YMAGIS

Incorporated company (Société anonyme) with a capital of 1,623,82.75 €
Head office : 106-108 rue La Boétie – 75008 Paris, France
499 619 864 RCS Paris

Half-yearly financial report

Half-year for the period ended on June 30, 2013

(L 451-1-2 III of the French Monetary and Financial Code, Article 222-4 and onward of the general regulations of the French Financial Markets Authority)

This half-yearly financial report covers the half-year ended on June 30, 2013. It was established in accordance with the provisions of articles L. 451-1-2 III from the French Monetary and Financial Code and 222-4 onward of the general regulations of the French Markets Authority (AMF).

It was distributed in accordance with the provisions of article 221-3 of the general regulations of the AMF. It is available in particular on our company's site.

Contents

I. Statement by the company officer responsible for the report

I certify that to the best of my knowledge the summarized financial statements of the 2013 half-year are drawn up in accordance with the accounting standards applicable and give a true and fair view of the assets, financial position and results of the company and all the subsidiaries included in the scope of consolidation, and that the half-yearly management report appearing on page 3 provides a fair review of main events occurring in the first six months of the year, their impact on the financial statements, the main transactions with related parties and a description of the main risks and uncertainties for the second half-year of 2013 as well.

On August 30, 2013

Jean MIZRAHI
Chief Executive Officer

II. Half-yearly management report

1. Commented half-year key figures & description of the Group's financial situation

YMAGIS Group's consolidated turnover in the first half-year of 2013 reached 20.0 M€ versus 17.7 M€ in the first half-year of 2012, increasing by 13.0%.

This increase was due to strong growth in VPF segment revenue, an increase of 25.3% to 12.8 M€ while the Services segment fell by 3.5% to 7.3 M€, a very strong increase in Laboratories business (+39.8% to 2.2M€) and in Digital Cinema Online Support & Maintenance (+48.7% to 1.6M€) only partially counterbalancing the decrease in Sales & Digital Projection Equipment Installation, for which the revenue was 3.5M€ on June 30, 2013, a decline of 28.6%.

With the exception of Sales & Installation of Equipment, all the Group's activities showed double-digit growth from one year to the next during the 1st half-year.

The increase in VPF revenues can be explained by the increase in the number of cinema screens deployed under VPF contract, 409 more screens[1] (+21.8%) from one year to the next, reaching 2 286 screens on June 30, 2013, versus 1 877 a year earlier, and as a reminder 2 162 on December 31, 2012.

The revenue from Sales & Installation of equipment, for its part, decreased significantly by 28.6% to 3.5 M€, notably because of the anticipated drop in sales in France and Benelux, countries where almost all cinema theaters are already digitalized.

On the other hand, the revenues from Digital Cinema Online Support & Maintenance improved by 48.7% to 1.6 M€, supported by both the number of new theaters deployed and favorable price effects, partially linked to the indexation planned in the online support contracts, and the signature of new maintenance contracts.

Finally, Laboratory revenues showed an increase of 39.8% reaching 2.2 M€, thanks to the increase in the number of digital copies (DCP) delivered by the Group during the half-year, and the development of post-production services, in spite of the fact that the laboratories in Barcelona and Berlin were not yet open on June 30, 2013.

In geographical repartition terms, France, with a turnover of 11.5 M€, a very slight increase from one year to the next, now represents only 57% of the Group's total turnover, versus 64% one year earlier. This decrease in the relative weight of France can be explained by the expected growth of the Group's business in Germany and Spain, respectively +43.3% to 4.6 M€ and +83.1% to 2.3 M€. In Benelux, the Group's turnover increased by +9.3% to 1.5 M€.

[1] NB: throughout this document, and in accordance with common practice in the film industry, the terms of "screen" or "theater" are used synonymously; more precisely, unless the context clearly indicates another meaning, these terms relate to cinema screens with projection cabins which were or will be equipped with digital projection equipment.

The cost of goods and services sold decreased by 32.5% over the period, to 2.5 M€ versus 3.7 M€, thus a saving of 1.2 M€ for the Group mainly due to the fall in Sales & Installation revenues, the least contributive business in the Group in terms of contribution margin.

For its part, the item Other Purchases and External Charges increased to 2.0 M€ i.e. 38.0%, half of it due to the increase in VPF screens deployed by the Group within the Third-Party Collector model[2] (+ 253 screens, i.e. +24.3% year on year), generating an extra contribution expense of 1.1 M€ paid by YMAGIS to the relevant exhibitors, and the other half of it mainly due to expenses recorded by the Group to deal with the deployment over the period and beyond, taking into account the imminence of laboratory openings in Barcelona and Berlin and the upcoming associated new business in Laboratories, Online Support and Maintenance.

Salaries & Benefits reached 3.4M€ in the 1st half-year of 2013 versus 2.4 M€, i.e. an increase of +41.0%. Some of this increase, 143 K€, can be explained by the accounting of BSPCE expenses attributed to YMAGIS's employees, but the main part is linked to the strengthening of the Group's operational and management teams over the period, in France but also in Germany and Spain, anticipating in particular a new development phase for the Group's activities. Thus, the number of permanent employees in the Group was 116 people on June 30, 2013, versus 77 one year earlier and 90 on December 31, 2012.

Over the 1st half-year of 2013, depreciation, amortization and provisions increased by 12.5 % reaching 3.8 M€ versus 3.3 M€, mainly because of the year-on-year increase in theaters under VPF contract deployed within the Third-Party Investors model[3].

Taking into account these elements, the operating income before non-recurring items improved by 5.3% to reach 2.9 M€ versus 2.7 M€ in the previous period.

The financial income improved by 0.2 M€ i.e. +14.5%, to reach a net charge of 1.2 M€ versus 1.4 M€ in the 1st half-year of 2012. This result was achieved thanks to the decrease in the average rate impacting the leasing debt used to finance projection equipment supported by the Group under the Third-Party Investors model (going from 6.6% in the first 2012 half-year to 5.5% over the period) and also thanks to the decrease in the average rate of the Group's debt other than in leasing, converted in early May 2013 at the time of YMAGIS's Initial Public Offering, and to the improvement in the Group's liquidities linked to the IPO.

