L'essentiel.

Interim report
First half 2013

Disclaimer

This interim report and its constituent parts have been translated from the original French version.
For the purposes of interpretation, the French original takes precedence over the English translation.

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Key consolidated figures are presented below:

In EUR millions	30 June 2013 IFRS	30 June 2012 IFRS	31 Dec. 2012 IFRS
Advisory revenues	-	-	-
Third party management revenues (1)	3.1	3.7	6.2
Proprietary trading revenues (2)	8.0	24.0	46.9
Net revenues	**11.1**	**27.7**	**53.1**
Payroll costs	(4.2)	(4.9)	(10.4)
Occupancy costs	(0.8)	(0.7)	(1.5)
Other expenses	(1.7)	(1.8)	(4.4)
Other taxes	(0.2)	(0.5)	(0.8)
Income before tax	**4.5**	**19.8**	**35.9**
Net income	**3.1**	**13.0**	**24.3**

N.B.: Figures expressed in millions of euros rounded to one decimal place. Percentage changes are calculated on the basis of non-rounded figures in euros.

(1) Third party management revenues correspond to management and performance fees earned by ABC arbitrage Asset Management from external investors in fully consolidated funds, which are eliminated in consolidation.

(2) Net gains on derivative financial instruments measured at fair value through profit or loss (€10.9 million) + net provision reversals (€0.1 million) – third party management revenues (€ 3.1 million).

1 → Operating performance

IFRS net revenues came to €11.1 million and net income to €3.1 million for the first half of 2013, after fair value adjustments to the securities portfolio required under IAS 39, which reduced net revenues by €10.2 million. These adjustments will be absorbed when the relevant arbitrage transactions are unwound.

Excluding fair value adjustments, net revenues were down only 10% year-on-year, a good performance given prevailing market conditions.

The Group delivered another quality operating performance in an environment where the market parameters that have a positive influence on our business – volatility and trading volumes – remained very weak for all types of financial instrument. With our large portfolio of arbitrage transactions, we were able to spread risks and results across the various strategies and take advantage in each favourable window of opportunity.

Meanwhile, we continued to adjust our production systems, enabling us to maintain firm business momentum in an environment that was challenging in terms of both market parameters and fiscal and regulatory escalation.

Payroll costs decreased by 13.5%, in line with activity levels. Other expenses fell by a more modest 6.5%. Due to the deep-seated change that has been shaping the markets for many months now, we have had to continue investing, mainly in mathematical engineering and software development, causing a structural increase in costs.

Third-party asset management

Revenue generated by the asset management business remained more or less stable, with €3.1 million of fees billed in the first half versus €3.7 million in the same period of 2012.
The funds under management did not produce the expected returns for the Group. The lack of volatility and trading volumes has also prompted some investors to turn to other types of investment since the end of 2012. At 1 September, external funds under management totalled €306 million.

Incentive plans

On 21 March 2013, the Board of Directors awarded up to 60,000 performance shares to six employees who are not corporate officers. The shares will vest if cumulative consolidated net income for the years 2013 and 2014 reaches the target level.

2 → Dividend distribution

Confident in the Group's ability to pursue its development and given the availability of reserves over and above the amounts needed for operational purposes, the Board of Directors recommended paying a dividend of €0.20 per share, to be deducted in order of priority from “retained earnings”, “other reserves” and “additional paid-in capital”. The dividend distribution was approved by the shareholders at their annual general meeting. The amount is in line with the interim dividends paid at the year-end for many years.

Based on the number of shares outstanding, the maximum dividend payout will be €10,453,198. This will use up the entire “retained earnings” account of €2,274,524 and “other reserve”s of €351,501, and reduce “additional paid-in capital” to €105,035,483.

The portion of the dividend distributed from “additional paid-in capital” will be treated for tax purposes as a return of capital governed by article 112 1° of the *Code Général des Impôts*. Payment will be made solely in cash.

The shares will go ex-dividend on Monday, 9 December 2013 and the dividend will be paid on Thursday, 12 December 2013.

