suspicious situations and facts. One of Eurofins' core values is integrity, which states that it is committed to ethics as one of its highest values. Attempts to incite customers or partners to commit unethical steps are not permitted in the Group. However, it is not possible to rule out the possibility of employee fraud or corruption. These could have a very damaging impact on Eurofins and even put its existence at risk.

Volatility of the market price of shares

The shares of Eurofins have been listed on Euronext Paris since 25 October 1997. In general, securities markets have been subject to large price and volume fluctuations in recent years. Regardless of Eurofins' operating results or financial position, such fluctuations could continue to have an adverse effect on the price of Eurofins' shares in the future. Eurofins share price may also fall massively as a result of poor or disappointing financial results or any of the risks mentioned in this report.

Significant shareholding

The current shareholders Dr. Gilles G. Martin and family and Dr. Yves-Loïc Martin, directly or through their holdings in Analytical Bioventures SCA, together hold a total of 40.0% of the shares of Eurofins and 58.6% of the voting rights as of 30 June 2016. Free float is 60.0% of Eurofins' capital stock and 41.4% of the voting rights.

Due to the significant shareholding of the current shareholders, Dr. Gilles G. Martin and family, Dr. Yves-Loïc Martin and Analytical Bioventures SCA are together in a position to control the outcome of important business decisions that require shareholders consent, regardless of the voting behaviour of other shareholders. This or some decisions taken could have a material adverse impact on the results and value of the company and the minority shares and reduces the liquidity of the shares.

Unforeseen high impact risk

Eurofins' operations may be subject to unforeseen events which are highly improbable and may have a significant negative impact on its business activities, financial situation and operating performance. Due to the unforeseen nature of such events, it is difficult to mitigate the impact of such events or predict the nature or extent of the damage. Such unforeseen events may have a material adverse effect on the Group's net worth, financial position and operating results.

Reliability of opinions and predictions

All assumptions, opinions and expectations that do not represent facts based upon the past are expressly the opinions and predictions of Eurofins' management. Opinions and forward-looking statements, are identified by expressions such as "planned", "expected", "believes", "assumes", "holds the view", "to the extent known" and similar formulations. Such statements reflect the management's current opinions regarding possible future events, which are by their nature uncertain and thus subject to risks. All forward-looking statements are subject to various risks and uncertainties. Actual events and results may differ substantially from expectations due to a variety of factors. Eurofins undertakes neither obligation nor commitment to revise or update these opinions or forward-looking statements as a result of new information rendering these statements no longer accurate or timely.

7 Eurofins Scientific SE, the group parent company

Eurofins Scientific SE ("Eurofins" or the "Company") Société Européenne ("Societas Europaea") is governed by Luxembourg law and has its registered office located at 23 Val Fleuri L-1526 Luxembourg - Grand-Duchy of Luxembourg and registered under number RCS Luxembourg B 167775.

The documents that can be legally required by authorized persons (such as shareholders, directors, etc.) are available at the registered office.

In compliance with the provisions of Article 4 of the Company's Articles of Association, the Board of Directors approved on 20 February 2014 the transfer of the registered office of the Company from 10A, rue Henri M. Schnadt L-2530 Luxembourg to 23 Val Fleuri L-1526 Luxembourg, effective as of 22 April 2014.

Eurofins Scientific SE is the parent company at the head of the Eurofins Group. An important role of Eurofins as a holding company is to manage its investments and the financing of the activities of its subsidiaries.

For more information related to the financial performance of Eurofins Scientific SE, the group parent company, for the period ended December 31st, 2015, please see the annual statutory accounts as of December 31st, 2015 of Eurofins Scientific SE.

8 Corporate Governance

The corporate governance statements that shall legally be included in the management report and notably those as set forth in the law of 19 May 2006 on takeover bids, as amended (the "Takeover Law") are disclosed in Part II of this management report and shall be deemed to be part of it.

II. CORPORATE GOVERNANCE

Eurofins has its registered office located in Luxembourg and its shares are listed in France on the regulated market of Euronext. Eurofins falls under the supervision of the *Commission de Surveillance du Secteur Financier* ("CSSF") in accordance with the law of 11 January 2008 on transparency requirements for issuers of securities, as amended (the "Transparency Law") and shall also be supervised by the *Autorité des Marchés Financiers* ("AMF") for the purpose of the Market Abuse Regulation (EU) No 596/2014 that came into effect on July 3, 2016 on insider dealing and market manipulation (The "Market Abuse Regulation").

Eurofins' corporate governance practices are governed by Luxembourg laws and its articles of association (the "Articles").

Eurofins makes efforts to orient its corporate governance towards the general principles of corporate governance set forth in the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange (available at https://www.bourse.lu/corporate-governance) (the "Ten Principles").

The first part of Section II discusses the Corporate Governance Charter of Eurofins, which provides an overview of the corporate governance practices of Eurofins, while the second part sets out the Corporate Governance Statements for the period ended on June 30th, 2016.

1 Corporate Governance Charter of Eurofins

The primary purpose of the present Corporate Governance Charter is to consolidate the corporate governance rules and procedures applied by Eurofins in one document. The Corporate Governance Charter shall be updated as often as necessary in order to provide an accurate reflection of Eurofins' corporate governance framework and to reflect new rules which may be adopted from time to time by Eurofins in order to enhance its corporate governance.

1.1 Management structure

The governance structure of Eurofins is composed of the Board of Directors which is assisted by the Group Operating Council (as defined below) and an audit committee (the "Audit Committee"). The role of the Board of Directors is defined as being of a stewardship nature, providing the framework for the operations of the Group Operating Council's activities.

Once a year, the Board of Directors, as well as the Audit Committee, shall conduct a self-evaluation of their composition, organization, operations and diversification in order to identify potential areas for improvement.

1.1.1 The Board of Directors

Under the Eurofins' Articles, as supplemented by the internal regulations of the Board of Directors, the Board of Directors is composed of, and functions as follows.

a. Role

The Board of Directors shall be responsible for the management of Eurofins. It is responsible for the performance of all acts of administration necessary or useful in furtherance of the corporate purpose of Eurofins, except for matters reserved by Luxembourg law or the Articles to the general meeting of shareholders.

The core of the mission of the Board of Directors is the following non-exhaustive list:

- The Board of Directors discusses the Group strategy, significant operational initiatives, and material investments or divestments, and monitors the Group performance;
- The Board of Directors ensures the quality of the information provided to the shareholders as well as to the financial markets through the accounts and the financial communication;
- The Board of Directors shall specifically decide on the values and objectives of Eurofins, its strategy and key policies in implementing them and the level of risk acceptable to Eurofins. It draws up the annual, periodic and consolidated accounts and budget;
- The Board of Directors shall endeavour to ensure that the necessary financial and human resources are available, in order to enable Eurofins to reach its objectives;
- The Board of Directors shall draw up the main categories of risks faced by Eurofins, such as financial risk, strategic risk, operational risk, legal and regulatory risk, reputational risk, and other risks. The Board of Directors shall determine the risks that require particularly close monitoring;
- The Board of Directors shall draw up a code of business ethics; and

- The Board of Directors selects the Directors for their nomination by the general meeting of shareholders.

b. Composition and Appointment

The Articles provide that the Directors are elected, renewed or removed by the general meeting of shareholders by a simple majority of votes cast for a four-year term and may be re-elected.

Other than as set out in the Articles, no shareholder has any specific right to elect, renew or remove Directors. In case of vacancy of the office of a Director appointed by the general meeting of shareholders, the remaining Directors so appointed may fill the vacancy on a provisional basis. In such circumstances, the next general meeting of shareholders shall make the permanent appointment

The Articles do not require Directors to be shareholders of Eurofins.

The Directors are bound by the code of ethics of the Company and the insider dealing policy of the Company, in particular regarding insider information.

The Board of Directors shall be composed of at least two independent Directors.

The Directors shall be selected due to their knowledge, experience and qualification to carry out their mandate.

The Board of Directors shall appoint a Chairman, who shall prepare the agenda for board meetings. The Chairman shall ensure that the procedures relating to the Board meetings, the preparation of meetings, deliberations, and for taking and implementing decisions, are correctly applied.

c. Functioning

The Board of Directors meets when convened by the Chairman of the Board of Directors by any means, even verbally or by telephone in urgent cases. The Board of Directors meets as often as required in the interest of Eurofins and each time it deems appropriate, at least every three months, on notice of its Chairman at the registered office or at any other place indicated in the notice. The Board of Directors shall dedicate an item on the agenda of one of its meetings to discussing its operation, the effective fulfilment of its remit, and compliance with good governance rules at least once every two years.

If the Board of Directors has not met for more than two months, one third of the Directors may request the Chairman to convene a meeting with a specific agenda. In case of urgency, any Director is entitled to do so. In order for a meeting of the Board of Directors to be validly held, a majority of the Directors must be present or represented.

In the absence of the Chairman, the Board of Directors will appoint by majority vote of the Directors present or represented at the meeting a chairman for the meeting in question. For any meeting of the Board of Directors, a Director may designate another Director to represent him or her and vote in his or her name, provided that the Director so designated may not represent more than one of his or her colleagues at any time.

Meetings of the Board of Directors can be held by means of video conference or other telecommunications technologies permitting the identification of the Directors. Board of Directors' meetings held by such means of communication shall be deemed to be held at the registered office of Eurofins.

Prior to each meeting, the Directors are entitled to receive all information required for the performance of their duties and may obtain any documents they consider useful.

The performance of the Directors is discussed at Board of Directors' meetings within the context of the performance of each of the business lines that these Directors are responsible for if applicable.

Decisions of the Board of Directors are made by a majority of the Directors present and represented at a validly constituted meeting. Each Director has one voting right and in case of a division of votes, the Chairman shall have a casting vote.

d. Conflict of Interest and Confidentiality

(i) Conflict of Interest

Each Director shall take care to avoid any direct or indirect conflict of interest with Eurofins.

Directors shall inform the Board of Directors of a real or potential risk of conflict of interest with Eurofins or its direct or indirect controlled subsidiaries, and shall abstain from deliberating or voting on the issue concerned in accordance with applicable legal provisions.

Any abstention due to a conflict of interest shall be indicated in the minutes of the Board of Directors' meeting and disclosed at the next shareholders' general meeting, in accordance with applicable legal provisions.

(ii) Confidentiality

During and after their functions, the Directors are strictly bound by a confidentiality commitment regarding the content of any debates and deliberations of the Board of Directors as well as any information they have been provided by reason of their functions, excluding where such disclosure is required by a legal or provision.

As regards information obtained in the course of their duties that have not yet been made public, Directors shall regard themselves as bound by an obligation of professional secrecy that goes beyond the mere duty of discretion as stipulated by the relevant laws.

1.1.2 Executive Management of Eurofins

a. Role

The day-to-day management of Eurofins is entrusted to an executive committee (the "Group Operating Council") composed of the operational and functional international business leaders of the Group and presided by a chief executive officer (the "Chief Executive Officer") which provides assistance to the

Board of Directors in different specialised areas of expertise.

b. Composition and Appointment

The Chief Executive Officer is appointed by the Board of Directors. For rapid decision making process in a relatively young organisation like Eurofins operating in a rapidly moving industry, the Board of Directors has decided not to separate the functions of Chief Executive Officer and Chairman of the Board of Directors.

The Board of Directors sets the duration of his term of office, provided that such period shall not exceed the term of office of the Directors. The Chief Executive Officer may be removed at any time by the Board of Directors.

The Board of Directors shall ensure that the members of the Group Operating Council have the skills required to fulfil their responsibilities.

c. Approval of certain significant matters

The Group Operating Council meets with the Board of Directors at least once every quarter.

The functions of the members of the Group Operating Council are framed by their objectives, annual budgetary limits and a monitoring procedure of important decisions which are cascaded throughout the Group.

In the decentralized model used by Eurofins certain important or non customary decisions are governed on an approval system. For each level of decision, the approver of important decisions is precisely defined and signatures are required.