[2] The financing of digital projection equipment that gives rise to VPF collection by YMAGIS follows 2 possible methods on offer by the Group to meet the specific expectations of every VPF contracted exhibitor:
- the Third-Party Collector model, through which the equipment is financed by the exhibitor himself, who invoices YMAGIS for a contribution that is listed as external charges in the Group's accounts;
- the Third-Party Investors model, through which YMAGIS finances digital equipment, generally through leasing contracted with financial institutions, to which the Group pays leases. In this case, YMAGIS invoices the related share of the equipment financing to the exhibitor, which is accounted for in revenue. In accordance with IFRS standards, the leases are restated in the Income Statement as financial expenses for the portion relating to finance charges, and as debt reduction in the Balance Sheet for the portion representing the asset. Furthermore, equipment that is financed in this way is posted in the assets of YMAGIS's Balance Sheet and depreciated over 8 years.
Both models have neither an impact in terms of related VPF collection and revenue recognition nor in terms of liquidity but lead to a different presentation of the operations in the Income Statement and in the Balance Sheet.
[3] The term "Third-Party Investors" is briefly explained above in note 2.

Thus income before taxes and non-recurring items amounted to 1.638 M€ in the 1st 2013 half-year versus 1.287 M€ in the 1st 2012 half-year, improving by 27.3%.

Taking into account tax expenses of 0.660 M€ over the half-year, the net income for the period also improved by 27.3%, amounting to 0.978 M€ versus 0.768 M€ on June 30, 2012, whereas the net income of the Group's share improved by 8.1%, reaching 0.955 M€ after taking into account the portion of minority interests on the income of our subsidiary 3 Delux.

The Group's net debt was significantly reduced, to reach 30.9 M€ on June 30, 2013 versus 38.5M€ on December 31, 2012, of which 34.1 M€ of leasing related to the theaters deployed under the Third-Party Investors model, versus 35.1 M€ on December 31, 2012. This improvement results from the group's IPO, which made it possible to raise 11.6 M€ in capital (net 9.9 M€ after expenses before tax savings), and from the decrease in leasing debt, reimbursed for 3.4 M€ by the Group over the period, when new financing of this type reached 2.4 M€ over the 6 first months of the year.

The Group easily has the means of achieving its ambitions with 11.4 M€ in liquidity on June 30, 2013, versus 5.2 M€ on December 31, 2012. Adding to the elements mentioned in the previous paragraph, the main moves explaining this liquidity change concern: the cash generated by the operations, i.e. 3.9 M€ after an unfavorable negative working capital change of 3.0 M€, which the Group will make every effort to improve in the upcoming months, investment financing, mainly for the new laboratories, and digital projection equipment that has not yet been financed via leasing, representing roughly equivalent amounts of 2.3 M€ each, the payment of 2.4 M€ in capitalized interests linked to convertible bonds and 1.1 M€ in leasing interests, whereas on the other hand the Group collected 1.2 M€ in extra borrowing, net of existing borrowing repayments.

This solid financial situation broadly gives YMAGIS the means to self-finance its organic growth and to look towards the implementation of its external growth strategy with confidence.

2. <u>Important operations and events in the half-year</u>

The past half-year, closed on June 30, 2013, was marked by various events detailed below.

2.1. Initial Public Offering

Ymagis SA, head company of Ymagis Group, held its IPO with success last April 30 on the Paris Stock Exchange NYSE Euronext Paris, compartment C. This offering had many effects.

Thereby 1 512 667 new shares, i.e. 23.3 % of the capital after capital increase, were created, at a price of €7.65 each, which represents a total capital increase of €11 571 903. On this basis, Ymagis Group was valued at 49.7 M€ after capital increase. As a result of this offering, the Group shareholder equity was strengthened by 10.4 M€ after taking into account 1.1 M€ in expenses net of tax (1.7 M€ before tax) related to the capital increase, charged on the issuance premium, giving the company the means of pursuing its ambition of becoming the European leader among digital technology suppliers to cinema theaters and film distributors and producers, making it possible to proceed to targeted acquisitions of companies in its business area and / or to strengthen its sales and research & development teams. At the same time, and in parallel with the Initial Public

Offering, the convertible bonds held by company's shareholders were all converted into company shares, to within a fraction.

Finally, 74 750 BSPCEs giving entitlement to 299 000 common shares of YMAGIS SA company, i.e. 4.6% of post-IPO capital, were attributed to company employees. As of today, no BSPCE has been exercised.

2.2. Strengthening of business potential in Germany

In order to strengthen its business potential in Germany and to be ready to fully benefit from the period of acceleration in the digital deployment of German theaters, the Group opened a new sales and technical office in the city of Ratigen, near Düsseldorf.

2.3. Analysis of new screens deployed under VPF contract

124 new screens, including 71 within the Third-Party Collector model and 53 within the Third-Party Investors model, were deployed during the period (409 since June 30, 2012), bringing the total number of screens deployed to 2 286 at the end of June 2013 (1 294 within the Third-Party Collector model and 992 within the Third-Party Investors model), for a total of 2 659 screens signed at this same date.

This increase mainly concerns Germany and Spain, while another important fact is that the cinema theaters under VPF contract in France and Benelux are now almost fully converted to digital, as is the case for the overall theater market in these countries.

2.4. Group's TMS development

During the first half-year, the Group initiated a determined action to accelerate the development of a new significantly improved version of its TMS (*Theater Management System*), a key digital cinema software application making it possible to manage, schedule and monitor all the cabins of a given theater from one single central point. Called TMS Ymagis 2.0, this new version was implemented with success on Thursday the 1st of August 2013. Other important upgrades are expected for the second half-year of 2013.

2.5. Paris laboratory's extension & creation of YMAGIS laboratories in Barcelona and Berlin

In order to strengthen the Group's capacity to become a major European actor in digital post-production, duplication, delivery of digital copies and management of KDMs, the Group also made an important investment effort to expand and increase the capacity of its historic digital laboratory situated in rue de la Boétie in Paris, as well as creating, from scratch, a second digital laboratory in Barcelona and a third in Berlin.

2.6. Strengthening of management & operational teams in the Group

In order to deal with the important growth of its business during these last years and to prepare for the future, the Group decided to strengthen its management structure and its operational teams by hiring 26 new people during the half-year (net from around ten departures), bringing the number of Ymagis employees to 116, versus 90 at the end of December 2012 (and 77 at the end of June 2012).

2.7. End of tax uncertainty in France regarding the VAT application on VPF invoices

During 2012, the French tax administration questioned whether VPF (or *contribution to digital transition*) invoices should be subject to VAT given that VPF flows could be considered investment subsidies.

This position, which was never applied by Ymagis, was eventually not accepted and in a ruling on May 7, 2013, the tax administration confirmed that all VPF services should be subject to VAT.