3 → Outlook

Activity levels in the third quarter were in line with the first half. Central Bank policy is preventing the markets from setting a healthy course, which always makes the arbitrage business more difficult. However, thanks to the dedication of our people and our continued investment, we have strengthened our ability to exploit atypical market movements whether up or down and we are confident in our ability to produce significant returns in future years.

The Board of Directors
12 September 2013

Balance sheet - assets

In EUR	Note	30 June 2013 IFRS	31 Dec. 2012 IFRS
Intangible assets	2.2	68,986	82,387
Property and equipment	2.2	2,156,890	2,270,095
Work in progress		-	-
Current financial assets	2.3	657,560	657,560
Deferred tax assets		2,118,128	73,333
Total non-current assets		**5,001,564**	**3,083,375**
Financial assets at fair value through profit or loss	2.5	1,008,536,810	1,103,869,028
Other accounts receivable	2.6	5,212,980	6,543,434
Current tax assets		-	-
Cash and cash equivalents		88,091,063	66,527,465
Total current assets		**1,101,840,853**	**1,176,939,927**
TOTAL ASSETS		**1,106,842,415**	**1,180,023,301**

Balance sheet - liabilities

In EUR	Note	30 June 2013 IFRS	31 Dec. 2012 IFRS
Paid-up share capital		836,256	835,311
Additional paid-in capital		112,862,656	112,538,672
Retained earnings		9,735,658	10,830,342
Interim dividend		-	(10,432,669)
Net income		3,118,415	24,309,689
Total equity attributable to equity holders	**2.4**	**126,552,985**	**138,081,345**
Minority interests		(180)	(180)
Total equity		**126,552,805**	**138,081,165**
Provisions		100,000	100,000
Non-current financial liabilities		-	-
Deferred tax liabilities		-	1,295,362
Non-current liabilities		**100,000**	**1,395,362**
Financial liabilities at fair value through profit or loss	2.5	971,127,939	1,033,140,716
Other liabilities	2.6	6,172,593	7,185,133
Taxes payable		2,830,337	165,339
Short-term debt		58,742	55,586
Current liabilities		**980,189,611**	**1,040,546,774**
TOTAL EQUITY AND LIABILITIES		**1,106,842,415**	**1,180,023,301**

Statement of income

In EUR	Note	30 June 2013 IFRS	30 June 2012 IFRS
Net gain/loss on financial instruments at fair value through profit or loss	3.1	10,961,453	27,714,687
Other revenue	3.2	32,589	111,964
Administrative expenses	3.3	(2,259,806)	(2,332,838)
Taxes and duties		(24,680)	(790,976)
Payroll costs	3.4	(3,999,542)	(4,515,133)
Depreciation and amortisation expense		(312,032)	(383,977)
OPERATING INCOME		**4,397,982**	**19,803,728**
Provision expense	3.5	100,000	825
INCOME BEFORE TAX		**4,497,982**	**19,804,553**
Current taxes		(4,719,723)	(5,492,969)
Deferred taxes		3,340,157	(1,303,947)
NET INCOME		**3,118,415**	**13,007,637**
Attributable to equity holders		3,118,415	13,007,637
Attributable to minority interests		-	-
Number of ordinary shares		52,265,990	52,163,345
Earnings per ordinary share		0.06	0.25
Diluted earnings per ordinary share		0.06	0.24

Statement of comprehensive income

In EUR	Note	30 June 2013 IFRS	30 June 2012 IFRS
Net income		3,118,415	13,007,637
Change in foreign exchange		-	-
Remeasurement of available-for-sale assets		-	-
Remeasurement of hedging instruments		-	-
Remeasurement of non-current assets		-	-
Actuarial gains and losses on defined benefit plans		-	-
Share of other comprehensive income on equity-accounted affiliates		-	-
Income tax		-	-
TOTAL OTHER COMPREHENSIVE INCOME		**-**	**-**
Net income and other comprehensive income		3,118,415	13,007,637
Attributable to equity holders		3,118,415	13,007,637
Attributable to minority interests		-	-