These important decisions pertain to M&A, sites expansion, non budgeted investments, key personnel compensation, the financing and insurance policies, net working capital management, and certain large transactions with other companies outside the Group, the Group legal organisation as well as certain general commercial terms.

1.1.3 The Audit Committee

The Audit Committee shall be composed and shall function in accordance with its internal regulations which are summarized as follows.

a. Role

The Audit Committee assists the Board of Directors in carrying out its responsibilities in relation to corporate policies, internal control, risk monitoring, and financial and regulatory reporting practices. The Audit Committee has an oversight function and provides a link between the internal and external auditors, and the Board of Directors. The Audit Committee is assisted as appropriate by the Group Finance and Administration teams.

(i) Financial Reporting

The Audit Committee monitors and discusses with the Board of Directors and the external auditor the integrity of the preliminary results, the half-year information and the annual financial statements reviewing significant financial and reporting judgments which they contain before reporting to the Board of Directors focusing particularly on the quality and appropriateness of:

- critical accounting policies and practices;
- financial reporting disclosures and changes thereto;
- areas involving significant judgment, estimation or uncertainty in the Group's financial results;
- the clarity of disclosures;
- significant implemented adjustments resulting from the audit or review;
- compliance with financial reporting standards and relevant financial and governance reporting requirements;
- monitoring of the integrity of other formal announcements relating to Eurofins' financial performance, reviewing significant financial reporting judgments contained in them; and
- monitoring of the compliance with statutory and stock exchange requirements for financial reporting.

ii) Internal controls and risk management systems

The Audit Committee reviews and makes recommendations to the Board of Directors on the nature and extent of the significant risks Eurofins is willing to take in achieving its strategic objectives. It shall assist the Board of Directors to establish a "risk control system".

The Audit Committee also reviews Eurofins' internal financial controls and internal control and risk management systems, and reviews and reports to the Board of Directors on the statements to be included in the annual report concerning internal control and risk management.

It monitors and reviews the scope, extent and effectiveness of the activity of the Group in relation to compliance before reporting to the Board of Directors.

The Audit Committee may also consider management's response to any material external or internal audit recommendations; and review management's and the internal auditor's reports on the effectiveness of systems for internal control, financial reporting and risk management.

iii) Risk

The Audit Committee shall advise the Board of Directors on Eurofins' overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment. This includes overseeing and advising the Board of Directors on the current risk exposures of Eurofins and future risk strategy.

The Audit Committee reviews regularly Eurofins' capability to identify and manage new risk types, and

keeps under review Eurofins' overall risk assessment processes.

iv) Compliance, whistle blowing and fraud

The Audit Committee shall ensure that Eurofins' guidelines on whistleblowing are observed and shall review Eurofins' procedures for detecting fraud.
The Audit Committee shall keep under review the adequacy and effectiveness of Eurofins' compliance function.

v) Internal Audit

The Audit Committee shall be informed of the internal auditor's work program and shall receive periodic summaries of his work. The Audit Committee may make recommendations regarding the internal auditor's work program. It shall monitor the effectiveness of the internal audit function and make sure that the internal auditor(s) has/have adequate resources to perform the tasks entrusted to him/them.

The Audit Committee shall make recommendations regarding the selection, appointment, and dismissal of the internal auditor(s). In the event that the internal auditor(s) resign(s), the Audit Committee shall investigate the reasons for that resignation, and shall make recommendations regarding any measures that are needed.

vi) External Audit

The Audit Committee reviews and makes recommendations to the Board of Directors for it to put to the shareholders for their approval in general meeting in relation to the appointment, re-appointment and removal of the external auditor.

The Audit Committee has oversight with regards to the relationship with the external auditor including discussions about the nature and scope of the audit (including any significant ventures, investments or operations which are not subject to audit).

The Audit Committee reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process taking into account relevant professional and regulatory requirements including reviewing and monitoring the external auditor's quality control procedures and steps taken by the external auditor to respond to changes in regulatory and other requirements.

The Audit Committee shall be informed of the external auditor's work program and shall receive a report from the latter describing all existing relationships between the external auditor on the one hand and Eurofins and its group on the other hand. It may submit recommendations regarding the external auditor's work program.

b. Composition and Appointment

The Audit Committee is composed of three members who are appointed by the Board of Directors for a period of up to three years which may be extended for further periods of up to three years. The Board of Directors shall appoint the Audit Committee's chairman who shall be an independent non-executive director.

c. Functioning

The Audit Committee shall meet at least three times a year at appropriate times in the reporting and audit cycle, and otherwise as required.

The quorum necessary for the transaction of business shall be two. A duly convened meeting of the Audit Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Audit Committee.

The Group's secretary or his or her representative shall act as the Secretary of the Audit Committee (the "Audit Committee's Secretary").

Meetings of the Audit Committee shall be called by the Audit Committee's Secretary at the request of any of its members or of the external auditor, or of the Chairman of the Board of the Directors if deemed necessary.

The Audit Committee's Secretary shall record the minutes of the proceedings and decisions of all meetings, including the names of those in attendance. The draft minutes of meetings shall be promptly circulated to all members of the Audit Committee, and circulated to all members of the Board of Directors once approved.

The Audit Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remits where action or improvement is needed.

1.1.4 Internal control and internal audit

a. Role

Internal control in Eurofins balances the objectives of the Group, such as maximising shareholder returns through strong growth in revenues and profits, both organically and by acquisitions, building barriers to entry through investment in state-of-the-art technology, all at the same time as managing the risks inherent in the business and the protection of shareholders' interests.

Internal control aims at achieving the following objectives:

- Reliability of the accounting and financial information;
- Realisation and optimisation of operational decisions;
- Compliance with rules and regulations; and
- Safeguarding the assets of the Group.

Eurofins Scientific S.E. is the holding company at the head of the Group and has an important role to manage its investments and the financing of the activities of its subsidiaries, to provide support, to facilitate communication and to develop resources that are available Group-wide.

The decentralised organisation of the Group in autonomous clusters and business units enables the subsidiaries to make decisions at the ground level and to maintain some independence. Strategic choices are determined and approved at a central level.

The internal control process falls within this framework of a decentralised organisation in terms of roles and responsibilities, policies and procedures. This aims to assure that the Group takes the necessary measures to manage the existing and potential risks for the Group's financial position and objectives. At an operational level, the internal control procedures are disseminated by the local managers to their teams.

At a functional level, internal control aims at:

- Assuring reliable financial statements that provide a true and fair view of Eurofins' activities, liabilities and assets;
- Promoting better effectiveness by seeking and deploying best practices within the Group and by defining the directors' role and responsibilities as part of the control environment of the Group;
- Encouraging support for the managerial guidelines, the Group's procedures and any other compulsory or statutory obligation; and
- Assuring the protection of the Group's assets by spot checking the accuracy and the reliability of the accounting information during the internal audit reviews: the controls notably focus on the protection of the assets, the separation of the tasks, the respect of the internal procedures in terms of approval of investing and updating the property, plant and equipment database.

b. Functioning

Compliance with the Group's internal policies and procedures is overseen by the internal audit team. Their role is to ensure that the operations are conducted according to high standards by providing an independent, objective assurance and by advising on best practices. The Group's internal control and financial procedures are reviewed and updated on a regular basis, and are readily accessible to the relevant employees via Eurofins' intranet. The internal audit function supports the Group in accomplishing its objectives by evaluating and improving the effectiveness of risk management, controls and governance process.

1.1.5 Financial Information

a. Production of financial information

One of the main functions of internal control and the Audit Committee is to ensure that financial statements provide a true and fair view of Eurofins' activities. The financial reporting process is managed according to the Group's internal reporting systems using a dedicated software by the financial controlling team.

Regular reporting

Each subsidiary or business unit submits a pro-forma financial report on a monthly basis (income statement, balance sheet and cash flow), with additional key business metrics highlighted, such as comparable data (budget and prior periods), working capital ratios and free cash generation.

As well as being able to monitor each business units' performance, the controlling and internal control functions check the consistency and reliability of the results, along with the consistent application of the correct accounting principles applied by the different national finance directors in accordance with the Group's accounting policies.

Quarterly statutory consolidation

In addition to the monthly reporting, each subsidiary has to produce:

- a quarterly consolidation manual;
- a quarterly review of budgeted KPIs per business unit;
- a quarterly review of the overhead costs (management, sales and marketing, IT, etc) and of the capital expenditures; and
- from time to time (at least on an annual basis), a report - containing profit and loss, balance sheet, cashflow and change in equity statements - which has been subject to a limited review by the external auditors.

The consolidation documents are approved by the finance directors of each country, having vouched for its accuracy and the reliability of the information contained therein. A dedicated software is used in the consolidation of this information and the production of the financial statements.

b. Publication of financial information

Eurofins publishes its half-year and annual financial reports with a press release discussing the operating and financial developments in detail, with a full income statement, balance sheet and cash flow statement, as well as the relevant interim notes. In the interest of transparency and to provide sufficient visibility in terms of its progress, Eurofins also publishes revenue developments for the first and third quarter of the year, as well as some information on the trading patterns for the period.

c. Annual Budget Process

Eurofins prepares a formal budget each year, which encourages financial discipline and helps management plan activities and allocate resources accordingly. Each business unit submits the following information, which has to be authorized by the Group Operating Council and the Board of Directors:

- An analysis of the competitive landscape and Key Success Factors.
- An estimated monthly and yearly income statement for the coming year containing:
- revenue and cost projections;

- a detailed plan to monitor the development of personnel costs;
- an itemised budget for capital expenditure;
- operational KPIs;
- a balance sheet and cash flow statement per legal entity with a strong focus on the Day Sales Outstanding and Net Working Capital in % of Revenues

A mid-term plan with a three year horizon is drawn up at the same time with a simplified income statement and specific indicators for each business unit.

1.1.6 Group Code of Ethics

The Group's mission, vision and values and the "Group Code of Ethics" determine the behaviours and professional conduct expected from employees and leaders of the Group's companies. These documents represent some key Eurofins' standards for all the Directors and employees of Eurofins companies and are made available to all Eurofins' employees through the Company's website and intranet.

Eurofins Values
(what we stand for / what is important to us)

Customer Focus

- Delivering Customer satisfaction by listening to and exceeding customer expectations
- Adding value for our customers through our services
- Seeking innovative solutions to help our customers achieve their goals

Quality

- Delivering quality in all our work; providing accurate results on time
- Using the best appropriate technology and methods
- Seeking to improve or change our processes for the better

Competence and Team Spirit

- Employing a team of talented and competent staff
- Investing in training and creating good career opportunities
- Recognising and encouraging outstanding performance

Integrity

- Behaving ethically in all our business and financial activities
- Demonstrating respect towards our customers and our staff
- Operating responsible environmental policies

Eurofins also has a whistleblowing point of contact that is readily accessible for all employees via Eurofins' intranet and also on Eurofins website. This point of contact is intended to encourage and enable employees and/or external parties to confidentially raise serious concerns internally so that Eurofins can address and correct inappropriate conduct and actions that breach the above mentioned Group Code of Ethics.

1.1.7 External Control

As required pursuant to Article 69 of the Luxembourg law of 19 of December 2002 on the register of commerce and companies and the accounting and the annual accounts of undertakings, as amended (The "Trade and Companies Register Law"), the general meeting of the shareholders of Eurofins shall appoint an external auditor for the statutory audit of the annual accounts of Eurofins.

1.2 Shareholders' meetings

The general meeting of shareholders shall have the widest powers to adopt or ratify any action relating to Eurofins.

Ordinary and extraordinary Shareholders' Meetings deliberate in accordance with conditions of quorum and majority set forth and the powers expressly granted by law and the Articles.

a. Ordinary shareholders' meetings

An ordinary meeting of shareholders (the "Annual General Meeting") shall be held annually at the date and time indicated in the Articles and shall approve the stand-alone and consolidated financial statements. It shall determine the allocation of profits and grant discharge to the Directors for the performance of their duties for the previous financial year.

b. Extraordinary shareholders' meetings

Extraordinary general meetings of shareholders shall be called to deliberate on any decision having as direct or indirect effect to amend the Articles of Eurofins.

c. Notices and Agenda

Shareholders' meetings are convened by the Board of Directors, or by any person empowered to do so as set forth by law.