Certain distributors stopped paying VAT until May 7, 2013 while awaiting a definitive position from the tax administration; they have since started to regularize their situation with the company. This results in a residual VAT receivable with the distributors amounting to 214 K€ versus 571 K€ on December 31, 2012.

3. Main transactions between related parties – Management's remuneration

During the 1st 2013 half-year, the relations between the Group and the related parties remained similar to those of the 2012 period. No significant unusual transaction, by its nature or its amount, occurred during this half-year.

Moreover, neither the principles of Management's remuneration nor this remuneration itself were subject to significant changes during the last half-year.

4. Foreseeable trend, uncertainties and risk factors for the remaining 6 months of the year

The risk factors to which the company is exposed are detailed in the Base Document published in April 2012, in paragraph 4 of the group's presentation. The management evaluation of the nature and the level of risks did not change during the half-year.

As part of the strategy implemented by the group over the past few months (i.e. the European expansion of its business in post-production and duplication / delivery of digital copies) the laboratories in Barcelona and Berlin will become fully operational in the next months.

For the second part of year 2013, despite the prudence imposed by the overall economic situation, YMAGIS is confident about its capacity to keep on ensuring revenue growth and on improving the profitability of its operations.

The end of year 2013 will also mark the end of the first step in the group's life, which made it possible to become one of the leaders in digital transition and to be a major actor in the new digital economy of cinema exhibition. This position and the Group's positioning on the overall digital chain should provide the means to grow the business further.

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III. Consolidated summarized financial statements

YMAGIS

Limited Company (SA) with capital of 1 623 883 Euros

RCS Paris B 499 619 864

106, rue La Boétie, 75008 Paris

CONSOLIDATED SUMMARIZED FINANCIAL STATEMENTS

On June 30, 2013

I. CONSOLIDATED BALANCE SHEET

In thousands of euros	Notes	30-Jun-13	31-Dec-12
Intangible assets		259	260
Tangible assets	6.1	41 618	41 749
Long-term financial assets		1 295	1 014
Deferred tax assets		1 278	1 236
Non-current assets		**44 451**	**44 259**
Inventories		1 158	1 424
Accounts receivable	6.2	15 601	11 910
Other current assets	6.2	7 443	6 745
Short-term financial assets		-	145
Cash and cash equivalents	6.3	11 431	5 167
Current assets		**35 633**	**25 391**
Total Assets		**80 083**	**69 650**
Nominal capital	6.4	1 624	986
Issue premiums		15 272	2 914
Reserves and retained earnings		1 419	2 022
Net income		955	2 015
Shareholder's equity (Group)		**19 270**	**7 937**
Non-controlling interests		(0)	(23)
Consolidated shareholder's equity		**19 270**	**7 914**
Provisions (non-current part)	6.5	552	452
Borrowing and financial liabilities (long-term)	6.6	32 229	32 427
Employee benefits		107	86
Deferred tax liabilities		-	-
Other non-current liabilities	6.7	1 348	1 339
Non-current liabilities		**34 237**	**34 305**
Provisions (current part)	6.5	-	10
Borrowing and financial liabilities (short-term)	6.6	10 070	11 260
Accounts payable	6.8	4 998	5 481
Income tax payable		417	379
Other current liabilities	6.8	11 092	10 301
Current liabilities		**26 577**	**27 431**
Total Liabilities and Shareholder's Equity		**80 083**	**69 650**

II. CONSOLIDATED STATEMENT OF INCOME

In thousands of euros	Notes	30-Jun-13	30-Jun-12
Revenue		**20 042**	**17 733**
Cost of goods and services sold		(2 499)	(3 704)
Other purchases and external charges	6.9	(7 445)	(5 396)
Taxes and duties		(113)	(89)
Salaries & benefits		(3 404)	(2 415)
Other income from continuing operations		185	65
Other expenses from continuing operations		(134)	(122)
Net depreciation, amortization and provisions		(3 765)	(3 347)
Operating income before non-recurring items		**2 869**	**2 725**
Other income		-	-
Other expenses		-	-
Operating income		**2 869**	**2 725**
Cost of gross financial debt		(1 282)	(1 450)
Income from cash and cash equivalent		-	-
Net cost of debt		**(1 282)**	**(1 450)**
Other financial income		54	19
Other financial expenses		(3)	(8)
Financial result	6.10	**(1 231)**	**(1 439)**
Taxes on income	6.11	(660)	(519)
Net income		978	768
Share applicable to non-controlling interests		(23)	115
Net income - Share applicable to YMAGIS's shareholders		955	883
Income per share	6.4	0,20	0,90
Diluted earnings per share	6.4	0,17	0,75

III. GLOBAL CONSOLIDATED INCOME STATEMENT

In thousands of euros	30-Jun-13	30-Jun-12
Consolidated net income (Group)	**955**	**883**
Non-controlling interests	23	(115)
Net income	**978**	**768**
Actuarial gains (losses) in relation to employee benefits	-	(7)
Tax effect	-	3
Elements non reclassified in the income	-	**(4)**
Elements reclassified in the income	-	-
Global consolidated income	**978**	**764**
Including Group share	955	879
Including non-controlling interests	23	(115)

IV. SHAREHOLDER'S EQUITY CHANGES STATEMENT

In thousands of euros	Capital	Share premium	Reserves and income	Treasury stock	Employee benefits	Total Group's share	Non-controlling interests	Total consolidated shareholder's equity
December 31, 2011	**986**	**2 914**	**2 038**		**(8)**	**5 930**	**114**	**6 044**
Net income			883			883	(115)	768
Other elements of global income					(4)	(4)		(4)
Other variations						-		-
June 30, 2012	**986**	**2 914**	**2 921**	**-**	**(12)**	**6 808**	**(3)**	**6 804**
December 31, 2012	**986**	**2 914**	**4 053**		**(17)**	**7 937**	**(23)**	**7 914**
Capital increase	260	11 150	162			11 572		11 572
Conversion of bonds exchangeable for shares	378	2 352	(2 730)			-		-
Allocation of issuance expenses after tax		(1 144)				(1 144)		(1 144)
Net income			955			955	23	978
Treasury shares transactions				(190)		(190)		(190)
Payment in shares			143			143		143
Other variations			(2)			(2)		(2)
June 30, 2012	**1 624**	**15 272**	**2 581**	**(190)**	**(17)**	**19 270**	**(0)**	**19 270**