In EUR thousand	Paid-up share capital	Equity instruments and related reserves	Elimination of treasury shares	Retained earnings and net income	Total equity attributable to equity holders	Minority interests	Total equity
At 31 December 2011	**833**	**111,644**	**(1,293)**	**31,238**	**142,423**	**nm**	**142,423**
Issue of shares	-	-	-	-	**-**	-	**-**
Elimination of treasury shares	-	-	(2,805)	-	**(2,805)**	-	**(2,805)**
Share-based payments	-	-	-	21	**21**	-	**21**
Appropriation of net income 2011	1	603	-	(18,073)	**(17,468)**	-	**(17,468)**
Net income for the period	-	-	-	13,008	**13,008**	-	**13,008**
At 30 June 2012	**835**	**112,247**	**(4,098)**	**26,195**	**135,179**	**nm**	**135,179**

nm: non-material

In EUR thousand	Paid-up share capital	Equity instruments and related reserves	Elimination of treasury shares	Retained earnings and net income	Total equity attributable to equity holders	Minority interests	Total equity
At 31 December 2012	**835**	**112,539**	**(760)**	**25,466**	**138,082**	**nm**	**138,082**
Issue of shares	-	-	-	-	**-**	-	**-**
Elimination of treasury shares	-	-	199	-	**199**	-	**199**
Share-based payments	-	-	-	(1,104)	**(1,104)**	-	**(1,104)**
Appropriation of net income 2012	1	324	-	(14,067)	**(13,742)**	-	**(13,742)**
Net income for the period	-	-	-	3,118	**3,118**	-	**3,118**
At 30 June 2013	**836**	**112,863**	**560**	**13,414**	**126,553**	**nm**	**126,553**

nm: non-material

In EUR thousand	30 June 2013 IFRS	30 June 2012 IFRS
Net income	**3,118**	**13,008**
Net allocations to provisions	(100)	(1)
Net allocations to depreciation and amortisation	312	384
Change in deferred taxes	(3,340)	1,304
Others	-	142
Net cash provided by operations before changes in working capital	**(10)**	**14,837**
Changes in working capital	**36,403**	**64,879**
Net cash provided by operating activities	**36,393**	**79,716**
Net cash used by investing activities	**(185)**	**(117)**
Net cash provided by capital transactions	-	(17,468)
Dividends paid	(13,741)	-
Share-based payments	(905)	(2,926)
Net cash used by financing activities	**(14,647)**	**(20,394)**
Net change in cash and cash equivalents	**21,560**	**59,205**
Cash and cash equivalents, beginning of period	66,472	15,657
Cash and cash equivalents, end of period	88,032	74,862

1 → Accounting principles

The summarized interim consolidated financial statements for the ABC arbitrage Group for the six months ended 30 June 2013 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at 30 June 2013. In particular, the interim financial statements were prepared and are presented in accordance with IAS 34 "Interim Financial Reporting".

As permitted by IAS 34, this condensed set of financial statements includes only selected explanatory notes. These condensed consolidated financial statements for the six months ended 30 June 2013 must be read in conjunction with the Group's 2012 consolidated financial statements.

In preparing the interim consolidated financial statements, the Group applied the same accounting principles and methods as for its 2012 annual consolidated financial statements, which were drawn up in accordance with IFRS as adopted by the European Union and described in note 1 to the 2012 consolidated financial statements "*Accounting principles and policies*".

IFRS 13 (adopted by EU regulation no. 1255/2012 of 11 December 2012) and IAS 19R (adopted by EU regulation no. 475/2012 on 5 June 2012), which are both applicable for annual periods beginning on or after 1 January 2013, have no material impact on the interim consolidated financial statements.

Preparation of the financial statements required ABC arbitrage Group to make estimates and assumptions, which could have an impact on the amounts at which assets, liabilities, income and expenses are stated. The estimates, and the assumptions underlying them, have been made on the basis of past experience and of other factors considered to be reasonable in the circumstances. They thus serve as the basis for the judgement made in determining the carrying amounts of assets and liabilities that could not be determined directly from other sources. The definitive amounts that will be stated in ABC arbitrage Group's future financial statements may be different from the amounts currently estimated. These estimates and assumptions are reviewed on a continuous basis.

As the Group's activities are neither seasonal nor cyclical in nature, its first half results were not affected by any seasonal or cyclical factors.

