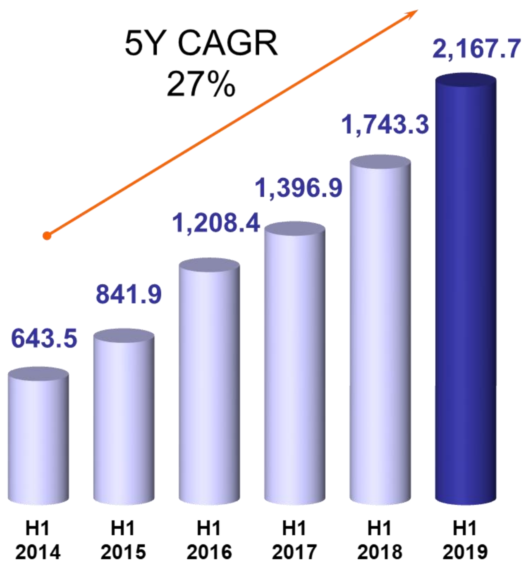
2019 Half Year Report

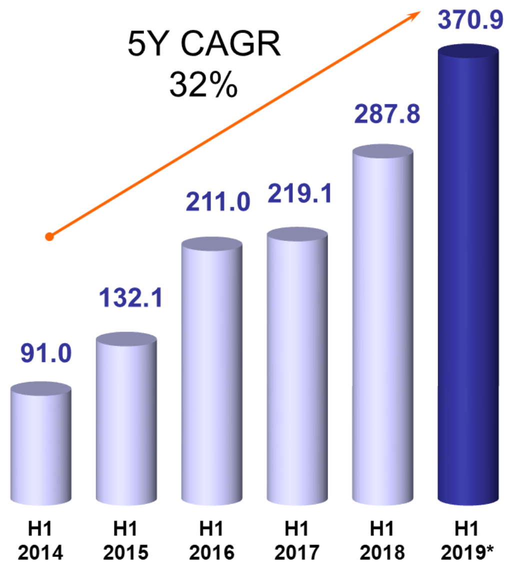
eurofins

Key Figures – Eurofins Scientific Group

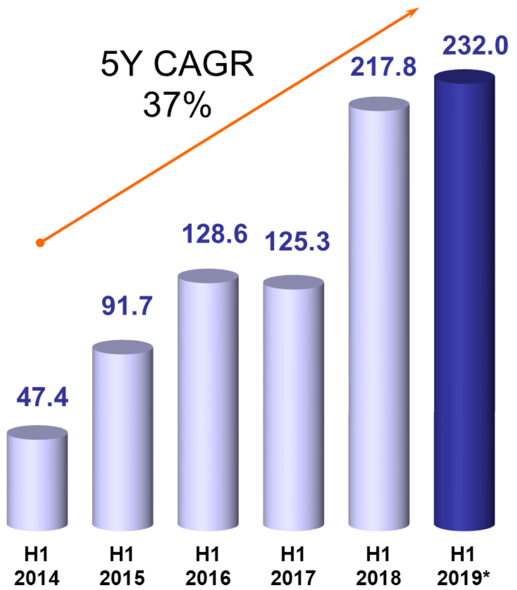
Revenues in EUR million



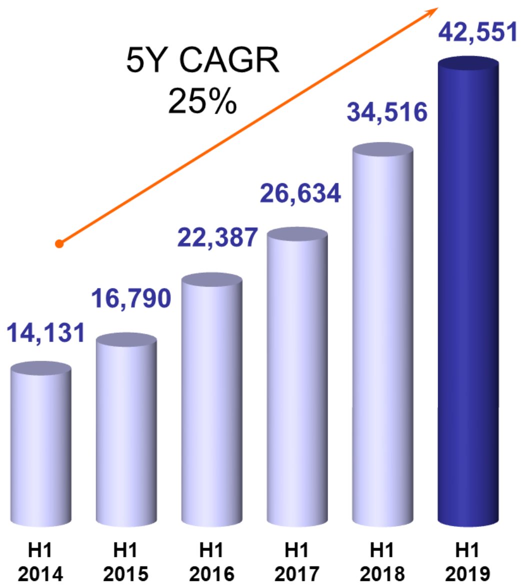
Reported EBITDA in EUR million



Net Operating Cash Flow in EUR million



Average Number of Full Time Employees (FTE)



EUR = Euro
5Y CAGR = Five Year Compound Annual Growth Rate
Average Number of Full Time Employees (FTE) = average weighted number of employees, expressed as full time equivalent (FTE)
*Includes IFRS 16 impact

Disclaimer

Shareholders' information

Listing
Euronext Paris (IPO on 24.10.1997)

Segments/ Indexes
Euronext Paris: EURONEXT 100, SBF 120, SBF TOP 80 EW, CAC ALL SHARES, CAC ALL-TRADABLE, CAC HEALTH CARE, CAC MID 60, CAC MID&SMALL, EN FR NEXT 40 EW, EN H C EQ&SER EW.

Euronext Amsterdam: EN EUROPE 500, EN EUROZONE 300.

Other: MSCI Europe, STOXX Europe 600.