V. CASHFLOW STATEMENT

In thousands of euros	Notes	30-Jun-13	30-Jun-12
Net income		978	767
Depreciation and provisions		3 764	3 240
Capital (Gain) / Loss in value		88	69
Other non-cash operating expenses and income		(15)	1
Current and deferred tax expense recognized		660	519
Taxes on issuances expenses		572	-
Expenses and incomes related to BSPCE (warrants for business creator shares)		143	-
Interests' variation on convertible bonds		235	239
Other financial expenses		(111)	13
Interest paid		1 145	1 198
Cashflow		7 459	6 047
Negative working capital change		(3 017)	(1 344)
Long-term operational financial assets change		(279)	(194)
Taxes paid		(295)	(764)
Cashflow from operations		3 869	3 745
Impact of subsidiaries' acquisitions		-	-
Acquisitions of intangible assets		(95)	(34)
Acquisitions of tangible assets		(2 306)	(1 953)
Disposals of assets		31	-
Net change in financial assets		142	(125)
Cashflow from investing activities		(2 227)	(2 112)
Increase/decrease in capital	IV.	11 572	-
Issuance expenses		(1 717)	-
Dividends paid		-	-
Net change in other current financial debt		680	214
Application / Loan repayments relative to financial leasing		(3 423)	(2 730)
Net disposal (acquisition) of treasury shares		(190)	-
Proceeds from new long-term debts		1 426	1 928
Repayment of long-term debts		(178)	(191)
Repayment of convertible bonds interest		(2 399)	-
Interests paid		(1 145)	(1 198)
Cashflow from financing		4 627	(1 977)
Net cashflows for the period		**6 269**	**(345)**
Cash and cash equivalents at the beginning of the period	6.3	5 162	3 337
Cash and cash equivalents at the end of the period	6.3	11 431	2 992
Changes in Cash and cash equivalents		**6 269**	**(345)**

In accordance with IAS 7-44, the investments financed by financial lease contracts, restated in the balance sheet, for respectively 4 608 K€ and 2 386 K€ on June 30, 2012 and on June 30, 2013, are shown neither in the investment flows nor in the financing flows.

VI. NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Activity and Group presentation

YMAGIS is a company domiciled in France with its head office in Paris, 106 rue de la Boétie.

YMAGIS became a major actor in the development of digital cinema in Europe by developing a full offer of services (financing, sale, implementation, maintenance and projection equipment online services) and by moving towards strong value-added services (duplication and transport of contents using physical or dematerialized means, post-production, etc…).

Today the Group is made up of ten companies. It is present in three countries (France, Spain and Germany) and carries out its activities in seven European countries as well as in Morocco.

Note 2. Main events in the half-year

The half-year ending on June 30, 2013 was marked by several events, detailed below.

Ymagis SA, head company of Ymagis Group, successfully debuted on the Paris Stock Exchange NYSE Euronext Paris, compartment C on April 30.

1 512 667 new shares, i.e. 23.3% of capital after capital increase, were created on this occasion at the price of €7.65 each, representing an increase in the total capital of €11 571 903. On this basis, Ymagis Group was valued at €49.7 million after capital increase. The group's shareholders' equity was strengthened by €10.4 million, after a charge on issuance premium of 1.1 million in expenses after tax related to the capital increase. This increase in its shareholders' equity gives the Group new means of pursuing its ambition of becoming the European leader among digital technologies suppliers to cinema theaters, distributors and film producers by making it possible for Ymagis to carry out targeted acquisitions of companies in its sector and / or to strengthen its sales and research & development teams.

Meanwhile, the convertible bonds owned by historic YMAGIS's shareholders were fully converted into company shares, within a fraction. Lastly, prior to the IPO, 74 750 BSPCE giving rise to 299 000 common shares of YMAGIS SA were attributed to the company's employees.

During the 2012 period, the French tax administration raised the question of whether VPF invoicing should be subject to VAT, as they considered that VPF flows could correspond to investment subsidies. This standpoint, never applied by Ymagis, was eventually not adopted and, in a ruling on May 7, 2013, the tax administration confirmed that VPF fees should be subject to VAT.

While awaiting a final decision on this question, some distributors stopped paying VAT up to May 7, 2013; they are presently regularizing their situation with the company. The result is a residual VAT receivable on the distributors of 214 K€ versus 571 K€ on December 31, 2012.

Note 3. Basis for constitution of the consolidated financial statements

The half-yearly consolidated financial statements of YMAGIS Group were established according to the International Financial Reporting Standards (IFRS) as approved by the European Union including the IAS 34 standard “Interim Financial Reporting”.

These International Financial Reporting Standards, approved by the European Union, are available on the following site: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm .

These half-yearly consolidated financial statements can be read in association with the Group’s yearly consolidated financial statements IFRS 2012.

The accounting methods applied by the Group are similar to those which were adopted when preparing the Group’s annual consolidated financial statements IFRS for the closed period on December 31, 2012, and they are described in Note 3 of the 2012 annual consolidated financial statements, with the exception of the standards, amendments and interpretations applicable in a mandatory way as of January 1, 2013 and the IFRS 2 standard – payment based on shares, which is applicable for the first time.

Furthermore, following the implementation of the competitiveness employment tax credit (CICE), the Group records this credit as a grant (IAS 20). This reduces labor expenses.

The Board of Directors approved the consolidated financial statements up to June 30, 2013 at the August 30, 2013 meeting.

These consolidated financial statements include the consolidated financial statements of YMAGIS SA and its subsidiaries (“the YMAGIS Group”) and were rounded up to K€, the Euro being the operating currency of YMAGIS SA, head company of the Group, and of all its subsidiaries, and the currency of YMAGIS Group’s presentation.

They were prepared on the basis of the actual cost, with the exception of the following assets and liabilities which were evaluated at their fair value via the income statement: trade receivables which are due in more than 12 months and quoted investments.

3.1. New standards and interpretations adopted by IASB

Standards, amendments and interpretations, which are mandatory as of January 1st, 2013

The standards, amendments or interpretations published and applicable on January 1st, 2013, do not lead to any change in the condensed consolidated financial statements on June 30, 2013, with the exception of the amendment to the following standard:

- The amendment to IAS1 standard proposes a distinct presentation of profit and loss recorded in shareholders’ equity, depending on whether they can or cannot be recycled in the income statement. The Group applied this presentation on the half-yearly statements on June 30, 2013 and on June 30, 2012.

The IFRS 13 standard, which defines fair value measurement and the methodological information given in the appendix when the fair value is used, has no significant impact on the Group's consolidated statements. This standard, with a prospective application, has no effect on the application perimeter of the fair value. The details on this standard have no impact on the fair value evaluations.