2. → Notes to the balance sheet – 1st half 2013

2.1. → Consolidation principles

All Group subsidiaries are fully consolidated.

Before adjustment for the interest held via ABCA Multi Fund, the Group’s percentage interests were as follows:

Company	Countries	% of interest
ABC arbitrage	France	Parent company
ABC arbitrage Asset Management	France	100.0%
ABCA Global Fund	France	100.0%
ABCA Opportunities Fund	Ireland	21.7%
ABCA Reversion Fund	Ireland	5.0%
ABCA Continuum Fund	Ireland	0.0%
ABCA Fx Fund	Ireland	0.2%
ABCA Inference Fund	Ireland	0.4%
ABCA Multi Fund	Ireland	15.4%

After adjustment for the interest held via ABCA Multi Fund, the Group's percentage interests were as follows:

Company	Countries	% of interest
ABC arbitrage	France	Parent company
ABC arbitrage Asset Management	France	100.0%
ABCA Global Fund	France	100.0%
ABCA Opportunities Fund	Ireland	29.8%
ABCA Reversion Fund	Ireland	10.7%
ABCA Continuum Fund	Ireland	15.3%
ABCA Fx Fund	Ireland	15.0%
ABCA Inference Fund	Ireland	15.7%

The ABC arbitrage Group did not launch any new alternative investment funds during the first half of 2013.

ABCA Opportunities Fund exploits M&A arbitrage opportunities. At 30 June, it had €49 million of funds under management.

ABCA Reversion Fund exploits statistical arbitrage opportunities in the futures and ETF markets. At 30 June, it had €156 million of funds under management.

ABCA Continuum Fund exploits statistical arbitrage opportunities in the equity markets. At 30 June, it had €2 million of funds under management.

ABCA FX Fund exploits statistical arbitrage opportunities in the forex markets. At 30 June, it had €32 million of funds under management.

ABCA Inference Fund exploits futures strategies. At 30 June, it had €58 million of funds under management.

ABCA Multi Fund is a diversified fund that invests in other funds managed by the group.

These funds are managed by ABC arbitrage Asset Management, a portfolio manager, and are housed within ABCA Funds Ireland plc.

ABC arbitrage previously owned 100% of a German subsidiary called BC Finanzberatung GmbH, which it decided to place in voluntary liquidation.
In January 2012, a German court found that the liquidated subsidiary was entitled to make a claim as a creditor. Accordingly, in its capacity as interested party and having the right to take action, ABC arbitrage asked the competent German court to re-open the liquidation procedure and its request was granted on 5 November. The subsidiary had no business activities during first half 2013 other than its action to recover the receivable.

2.2 → Property & equipment and intangible assets

Gross value

In EUR thousand	Gross value Dec. 31, 2012	Acquisitions	Retirements/ disposals	Gross value June 30, 2013
Concessions and similar rights	465	26	-	491
Equipment, fixtures and fittings	1,326	-	-	1,326
Vehicles	156	-	-	156
Office and computer equipment, furniture	3,566	160	-	3,726
Total gross value	**5,513**	**185**	**-**	**5,698**

Amortisation and depreciation

In EUR thousand	Dec. 31, 2012	Increases	Decreases	June 30, 2013
Concessions and similar rights	(382)	(39)	-	(421)
Equipment, fixtures and fittings	(479)	(70)	-	(549)
Vehicles	(81)	(15)	-	(96)
Office and computer equipment, furniture	(2,218)	(188)	-	(2,406)
Total amortisation and depreciation	**(3,160)**	**(312)**	**-**	**(3,472)**

2.3. → Other non-current financial assets

At 30 June 2013, this item included €658 thousand in deposits.

2.4. → Consolidated equity

Share-based payment

Under the Horizon 2015 programme launched by the Board of Directors on 20 September 2010, up to 3 million performance stock options were granted at an exercise price of €9 (corresponding to 135% of the average share price prior to the date of the Board's decision) less any interim or final dividends paid from earnings, with a minimum price of €6.48. The number of stock options that vest will be determined in March 2015 on the basis of cumulative consolidated net income for the years 2010 to 2014 inclusive. For example, if cumulative consolidated net income is €200 million, then 2 million stock options will vest.