Industry Group/ Prime Sector
Healthcare/Healthcare Providers

Codes
ISIN: FR0000038259

Tickers
Paris: Reuters EUFI.PA, Bloomberg ERF FP

Nominal Capital (at 30.06.2019)
EUR 1,778,613.50 (17,786,135 x EUR 0.10)

Simplified Ownership Structure
Free Float 63.9%
Martin Family 36.1%

H1 2019 Share Price development
Eurofins Scientific: 19.3%
SBF 120: 16.3%
Next 150 Index: 14.4%
CAC 40 Index: 17.1%
Euro Stoxx 50 Index: 15.7%
Nasdaq Composite Index: 20.7%
Dow Jones Industrial Average Index: 14.0%

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 28% between its IPO on October 24th, 1997, at €1.83 and June 28th, 2019 at €389.0.

Analyst coverage

Berenberg	Thomas Burlton
Bryan Garnier	Bruno de La Rochebrochard
Exane BNP Paribas	Allen Wells
Gilbert Dupont	Guillaume Cuvillier
Goldman Sachs	Suhasini Varanasi
HSBC	Murielle André-Pinard
Jefferies	Will Kirkness
Kepler Cheuvreux	Aymeric Poulain
MainFirst	Nicolas Tabor
Morgan Stanley	Edward Stanley
ODDO	Christophe-Raphaël Ganet
Société Générale	Jean-Michel Belanger

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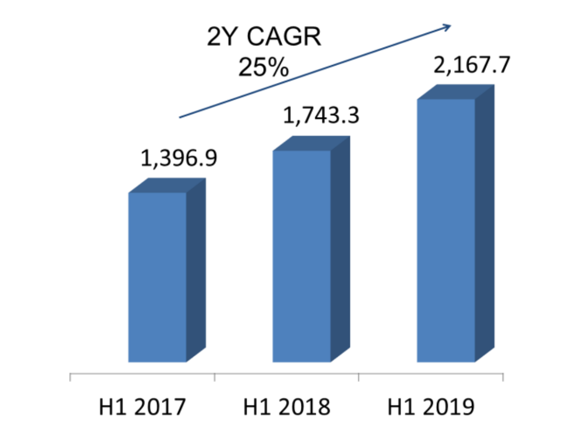
Contents

I. MANAGEMENT REPORT as of June 30th, 2019

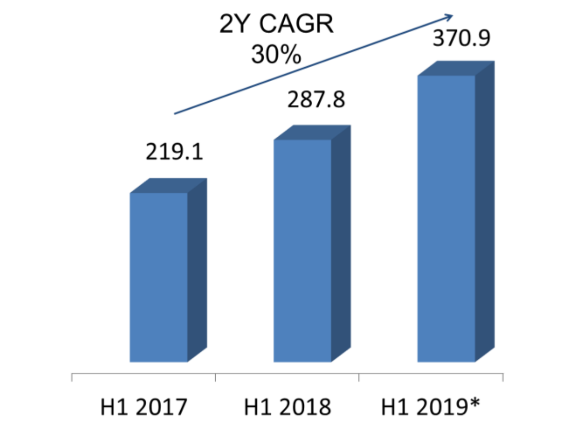
1 Key Performance Indicators (KPIs)

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.