The Shareholders' meetings are convened and held in accordance with the conditions set forth by law and the Articles. The meetings are convened at the registered office or in any other location indicated in the notice.

d. Access to meetings and voting rights

Each share entitles its holder to one vote.

All shareholders, regardless of the number of shares they own, may attend Shareholders' meetings and deliberations in person or via proxy, by providing proof of their identity.

The rights of shareholders to participate and vote at Shareholders' meeting are determined in relation to the number of shares held on the date falling 14 calendar days before the date of the Shareholders' meeting at

midnight (Luxembourg time) (the "Record Date"). To be able to participate to the general meeting each shareholder shall indicate to Eurofins in writing its intention to do so at the latest at the Record Date.

In case the shares are held by the shareholder through a system of payment and delivery of financial instruments, or in case of the shares are held by a financial intermediary acting as a professional depositary, the shareholder who intends to participate to the Shareholders' meeting is required to request a certificate certifying the number of shares he/she holds at the Record Date from its intermediary and the shareholder must present the certificate to Eurofins no later than five (5) days prior to the general meeting.

In case of vote by correspondence through a voting form, only the voting forms received by Eurofins at least three (3) days at midnight prior to the date of the Shareholders' Meeting shall be taken into account.

The holder of shares not residing in the Grand-Duchy of Luxembourg may be represented at the general meeting by any intermediary subject to the appointment of the intermediary by written notification to Eurofins by electronic means or by post as specified in the notice convening the General Meeting.

The Shareholders' meetings can be held by way of video-conferencing or any other means of telecommunication, like the internet, that must enable the identification of shareholders under the terms and conditions set forth by law then currently in force.

Shareholders attending the meeting by video-conferencing or any other means of telecommunication that enables them to be identified, under the terms and conditions set forth by law, are considered as present to determine the quorum and majority.

1.3 Remuneration Policy

The Board of Directors is entrusted with the drawing up of a remuneration policy for the Directors and the Chief Executive Officer.

The rules and principles used to determine the remuneration, benefits-in-kind and bonuses of the Directors and the Chief Executive Officer are not determined by the Board of Directors on a collective basis.

The evolution from year to year of the remuneration, benefits in kind and bonuses of the Chief Executive Officer and the other Board of Directors' members are based on their functions, duties and responsibilities and on the results and performance of the Group, as well as on individual achievement of annual objectives.

For competitive reasons, the Board of Directors has decided not to disclose publicly the criteria for remuneration or compensation (including in the event of redundancy) of members of the Board and of the Group Operating Council.

1.4 Share Dealings

Directors, Officers and employees who are in possession of inside information must, for as long as this information has not been made public, refrain from directly or indirectly entering into (or recommending others to enter into) any transaction involving the financial instruments of Eurofins and from disclosing such information to third parties, especially but not limited to during the following black-out periods:

(i) the continual period starting 30 calendar days before the publication of the annual or half-yearly financial information and ending the day after the publication of the relevant information;

(ii) the continual period starting 15 calendar days before the publication of the quarterly financial information and ending the day after the publication of the relevant information;

(iii) the continual period starting on the date on which the relevant person becomes aware of an inside Information and ending the day after Eurofins publicly releases this information.

Inside information is information of a precise nature which has not been yet made public and which relates directly or indirectly to one or more issuers, or to one or more financial instruments, and which if it were made public would be likely to have a significant effect on the prices of the financial instruments in question or on the price of related derivative financial instruments.

Pursuant to Article 19 of the 569/2014 EU Market Abuse Regulation (the "Market Abuse Regulation") the persons discharging managerial responsibilities (and persons closely associated with them) must declare within three working days to the *Commission de Surveillance du Secteur Financier* "CSSF" and to Eurofins the existence of all and any transactions conducted on their account, such as the acquisition, transfer, subscription or trading, of Eurofins' financial instruments.

Eurofins has enacted a strict insider dealing policy applicable to any employees and Directors, Officers subject to Market Abuse Regulation.

2 Corporate Governance Statements for the period ended on June 30th, 2016

2.1 Management

2.1.1 Board of Directors

a. Composition

The Board of Directors is currently composed of 5 members, 2 of whom are Non-executive, Independent Directors. Each year, the Board of Directors reviews the suitability of each of its independent members according to the Ten Principles.

The members of the Board of Directors are:

- Dr. Gilles Martin: Chairman of the Board and Chief Executive Officer of the Eurofins Scientific Group, graduated from Ecole Centrale in Paris. He subsequently obtained a Master of Science from Syracuse University (New York) and a PhD in Statistics and Applied Mathematics. Founding the original Eurofins Scientific Nantes food authenticity laboratory in 1987, Dr. Martin has expanded this company of 4 employees into a global bioanalytical group of more than 250 laboratories employing 25,000 people in 39 countries. He is a member of the Board of Directors of Bruker Corp. (NASDAQ: BRKR), serving as an independent director. Dr. Martin is also a past President of the French Association of private analytical laboratories APROLAB, and of the North American Technical Committee for Juice and Juice Products (TCJJP) and of public bodies supporting innovation and entrepreneurship.
- Yves-Loïc Martin: Executive Director, graduated from Ecole Polytechnique, in Paris, France, and holds a Master's Degree in Applied Mathematics from University Paris VI and a PhD in Chemometrics from Institut National Paris Grignon. Dr. Yves-Loic Martin joined Eurofins as Quality Assurance Manager in 1992, and assumed the role of Chief Technology Officer in 1998 until 2015, where he was instrumental in setting up the Group's IT infrastructure. Beyond his strategic role on Group innovation, he is now responsible for the documentation of some Eurofins important processes and policies, and continues to drive overall improvement of cooperation between IT and operational entities.
- Valérie Hanote: Executive Director, is responsible for the Group's internal Commercial Laboratory Information Management System (ComLIMS). Mrs Hanote graduated from the Institut National Agronomique Paris-Grignon, and has been active for Eurofins since 1991.
- Stuart Anderson was appointed Independent Non-Executive member of the Board of Directors of Eurofins in 2010. Stuart is a seasoned professional with long experience in the consumer and food industries, having previously served as CEO at Wilkinson Sword, Del Monte Fresh Fruit, and at Geest Europe. Mr Anderson has also served as Chairman of Food Partners Ltd and TSC Foods. He is currently a Partner at Pemberton Capital LLP, as well as chairman of two of Pemberton's investments. Stuart obtained a degree in Law from the University of Cambridge in the UK, and originally qualified as a solicitor with Freshfields before following an international career in Europe, US and the Middle East.
- Fereshteh Pouchantchi. The appointment of Ms. Pouchantchi as an Independent Non-Executive member of the Board of Directors was confirmed at the Annual General Meeting in April 2014. Ms. Pouchantchi is a finance professional with extensive experience in audit, finance processes and financial administration and compliance. She worked at the Société Européenne de Banque (Luxembourg) for more than 20 years, where she headed up various teams, including the bank's compliance department. She is currently a director in charge of client relations at Fiduconseil S.àr.l.. Mrs. Pouchantchi holds a doctorate degree in economics from the Université de Paris II and a master in European private Law.

Board of Directors in 2016

Name	Age	Mandate	Audit Committee membership	Appointment or Renewal date	expiry in year Y (*)
Gilles Martin	52	Chairman of the Board and Chief Executive Officer		19/04/2016	2020
Yves-Loïc Martin	49	Board Member	Audit	19/04/2016	2020
Valérie Hanote	49	Board Member	Audit	19/04/2016	2020
Stuart Anderson	74	Independent Non-Executive Board Member	Audit	19/04/2016	2020
Fereshteh Pouchantchi	61	Independent Non-Executive Board Member	Audit	24/04/2014	2018

* His/Her term of office will expire at the end of the Annual Shareholders' Meeting called in year Y (see date in the table) to approve the financial statements for fiscal year ending December 31, Y-1

b. Board of Directors' meetings for the period ended on June 30th, 2016

The Board of Directors held 5 meetings in the first half of 2016 and the average attendance rate of the Directors at the Board of Directors' meetings was 72%.

In the course of the meetings held in the first half of 2016, discussions concerned among other topics the approval of the consolidated accounts and the parent company's financial statements, net profit allocation, dividends, capital increase in relation to stock option exercises, drafting the management report and resolutions to be submitted to the Annual General Meeting, convening of the Annual General Meeting, and the preparation of all relevant documents. The discussions also included the appointment and remuneration of the Directors and executives, as well as allocation of stock options, and Directors' fees.

During the year 2016, the Board of Directors will continue to hold discussions on the corporate governance of the Group and the Group Operating Council.

During the year 2016, the Board of Directors will also hold discussions regarding its decision that a nomination committee and a remuneration committee are not needed at this stage in Eurofins, and that it is for the Board of Directors to perform the duties of such committees.

Additionally, the Board of Directors held discussions on a number of financial transactions such as:

- In January 2016: allocation of an employee stock option plan for 2016;
- In March 2016: amendment of Article 12 Bis and insertion of a new Article 12 Ter in the Articles Company;
- In June 2016: fixing of the dividend payment date; approval of various borrowings; issue of 1,000,000 Class B beneficiary units; authorization for a private placement of 606,061 newly-issued shares subscribed by Caisse de dépôt et placement du Québec (CDPQ).

Most importantly, decisions and debates were held on the strategic direction of Eurofins. Following such discussions, the Group's mid-term objectives were reaffirmed.

All of these decisions were made unanimously by the members of the Board of Directors present or represented.

c. Remuneration

The remuneration of the Board of Directors is determined on a yearly basis by the annual general meeting of shareholders. The Board of Directors allocates this remuneration among its members at its own discretion

For the year 2015, the Board of Directors' remuneration is detailed as follows:

Board of Directors' Remuneration for the year 2015

All amounts in EUR	Fixed compensation	Variable compensation	Benefits in kind	Supplemental pension plan	Attendance fees to non-executive directors	Other	Total compensation paid in 2015 (EUR)
Gilles Martin	845 000	0	11 400	4 702	0	0	861 102
Yves-Loïc Martin	321 000	0	0	4 220	0	0	325 220
Valérie Hanote	165 000	0	10 692	10 604	0	0	186 294
Stuart Anderson	0	0	0	0	32,400	0	32,400
Fereshteh Pouchantchi	0	0	0	0	0	0	0

2.1.2 Chief Executive Officer

During the Board of Directors' meeting held in April 2016, Mr. Gilles Martin was again appointed as Chairman and Chief Executive Officer of Eurofins Scientific SE until the Annual General Meeting of shareholders to be held in 2020 to approve the Company's financial statements of the fiscal year ending on 31/12/2019.

2.1.3 Audit Committee

a. Composition

The Audit Committee consists of the following members:

- Fereshteh Pouchantchi (Audit Committee Chair)
- Stuart Anderson
- Dr. Yves Loïc Martin

b. Audit Committee's meetings for the period ended on June 30th, 2016

The Audit Committee held one meeting in the first half of 2016 and the attendance rate of the Directors at the Audit Committee's meeting was 75%[11].

The Audit Committee met in February 2016 to review the full year 2015 financial statements and discuss new IFRS developments that could impact Eurofins' accounts of which implementation will be reviewed during the year. The Audit Committee also reviewed the following as part of its duties:

- update on the the Finance blue print progress (process documentation) and

[11] The Audit Committee was still composed of 4 members in February.

deployment of the Microsoft Dynamics AX solution
- analysis of the risk management annual survey results and its implications in terms of control environment improvements and minimum control requirements for most risk sensitive areas
- information security policy improvements related to communication in order to prevent or minimize the risk of fraud and strengthening of security resources and business continuity plans

For more information on financial risk management, please refer to the notes to the 2015 financial statements (note 4.2) and note 6 to the unaudited condensed interim consolidated financial statements.

2.1.4 External auditor

The Luxembourg société coopérative PricewaterhouseCoopers registered with the Luxembourg Trade and Companies Register under number B 65477 was appointed as external auditor of the Company for the statutory and consolidated financial statements audit of the annual accounts of Eurofins for the year ending as at 31st December. 2016, drawn up in accordance with the Luxembourgish Generally Accepted Accounting Principles ("Luxembourg GAAP").