The Group did not apply any standard or interpretation in advance. No significant impact regarding these statutory evolutions should be expected on the Group's consolidated statements.

3.2. Use of estimates

The preparation of financial statements requires Management to use estimates and assumptions considered reasonable, and which have a possible impact on the amounts listed in the accounts for assets, liabilities, shareholder's equity, income and expenses, as well as on the information shown in the appendix for possible assets and liabilities. These estimates are made based on an assumption of continuing operations and are established in line with the available information at the time of their establishment. The main estimate concerns the depreciation period of tangible assets.

The estimate of changes in commitments towards the employees was projected on the basis of the information available on December 31, 2012.

The tax expense is determined using the effective tax rate estimated at the end of December.

The definitive amounts may be different from these estimates.

These estimates could be revised if the circumstances on which they are founded change, or if new information is given.

Note 4. Information relative to the consolidation perimeter

YMAGIS, Group's head company is a limited company (*SA société anonyme*) registered and domiciled in France. Its head office is located at 106, rue La Boétie - 75008 PARIS.

The consolidation perimeter of YMAGIS Group is the following:

Entity's name	Country	Activity	% of interest
Consolidated subsidiaries by global integration			
Ymagis SA (head company)	France	(1)	
3 Delux SAS	France	(2)	51%
Ymagis Engineering Services SAS (YES)	France	(3)	100%
Ymagis UGC France SARL	France	(1)	100%
Ymagis UGC Espagne SARL	France	(1)	100%
Ymagis UGC Belgique SARL	France	(1)	100%
Ymagis UGC Italie SARL	France	(1)	100%
Ymagis Deutschland Gmbh	Germany	(1)	100%
Ymagis Systemhaus Gmbh	Germany	(3)	100%
Ymagis Spain SLU	Spain	(1)	100%
Jointly controlled companies consolidated by the proportional method			
None			
Associated companies on the basis of the equity method			
None			

Detail of activities:

(1) Support and financing of digital transition for cinema exhibitors; post-production services and contents' delivery by physical or dematerialized method.

(2) Sale and rental of 3D glasses.

(3) Sale, installation, maintenance, servicing and digital cinema online support to theaters.

Note 5. Information per segment

By application of IFRS 8, Operational segments, the segment information shown here is established on the basis of internal management data communicated by the President of YMAGIS SA's Board of Directors, the chief operating decision maker for the Group. The operational segments are individually managed in terms of internal reporting, based on common indicators.

The Group's segments break down as:

- "Virtual Print Fee (VPF)": financing and VPF management for cinema theaters under VPF contract with YMAGIS.
- "Services": installation and management of the installed projection equipment for the exhibitors, duplication and delivery of digital copies to the screens, and post-production services for distributors and / or content producers.

The repartition per segment of some of the aggregates from the consolidated income statement is the following:

	30-Jun-13				30-Jun-12			
In thousands of euros	Virtual Print Fee	Services	Holding	Total	Virtual Print Fee	Services	Holding	Total
Total revenue	**12 756**	**7 286**	**-**	**20 042**	**10 182**	**7 551**	**-**	**17 733**
Direct costs	(4 886)	(5 590)	-	(10 476)	(3 644)	(5 695)	-	(9 339)
Margin on direct costs	**7 870**	**1 695**	**-**	**9 566**	**6 538**	**1 856**	**-**	**8 394**
Indirect costs	(1 772)	(1 159)	-	(2 931)	(1 223)	(1 093)	(6)	(2 322)
Net provision for depreciation and operating accrual	(3 342)	(423)	-	**(3 765)**	(2 809)	(345)	(193)	**(3 347)**
Current operating income	**2 756**	**113**	**-**	**2 869**	**2 506**	**418**	**(199)**	**2 725**
Other revenue and expenses	-	-	-		-	-	-	
Operating income	**2 756**	**113**	**-**	**2 869**	**2 506**	**418**	**(199)**	**2 726**
Financial income	**(1 391)**	**38**	**122**	**(1 231)**	**(1 247)**	**10**	**(202)**	**(1 439)**
Consolidated income before taxes	**1 366**	**151**	**122**	**1 638**	**1 259**	**428**	**(401)**	**1 287**
Taxes on income	-	-	-	(660)	-	-	-	(519)
Consolidated net income	**-**	**-**	**-**	**978**	**-**	**-**	**-**	**768**
Non-controlling interests	-	-	-	**(23)**	-	-	-	**115**
Group's net income	**-**	**-**	**-**	**955**	**-**	**-**	**-**	**883**

The margin on direct costs relates to the margin made after taking into account the costs affected to all the activities including especially purchases, external charges and labor costs.

The geographical distribution of revenue is the following:

In thousands of euros	30-Jun-13 Amount	30-Jun-13 %	30-Jun-12 Amount	30-Jun-12 %
France	11 515	57%	11 433	64%
Germany	4 650	23%	3 246	18%
Spain	2 276	11%	1 243	8%
Benelux	1 549	8%	1 417	7%
Others	52	0%	394	2%
Revenue	20 042	100%	17 733	100%

Note 6. Presentation of financial statements

1. Tangible assets

In thousands of euros		Specific installations	Other tangible assets (1)	Assets under finance lease (2)	Asset in progress	**Total**
Gross value						
On December 31, 2012		223	6 172	45 763	276	52 433
Increases		50	2 193	956	332	**3 531**
Reclassification	(3)	-	(1 154)	1 430	(276)	-
Changes in scope		-	-	-	-	-
Disposals		-	(126)	-	-	**(126)**
On June 30, 2013		272	7 084	48 148	332	**55 836**
Depreciations and loss of value						
On December 31, 2012		(92)	(1 576)	(9 015)	-	(10 683)
Depreciation allowance		(13)	(544)	(3 013)	-	**(3 570)**
Changes in scope		-	-	-	-	-
Loss of value				-	-	-
Disposals		-	35	-	-	**35**
On June 30, 2013		(105)	(2 084)	(12 028)	-	**(14 218)**
Net value						
On December 31, 2012		131	4 596	36 747	276	**41 749**
On June 30, 2013		167	5 000	36 120	332	**41 618**

(1) Other tangible assets include mainly exhibitor's projection equipment, audio video, fitting and 3D kit equipment.

(2) Assets under finance lease relate to digital projection equipment financed by leasing within the Third-Party Investors model.

(3) Reclassifications include

i. The transfers between assets in progress and other tangible assets of 276 K€.
ii. The transfers between other tangible assets and assets under finance lease of 1 430 K€.