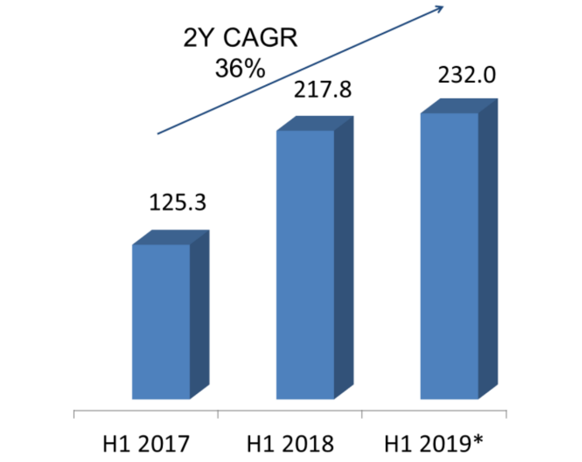
Revenues EUR m



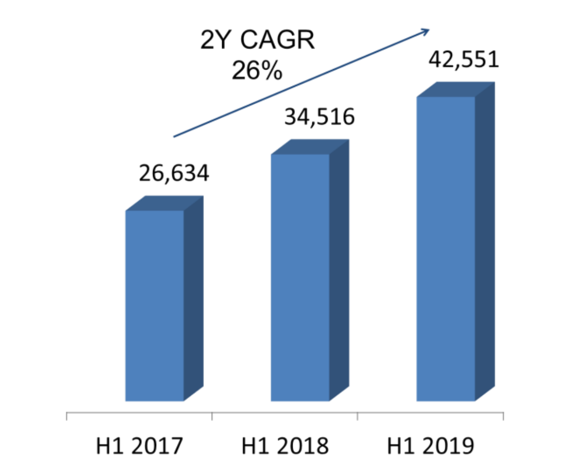
Reported EBITDA EUR m



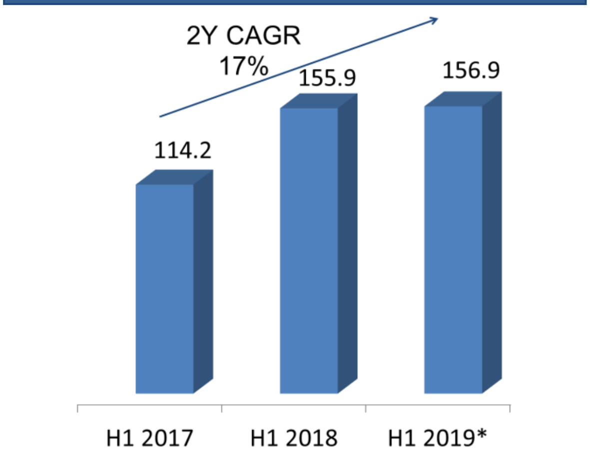
Net Operating Cash Flow EUR m



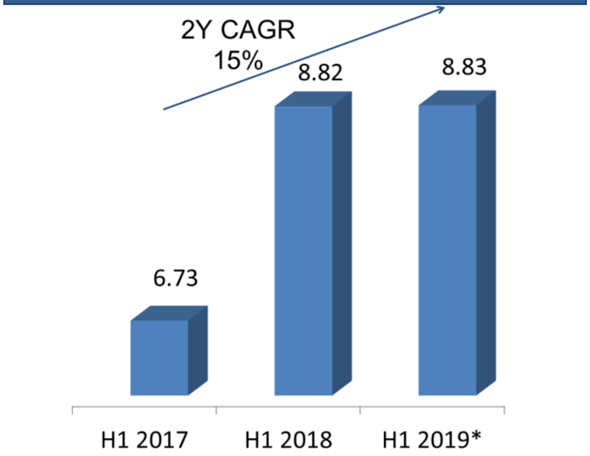
Average Number of Full Time Employees (FTE)



Adj. Net Profit to Equity Holders EUR m



Adj. Earnings Per Share EUR (Basic total)



*Includes IFRS 16 impact

2 Message from the CEO

Some of the highlights of the first half of 2019 include:

- Revenues increased 24.3% year-on-year to EUR 2,168m in H1 2019 vs. EUR 1,743m in H1 2018.

- Due to the lack of comparability of the revenues for the month of June as a result of the June 2nd cyber-attack, like for like organic growth[10] for Q2 and H1 2019 unfortunately cannot be determined. Organic growth in the period January to May 2019 was over 4.5% (5.5% excluding Boston Heart Diagnostics, "BHD"), in line with the Group's annual objective. In July 2019, organic growth was above those year-to-date May 2019 values, confirming the good recovery of the business after the cyber-attack.

- The exact revenues and profits that were lost during the month of June will unfortunately never be known exactly. As can be judged today, estimates based on extrapolation of year-to-date May 2019 growth figures, or taking into account July growth, lead to a range of values with an average impact of EUR 62m on revenues and EUR 51.5m on EBITAS[4] and EBITDA[3]. Those numbers are of course only estimates. The net financial impact (after insurance compensation) is expected to be much lower, as business interruption insurance coverage for this criminal cyber-attack has been confirmed. Eurofins insurance coverage exceeds the estimates mentioned above but efforts to determine and agree on exact damages will be on-going for a while.

- Reported EBITDA increased 28.9% year-on-year to EUR 371m, resulting in a 17.1% reported EBITDA margin, a 60bps improvement year-on-year. Excluding a rounded estimated impact from the cyber-attack of EUR -50m and the impact of IFRS 16 application (EUR +62m), reported EBITDA would have increased by 24.6% year-on-year to EUR 359m with previous accounting rules, resulting in a 16.1% reported EBITDA margin, a moderate 40bps decrease year-on-year, mainly due to BHD losses and the consolidation of lower margins of TestAmerica offsetting operational improvements.

- Adjusted[1] EBITDA increased 29.5% year-on-year to EUR 415m, resulting in a 19.1% adjusted EBITDA margin, a 70bps increase year-on-year.

- Reduced spend in H1 2019 on capex (EUR 157m, EUR 121m excluding IFRS 16) and M&A (EUR 115m), in line with the Group's objectives, had a positive impact on cash generation, with free cash flow to the firm[9] of EUR 75m (+60.1% year-on-year, EUR 49m excluding IFRS 16) in spite of the impact of the cyber-attack.

- Adjusted basic earnings per share (EPS)[7] was stable at EUR 8.83 whilst reported basic EPS fell by 35.7% in H1 2019 to EUR 3.31 mostly due to the impact of the cyber-attack.

- Net debt at the end of June 2019 increased to EUR 3,241m from EUR 2,651m at the end of December 2018 mainly as a result of IFRS 16 implementation (IFRS 16 increased net debt by EUR 505m and EBITDA by EUR 62m for six months). Leverage at the end of June 2019 (net debt to adjusted L12M EBITDA) stood at 3.52x on a pro-forma basis and at constant accounting rules (excluding IFRS 16), in line with the Group's self-imposed limit of 3.5x in spite of the fact that Eurofins has not yet received insurance payments to cover for the cyber-attack losses and L12M EBITDA was not corrected for the one-off missing gross margin resulting from revenue losses which followed the cyber-attack.

- On April 26th, 2019, the Annual General Meeting of Eurofins' shareholders approved the change of Group auditors to Deloitte Audit.

- Outlook: Whilst Eurofins believes the bulk of the gross financial impact from the cyber-attack was recorded in June 2019, it is too early to assess the total net financial impact on the Group's full-year 2019 results. As is customary in such matters, Eurofins is still in discussions with its insurers regarding the reimbursement amount that they will provide. As evidenced in July, the Group has returned to good performance, in line with its objectives and has a positive outlook on the rest of the year.