A total of 250,000 performance shares were also awarded under the programme on the same date. The shares would vest at the end of 2012 if cumulative consolidated net income for 2010 to 2012 was at least €120 million. Given the continuing employment condition and results for the period, only 135,240 shares vested on 21 March 2013.

On February 14, 2012, the Board granted a maximum of 44,800 performance shares vesting rateably according to consolidated net income for the two years 2012 and 2013.

On March 21, 2013, the Board granted a maximum of 60,000 performance shares vesting rateably according to consolidated net income for the two years 2013 and 2014.

The expense is deferred over the vesting period and a corresponding amount recorded in equity based on the overall value of the plan as determined on the date of award by the Board of Directors. No expense was recognised in the first half of 2013.

The capital loss on the buyback of shares used in first-half 2013 amounted to €1,104 thousand after tax and was deducted from equity.

Capital increase resulting from reinvestment of dividends

The Annual Shareholders' Meeting of 31 May 2013 decided to pay a final dividend for 2012 in a net amount of €0.27 per share and to offer shareholders the option of receiving the final 2012 dividend either in cash or in new shares.

At the end of the option period, taking account of reinvested dividends and treasury shares:

- Cash dividends were paid in the amount of €13.74 million,
- 59,078 new ordinary shares, ranking *pari passu* with existing shares, were issued at a price of €5.5 per share.

The total issue proceeds included €945.25 credited to paid-up capital and €323,984 credited to additional paid-in capital. The new ordinary shares are fully paid.

At 30 June 2013, the Parent Company's share capital was represented by 52,265,990 ordinary shares with a par value of €0.016 each, all fully paid.

Treasury stock

During first half 2013, ABC arbitrage sold 36,445 of its own shares. At the same time, 49,770 shares were purchased under the market-making agreement with Cheuvreux.

At 30 June 2013, ABC arbitrage held 109,244 of its own shares, acquired at a total cost of €560 thousand (at December 31, 2012, the company hold 125,159 of its own shares, acquired at a total cost of €760 thousand).

In accordance with IFRS, treasury stock is deducted from equity.

2.5. → Financial assets/liabilities at fair value through profit or loss

The Group holds financial instruments for trading purposes only.

Details of securities to be received and delivered are provided in note 2.7. Risks.
Cash reserves earn interest at variable rates indexed to benchmark market rates.

At June 30, 2013, financial assets and liabilities measured at fair value through profit or loss were classified in the fair value hierarchy described in note 1.1 as follows:

In EUR thousand	Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2)	Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)	Total
Financial assets at fair value through profit or loss	1,008,537	-	-	**1,008,537**
Financial liabilities at fair value through profit or loss	(971,093)	(35)	-	**(971,128)**

The only financial instruments classified in Level 2 are cash forwards that are used to hedge fund units purchased in US dollars and are not therefore used as part of the Group's arbitrage business.

The primary basis for determining the fair value of a financial instrument is the quoted price in an active market. Fair value of financial assets and liabilities is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

There were no transfers between the various fair value hierarchy levels during the first half.

Financial assets and liabilities at fair value through profit or loss break down as follows:

In EUR thousand	Financial assets	Financial liabilities	Total
Securities to be received	1,432,149	-	1,833,256
Securities to be received (recorded off-balance sheet)	248,596	152,512	
Securities to be delivered	(479,823)	(151,002)	(1,763,212)
Securities to be delivered (recorded off-balance sheet)	(259,818)	(872,569)	
Cash and cash equivalents	67,433	150,953	218,385
Investors' equity the consolidated fund	-	(251,021)	(251,021)
Total at 30 June 2013	**1,008,537**	**(971,128)**	
Total at 31 December 2012	*1,103,869*	*(1,033,141)*	

2.6. → Other receivables and payables

A breakdown of receivables and payables by due date is provided in note 2.7.4.