2. Accounts receivable and other current assets

In thousands of euros	30-Jun-13	31-Dec-12
Accounts receivable	**15 601**	**11 910**
Employee receivable	41	89
Tax receivables	5 432	5 165
Other accounts receivable	222	652
Advances and accrued expenses	1 748	840
Other current assets	**7 443**	**6 745**

On June 30, 2013, the Group has a factoring line (France & Export) and a Dailly line. Under these contracts, the gross amount of receivables transferred to the factor is 3 469 K€ on June 30, 2013, and 2 596 K€ on December 31, 2012. The Group keeps most of the risks and benefits of the transferred accounts receivables. Thus the receivables are kept in the assets.

Tax receivables relate to VAT for 4 881 K€ and 4 773 K€ on December 31, 2012 and June 30, 2013, respectively.

Moreover, during 2012, the French tax administration questioned whether VPF invoicing should be subject to VAT, considering that the VPF flows could correspond to investment subsidies. This standpoint, never applied by Ymagis, was eventually not adopted and, in a ruling on May 7, 2013 the tax administration confirmed that VPF fees should be subject to VAT.

While awaiting a final decision on this matter, some distributors stopped paying VAT up to May 7, 2013; they are presently regularizing their situation with the company. The result is a residual VAT receivable on the distributors of 214 K€ versus 571 K€ on December 31, 2012.

3. Cash and cash equivalents

In thousands of euros	30-Jun-13	31-Dec-12
Cash and cash equivalent	11 431	5 167
Bank overdrafts	-	(5)
Cash and cash equivalent in the cashflow statement	**11 431**	**5 162**

Cash includes 487 K€ and 730 K€ respectively on June 30, 2013 and December 31, 2012, in amounts related to net VPF payments for rents paid to the lessors under a leasing contract. These amounts are the subject of pledged collateral with the relevant leasing institutions ("Cash Reserve").

Moreover, as long as the Cash Reserve does not reach 4 130 K€, the company has committed to omitting a dividend. However, as a consequence of the Initial Public Offering, and subject to a number of conditions, YMAGIS received formal agreement from the concerned banks to be allowed to pay dividends even if the Cash Reserve amount does not reach this level.

4. Shareholding structure and earnings per share

	30-Jun-13	31-Dec-12
Number of shares	6 495 531	985 718
Nominal value	0,25	1,00
Nominal capital in Euros	1 623 883	985 718

The company's capital is now made up of 6 495 531 shares. Among these shares, 3 942 872 have been held for more than two years by historic Ymagis's shareholders and entail double voting rights.

Furthermore, on June 30 2013, 26 899 shares were treasury shares held by the company.

During the period, the company's capital evolved as follows:

	Out standing	After dilutive instruments
Number of shares on January the 1st, 2013	985 718	1 375 720
Division by 4 of nominal	2 957 154	4 127 160
Number of shares after division of nominal	3 942 872	5 502 880
BSPCE issuance on March 25, 2013		299 000
Conversion of convertible bonds on the basis of 8 for 3 on April 30, 2013	1 039 992	(520 016) (*)
New shares issuance as part of the IPO on May 2, 2013	1 512 667	1 512 667
Treasury shares hold through the liquidity contract	(26 899)	(26 899)
Number of shares on June 30, 2013	6 468 632	6 767 632
Average number of shares in the first 2013 half-year	4 789 275	5 978 781

(*) as the conversion was initiated by the issuer, the conversion brought 1 039 992 shares instead of the 1 560 008 shares which would have been issued if the shareholders had initiated the conversion.

In euros	30-Jun-13	30-Jun-12
Non-diluted earnings per share	0,20	0,90
Income used for calculation of the non-diluted earnings per share	954 885	882 598
Weighted average number of shares	4 789 275	985 718
Diluted earnings per share	0,17	0,75
Income used for calculation of the basic earnings per share	954 885	882 598
Interest expense, net of tax, on Convertible Bonds	68 194	142 326
Income used for calculation of the diluted earnings per share	1 023 078	1 024 924
Weighted average number of shares used for calculation of the diluted earnings per share	5 978 781	1 375 720

A comparison of 2012 and 2013 earnings per share requires the division of the nominal value by 4, which occurred in early 2013. On this basis, the 2012 non-diluted earnings per share are 0.225 Euros per share and the 2012 diluted earnings per share are 0.19 Euros.

Attribution of warrants for business creator shares (Bons de Souscription de Parts de Créateurs d'Entreprise , "BSPCE")

The extraordinary general meeting on March 25, 2013 authorized the distribution of 74 750 BSPCE giving access to 299 000 common shares in YMAGIS SA company, since the exercising of each warrant entitles the holder to a subscription of 4 common shares in the company.

These BSPCE were attributed by the board of directors on March 25, 2013 acting on the authority of general assembly. The number of BSPCE attributed amounts to 74 750. The company officers benefited by 35 000 BSPCE entitling them to 140 000 shares. The 10 best placed employees received 20 000 BSPCE entitling them to 80 000 shares.

The attribution conditions of these BSPCE's do not include performance requirements. The BSPCE are acquired by quarter every year starting on March 25, 2013, for employees with more than 2 years' seniority on this date, and by quarter every year starting on the anniversary date corresponding to 2 years of service for the other employees.

These BSPCE can be exercised for 6 years starting on the attribution date, i.e. until March 25, 2019, at a fixed price of €19.12, i.e. €4.78 per share subscribed when exercising each warrant. In case of resignation, the BSPCE acquired at this date can be exercised. The shares acquired by exercising BSPCE are not transferrable until March 25, 2015.

On the date of June 30, 2013, no BSPCE had been exercised.

Within IFRS 2 standard, a BSPCE evaluation was made by an independent third-party based on the Black & Scholes model. Taking into account the allotment period of BSPCEs, the BSPCE value amounts to €7.96 for the first 2 installments, €8.40 for the 3rd installment and €8.84 for the 4th installment, using an estimated maturity of 3.5 years for installments 1 and 2, 4 years for the 3rd installment and 4.5 years for the 4th installment.

The main assumptions used for this evaluation are as follows:

- Discount of 10% of the estimated share value on March 25, 2013
- Estimated volatility on the basis of the current volatility of EURONEXT C at 55%
- Dividend yield: 2.25%
- Risk-free rate between 0.3% and 0.5 %
- Recorded historic employee turnover: 2.86%.