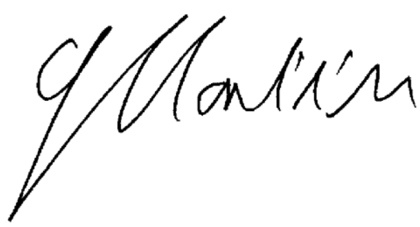
Post-closing events:

Change of scope:

- Since July 1st, 2019, Eurofins has completed the acquisition of five companies: one in Environment testing in Spain, one in Food testing in France, one in Environment testing in Poland and two in Clinical Diagnostics in France and in Brazil. The total annual revenue of these acquisitions was in excess of EUR 32m in 2018.

In H1 2019, Eurofins continued to make significant progress towards the objectives of its five year 2015-2020 plan to build a unique global network of state-of-the-art laboratories, market leadership positions, scale and scientific excellence to offer even better, faster, more cost effective and more differentiated services to its clients and as a result significantly improve its competitive advantage, profitability and cash flow generation to benefit its long-term oriented shareholders for years to come. As the Group moves closer to the end of its five-year infrastructure development plan, the focus has shifted from new investments, including start-ups and M&A, to finalising the internal investments already initiated, integrating the recently acquired businesses and making progress towards operational excellence, and thus laying the groundwork for improved profitability, cash flow and return on investment. Unfortunately several Group laboratories were hit by a severe criminal cyber-attack on Sunday June 2nd 2019, which significantly affected some of Eurofins businesses in June and temporarily hampered their financial performance. Due to the strong commitment and hard work of our teams, normal operations have now fully recovered and the outlook is good for the remainder of 2019 and 2020. The Group will now continue to focus on further improving its margins, cash flow generation, return on investment and on deleveraging.

Sincerely,



Dr. Gilles G. Martin
CEO

Dated: August 26th, 2019

(See definitions of the financial terms discussed on pages 9 and 10).

3 Financial and operating review

Business Review

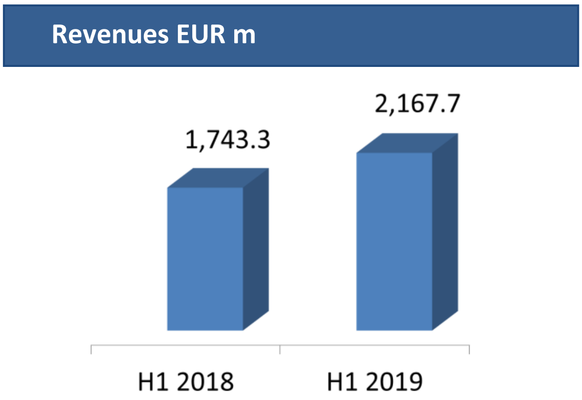
June 2nd cyber-attack:

As communicated in an ad-hoc press release on Monday June 24th, since Monday June 17th, the vast majority of affected laboratories' operations had been restored. The production and reporting IT systems of essentially all those that still were not live then became operational again during the following week. Restoration operations continued for a few more weeks for some less important back office and software development systems. Most affected companies worked diligently to catch up on their cyber-attack related backlog in the last two weeks of June.

Eurofins companies alerted and are cooperating with law enforcement agencies and renowned IT forensics and security companies in the investigation of this matter. Forensics investigations have been completed and historic or related dormant threat agents identified were eliminated. Additional security and monitoring tools were deployed since then and world class cyber security experts were engaged. All this will be providing additional protection and monitoring. We are continuing to work intensively with leading cybersecurity experts to further secure our current systems and infrastructure and to add enhanced security features and measures to protect our systems and data. The investigations conducted so far by our internal and external IT forensics experts have concluded that there now should be no significant residual risk from the ransomware attack and have not found evidence of any unauthorised theft or transfer of confidential client data. The security of our client data and of all our IT systems is of the utmost importance to Eurofins. Eurofins companies remain committed to making significant investments in the continuous improvement of the security of their IT systems.

Eurofins being fortunately well insured, it could well be that the full missing margin caused by this criminal act will be compensated by its insurers. Coverage has been confirmed and discussions about exact determination of damages will be on-going for some months. We hope to have brought this close to resolution and to have received at least partial payments by year end. However, unfortunately the significant impact of lost revenues in June due to IT systems disconnection or unavailability, forensics and remediation costs, renders the comparability of H1 2019 financial statements to those of H1 2018 substantially meaningless. We have attempted to provide indications regarding revenues evolution trends based on year-to-date May 2019 results. As no exact determination of lost revenues and margins for June is possible, correcting results for such estimated effects in our H1 financial statements would be hazardous. Missing revenues in July originated essentially only from Eurofins Forensics UK awaiting government clearance to restart operations which was given at the end of July. As July's revenues growth confirms, the operations of other affected Eurofins companies appear to have fully restarted.

Revenues



Revenues in Q2 2019 were EUR 1,100.2m, bringing Group revenues for the first half of 2019 to EUR 2,167.7m, representing a strong increase of 24.3% vs. H1 2018.