2.2 Shares and shareholders

2.2.1 Share capital

There are no charges attached to shares neither a minimal shareholding requirements for Directors of the Company.

On 29 June 2016, the issued share capital was increased by EUR 60,606.10 by the creation of 606,061 new shares issued as a result of a private placement subscribed by Caisse de dépôt et placement du Québec.

The Board of Directors held on 28 June 2016 approved the increase in share capital and the Chairman decided on 29 June 2016 to update Article 7 of Eurofins' Articles as follows:

Article 7 – Share Capital

The share capital amounts to one million, five hundred and ninety-nine thousand, five hundred and eighty-two Euros (EUR 1,599,582.00), divided into fifteen million, nine hundred and ninety-five thousand, eight hundred and twenty (15,995,820) shares of ten cents (EUR 0.10) of nominal value each, all of the same category.

a. Potential increases in share capital

(i) Stock options

As part of these plans in 2015, 95,250 options were granted by the Board of Directors. Not all of these options granted in 2015 were new options but some were options previously granted to beneficiaries who had lost their right to exercise them and were granted to new beneficiaries under new conditions.

As noted above, 177,018 options were exercised during the year 2015 and 48,167 options were exercised in the first half of 2016.

Two new stock option plans were decided by the Board of Directors on 7 April 2015 and on 22 October 2015.

In addition, one new stock option plan was decided by the Board of Directors on 21 January 2016.

The details of the current stock option plans are as follows:

Stock option plans	**21st instalment**	**22nd instalment**	**23rd instalment**	**24th instalment**	**26th instalment**	**27th instalment**	**28th instalment**	**29th instalment**
Date of Board of Directors' meeting	29/08/2005	10/01/2006	18/09/2006	20/07/2007	17/07/2008	18/12/2008	05/01/2009	10/11/2009
Number of options initially awarded	68,500	6,000	174,807	150,330	168,950	34,010	116,700	153,400
incl. options granted to members of the Board of Directors	0	0	2,500	1,000	0	0	0	0
First stock option exercise date	29/08/2009	10/01/2010	18/09/2010	20/07/2011	17/07/2012	18/12/2012	05/01/2013	10/11/2013
Final stock option exercise date	28/08/2015	09/01/2016	17/09/2016	19/07/2017	16/07/2018	17/12/2018	04/01/2019	09/11/2019
Subscription price in EUR	27.80	37.97	50.00	66.00	51.87	31.62	32.60	31.88
Number of options exercised as of 30/06/2016	50,500	5,000	95,817	54,050	81,339	8,520	70,000	75,271
Number of options lost and/or reawarded under new conditions	18,000	1,000	75,065	77,030	65,380	22,840	32,200	45,150
Number of valid options *	0	0	3,925	19,250	22,231	2,650	14,500	32,979

Stock option plans	**30th instalment**	**31st instalment**	**32nd instalment**	**33rd instalment**	**34th instalment**	**35th instalment**	**36th instalment**	**37th instalment**
Date of Board of Directors' meeting	31/08/2010	05/10/2010	23/02/2011	10/10/2011	02/03/2012	19/12/2012	01/10/2013	23/10/2014
Number of options initially awarded	164,400	12,450	89,750	158,350	46,250	191,475	139,065	120,950
incl. options granted to members of the Board of Directors	0	500	0	500	0	300	200	400
First stock option exercise date	31/08/2014	05/10/2014	23/02/2015	10/10/2015	02/03/2016	19/12/2016	01/10/2017	23/10/2018
Final stock option exercise date	30/08/2020	04/10/2020	22/02/2021	09/10/2021	01/03/2022	18/12/2022	30/09/2023	22/10/2024
Subscription price in EUR	36.62	37.06	50.13	57.83	65.60	120.10	182.29	188.28
Number of options exercised as of 30/06/2016	77,909	4,450	40,410	31,605	8,196	3,350	2,400	2,000
Number of options lost and/or reawarded under new conditions	40,655	2,500	9,200	39,015	17,550	41,775	36,540	11,830
Number of valid options *	45,836	5,500	40,140	87,730	20,504	146,350	100,125	107,120

Stock option plans	**38th instalment**	**39th instalment**	**40th instalment**
Date of Board of Directors' meeting	07/04/2015	22/10/2015	21/01/2016
Number of options initially awarded	60,000	35,250	93,920
incl. options granted to members of the Board of Directors	0	0	360
First stock option exercise date	07/04/2019	22/10/2019	21/01/2020
Final stock option exercise date	06/04/2025	21/10/2025	20/01/2026
Subscription price in EUR	251.88	282.76	286.30
Number of options exercised as of 30/06/2016	0	0	0
Number of options lost and/or reawarded under new conditions	11,200	2,150	3,230
Number of valid options *	48,800	33,100	90,690

**considers only valid and exerciseable options, but not options initially awarded or already exercised.*

(ii) BSA and BSAAR warrants

In June 2010, Eurofins issued OBSAAR bonds (French acronym for "*Obligations à bons de souscription et/ou d'acquisition d'actions remboursables*") for a nominal amount of EUR 175,995,654. The associated 295,990 BSAAR warrants were admitted to trading on Euronext Paris on 30 June 2012 under the ISIN code FR0010891796 and may be exercised to obtain 1 share of Eurofins Scientific SE for 2 BSAAR warrants up to 29/06/2017 for a subscription price of EUR 40 per share.

During the year 2015, 16,588 of these FR0010891796 BSAAR warrants were converted into 8,294 new shares and 16,584 BSAAR warrants were still outstanding as of 31/12/2015.

As of 30 June 2016, 696 BSAAR warrants were converted into 348 new shares and 15,888 BSAAR warrants were still outstanding as of 30/06/2016.

The Chief Executive Officer acting in the name of and on behalf of the Board of Directors in compliance with article 8Bis of Eurofins' Articles (see 3 below), decided on 1st July 2014, to issue 117,820 non listed BSA (French acronym for "*Bons de souscription d'actions*") called "2014 BSA Leaders Warrants" with preferential subscription rights reserved to a certain number of executive leaders of the Eurofins group selected by Eurofins in consideration of their key management duties and responsibilities and the contribution they may bring to the enhancement of the value of the shares of Eurofins and who may wish to invest in a long-term equity-linked instrument. Each 2014 BSA Leaders Warrant gives the holder the right to subscribe to one (1) new share of Eurofins at a price of EUR 281.58 per share representing the issuance of up to 117,820 new shares of Eurofins. The exercise period is from 1st July 2018 to 30 June 2022.

Further details on these warrants can be found in note 5 to the unaudited condensed interim consolidated financial statements.

(iii) Private placement

On 10 December 2015, Eurofins announced that it decided not to proceed with the contemplated placement of new shares as communicated in a press release dated 9th of December 2015 due to the market volatility at that time. The management indeed considered that carrying out the placement amidst unfavourable conditions would penalize its existing shareholders disproportionately.

On 29 June 2016, Eurofins announced the successful private placement of 606,061 new shares subscribed by Caisse de dépôt et placement du Québec (CDPQ) at a subscription price of EUR 330 per share. This transaction provides Eurofins with the ability to potentially accelerate the achievement of its mid-term plan, should the opportunity arise, and create significant incremental shareholder value with limited dilution. CDPQ's approach of focusing on long-term financial returns on its investment and deploying long-term partnerships with the companies it invests in, which may include supporting larger acquisitions, is entirely consistent with Eurofins' strategy of deploying capital for long-term value creation and securing flexibility in its future funding.

b. Authorized and non-issued capital

In connection with the transfer of Eurofins' registered office to Luxembourg, the annual general meeting of 11 January 2012 has approved a new article 8Bis of the Eurofins' Articles of Association to set an authorized share capital ("capital autorisé") for a maximum nominal value of EUR 2,500,000 represented by 25,000,000 shares having a nominal value of EUR 0.10 per share.

On 19 April 2016, the shareholders approved the renewal for five additional years (from 28th June 2016, date of publication of the new Articles of Association in the memorial C Recueil des Sociétés et Associations, until 27th June 2021) of the authorization granted to the Board to increase the Company's share capital to a maximum nominal value of EUR 2,500,000 (represented by 25,000,000 shares having a nominal value of EUR 0.10 per share) under the terms and conditions that the Board of Directors may determine. The Board of Directors may in particular limit or waive the preferential subscription rights reserved to existing shareholders.

As of 30 June 2016, the actual Eurofins' share capital amounts to EUR 1,604,433.50 divided into 16,044,035 ordinary shares.

Moreover, Eurofins has issued:

- BSA and BSAAR warrants (see par. 1 and 2.2 above);
- Stock option plans (see par. 1 and 2.1 above)

giving access to existing and/or new shares of Eurofins.

As of 30 June 2016, the maximum number of new shares that may be issued resulting from the exercise of BSA and BSAAR warrants and stock options is 947,194, resulting in a potential fully diluted number of shares of 16,991,529.

Consequently, the additional maximum number of new shares that could be issued by Eurofins within the limit of the authorized share capital is 8,008,471.

Besides, new shares issued as well as Eurofins' existing shares could be listed, in addition to the Paris Stock Exchange, on any other Luxembourg or foreign Stock Exchange to be determined by the Chairman of the Board on the basis of a mandate given by the Board of Directors.

2.2.2 Shareholding Disclosure

The Martin family holds 40.0% of the shares and controls 58.6% of the voting rights in Eurofins as of 30 June 2016.

The free float represents 60.0% of the shares and 41.4% of the voting rights of Eurofins.

The details of the different shares and voting rights held by the shareholders of Eurofins is as follows:

Shareholders and voting rights as of 30 June 2016							
SHAREHOLDERS	SHARES	SHARES %	VOTING RIGHTS (attached to shares)	VOTING RIGHTS (attached to Beneficiary Units Class A)	VOTING RIGHTS (attached to Beneficiary Units Class B)	TOTAL VOTING RIGHTS	% TOTAL VOTING RIGHTS
Dr. Gilles G. MARTIN and his family	2	0.0%	2	2	0	4	0.0%
Dr. Yves-Loïc MARTIN	14,546	0.1%	14,546	14,546	0	29,092	0.1%
Analytical Bioventures SCA(1)	6,400,000	39.9%	6,400,000	6,400,000	1,000,000	13,800,000	58.5%
Martin Family (subtotal)	**6,414,548**	**40.0%**	**6,414,548**	**6,414,548**	**1,000,000**	**13,829,096**	**58.6%**
Treasury shares	0	0.0%	0	0	0	0	0.0%
Free Float	9,629,787	60.0%	9,629,787	127,914	0	9,757,701	41.4%
TOTAL	**16,044,335**	**100.0%**	**16,044,335**	**6,542,462**	**1,000,000**	**23,586,797**	**100.0%**

(1) Private company incorporated in Luxembourg and controlled by Gilles Martin, Yves-Loïc Martin and their family

The Company's shareholder Analytical Bioventures SCA exercised its right for 1,000,000 of the 6,400,000 shares it owns pursuant to the terms of the new article 12 Ter of the Company's articles of association as adopted by the AGM of shareholders held on 19 April 2016 to receive 1,000,000 class B beneficiary units ("parts bénéficiaires de catégorie B") carrying one extra voting right per share, in addition to existing class A beneficiary units carrying one voting right per share.

Subsequently, a number of 1,000,000 class B beneficiary units were issued by the Company on 22 June 2016 in favour of Analytical Bioventures SCA (ABSCA). As a consequence, ABSCA holds as of 22 June 2016:

- 6,400,000 shares of the Company carrying one voting right each
- 6,400,000 class A beneficiary units carrying one voting right each
- 1,000,000 class B beneficiary units carrying one voting right each

Therefore, ABSCA holds 13,800,000 voting rights in aggregate representing 58.5% of the Company's total voting rights as of 30 June 2016.