On this basis and in accordance with IFRS 2 standard, the recorded charge on June 30, 2013, amounts to 143 K€ corresponding to 79 532 shares acquired in the first-half of 2013, input in salaries & benefits with a corresponding entry in reserves. This amount represents 25% of the expected global expense.

5. Provisions

In thousands of euros	Provision for guarantees issued	Other provisions	Total
December 31, 2012	**361**	**102**	**463**
Allowances	132	2	**134**
Utilizations	-	(9)	**(9)**
Reversals	-	-	-
Discounting effect / rate modification	(36)	-	**(36)**
Impact on income of the period	96	(7)	89
June 30, 2013	**457**	**95**	**552**
Current part	-	-	-
Non-current part	457	95	552

6. Borrowing and financial liabilities

In thousands of euros		30-Jun-13	31-Dec-12
Interests on other financial debts		333	327
Borrowing from credit institutions	(1)	3 025	1 676
Lines of credit	(1)	822	822
Debts related to financing lease contracts		55	94
Debts related to Third-Party Investors' financing lease contracts	(3)	27 644	29 158
Borrowing and miscellaneous financial debts	(1)	350	350
Borrowing and financial liabilities (non-current part)		**32 229**	**32 427**
Interests on convertible debenture loan		-	2 285
Borrowing from credit institutions	(1)	151	234
Debts related to financing lease contracts		84	98
Debts related to Third-Party Investors' financing lease contracts	(3)	6 488	5 959
Factoring of receivables	(2)	3 219	2 539
Non-group current accounts		108	108
Short-term bank loans		-	5
Bank loans (Accrued interests not yet due)		19	32
Borrowing and financial liabilities (current part)		**10 070**	**11 260**
Total		**42 299**	**43 688**

During the 1st half-year of 2013, the financial debt evolved mainly under the combined effect of:

- Net repayments on the financing of equipment obtained from the leasing institutions under the Third-Party Investors model. The impact on the Group's net financial debt is (985) K€ on June 30, 2013, including new contracts for 2 386 K€ and repayments of 3 371 K€

- The increase in short-term financing gained from sales of receivables. The impact on the Group's financial debt is 680 K€ on June 30, 2013.
- The payment of a loan for the period of 84 K€.
- A new loan for an amount (net of security deposit) of 1 419 K€.

(1) Terms and conditions of on-going borrowing excluding leasing are as follows:

In thousands of euros	interest rate	Year due	Original value	Book value 30-June-2013	Available amount	
Borrowing from credit institutions	Euribor 1 month + 4% yearly	2015	550	343		(a)
	Euribor 1 month + 3.2% yearly	2013	500	14		(b)
	TME Variation (base 08/12) + 4.67% yearly	2018	150	150		(*)
	TME Variation (base 08/12) + 5.37% yearly	2019	1 250	1 250		(*)
	TME Variation (base 08/12) + 4.33% yearly	2020	1 500	1 419		(*)
Total			**3 950**	**3 176**		
Borrowing and miscellaneous financial debts	4% yearly (capitalized interests)	2019	350	350		
Lines of credit	16.5% yearly (capitalized interests)	2019	6 350	822	0	(c)
Borrowing Total			10 650	4 348	0	

(*) TME (Taux moyen mensuel des emprunts d'Etat - Average monthly rate of government loans)

(a) For a premium of 10 K€, this loan was subject to a rate guarantee operation which protects the company if 1-month Euribor goes above 2%. As CAP value is not significant on June 30, 2013, no restatement was made.

(b) Borrowing benefiting from a guarantee from YMAGIS SA as head company.

(c) The lines of credit are limited to the amount of receivables, not actualized, appearing in the non-current financial assets.

(2) Implementation of Dailly and factoring contracts, with a ceiling of 4 500 K€, the existence of receivables provided. On June 30, 2013 and December 31, 2012, these lines are used up to 3 219 K€ and 2 539 K€, i.e. the entire portfolio of transferable receivables.

(3) Current net value of Third-Party Investors' financing lease debt

In thousands of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
June 30, 2013				
Lease payments	8 415	30 042	989	**39 446**
Financial expenses	(1 927)	(3 370)	(17)	**(5 314)**
Current net value of financing-lease debt	6 488	26 672	972	**34 132**
December 31, 2013				
Lease payments	8 006	30 919	2 351	**41 276**
Financial expenses	(2 047)	(4 051)	(60)	**(6 159)**
Current net value of financing-lease debt	5 959	26 867	2 291	**35 117**

7. Other non-current liabilities

The other non-current liabilities, relative to pre-paid income, include 1 348 K€ and 1 339 K€ on June 30, 2013 and December 31, 2012 respectively, of deferred revenue for the portion of leaseback in excess of the cost price. These deferred revenues are smoothed for the equipment depreciation period, i.e. 8 years.

8. Accounts payable and other current liabilities

In thousands of euros	30-Jun-13	31-Dec-12
Accounts payable	**4 998**	**5 481**
Tax and employee-related liabilities (1)	5 598	5 792
Deferred revenues	2 314	2 048
Other debts (2)	3 180	2 461
Other current liabilities	**11 092**	**10 301**

(1) Tax liabilities include VAT of 4 660 K€ and 4 405 K€ on December 31, 2012, and June 30, 2013 respectively.

(2) The other debts relate to credits to be made to customers for 1 339 K€ and 1 200 K€ on June 30, 2013 and December 31, 2012 respectively.

9. Other purchases and external charges

In thousands of euros	30-Jun-13	30-Jun-12
Contribution to financing - Third-Party Collectors	(4 447)	(3 337)
Subcontracting purchases	(677)	(254)
Non-stored supplies purchases	(350)	(278)
Rents and property service charges	(306)	(115)
Other external services	(1 665)	(1 413)
Total	**(7 445)**	**(5 396)**

The other external services are mainly constituted by fees, transport charges and travel expenses.

10. Financial result

In thousands of euros	30-Jun-13	30-Jun-12
(-) Gross cost of financial debt	(1 282)	(1 450)
Interests incorporated in the assets cost		
Income from cash and cash equivalents	-	
Net cost of financial debt	**(1 282)**	**(1 450)**
(-) Other financial expenses	(3)	(8)
Other financial income	54	19
Financial income and expenses total	**(1 231)**	**(1 439)**

11. Taxes on income

Details of taxes on income

On June 30, 2013, the tax expenses are established by using the estimated effective tax rate at end of December 2013, thus by assumption, a rate identical to the one in place on December 31, 2012, i.e. 40.3%. Thus tax expense for the first half-year is 660 K€ and is analyzed as follows:

In thousands of euros	30-Jun-13	30-Jun-12
Current taxes	(772)	(245)
Deferred taxes	112	(275)
Total taxes in income	**(660)**	**(519)**

One should notice that the R&D tax credit of 126 K€ on June 30, 2013 (including 66 K€ of regularization for the 2012 period) and 30 K€ on June 30, 2012, is restated as a decrease in salaries & benefits and that the estimated CVAE expense of 200 K€ on June 30, 2013 and 214 K€ in 2012, is restated from the "Tax and duties" line to the current tax section.