Revenues : Geographical Breakdown

EUR million	H1 2019	% of Group	H1 2018	% of Group
France	426.8	19.7%	370.1	21.2%
Germany	220.7	10.2%	199.6	11.5%
Benelux	134.5	6.2%	119.8	6.9%
Nordic Countries	119.0	5.5%	110.6	6.3%
UK & Ireland	133.2	6.1%	112.1	6.4%
Total Western Europe	1034.3	47.7%	912.3	52.3%
North America	798.1	36.8%	552.7	31.7%
Rest of the World	335.3	15.5%	278.4	16.0%
Total	**2,167.7**	100.0%	**1,743.3**	100.0%

Western Europe generated total revenues of EUR 1,034.3m in H1 2019, representing 47.7% of total Group revenues, and an increase of 13.4% vs. H1 2018. In H1 2019, Western Europe organic growth was above that of the Group year-to-date to May 2019, with a solid performance across Food, Environment and BioPharma testing.

By country, France generated revenues of EUR 426.8m in H1 2019, a 15.3% increase vs. H1 2018, and representing 19.7% of total Group revenues. Year-to-date to May 2019 organic growth in France was above Group average with double digit organic growth in Food, Environment and BioPharma testing services. In Food testing, chemistry analyses grew particularly fast thanks to significant market share gains whilst the integration of Alpa's activities also helped consolidate Eurofins' leadership in the hygiene audit and consulting business. The growth in Environment testing activities was mainly supported by Eurofins' water testing and polluted sites analytical services, which saw strong sales activities towards key accounts. Clinical Diagnostics was stable with encouraging growth in the second quarter both for the routine and specialty testing activities and despite the reimbursement cuts applied from April 1st 2019.

Germany generated revenues of EUR 220.7m in H1 2019, a 10.6% increase vs. H1 2018, and representing 10.2% of total Group revenues. Year-to-date to May 2019 organic growth in Germany was overall slightly below Group average despite double digit organic growth in Environment testing services and above Group average in Food testing services.

The Group's businesses in the Benelux generated revenues of EUR 134.5m in H1 2019, representing a 12.3% increase vs. H1 2018, and 6.2% of total Group revenues. Year-to-date to May 2019 organic growth in Benelux was slightly below Group average despite double digit organic growth in Environment testing services and organic growth above Group average in BioPharma testing services as the Group continues to successfully take market share.

In the UK and Ireland, Eurofins generated revenues of EUR 133.2m in H1 2019, representing an 18.8% increase vs. H1 2018, and 6.1% of total Group revenues. Year-to-date to May 2019 the UK and Ireland saw double digit organic growth, as the significant site reorganisation efforts made during the last two years start to yield results as demonstrated by the double digit organic growth performance in BioPharma services. Eurofins' Environment testing services also saw double digit organic growth.

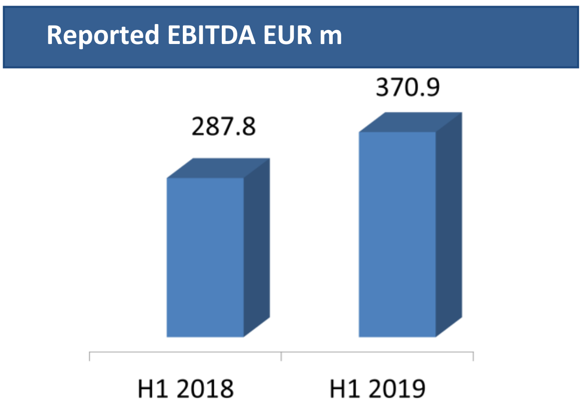
Eurofins' businesses in the Nordic Countries generated revenues of EUR 119.0m in H1 2019, representing a 7.6% increase vs. H1 2018, and 5.5% of total Group revenues. Year-to-date to May 2019 organic growth in the Nordic Countries was slightly below Group average despite gaining market share on the back of strong service levels, in particular much improved turnaround times and high quality IT solutions for customers.

Eurofins' business in North America generated total revenues of EUR 798.1m in H1 2019, representing 36.8% of total Group revenues, and an increase of 44.4% vs. H1 2018. Year-to-date to May 2019 organic growth was below Group average, largely driven by the negative impact of BHD, which represented a -90bps drag to Group organic growth and despite a very strong performance elsewhere, particularly in the Food and Environment testing businesses, both generating organic growth above the Group average. The integrations of TestAmerica in the U.S. and EnvironeX in Canada are progressing ahead of schedule, including site reorganisations and Laboratory Information Management System (LIMS) consolidation. The integration of Covance Food Solutions (renamed Eurofins Food Integrity and Innovation, "EFII") also continues to be significantly ahead of schedule. IT infrastructure is now integrated and commercial activities of the legacy food testing business and EFII have been coordinated across market verticals and areas of expertise producing significant organic growth opportunities. The BioPharma division saw positive organic growth despite continued disruption from the rollout of the new LIMS system, which is progressing to plan and should be substantially completed at the largest sites by year end. Demand for services continues to be strong, particularly for new drug modalities, and accordingly the Group is increasing capacity in a number of key areas. In Clinical Diagnostics, the performance continues to be negatively impacted by BHD. However, the other businesses saw solid developments and their pipeline is promising. For instance, Eurofins NTD launched a new test (Presence of Y) that improves the clinical utility of its first trimester testing and offers a valuable lower cost alternative to Next Generation Sequencing (NGS) based non-invasive prenatal testing ("NIPT") and Viracor and TGI have a number of high potential tests to be launched soon.