2.2.3 General meetings of shareholders held in the first half of 2016

The Annual General Meeting of shareholders held on 19 April 2016 adopted *inter alia* the following resolutions:

(i) Approval of the annual statutory accounts for the financial year ended on 31 December 2015,

(ii) Allocation of results for the financial year ended on 31 December 2015 and approval of a dividend payment of EUR 1.45 per share,

(iii) Discharge granted to the members of the Board of Directors for the performance of their duties as at 31 December 2015,

(iv) Discharge granted to PricewaterhouseCoopers, external auditor, for the execution of his assignment for the financial year ended 31 December 2015 and renewal of its mandate,

(v) Renewal of the mandates of Board' members for Mr. Gilles Martin, Mr. Yves-Loic Martin, Mr. Stuart Anderson and Mrs. Valérie Hanote

(vi) Approval of attendance fees for Board members up to 150,000 euros for the fiscal year 2016,

(vii) Renewal of the authorization given to the Board to increase the share capital of the Company within the 2,500,000 euros overall limit of authorized share capital,

(viii) Modification of the Articles of Association of the Company to clarify the framework of the existing beneficiary units and the creation of a new class B of beneficiary units for shares registered in a registered shareholder account for five consecutive years,

(ix) Approval of a worldwide free share plan

2.3 Annual Statements in relation to the Takeover Law

2.3.1 Share capital structure

Please see above point 2.2.1 – Share capital

2.3.2 Shareholder purchase/sale agreement

With regard to article 11(1)(b) of the Takeover Law, the shares issued by Eurofins are listed on Euronext Paris and are freely transferable.

A shareholders' agreement regarding the Martin Family's shareholding in Analytical Bioventures SCA was concluded on 5th September 2008, which cancels and replaces the preceding one and aims in principal to renew the commitment towards the present management of Eurofins going forward and promote co-operation on a course of action in the event of a take-over bid. This agreement was concluded for a period of eight years, tacitly renewed each year and was made public by a statement disclosed by the French regulatory agency AMF (release n°208C1688 dated 17 September 2008).

2.3.3 Significant Shareholdings

With regard to article 11 (1)(c) of the Takeover Law, Eurofins' shareholding structure showing each shareholder owning 2.5% or more of Eurofins' share capital as far as they formally disclosed this to the Company is as follows:

Significant Shareholding as of 30 June 2016		
	No. of Shares	No. of Stock Options outstanding
Gilles G Martin	1	0
Yves-Loïc Martin	14,546	0
Valérie Hanote	1	0
Stuart Anderson	55	1,080
Fereshteh Pouchantchi	0	380

Analytical Bioventures SCA, which is controlled by Gilles Martin and Yves-Loïc Martin, holds 6,400,000 shares.

Fidelity Management & Research (FMR) crossed the 7% voting rights threshold with 1,542,161 voting rights as of May 2016, as notified to Eurofins and the CSSF. No other notification has been received from FMR since then.

Eurofins has not been formally notified of any shareholder other than those stated above with an interest in excess of 5% of the voting rights as at 30 June 2016.

2.3.4 Holders of any securities with special control rights

With regard to article 11 (1)(d) of the Takeover Law, in addition to shares representing Eurofins' issued share capital, a class A beneficiary unit, une « *part bénéficiaire de catégorie A*» which confers no right to dividends but a right to one vote, is allocated to holders of fully paid-up shares for which proof is provided of registration in the name of the same shareholder for at least three consecutive years as provided for in the Company's Articles of Association.

In case of a capital increase by incorporation of reserves, profits or share premium, the existing holders of beneficiary units will be entitled to additional class A beneficiary units following the issuance of new shares.

The Shareholders' extraordinary meeting of 19 April 2016 also authorised the issuance until 30 June 2021 of a new class B of beneficiary units ("*parts bénéficiaires de catégorie B*") which confers no right to dividends but a right to one extra vote for each share of the Company held by holders of fully paid-up shares continuously held under registered form evidencing a holding for at least five (5) years as provided for in the Company's Articles of Association.

In case of a capital increase by incorporation of reserves, profits or share premium, the existing holders of class B beneficiary units will be entitled to additional class B beneficiary units following the issuance of new shares.

2.3.5 System of control of any employee share scheme

With regard to article 11 (1)(e) of the Takeover Law, information on stock-options and BSAAR warrants is available in section 2.2.1 Share capital and note 5 to the unaudited condensed Interim consolidated financial statements.

2.3.6 Restrictions on voting rights

A sanction of suspension of voting rights can be applied to any shareholder (or group of shareholders acting jointly) who has (or have) crossed the thresholds set out (i) in article 10.3 of the Articles (2.5% or any multiple of 2.5% of the Company's share capital) (ii) and in article 8 (1) of the Transparency Law dated January 11, 2008 (i.e. 5%; 10%; 15%; 20%; 25%; 33,1/3%; 50% and 60,2/3%) without having notified Eurofins accordingly and subject to limited exceptions set out in article 8 of Transparency Law.

Such suspension can be requested by any shareholder holding at least 2.5% of the Company's share capital, and shall be applicable to voting rights above the thresholds indicated in the Transparency Law and the Articles and for a period of 2 years, as set out in article 10.3 of the Articles.

2.3.7 Agreements between shareholders

With regard to article 11 (1)(g) of the Takeover Law, there are agreements between shareholders in place as detailed in paragraph 2.3.2 above.

2.3.8 Appointment and replacement of Board Members – amendment of the Articles

With regard to article 11 (1)(h) of the Takeover Law, the Directors are elected by the general meeting of shareholders for four-year terms and may be re-elected or removed.

The rules governing amendments to Eurofins' Articles are set out in article 20 of Eurofins' Articles. An extraordinary general meeting, resolving as hereinafter provided, may amend any provisions of Eurofins' Articles.

Such an extraordinary general meeting shall not validly deliberate unless at least one half of the share capital is present or represented. If this condition is not satisfied, a second meeting may be convened and shall validly deliberate regardless of the proportion of the capital present or represented. At any extraordinary general meeting, resolutions, in order to be adopted, must be carried by at least two-thirds of the votes cast. Votes cast shall not include votes attaching to shares in respect of which the shareholder has not taken part in the vote or has abstained or has returned a blank or invalid vote.

2.3.9 Shares buy-back programme

With regard notably to article 11 (1)(i) of the Takeover Law, the extraordinary general meeting of shareholders held on 16 April 2013 granted the Board of Directors a new share buy-back authorisation whereby the Board of Directors is

authorized to purchase Eurofins' shares on the stock exchange within a period of five (5) years from the date of the publication of the minutes of the extraordinary general meeting of shareholders held on 19 April 2016. The maximum number of shares that may be purchased and/or cancelled is limited to 10% of the total number of shares issued at this date and a maximum buying price of EUR 300.00 per share.

As at 30 June 2016, Eurofins held no shares under this programme.

2.3.10 Any significant agreement to which Eurofins is a party and which takes effect, is altered or terminates upon a change of control

With regard to article 11 (1)(j) of the Takeover Law, such significant agreements to which Eurofins is a party are not disclosed for confidentiality reasons.

Confidential agreements relate to commercial and strategic aspects of the Group to the knowledge of the Board of Directors. Exceptionally, some agreements provide for early repayment in the event of change of control and / or departure of key leaders of the Group at the request of certain credit institutions. This is the case of OBSAAR bonds issued in June 2010.

The terms and conditions of Eurofins Deeply subordinated bonds (Deeply Subordinated Fixed to Floating Rate Bonds ISIN XS0881803646) issued in January 2013 (and extended in July 2014) provide for the application of an additional interest rate and a margin of 5% each per annum if a change of control event occurs up to 31 January 2020 and for an additional margin of 5% per annum if a change of control event occurs as from 30 April 2020. If such a change of control occurs, Eurofins has also the option to redeem all (but not part) of outstanding bonds.

The conditions of the bonds issued in November 2013 (Senior unsecured Euro bond ISIN XS0996772876) provide that if a change of control event occurs, bondholders have the option to require Eurofins to redeem all or part of their bonds on a date falling seven days after a 45-day period from the delivery of a change of control notice given by Eurofins to the bondholders. In such case, bonds are redeemed at their principal amount together with all interest accrued until (but excluding) such date.

The conditions of the bonds issued in January 2015 (Senior unsecured Euro bond ISIN XS1174211471) provide that if a change of control event occurs, bondholders have the option to require Eurofins to redeem all or part of their bonds on a date falling seven days after a 45-day period from the delivery of a change of control notice given by Eurofins to the bondholders. In such case, bonds are redeemed at their principal amount together with all interest accrued until (but excluding) such date.

The terms and conditions of Eurofins Deeply subordinated bonds (Deeply Subordinated Fixed to Floating Rate Bonds ISIN XS1224953882) issued in April 2015 provide for the application of an additional interest rate and a margin of 2.5% each per annum, if a change of control event occurs during a fixed rate interest period, as from and including the 60th calendar day following the change of control event date and until the redemption of the bonds ; if a change of control event occurs during a floating rate interest period the margin will be increased by 2.5% per annum as from and including the floating rate interest payment date immediately following the 60th calendar day following the change of control event date and until the redemption of the bonds. If such a change of control occurs, Eurofins has also the option to redeem all (but not some only) outstanding bonds.

The conditions of the bonds issued in July 2015 (Senior unsecured Euro bond ISIN XS1268496640) provide that if a change of control event occurs, bondholders have the option to require Eurofins to redeem all or part of their bonds on a date falling seven days after a 45-day period from the delivery of a change of control notice given by Eurofins to the bondholders. In such case, bonds are redeemed at their principal amount together with all interest accrued until (but excluding) such date.

2.3.11 Any agreement between Eurofins and its Board Members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid

With regard to article 11 (1)(k) of the Takeover Law, there is a table of remuneration of members of the Board of Directors as detailed in section II.2.

Related party transactions

Eurofins management believes that there is no conflict of interest between the duties of Eurofins, one of the members of the administration and management, and their private interests and / or other duties. Some buildings are rented by Eurofins from property companies indirectly controlled by Analytical Bioventures SCA. Corresponding rents reflect normal market conditions. For more information on related party transactions, please see note 8 to the unaudited condensed Interim consolidated financial statements.

There is no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which the aforementioned persons have been selected as a member of the Board of Directors or senior management.

No member of the board has been convicted of fraud, or entered receivership or liquidation during the last five years, been indicted and/ or has had an official public sanction pronounced against them by statutory or regulatory authorities (including professional bodies). No member of the board or of the Group Operating Council has been disqualified by a court from acting as a member of a body administrative, management or supervisory bodies of Eurofins or from acting in the management or conduct of affairs of Eurofins during the last five years.