The competitiveness & employment tax credit, of 32 K€ on June 30, 2013, also reduces salaries & benefits.

Note 7. Information related to the fair value of financial assets and liabilities

The main methods and assumptions used to estimate the fair value of financial instruments are described below:

Loans and receivables

YMAGIS considers that the book value of cash, accounts receivable, and various deposits and guarantees, is a good estimate of the market value, because of the high level of liquidity of these elements.

Trade receivables, which are due in more than 12 months and which do not carry interest, are listed in the assets of the balance sheet at their fair value from the income statement.

Assets at the fair value

The Group holds only quoted investments. They are accounted for in the assets of the balance sheet at their fair value from the income statement.

Financial liabilities with depreciated cost

Regarding accounts payable, the Group also considers that the book value is a good estimate of the market value, because of the strong level of liquidity of these elements.

During initial accounting, the financial liabilities are measured at their net fair value of transaction costs, which are directly attributable to their issuance.

At each closing, these financial liabilities are then evaluated at their depreciated cost based on the effective interest method.

The fair value of financial liabilities with depreciated cost is calculated with reference to the financing rate applicable at the period closing. On June 30, 2013, the applied rates were 5.33% (versus 5.40% on December 31, 2012) for long-term debts and 3.69% (versus 5.70% on December 31, 2012) for financial lease contracts.

In thousands of euros	classification according to IAS 39			June 30, 2013				
	Loans and receivables	Asset at fair value by income	Asset with depreciated costs	Book value	Estimated fair value	Level 1 (*)	Level 2 (**)	Level 3 (***)
Non-current financial assets	✓			**1 295**	**1 295**			
Accounts receivable	✓			15 601	16 291			
Other current assets	✓			9 593	9 593			
Short-term financial assets	✓			-	-			
Cash and cash equivalents		✓		11 431	11 431	11 431		
Current assets				**36 625**	**37 315**			
Total Assets				**37 920**	**38 611**			
Interests to pay on debenture loan			✓	-	-			
Lines of credit			✓	1 171	2 255			
Other bank loans			✓	6 749	6 749			
Financial lease contracts			✓	34 132	36 446			
Shareholders current accounts			✓	108	108			
Accounts payable			✓	5 482	5 482			
Corporate income tax liability			✓	417	417			
Other current liabilities			✓	11 134	11 134			
Total Liabilities				**59 193**	**62 592**	-	-	-

In thousands of euros	classification according to IAS 39			December 31, 2012				
	Loans and receivables	Asset at fair value by income	Asset with depreciated costs	Book value	Estimated fair value	Level 1 (*)	Level 2 (**)	Level 3 (***)
Non-current financial assets	✓			**1 014**	**1 014**			
Accounts receivable	✓			11 910	11 910			
Other current assets	✓			6 745	6 713			
Short-term financial assets	✓			145	145			
Cash and cash equivalents		✓		5 167	5 167	5 167		
Current assets				**23 967**	**23 935**	**5 167**		-
Total Assets				**24 981**	**24 949**	**5 167**	-	-
Interests to pay on debenture loan			✓	2 164	2 264			
Lines of credit			✓	1 113	2 243			
Other bank loans			✓	4 872	4 872			
Financial lease contracts			✓	35 309	36 118			
Shareholders current accounts			✓	108	108			
Accounts payable			✓	5 481	5 481			
Corporate income tax liability			✓	379	379			
Other current liabilities			✓	8 169	8 169			
Total Liabilities				**57 595**	**59 635**	-	-	-

Note 8. Complementary information

1. Risks management

The Group exposure to main risks did not change significantly during the 1st half of 2013. These risks are described in note 8 of the 2012 consolidated accounts.

2. Financial commitments and possible liabilities

The Group's financial commitments did not evolve significantly during the half-year, with the exception of the following elements:

Commitments given and received as part of equipment financing

The net commitment as part of equipment financing can be broken down into two parts:

i.) the commitments taken in the Third-Party Collector model towards exhibitors when they acquire the equipment directly thus giving the VPF collection right to YMAGIS in exchange for a contribution to their financing (given commitment) and

ii.) the leases invoiced to the exhibitors in the Third-Party Investors model for contributing to financing carried out by YMAGIS (received commitment).

- Payments still outstanding to exhibitors under contract (Third-Party Collector model)

In thousands of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	**Total**
June 30, 2013	9 066	37 109	3 001	**49 177**
December 31, 2012	7 938	27 132	11 082	**46 152**

- Exhibitors' contribution still outstanding (Third-Party Investors model)

Exhibitors' contribution still outstanding (Third-Party Investors model)

In thousands of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	**Total**
June 30, 2013	149	404	4 280	**4 833**
December 31, 2012	149	474	4 285	**4 908**

Moreover, as indicated in note 6, the payments still outstanding to lease institutions (Third-Party Investors model), listed as financial debt for the capital amount still outstanding represent:

In thousands of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	**Total**
June 30, 2013	8 415	30 042	989	**39 446**
December 31, 2012	8 006	30 919	2 351	**41 276**

Taking into account their mutualization, and assuming a VPF collection period of 10 years, as the company cannot yet estimate the end date of VPF collection for some distributors linked to the date of Cost Recoupment, the revenues coming from VPFs should make it possible to cover the commitments made to the exhibitors and the leasers.

Commitments received for digital cinema online support

The exhibitors under VPF contract with YMAGIS made commitments to the Group for online support contracts of relevant installations for the following amounts:

In thousands of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	**Total**
June 30, 2013	2 860	11 439	10 631	**24 931**
December 31, 2012	2 942	12 368	12 753	**28 063**

3. Transaction with the related parties

Relations between the Group and the related parties during the 1st half of 2013 remained comparable to those of the 2012 period. No significant unusual transaction (by its nature or its amount) occurred during this half-year. Furthermore, the principles of Management remuneration were not notably modified during the 1st half-year of 2013.

4. Events posterior to the closing

No significant event posterior to the closing has to be reported at this date.