Eurofins' business in the Rest of the World generated revenues of EUR 335.3m in H1 2019, a 20.4% increase vs. H1 2018, representing 15.5% of total Group revenues. Year-to-date to May 2019 organic growth in the Rest of the World was close to double digit. In Latin America, activity in the Food sector has maintained a very positive trajectory in both Brazil and Chile resulting in three separate laboratory capacity expansion projects. In Asia, strong organic growth was experienced in both Food and Environment testing on the back of capacity and service investments made in the last couple of years. In Australia and New Zealand, strong organic growth in Food and Environment testing was supported by the Group's expansion into testing of emerging environmental contaminants as well as food nutrition and food contaminants, and the addition of laboratory capacity.

Profitability

Adjusted EBITDA increased 29.5% year-on-year to EUR 415m, resulting in a 19.1% adjusted EBITDA margin, a 70bps increase year-on-year. Separately disclosed items[2] (SDI) as a proportion of adjusted EBITDA stood at 10.6% vs. 10.2% in H1 2018. They include significant costs for the consolidation into modern campuses of acquired businesses in Canada, Austria and California, as well as extra remediation and forensics expenses incurred following the cyber-attack. Beyond the reorganisation and cyber-attack remediation costs, ramp up of start-up losses and BHD losses contributed to higher SDI in H1 2019. Estimated operating losses generated by missing revenues due to the business interruption following the cyber-attack in affected laboratories are not included in SDI. This missing margin is due to the revenue losses in June 2019 in those affected laboratories and the resulting loss of profit given that fixed costs (mainly personnel expenses and facilities costs) could not be eliminated or reduced during the period as personnel was doing more manual work to fulfil the most urgent orders while systems were being screened and restored.



Reported EBITDA grew by 28.9% in H1 2019 to EUR 370.9m, largely impacted by the implementation of IFRS 16 (which increased reported EBITDA by EUR 62m) and the cyber-attack impact, resulting in a 17.1% margin (+60bps vs. last year).

Reported EBITDA : Breakdown

EUR thousands	H1 2019	% of revenues	H1 2018	% of revenues
Western Europe	168,751	16.3%	152,156	16.7%
North America	175,712	22.0%	116,890	21.1%
Rest of the World	52,350	15.6%	40,619	14.6%
Other*	-25,901		-21,864	
Total	370,912	**17.1%**	287,802	**16.5%**

(*) Other corresponds to Group Service Centres

Depreciation and amortisation increased to 8.4% of revenues in H1 2019 vs. 6.0% in H1 2018, due to IFRS 16 (6.1% excluding IFRS 16).

Finance costs amounted to EUR 49m, representing 2.2% of revenues vs. 1.8% in H1 2018 (1.7% excluding IFRS 16 impact).

The income tax expense was relatively stable in absolute terms at EUR 30.0m vs. EUR 31.7m in H1 2018, despite a lower profit before tax, mostly due to a one-time unfavourable comparable in the U.S. in 2018.

Net profit decreased to EUR 58m in H1 2019 vs. EUR 91m in H1 2018, mainly as a result of the cyber-attack disruptions, leading basic EPS to decrease from EUR 5.15 in H1 2018 to EUR 3.31 in H1 2019.

Cash Flow and Financing

Cash Flows Reconciliation

EUR million	**H1 2019 reported**	IFRS 16 impact	**H1 2019 ex. IFRS 16**	H1 2018 reported	Y-o-Y variation H1 2019 ex. IFRS 16 vs. H1 2018
Net Cash from Operations	232	-62	170	218	-48
Net Cash from Investing	-223	36	-187	-384	+197
Free Cash Flow to the Firm	*75*	*-26*	*49*	*47*	+2
Net Cash from Financing	-226	26	-200	-101	-99
Net increase (decrease) in Cash and cash equivalents	-212	0	-212	-265	+53

Net working capital stood at 6.4% of revenues impacted by higher days of sales outstanding (DSO) at recently acquired companies (as it usually takes some time to align them to Group standards) and difficulties in collections during the cyber-attack. Free cash flow to the firm remained stable excluding IFRS 16, despite the impact from the cyber-attack. Net cash provided by financing activities decreased by EUR 99m to –EUR 200m excluding the impact from IFRS 16 as the Group repaid some of its commercial paper and credit facilities, in an effort to manage its cash on hand and borrowings more optimally at quarter end. As previously reported, the Group believes that it has already secured ample and sufficient liquidity to carry on with the execution of its 2015-2020 mid-term plan.

Net debt increased to EUR 3,241m as of June 2019 vs. 2,651m as of December 2018, with the majority of the increase coming from the implementation of IFRS 16 (EUR +505m net debt, EUR +62m EBITDA). The Group's leverage at the end of June 2019 (net debt to adjusted L12M EBITDA) stood at 3.52x vs. 3.38x at December end on a pro-forma basis and at constant accounting rules (excluding the impact of IFRS 16), in line with the Group's self-imposed limit of 3.5x in spite of the negative impact of the cyber-attack on EBITDA. The implementation of IFRS 16 only had a minor impact on leverage, bringing net debt to adjusted L12M EBITDA on a pro-forma basis to 3.62x in June 2019.