Share market

Euronext, Paris

	Month	Average closing price (€)	High (€)	Low (€)	Average daily volume ('000)	Market cap (€m)
2015	January	222.75	234.25	206.25	19.5	3,428
	February	233.06	244.55	226.85	15.2	3,587
	March	249.93	261.15	232.00	17.8	3,846
	April	260.15	272.65	245.55	12.7	4,004
	May	268.98	285.85	246.65	11.7	4,139
	June	269.35	284.10	249.30	19.5	4,145
	July	296.38	317.10	266.00	16.5	4,561
	August	298.36	312.45	263.45	14.5	4,592
	September	286.92	300.35	267.00	15.7	4,416
	October	297.13	333.55	269.20	19.9	4,573
	November	328.73	356.20	304.40	19.3	5,059
	December	329.22	361.65	299.10	19.2	5,067
2016	January	302.26	325.00	279.25	18.6	4,849
	February	295.84	338.80	271.25	20.5	4,747
	March	316.07	339.25	304.00	21.0	5,071
	April	323.10	334.60	311.55	12.6	5,184
	May	329.35	348.70	315.00	10.4	5,284
	June	329.10	351.80	282.05	16.1	5,280

3 Statement of persons responsible for the half year report

The Board of Directors confirms that, to the best of its knowledge, the half year statutory accounts, prepared in accordance with Luxembourg legal and regulatory requirements, and the consolidated financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of Eurofins and its subsidiaries included in the consolidation taken as a whole. In addition, the management and half year reports include a fair review of the development and performance of the business and the position of Eurofins and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board of Directors

Gilles MARTIN
Chairman of the Board of Directors and CEO

III. HALF YEAR FINANCIAL STATEMENTS

Unaudited Condensed Interim Consolidated Financial Statements for the period ended 30 June 2016

Condensed Interim Consolidated Income Statement (Unaudited)

January 1, 2016 to June 30, 2016

EUR Thousands	H1 2016 Adjusted results [1]	H1 2016 Separately disclosed items [2]	H1 2016 Reported results	H1 2015 Adjusted results [1]	H1 2015 Separately disclosed items [2]	H1 2015 Reported results
Revenues [3]	**1,208,397**	**-**	**1,208,397**	**841,907**	-	**841,907**
Operating costs, net	-991,813	-5,560	-997,373	-699,691	-10,134	-709,825
EBITDA [4]	**216,584**	**-5,560**	**211,024**	**142,216**	**-10,134**	**132,082**
Depreciation and amortisation	-58,468	-8,672	-67,140	-43,947	-6,331	-50,278
EBITAS [5]	**158,116**	**-14,232**	**143,884**	**98,269**	**-16,465**	**81,804**
Non-cash stock option charge and acquisition-related expenses, net [6]	-	-17,616	-17,616	-	-15,825	-15,825
EBIT	**158,116**	**-31,848**	**126,268**	**98,269**	**-32,290**	**65,979**
Finance income	1,582	584	2,166	754	1,026	1,780
Finance costs	-26,600	-6,602	-33,202	-16,167	-5,346	-21,513
Share of (loss)/ profit of associates	402	-	402	296	-	296
Profit before income taxes	133,500	-37,865	95,634	83,152	-36,610	46,542
Income tax expense	-36,672	4,594	-32,078	-21,341	5,392	-15,949
Net profit and loss for the period	**96,828**	**-33,271**	**63,556**	**61,810**	**-31,217**	**30,593**
Net profit and loss attributable to:						
- Equity holders of the Company	93,406	-32,559	60,846	61,640	-31,365	30,275
- Non-controlling interests	3,422	-712	2,710	170	148	318
Earnings per share (basic) in EUR						
- Total	6.06	-2.11	3.95	4.04	-2.06	1.99
- Attributable to hybrid capital investors	0.85	0.30	1.16	0.59	0.26	0.85
- Attributable to equity holders of the Company	5.20	-2.41	2.79	3.45	-2.32	1.13
Earnings per share (diluted) in EUR						
- Total	5.70	-1.99	3.71	3.81	-1.94	1.87
- Attributable to hybrid capital investors	0.80	0.28	1.08	0.56	0.25	0.80
- Attributable to equity holders of the Company	4.90	-2.27	2.63	3.26	-2.19	1.07
Weighted average shares outstanding (basic)	15,414	-	15,414	15,250	-	15,250
Weighted average shares outstanding (diluted)	16,397	-	16,397	16,158	-	16,158

1 Adjusted results – reflect the ongoing performance of the mature and recurring activities excluding "separately disclosed items".

2 Separately disclosed items (SDI) – includes one-off costs from integration, reorganisation, discontinued operations and other non-recurring income and costs, temporary losses and other costs related to network expansion, start-ups and new acquisitions undergoing significant restructuring, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions, net finance costs related to borrowing and investing excess cash and one-off financial effects and the related tax effects – Details are provided in Note 9.

3 Mature and recurring activities represented EUR 1072m and EUR 738m of revenues for HY 2016 and HY 2015 respectively.

4 EBITDA – Earnings before interest, taxes, depreciation and amortisation, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, discontinued operations and transaction costs related to acquisitions as well as income from unused amounts due for business acquisitions.

5 EBITAS – Earnings before interest, taxes, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, discontinued operations and transaction costs related to acquisitions as well as income from unused amounts due for business acquisitions.

6 Non-cash stock option charge and acquisition-related expenses – non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, discontinued operations and transaction costs related to acquisitions as well as from unused amounts due for business acquisitions.

Condensed Interim Statement of Comprehensive Income (Unaudited)

January 1, 2016 to June 30, 2016

EUR Thousands	H1 2016	H1 2015
Net profit for the period	**63,556**	**30,593**
Other comprehensive income/ loss (OCI)		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	153	25,721
Net investment hedge	549	14,023
Available-for-sale Financial Assets	-1,342	52
Cash Flow hedge	4,850	3,084
Income tax on items that may be reclassified	90	-50
Total	**4,300**	**42,830**
Items that will not be reclassified to profit or loss :		
Other comprehensive loss for the period, net of tax	**4,300**	**42,830**
Total comprehensive income for the period	**67,856**	**73,423**
Attributable to:		
Equity holders of the Company	65,090	72,980
Non-controlling interests	2,766	443

Condensed Interim Consolidated Balance Sheet (Unaudited)

As of June 30, 2016

EUR Thousands	As of June 30, 2016	As of December 31, 2015
Property, plant and equipment	443,008	427,541
Goodwill	1,473,820	1,411,896
Other intangible assets	364,170	351,469
Investments in associates	13,259	14,926
Financial assets and other receivables	31,060	32,074
Deferred tax assets	35,787	36,020
Total non-current assets	**2,361,104**	**2,273,926**
Inventories	38,607	37,515
Trade accounts receivable	462,372	443,236
Prepaid expenses and other current assets	68,544	60,171
Current income tax assets	39,961	30,954
Derivative financial instruments assets	64,447	58,676
Cash and cash equivalents	811,593	793,755
Total current assets	**1,485,524**	**1,424,307**
Assets classified as held for sale	**1,600**	**1,600**
Total assets	**3,848,228**	**3,699,833**
Share capital	1,604	1,539
Hybrid capital	600,000	600,000
Other reserves	316,441	113,964
Retained earnings	186,684	158,787
Currency translation differences	83,677	83,050
Total attributable to equity holders of the Company	1,188,407	957,340
Non-controlling interests	127,202	122,971
Total shareholders' equity	**1,315,609**	**1,080,311**
Borrowings	1,365,992	1,496,555
Derivative financial instruments liabilities	3,022	6,898
Deferred tax liabilities	94,126	94,103
Amounts due for business acquisitions	200,396	193,390
Retirement benefit obligations	47,328	46,563
Provisions for other liabilities and charges	3,702	7,044
Total non-current liabilities	**1,714,566**	**1,844,553**
Borrowings	262,931	213,478
Interest and earnings due on hybrid capital	40,311	51,720
Trade accounts payable	181,994	197,015
Advance payments received	20,987	19,551
Deferred revenues	29,255	24,475
Current income tax liabilities	16,361	18,575
Amounts due for business acquisitions	20,975	22,561
Provisions for other liabilities and charges	13,240	14,652
Other current liabilities	232,000	212,942
Total current liabilities	**818,054**	**774,969**
Total liabilities and shareholders' equity	**3,848,228**	**3,699,833**

Condensed Interim Consolidated Cash Flow Statement (Unaudited)

January 1, 2016 to June 30, 2016

EUR Thousands	H1 2016	H1 2015
Cash flows from operating activities		
Profit before income taxes	**95,634**	**46,542**
Adjustments for:		
Depreciation and amortisation	67,140	50,278
Non-cash stock option charge and acquisition-related expenses, net	17,616	15,825
Other non-cash effects	1,509	-104
Financial income and expense, net	30,839	19,817
Share of profit from associates	-402	-296
Transactions costs and income related to acquisitions	-2,544	-2,963
Increase (decrease) in provisions, retirement benefit obligations	-3,407	-1,260
Change in net working capital	-38,623	-20,254
Cash generated from operations	**167,762**	**107,585**
Income taxes paid	-39,159	-15,853
Net cash provided by operating activities	**128,603**	**91,732**
Cash flows from investing activities		
Purchase of property, plant and equipment	-62,065	-52,803
Purchase, capitalisation of intangible assets	-19,216	-17,505
Proceeds from sale of property, plant and equipment	906	4,315
Net capex	*-80,374*	*-65,993*
Free Cash Flow to the Firm[1]	***48,229***	***25,739***
Acquisitions of subsidiaries net of disposals, net of cash acquired	-91,438	-184,183
Change in investments, financial assets and derivative financial instruments, net	311	-13,789
Interest received	2,166	1,779
Net cash used in investing activities	**-169,336**	**-262,186**
Cash flows from financing activities		
Proceeds from issuance of share capital	202,543	3,474
Proceeds from borrowings	3,769	500,639
Repayments of borrowings	-87,914	-65,006
Change in hybrid capital	-	298,909
Dividends paid to shareholders and non-controlling interests	-87	-291
Earnings paid to hybrid capital investors	-35,625	-21,000
Interest paid	-27,678	-8,041
Net cash provided by financing activities	**55,008**	**708,684**
Net effect of currency translation on cash and cash equivalents and bank overdrafts	2,529	2,111
Net increase (decrease) in cash and cash equivalents and bank overdrafts	**16,804**	**540,341**
Cash and cash equivalents and bank overdrafts at beginning of period	791,053	215,090
Cash and cash equivalents and bank overdrafts at end of period	**807,857**	**755,431**

1 Free Cash Flow to the Firm – Net cash provided by operating activities,less Net capex .

Condensed Interim Statement of Changes in Equity (Unaudited)

As of June 30, 2016

EUR Thousands	Attributable to equity holders of the Company						
	Share capital	Other reserves	Currency translation differences	Hybrid capital	Retained earnings	Non-controlling	Total equity
Balance at January 1, 2015	**1,520**	**105,511**	**28,467**	**300,000**	**220,985**	**7,758**	**664,241**
Currency translation differences	-	-	25,584	-	12	125	25,721
Net investment hedge	-	-	14,023	-	-	-	14,023
Available-for-sale financial assets	-	-	-	-	52	-	52
Cash flow hedge	-	-	-	-	3,084	-	3,084
Deferred taxes on net investment hedge	-	-	-	-	-50	-	-50
Other comprehensive income (loss) for the period, net of taxes	-	-	39,607	-	3,098	125	42,830
Net profit	-	-	-	-	30,275	318	30,593
Total comprehensive income (loss) for the period	-	-	39,607	-	33,373	443	73,423
Stock options effects	-	-	-	-	2,749	-	2,749
Tax credit relating to share option scheme	-	-	-	-	927	-	927
Issue of share capital	8	2,986	-	-	-	480	3,474
Issue of hybrid capital	-	-	-	300,000	-1,091	-	298,909
Distribution on hybrid capital	-	-	-	-	-12,996	-	-12,996
Dividends	-	-	-	-	-20,070	-291	-20,361
Non-controlling interests arising on business combinations	-	-	-	-	-1,910	1,853	-57
Balance at June 30, 2015	**1,528**	**108,497**	**68,074**	**600,000**	**221,968**	**10,242**	**1,010,309**
Balance at January 1st, 2016	**1,539**	**113,964**	**83,050**	**600,000**	**158,787**	**122,971**	**1,080,311**
Currency translation differences	-	-	78	-	19	56	153
Net investment hedge	-	-	549	-	-	-	549
Available-for-sale Financial Assets	-	-	-	-	-1,342	-	-1,342
Cash flow hedge	-	-	-	-	4,850	-	4,850
Deferred taxes on net investment hedge	-	-	-	-	90	-	90
Other comprehensive income (loss) for the period, net of taxes	-	-	627	-	3,617	56	4,300
Net profit	-	-	-	-	60,846	2,710	63,556
Total comprehensive income (loss) for the period	-	-	627	-	64,463	2,766	67,856
Stock options effects	-	-	-	-	3,616	-	3,616
Tax credit relating to share option scheme	-	-	-	-	1,428	-	1,428
Issue of share capital	65	202,478	-	-	-	-	202,543
Distribution on hybrid capital	-	-	-	-	-17,626	-	-17,626
Dividends	-	-	-	-	-22,315	-87	-22,402
Non-controlling interests arising on business combinations	-	-	-	-	-1,669	1,552	-117
Balance at June 30, 2016	**1,604**	**316,441**	**83,677**	**600,000**	**186,684**	**127,202**	**1,315,609**

Notes to the Condensed Interim Consolidated Financial Statements

General
Eurofins Scientific S.E. (the "Company") and its subsidiaries ("Eurofins" or the "Group") operate over 250 laboratories across 39 countries in Europe, North and South America and Asia-Pacific.