In EUR thousand	Other receivables	Other payables
Trade receivables/payables	96	(972)
Accrued income/expenses	942	(4,262)
Accrued taxes and payroll costs	4,175	(939)
Total at 30 June 2013	**5,213**	**(6,172)**
Total at 31 December 2012	*6,543*	*(7,185)*

2.7. → Risks
2.7.1. → Equities risk

The Group's risks are the same as those described in the notes to the consolidated financial statements for the year ended 31 December 2012.

The following table summarizes the positions taken on the markets at 30 June 2013:

Type of arbitrage (in EUR thousand)	Total long positions	Total short positions
Borrowed securities not yet sold or symmetrical exposures	388,295	(388,295)
Arbitrages without market risks	1,164,987	(1,184,042)
Arbitrages with market risks	279,974	(190,875)
Total for arbitrage transactions	**1,833,256**	**(1,763,212)**

The Group has never had any exposure to the subprime mortgage market or to any directly correlated derivatives.

The main risks in this type of market environment are:
- A rise in the failure rate of arbitrages with market risks;
- Drying up of deals in the financial markets (mergers & acquisitions, issuance of various products);
- Delays in completing deals, which could give rise to related costs (financing, margin calls, etc.) in excess of the expected profits.

2.7.2. → Currency risk

In the first half of 2013, a 2% rise [fall] in the euro against all other currencies would have generated a €375 thousand increase [decrease] in net assets, all else being equal.

2.7.3 → Credit and counterparty risk

Credit ratings of the Group's main counterparties are monitored daily.

2.7.4 → Liquidity risks

The table below shows liquidity by maturity at 30 June 2013:

In EUR thousand	Less than one month	One to three months	Three to twelve months	More than twelve months	Total
Financial assets at fair value through profit or loss	1,008,537	-	-	-	1,008,537
Other receivables	376	1,491	3,346	-	5,213
Current tax assets	-	-	-	-	-
Cash and cash equivalents	88,091	-	-	-	88,091
Total current assets	**1,097,004**	**1,491**	**3,346**	**-**	**1 ,101,841**
Financial liabilities at fair value through profit or loss	(720,107)	(251,021)	-	-	(971,128)
Other liabilities	(3,154)	(2,093)	(749)	(176)	(6,172)
Current tax liabilities	-	-	(2,830)	-	(2,830)
Short-term borrowings	(59)	-	-	-	(59)
Total liabilities	**(723,319)**	**(253,115)**	**(3,579)**	**(176)**	**(980,190)**
Net balance	**373,685**	**(251,624)**	**(233)**	**(176)**	**121,651**

2.7.5 → Operational risk

Losses incurred in first-half 2013 as a result of operational incidents represented less than 2% of net gains on financial instruments at fair value through profit or loss.

This risk is managed upfront by position-taking, which is governed by written procedures and strict internal controls. However, these controls cannot provide absolute assurance and operational risk, which is inherent to the arbitrage business, is constantly and carefully tracked.

2.8. → Guarantees given

Most financial instruments recorded under *"Financial assets at fair value through profit or loss"* have been given as collateral to the institutions that provide the financing.

3. → Notes to the statement of income – 1st half 2013

3.1. → Net gains on financial instruments at fair value through profit or loss

In view of the highly specific nature of its business, the ABC arbitrage Group is probably one of the only independent firms engaged solely in arbitrage trading.

The Group has opted for presentation by nature as this is closer to the indicators customarily published in its management report.

In first-half 2013, *"Net gains or losses on financial instruments at fair value through profit or loss"* came to €10,961 (€27,715 thousand in first-half 2012).

This item corresponds to revenues from proprietary trading activities discussed in the Group's management report, except for provisions. It includes all expenses and costs directly related to the trading business, including:

- Dividends;
- Gains and losses on disposal of financial assets at fair value through profit or loss;
- Changes in fair value of instruments held or due;
- Securities carrying or lending costs;
- Exchange gains and losses.

3.2. → Other revenue

Other revenue totalled €33 thousand compared with €112 thousand in first-half 2012.

3.3. → Administrative expenses

Administrative expenses principally comprise data mining and processing costs, together with administrative and communications costs.

This item totalled €2,260 thousand versus €2,333 thousand for first-half 2012.