Acquisitions

During the first six months of 2019, the Group performed sixteen acquisitions which generated total revenues in excess of EUR 95m in 2018 with approximately 1,200 employees.

In particular, in June 2019, Eurofins announced the acquisition of Transplant Genomics Inc. ("TGI"), a molecular diagnostics company committed to improving organ transplant outcomes with non-invasive serial monitoring guided by genomics. Eurofins' Clinical Diagnostics capabilities and market footprint serving transplant patients, which includes VRL, Inc. (the largest pre-transplant laboratory network in the U.S.) and Viracor, Inc. (the largest specialty post-transplant clinical laboratory in the U.S. currently serving approximately 70% of all transplant programs in the U.S., focusing on post-transplant infectious disease and immune status monitoring services) provide an ideal platform in which to launch TGI's highly anticipated TruGraf blood gene expression test. TruGraf is the first blood test that allows physicians to reassure patients with stable renal function following kidney transplants that their graft is not harbouring silent rejection without the need for an invasive and costly surveillance biopsy. TGI has recently received a draft Local Coverage Determination (LCD) decision from Centers for Medicare & Medicaid Services (CMS) via Palmetto GBA's Molecular Diagnostic Services (MolDX) Program, supporting the upcoming launch of TruGraf and is awaiting final reimbursement decisions.

Infrastructure Programme

In the first six months of 2019, according to its plans, Eurofins has added significant state-of-the-art laboratory space through delivery of new building projects, new acquisitions, but also through expansion of its world class campuses.

Eurofins' new five-story 15,000m^2 addition in Lancaster, Pennsylvania U.S., will be delivered in Q3 2019. It is designed with lean and sustainability motives in mind. This thirteenth expansion in Eurofins

Lancaster's nearly 60-year history adds 50% more capacity to its existing 30,000m^2 facility, now totalling more than 45,000m^2.

The Hamburg campus in Germany has added a new 15,000m^2 building at the end of May and is now transferring Food testing, Agroscience and BioPharma services activities from other locations in the area, thus allowing consolidation of activities on the Eurofins Hamburg campus. This new laboratory has been designed for high flexibility, leaner processes and higher efficiency and will allow stronger interdisciplinary cooperation.

In Austria, the new campus in Wiener Neudorf near Vienna has been delivered in March, consolidating the Food and Environment activities in the area into a new 3,500m^2 facility, while also renovating part of the pre-existing 1,300m^2 building. This new campus is able to serve customers from a common platform, the largest private service laboratory in Austria offering an unmatched range of testing services. It has also been designed to allow for further extensions and consolidations.

Further new building and renovation projects have been successfully completed in H1 2019, of which the most significant are: in the Netherlands a new 2,800m^2 building in Heerenveen for Food testing, in Belgium the renovation of 1,200m^2 in Nazareth for the Environment testing business, and the new Clinical Diagnostics laboratory at Médipôle in Lyon, France. Eurofins EAG Laboratories have also moved into a new fully renovated 3,400m^2 facility in Shanghai, significantly increasing its capacity to serve its customers in China.

Eurofins is well on track to deliver its 2019 plan for construction and renovation of 60,000m^2 laboratory surfaces in addition to new space from acquisitions.

Start-ups Programme

Start-ups or green-field laboratories are generally undertaken in new markets, and in particular in emerging markets, where there are often limited viable options for acquisitions or in developed markets when Eurofins transfers technology developed by its R&D and Competence Centres abroad or expands geographically.

In H1 2019, the Group opened 10 new start-ups, bringing the total number of start-ups created since 2000 to 155. The 155 start-up laboratories opened since the year 2000 had a 90bps contribution to Group organic growth for the period January–May 2019.

Of these 155 start-ups, over 40% are in Europe, close to 30% in APAC, over 20% in North America and close to 10% in Latin America. By business line, ca. 40% are in Food & Feed testing, 20% are in Pharma/Biotech/Agroscience services, over 20% in Environment testing, and over 6% are in Clinical Diagnostics.

Related party transactions

Related party transactions are disclosed in note 8 to the Unaudited Condensed Interim Consolidated Financial Statements for the period ended June 30th 2019.

There have been no material changes in the related party transactions described in the 2018 annual report.

Risks and uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The directors do not consider that the principal risks and uncertainties have changed since the publication of the annual report for the year ended 31 December 2018. Updated information about financial risks is disclosed in note 6 to the Unaudited Condensed Interim Consolidated Financial Statements for the period ended June 30th 2019.

A detailed explanation of the risks and uncertainties, and how the Group seeks to mitigate the risks, can be found on pages 28 to 39 of the 2018 annual report which is available at https://www.eurofins.com/investor-relations/.

Dated August 26th, 2019

[1] Adjusted - reflect the ongoing performance of the mature[11] and recurring activities excluding "separately disclosed items[2]".

[2] Separately disclosed items - includes one-off costs from integration, reorganisation, discontinued operations[12] and other non-recurring income and costs, temporary losses and other costs related to network expansion, start-ups and new acquisitions undergoing significant restructuring, share-based payment charge[5], impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal 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, share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.

[4] EBITAS – EBITDA less depreciation and amortisation.

[5] Share-based payment charge and acquisition-related expenses, net – Share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, loss/gain on disposal, 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.