Eurofins believes it is the world leader in food, environment and pharmaceutical products testing and that it is also one of the global independent market leaders in certain testing and laboratory services for agroscience, genomics and discovery pharmacology and for supporting clinical studies. In addition, Eurofins is one of the significant emerging players in specialty clinical diagnostic testing in Europe and the USA.

Eurofins Scientific S.E. is legally and commercially registered in the Grand Duchy of Luxembourg under the number B 167 775. The Company's shares are traded on Euronext Paris under the ISIN code FR0000038259 (ticker ERF). The Company headoffice is located at 23 Val Fleuri, L1526 Luxembourg, Grand Duchy of Luxembourg.

These condensed interim consolidated financial statements have been reviewed, not audited.

These Condensed Interim Consolidated Financial Statements have been approved for issue by the Board of Directors on July 29, 2016.

1. Basis of preparation

Eurofins condensed interim consolidated financial statements for the six month period ended June 30, 2016 have been prepared according to IAS 34 – Interim Financial Reporting as adopted by the European Union.

As condensed interim consolidated financial statements, they do not include all information required by International Financial Reporting Standards (IFRS) as adopted by the European Union for the preparation of annual financial statements and should be read in conjunction with the Group consolidated financial statements prepared for the year-end 2015 in accordance with IFRS as adopted by the European Union.

The accounting policies applied for the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended December 31, 2015.

New and amended standards adopted by the Group without significant impact on the consolidated financial statements as of June 30, 2016:

- IAS 16 (Amendment), 'Property, Plant and Equipment'
- IAS 38 (Amendment), 'Intangible Assets'
- IAS 19 (Amendment), 'Employee Benefits'
- IFRS 10 (Amendment) 'Consolidated financial statements'
- IAS 28R (Amendment) 'Investments in Associates and Joint Ventures'
- IAS 1 (Amendment) 'Presentation of Financial Statements'
- IFRS 11 (Amendment) 'Joint arrangements'
- IAS 41 (Amendment) 'Agriculture'
- IAS 27 (Amendment) 'Equity Method in Separate Financial Statements'
- IFRS 12 (Amendment) 'Disclosure of Interests in Other Entities'
- Annual improvements cycle 2010-2012
- Annual improvements cycle 2012-2014

The Group performed an analysis of these new accounting standards and determined that their adoption has no material impact on the consolidated financial statements.

Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2015, with the exception of changes in estimates that are required in determining the provision for income taxes.

Taxes

Taxes on income in the interim periods are accrued using the tax rate that management expects to be applicable to the forecasted total annual earnings.

Foreign operations

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Euro, which is the Company's functional and presentation currency.

Income statements of foreign entities are translated into Euro at average exchange rates for the period and assets and liabilities for each balance sheet are translated at exchange rates ruling at the end of the period. All resulting exchange differences are recognised in other comprehensive income in the line "Currency translation differences".

The most significant currencies for the Group were translated at the following exchange rates into Euro.

Value of EUR 1	Balance Sheet End of period rates		Income Statement average rates	
	June 30, 2016	June 30, 2015	**H1 2016**	H1 2015
US dollar	**1.10**	1.14	**1.12**	1.12
Pound sterling	**0.83**	0.72	**0.78**	0.73
Swedish krona	**9.43**	9.26	**9.26**	9.35
Norwegian krone	**9.43**	8.77	**9.43**	8.62
Danish krone	**7.46**	7.46	**7.46**	7.46
Japanese yen	**112**	139	**125**	133
Australian dollar	**1.49**	1.46	**1.52**	1.42

2. Segment information

The Group operates in seven main geographical areas in the Analytical testing business.

These are Benelux, France, Germany, North America, Nordic countries, UK and Ireland, and Other countries.

Revenues (EUR m)	H1 2016	*As % of total*	H1 2015	*As % of total*	*% change H1 2016 vs H1 2015*
Benelux	89.5	7.4%	70.0	8.3%	27.9%
UK & Ireland	52.2	4.3%	46.5	5.5%	12.3%
France	314.4	26.0%	118.8	14.1%	164.7%
Germany	130.4	10.8%	116.6	13.8%	11.8%
North America	386.6	32.0%	287.4	34.1%	34.5%
Nordic Countries	81.7	6.8%	77.2	9.2%	5.9%
Other (including Emerging Markets)	153.7	12.7%	125.5	14.9%	22.5%
Total	**1208.4**	100.0%	**841.9**	100.0%	43.5%

Allocation of revenues to the geographical segments is based on the location of services performed.

The strong increase in the revenues in France, apart from organic growth, is mainly linked to the acquisition of BioAccess and Biomnis consolidated respectively from July 1st, 2015 and October 1st, 2015.

The strong increase in the revenues in North America, apart from organic growth, is linked to some significant acquisitions completed during the course of 2015 and consolidated on full year basis in 2016 (BHD, Diatherix and EGL mainly).

The strong increase in the revenues in Benelux, apart from organic growth, is also linked to the acquisition of Sinensis completed in January 2016 and other small acquisitions partially consolidated in 2015.

The strong increase in the revenues in Other, apart from organic growth, is linked to some significant acquisitions completed during the course of 2015 and consolidated on full year basis in 2016 in new countries including Malaysia, Vietnam and Japan (Nihon Soken).

For confidentiality reasons, the operating income by geographies is not provided.

3. Acquisitions

During the first six months of 2016, the Group acquired twelve companies.

In January, Eurofins completed the acquisition of Sinensis Life Sciences B.V.. This company is specialised in the pharmaceutical product testing and cGMP Quality Control (QC) services in the Netherlands. It employs about 150 staff and generates annual revenues of about EUR 13.5m.

In January, Eurofins completed the acquisition of Biotech-Germande SAS, one of the leading players in the environmental clinical testing and hospital hygiene market, as well as in medical device evaluation in France. Located in Marseille, it employs 40 staff, and has established a strong reputation over the last 15 years as a reference laboratory in healthcare and hospital hygiene.

Eurofins also acquired in January 2016 a non significant Agrosciences business in Australia.

In March, Eurofins completed the acquisition of Ams Laboratories Pty Ltd.. This company is specialised in cGMP Quality Control (QC) services in Australia. It employs about 45 staff and generates annual revenues of about EUR 5m.

In April, Eurofins completed the acquisition of Advantar Laboratories Inc. This company is specialised in GLP (Good Laboratory Practice) and cGMP Quality Control (QC) services in the USA. It employs about 50 staff and generates annual revenues of about USD 8m.

In April, Eurofins completed the acquisition of PerkinElmer, Inc.'s U.S. prenatal screening laboratory services business PerkinElmer Labs/NTD. It employs about 80 staff and generates annual revenues of about USD 20m at its laboratory in Melville, NY, serving universities, hospitals, maternal fetal medicine specialists, and other laboratories worldwide.

In April, Eurofins completed a small acquisition of an Agro-testing laboratory in The Netherlands with revenue of about EUR 2m.

End of May, Eurofins completed the acquisition of EAC Corporation Ltd. ("EAC") from Asahi Industries Co., Ltd. ("Asahi") in Japan. As part of the acquisition, Asahi and Eurofins entered into an exclusive service agreement for a period of 3 years. EAC provides environment testing services nationwide, with a strong competence in water and dioxin testing, and is one of the leading laboratories in the Northern Kanto region of Japan. Established in 1972, EAC employs about 70 staff and generates revenues of about EUR 5m.

End of May, Eurofins completed the acquisition of Agro-Analyses SAS, one of the leading analytical service providers supporting the food retail and catering sectors in France. Founded nearly 30 years ago, the company employs 157 staff at its site in Metz, in the northeast of France. The company provides food safety testing with a strong competence in microbiology, as well as surface analysis and generates annual revenues in excess of EUR 10m.

In May, Eurofins completed the acquisition of Tecna, a small manufacturer of diagnostic test kits for the analysis of chemical contaminants in food and feed in Italy.

Mid-June, Eurofins completed the acquisition of Bureau de Wit B.V. ("Bureau de Wit"), one of the main laboratory service providers focused on food and water safety testing for the food production, hotel and catering sectors in The Netherlands. Bureau de Wit operates a strategically-located laboratory in Almere, and employs 64 staff, generating annual revenues in excess of EUR 5m.

End of June, Eurofins completed a small acquisition of a clinical diagnostic laboratory in France with revenue of about EUR 2m.

Furthermore, during the half year 2016, some small companies have been discontinued or sold.

During the first six months of 2016 the Group continued to pay amounts due to former shareholders of previously purchased companies.

The changes in scope have no significant impact on the comparability of the Condensed Interim Income Statement. On the Condensed Interim Balance Sheet the main impact is the increase in Goodwill and Customer relationships and brands for EUR 66m and EUR 25m respectively and Amounts due from business acquisitions for EUR 12m.

The provisional fair values of assets and liabilities and the non-controlling interests acquired or disposed during the period are as follows:

EUR Thousands	H1 2016
Property plant and equipment	-6,139
Intangible assets	-129
Customer relationships and brands	-24,838
Investments	2,212
Financial assets and other receivables	-169
Net trade accounts receivable	-12,620
Inventories	-1,264
Other receivables	-1,967
Cash	-8,366
Current liabilities	10,968
Provisions for risks	-435
Pension accrual	-44
Corporate tax payable	687
Borrowings	279
Deferred income taxes	3,727
Net assets acquired	**-38,098**
Goodwill	-65,702
Amounts due from business acquisitions on new acquisitions	12,091
Total purchase price paid	**-91,709**
Less Cash	8,366
Non-controlling interests arising on business combinations	-118
Amounts due from business acquisitions paid	-7,977
Net cash outflow	**-91,438**
Divided into :	
Cash outflow on acquisition	-90,727
Proceeds from disposals of subsidiaries net of cash transferred	-711

Due to their timing, the initial accounting for acquisitions of the period has only been provisionally determined at the balance sheet date (June 30, 2016).

The investments in the companies NM Group of Laboratories (NML), Water & Waste Gesellschaft für Umweltschutz und chemische Laboratorien GmbH, Phyliae SAS, Hydrolog S.L. and Radonlab closed in November and December 2015 respectively have been fully consolidated as from January 1, 2016. The investments in the companies EAC, Tecna and the small clinical diagnostic laboratory in France are included in Investments in the Balance Sheet as of June 30, 2016 and will be consolidated from 1st July 2016.

4. Financial position

EUR Thousands	**30.06.2016**	**31.12.2015**
Cash and cash equivalents	811,593	793,755
Overdrafts (included in current Borrowings)	-3,736	-2,703
Cash and cash equivalents net of overdrafts at end of period	807,857	791,052

EUR Thousands	**30.06.2016**	**31.12.2015**
Borrowings (including Overdrafts)	277,567	300,860
Bonds	1,351,356	1,409,171
Cash and cash equivalents	-811,593	-793,755
Net Debt	817,330	916,276

In July 2016, Eurofins has repaid the entire principal amount of the Schuldschein loan (EUR 170m), in line with previous communication regarding the management's intention to possibly refinancing older, costlier existing lines of debt with instruments with longer maturity.

5. Changes in Shareholders' equity

Share capital

At June 30, 2016, 16.0 million ordinary shares with a par value of EUR 0.10 per share are outstanding. All issued shares are fully paid. During the first half year of 2016, the number of shares increased by 48,515 due to the exercise of stock options and BSAAR by employees.

On June 29, 2016, Eurofins has privately placed 606,061 newly-issued shares with La Caisse de dépôt et placement du Québec ("CDPQ"), one of Canada's largest institutional fund managers, at a subscription price of EUR 330 per share, raising EUR 200m of additional cash for the Group. This represents a slight dilution of under 3.8% for its existing shareholders.

As at June 30, 2016, the Group does not own any of its own shares (number of own shares at December 31, 2015: 0).