3.4. → Payroll costs

In first-half 2013, the average number of employees was 77 (compared with 78 for first-half 2012).

Payroll costs include (i) €2,827 thousand in fixed and performance-related compensation together with statutory and discretionary profit-sharing (versus €3,387 in first-half 2012), (ii) payroll taxes of €1,159 thousand (versus €994 thousand in first-half 2012). Payroll-based taxes amounted to €169 thousand (versus €298 thousand in first-half 2012).

The Group does not provide any post-employment benefits (supplementary pensions or health insurance).

3.5. → Provision expense

Provision movements in first-half 2013 represented income of €100 thousand, mainly corresponding to reversals of provisions to write down tax receivables that were subsequently recovered.

4. → Segment information

Revenues by business segment

Arbitrage trading is the Group's only business activity and all revenues are derived from proprietary transactions. The Group conducts two types of arbitrage strategy with different risk profiles in various geographical markets: arbitrages without market risks–self liquidating arbitrage strategies (transactions that do not generate any directional risk or any event risk; positions are fully hedged and are governed by legally binding documentation which guarantees convergence on a fixed date) and arbitrages with market risks–suspensive clause arbitrage strategies (unlike the first category, the legally binding documentation governing suspensive clause strategies does not guarantee convergence).

Note: In the following tables, positions correspond to long positions valued at the convergence price, adjusted for the value of any payments to be made or received to close out the transaction.

Breakdown of arbitrage transactions by type of risk

1st half 2013	Average number of arbitrage transactions	Average positions (value)
Arbitrages without market risks	54%	88%
Arbitrages with market risks	46%	12%
Total	**100%**	**100%**

Breakdown of arbitrage transactions by geographic area

1st half 2013	Average number of arbitrage transactions	Average positions (value)
Euro zone (excluding France)	11%	4%
France	2%	8%
USA	61%	66%
Other markets	26%	22%
Total	**100%**	**100%**

Breakdown of arbitrage transactions by geographic area and type of risk

1st half 2013	Arbitrages without market risks	Arbitrages with market risks	Total
Euro zone (excluding France)	3%	1%	4%
France	8%	0%	8%
USA	59%	7%	66%
Other markets	18%	4%	22%
Total	**88%**	**12%**	**100%**

To the shareholders,

In accordance with the terms of our appointment by the General Meeting of Shareholders and as required by Article L.451-1-2 III of the French Monetary and Financial Code (*Code Monétaire et Financier*), we have performed a limited review of the accompanying condensed interim consolidated financial statements of ABC arbitrage for the period from January 1 to June 30, 2013, and of the information contained in the interim management report.

The condensed interim consolidated financial statements were prepared under the responsibility of the Board of Directors. Our responsibility, based on our limited review, is to report our conclusions concerning these interim consolidated financial statements.

1. Conclusions concerning the financial statements

We conducted our limited review in accordance with professional standards applicable in France. A limited review of interim financial statements consists primarily of making inquiries of the persons responsible for financial and accounting matters, and applying analytical procedures. It is less in scope than an audit conducted in accordance with auditing standards applicable in France and, consequently, does not enable us to obtain the same level of assurance that the financial statements are free from material misstatement as would be obtained from a full audit.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared in accordance with IAS 34, the International Financial Reporting Standard adopted in the European Union for Interim Financial Reporting.

2. Specific verification

We have also reviewed the information given in the activity report accompanying the condensed interim consolidated financial statements that were the subject of our limited review.

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

Paris-La Défense et Neuilly-sur-Seine, September 26, 2013

The Statutory Auditors

ERNST & YOUNG ET AUTRES
Olivier DURAND

DELOITTE & ASSOCIES
Jean-Marc MICKELER

I hereby declare that, to the best of my knowledge, i) the condensed consolidated financial statements for the six months ended June 30, 2013 have been prepared in accordance with applicable accounting standards and give a true and fair view of the consolidated assets and liabilities, financial position and results of ABC arbitrage, and ii) the interim management report presents a true and fair view of the information required under Article 222-6 of the General Regulation of the Autorité des Marchés Financiers.

Dominique Ceolin
Chairman of the Board & CEO