Stock options

Stock options are granted to directors and employees. Movements in the number of stock options outstanding are as follows:

At beginning of the period (31/12/2015)	794,682
Options granted	93,920
Options exercised	-48,167
Options expired	-19,005
At end of the period (30/06/2016)	**821,430**

BSAAR warrants

The BSAAR warrants have been mainly acquired by the managers of the Group. Movements in the number of shares to be possibly issued upon exercise of BSAAR warrants are as follows:

At beginning of the period (31/12/2015)	8,292
BSAAR exercised	-348
At end of the period (30/06/2016)	**7,944**

2014 BSA Leaders warrants

Upon decision and authorization granted by the board of directors of June 19, 2014, the Chairman of the Company following a decision dated of July 1st, 2014 has decided to issue up to 117,820 securities giving potentially access to stock in the company in the form of stock purchase warrants, conferring 2014 BSA Leaders Warrants' holders the right to subscribe for one share of the Company for each 2014 BSA Leaders Warrant at a fixed exercise price of EUR 281.58.

The subscription price was set at EUR 18.15 per 2014 BSA Leaders Warrant.

2014 BSA Leaders Warrants' holders will have the option to exercise their 2014 BSA Leaders Warrants at any time starting 4 years from the date of subscription starting July 1st, 2018 until June 30, 2022 inclusive.

Class A beneficiary units

Class A beneficiary units, which confers no right to dividends but a right to one vote, is allocated to holders of fully paid-up shares for which proof is provided of registration in the name of the same shareholder for at least three consecutive years as provided for in the Company's Articles of Association and has increased from 6.533.527 as of Decembre 31, 2015 to 6.542.462 as of June 30, 2016.

Class B beneficiary units

Rights and obligations attached to Class B beneficiary units confer a voting right per share without conferring pecuniary rights.

1m of Class B beneficiary units for a number equal to the number of their shares registered in a registered account for five consecutive years in the name of the Company's shareholder Analytical Bioventures SCA have been created in June 2016 for a cash contribution of EUR 100k equivalent to EUR 0.10 (ten euro cents) per beneficiary unit.

Hybrid capital

A distribution on hybrid capital has been paid for EUR 21.0m in January 2016 (EUR 300m at 7%) and EUR 14.6m in April 2016 (EUR 300m at 4.875%).

Dividends

A EUR 22.3m dividend (EUR 1.45 per share) has been paid in July 2016 to the shareholders and is included in the line Other current liabilities in the Balance Sheet as of June 30, 2016.

6. Financial risk management and financial instruments

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. For more information on risk factors, please see the section 6 in the H1 2016 report Chapter I.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at December 31, 2015.

There has been no changes in the risk management approach or in risk management policies since year-end.

Fair value estimation

The carrying and fair value of the financial assets and financial liabilities are as follows:

		Financial assets classification				
EUR Thousands **Assets**	Carrying Value	Loans and Receivables	Assets at fair value through profit and loss	Derivatives used for hedging	Available for sale	Fair Value
Available for sale financial assets	3,243	-	-	-	3,243	3,243
Financial assets trade and other receivables – non current	27,817	27,817	-	-	-	27,817
Trade and other receivables excluding prepayments - current	500,592	500,592	-	-	-	500,592
Financial assets at fair value through profit and loss	-	-	-	-	-	-
Derivative financial instruments	64,447		64,447		-	64,447
Marketable securities	281,560	-	281,560	-	-	281,560
Cash and cash equivalents	530,033	530,033	-	-	-	530,033
	1,407,692	**1,058,442**	**346,007**	**-**	**3,243**	**1,407,692**

		Financial liabilities classification			
EUR Thousands **Liabilities**	Carrying Value	Liabilities at fair value through profit and loss	Derivatives used for hedging	Other financial liabilities at amortised cost	Fair Value
Borrowings (*)	1,628,923	-	-	1,628,923	1,624,351
Interest and earnings due on hybrid capital	40,311	-	-	40,311	40,311
Amounts due for business acquisitions	221,371	-	-	221,371	221,371
Derivative financial instruments	3,022	-	3,022	-	3,022
Trade accounts payable other current liabilities and advance payments received and deferred revenues	464,236	-	-	464,236	464,236
	2,357,862	**-**	**3,022**	**2,354,840**	**2,353,291**

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 - Marketable securities, Derivative financial instruments assets or Eurobonds);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or the liability, either directly (i.e. such as prices) or indirectly (i.e. derived from prices) (Level 2 - Derivative financial instruments liabilities);
- Inputs for the asset or liability that are not based on observable market data (Level 3).

There were no transfers between levels.

With the exception of the non-current fixed-rate borrowings, the Group considers the carrying value of the financial instruments to approximate their fair value.

(*) Regarding borrowings, their fair value is based on:

- A quoted price included in Level 1 of the fair value hierarchy for the Eurobond Nov 2013 (fair value amount of EUR 312.2m against a carrying value of EUR 300m)
- A quoted price included in Level 1 of the fair value hierarchy for the Eurobond Jan 2015 (fair value amount of EUR 477.7m against a carrying value of EUR 500m)

- A quoted price included in Level 1 of the fair value hierarchy for the Eurobond July 2015 (fair value amount of EUR 506.5m against a carrying value of EUR 500m)

There were no transfers between levels.

In order to hedge the Group's exposure to interest rate fluctuations particularly related to the 2010 OBSAAR bonds and the Schuldschein loan, the Group has concluded certain hedging contracts in order to swap the floating interest rate of the instruments against a fixed rate. These contracts are either with immediate or deferred effect.
The principal amount hedged with a fixed rate is approximately EUR 168 million as of June 30, 2016. In addition, the Group concluded certain interest rate hedging contracts with deferred effective dates for the period June 2016 to June 2018 for a total nominal amount of up to EUR 168 million declining with the maturity of the debt.
The fair value of these hedging instruments is recognised as a financial liability of EUR 3 million as at June 30, 2016 (EUR 6.9 million as at 31 December 2015). Interest rate swaps are fair valued using forward interest rates derived from yield curves.

The derivative financial instruments assets corresponds to equity swaps for an amount of EUR 64.4 million as of June 30, 2016 (EUR 58.7 million as of 31 December 2015).

Net investment hedge
The Company has designated instruments to hedge net investments in foreign operations. The nature of the risk hedged is the change in foreign exchange rates between the currency of the loan and the currency of either the lender or the borrower.
The net investment in hedged foreign operations is worth EUR 596m (fully eliminated in consolidation).

EUR Thousands Currency of loan	Currency of lender or borrower	30.06.2016	31.12.2015
USD	EUR	433,509	416,520
CAD	EUR	9,594	8,968
NOK	EUR	3,329	3,435
SEK	EUR	1,733	1,411
DKK	EUR	1,221	1,237
EUR	USD	6,742	6,578
EUR	DKK	41,586	41,795
EUR	SEK	24,983	24,596
EUR	GBP	31,510	30,498
EUR	NOK	11,240	11,561
EUR	BRL	17,831	17,389
EUR	AUD	2,523	3,023
EUR	NZD	1,230	1,309
EUR	CNY	6,319	6,349
EUR	PLN	2,211	1,095
EUR	CHF	86	166
EUR	THB	129	-
Total		**595,775**	**575,930**

The fair value of net investment hedging represents a cumulated positive value of EUR 26.7m at the end of June 2016 included in "Currency translation differences" in equity.

7. Contingent liabilities

Contingent liabilities are described in more detail in the Annual Report 2015 in Note 4.4. During the period no new or acquired major contingent liabilities related to litigations, claims or new lease commitments have been incurred compared to the situation at December 31, 2015.

Securities over borrowings

The liabilities and borrowings listed below are secured by covenants or securities on assets:

EUR Thousands	**30.06.2016**	**31.12.2015**
Bank borrowings secured over building and assets	3,528	4,826
Leases secured over building and assets *	15,191	16,824
Bank borrowings secured by covenants and assets	8,374	6,560
Total borrowings and leases secured	*27,093*	*28,210*
Bank borrowings & OBSAAR secured by covenants	258,934	335,233
Bank borrowings guaranteed by the direct parent of the borrower	3,297	4,355
Total	289,324	367,798

All amounts of the above chart are included in the Group's Balance Sheet.
* Lease liabilities are secured as the rights to the leased asset revert to the lessor in the event of default.

Tax

The Group operates in 39 countries and is subject to a wide range of complex tax laws and regulations. At any point in time it is normal for there to be a number of open years in any particular territory which may be subject to enquiry by local authorities. Where the effect of laws and regulations is unclear, estimates are used in determining the liability for the tax to be paid on profits which are recognised in the financial statements. The Group considers the estimates, assumptions and judgements to be reasonable; however, this can involve complex issues which may take a number of years to resolve. The final determination of prior year tax liabilities could be different from the estimates reflected in the financial statements.

8. Related-party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated in the consolidation process and are not disclosed in the notes.

The Group is controlled by the company Analytical Bioventures SCA, holding of the Martin family. This company owns 39.9% of the Company's shares and 58.5% of its voting rights as of June 30, 2016.

Transactions with Affiliates or with companies owning shares in the Eurofins Group such as Analytical Bioventures SCA or with companies in which some members of the Company's Board of Directors or top management have significant influence such as "International Assets Finance S.à.r.l." mainly consist in rent guarantee deposits for EUR 12.5 million and building rents for an amount of EUR 9.4 million paid during the six month period ended June 30, 2016.

9. Separately disclosed items (SDI)

EUR Thousands	H1 2016	H1 2015
One-off costs from integrations, reorganizations and discontinued operations, and other non-recurring costs	5,385	5,937
Temporary losses and other costs related to network expansion, start-ups and new acquisitions in significant restructuring	175	4,197
EBITDA impact	5,560	10,134
Depreciation costs specific to start-ups and new acquisitions in significant restructuring	8,672	6,331
EBITAS impact	14,232	16,465
Amortisation of acquired intangible assets related to acquisitions, impairment of goodwill, negative goodwill, revaluation of amounts due from business acquisitions, discontinued operations and transaction costs related to acquisitions	14,000	13,076
Non-cash accounting charges for stock options	3,616	2,749
Net finance costs related to borrowing and investing excess cash and one-off financial effects (net of finance income)	6,018	4,320
Tax effect from the adjustment of all separately disclosed items	-4,594	-5,392
Total impact on Net Profit	33,271	31,217
Non-controlling interests on separately disclosed items	-712	148
Total impact on Net Profit attributable to equity holders	32,559	31,365

For 2015, the EBITAS impact of the separately disclosed items consisted mainly of the process of consolidation into two larger sites of the Benelux environment business, the reorganisation of some sites in Discovery services, France, Sweden and US, the operating losses of IPL in France and the network expansion in the US Food testing business.

For 2016, the EBITAS impact of the separately disclosed items consisted mainly of the launch of several start ups in different countries especially in the clinical genetic testing, the network expansion in the US Food testing business and the reorganisation into our competence centres of some environmental laboratories recently acquired in the US.

10. Post-closing events

Change of scope

In May, Eurofins signed an agreement to acquire Exova's food, water and pharmaceutical testing business in the UK & Ireland, comprising 10 laboratories, for approximately GBP 18m, subject to closing adjustments. The transaction has been completed in July. Collectively, the 10 laboratories employ more than 300 staff and are expected to generate revenues in excess of EUR 20m in 2016. Of the 10 laboratories, 3 are for food testing, 5 for water testing, and 2 for pharmaceutical products testing.

In July, Eurofins completed the acquisition of a food testing laboratory in New Zealand, an agroscience business in the UK and an environment testing business in France with total combined revenues of about EUR 8m.

Financing

Refer to Note 4.

To the Shareholders of Eurofins Scientific SE

Report on Review of the condensed consolidated half year financial information

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Introduction

We have reviewed the accompanying condensed interim consolidated balance sheet of Eurofins Scientific SE and its subsidiaries (together the "Group") as of 30 June 2016 and the related condensed interim consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity", as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". 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 International Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the European Union.

PricewaterhouseCoopers, Société coopérative — Luxembourg, 1 August 2016
Represented by

Gilles Vanderweyen