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

[7] Basic EPS – earnings per share (basic) total (to equity holders before payment of dividends to Hybrid capital holders).

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

[9] Free Cash Flow to the Firm - Operating Cash Flow, less Net capex.

[10] 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 (of year Y) 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.

[11] Mature scope: excludes start-ups and acquisitions in significant restructuring. A business will generally be considered mature when: i) The Group's systems, structure and processes have been deployed; ii) It has been audited, accredited and qualified and used by the relevant regulatory bodies and the targeted client base; iii) It no longer requires above-average annual capital expenditures, exceptional restructuring or abnormally large costs with respect to their current revenues for deploying new Group IT systems. The list of entities classified as mature is reviewed at the beginning of each year and is relevant for the whole year. In FY 2018, 93% of total Group revenues were included in the mature scope up from 91% in FY 2017.

[12] Discontinued activities / disposals: discontinued operations are a component of the Group's core business or product lines that has been disposed of, or liquidated; or a specific business unit or a branch of a business unit that has been shut down or terminated, and is reported separately from continued operations. Disposals correspond to the sale by Eurofins of business assets to a third party. For more information, please refer to Note 3.19 of the Consolidated Financial Statements for the year ended 31 December 2018.

II. CORPORATE GOVERNANCE (update)

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").

This Section II sets out a short update of the Corporate Governance Statements for the period ended on June 30th, 2019. The Company's Corporate Governance Charter can be found in its 2018 Annual Report together with a more comprehensive description of its Corporate Governance Statements, as well as on its website under https://www.eurofins.com/investor-relations/corporate-governance/.

On August 24th 2019, changes in Luxembourg Law enacting the European shareholder rights directive II (EU 2017/828) became effective, introducing new obligations for EU listed companies, its shareholders and other stakeholders. Among others, the law is defining certain transparency obligations for related party transactions. Under the terms of reference of Eurofins Boards' Corporate Governance Committee, a well-established process is in place for dealing with any transactions with potential conflicts of interest. This process is ensuring the market adequacy of any such transaction and will forthwith guarantee that Eurofins is acting in full compliance with respect to related party transaction requirements.

1. Corporate Governance Statements for the period ended June 30th, 2019

Among other minor changes, the following changes relating to corporate governance occurred during the first half year of 2019.

Audit

On April 26, 2019, the Annual General Meeting of Eurofins' shareholders approved the change of Group auditors to Deloitte Audit.

Shares and shareholders

Share capital

As of 30 June 2019, the Company's share capital amounts to EUR 1,778,613.50, divided into 17,786,135 ordinary shares of EUR 0.10 of nominal value each, all of the same category.

As of 30 June 2019, the Martin family holds indirectly 36.1% of the shares and controls 59.5% of the voting rights in Eurofins.

The free float represents 63.9% of the shares and 40.5% of the voting rights of Eurofins.

The different shares and voting rights held by the shareholders of Eurofins are detailed as follows:

Shareholders and voting rights as of 30 June 2019							
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	36.0%	6,400,000	6,400,000	4,000,000	16,800,000	59.4%
Martin Family (subtotal)	**6,414,548**	**36.1%**	**6,414,548**	**6,414,548**	**4,000,000**	**16,829,096**	**59.5%**
Treasury shares	0	0.0%	0	0	0	0	0.0%
Free Float	11,371,587	63.9%	11,371,187	100,401	0	11,471,588	40.5%
TOTAL	**17,786,135**	**100.0%**	**17,785,735**	**6,514,949**	**4,000,000**	**28,300,684**	**100.0%**

(1) Private company incorporated in Luxembourg and controlled by Dr. Gilles Martin

In June 2016, the Company's shareholder Analytical Bioventures SCA (ABSCA) exercised its right for 1,000,000 of the 6,400,000 shares it owns pursuant to the terms of article 12bis.3 of the Company's articles of association 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.

In March 2017, Analytical Bioventures SCA subscribed to an additional 1,000,000 new Class B beneficiary units, to another 1,000,000 new Class B beneficiary units in June 2018, and to another 1,000,000 new Class B beneficiary units again in May 2019.

As a consequence, ABSCA holds as of June 30th 2019:

- 6,400,000 shares of the Company carrying one voting right each
- 6,400,000 class A beneficiary units carrying one voting right each
- 4,000,000 class B beneficiary units carrying one voting right each

Therefore, ABSCA holds 16,800,000 voting rights in aggregate representing 59.4% of the Company's total voting rights as of June 30th 2019.

Caisse de dépôt et placement du Québec (CDPQ) crossed above the 5% total share capital threshold[1] as of June 26th 2018, as notified to Eurofins. No other notification has been received from CDPQ since then.

Eurofins has not been formally notified of any shareholder other than ABSCA with an interest in excess of 5% of the voting rights as at June 30th 2019.

2. 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

Dated: August 26th, 2019

[1] Article 10.3 of Eurofins' Articles of Associations available at https://www.eurofins.com/investor-relations/corporate-governance/

III. HALF YEAR FINANCIAL STATEMENTS

1 Unaudited Condensed Interim Consolidated Financial Statements for the period ended June 30th, 2019

Condensed Interim Consolidated Income Statement (Unaudited)

January 1, 2019 to June 30, 2019

EUR Thousands	Note	H1 2019 Adjusted results *	H1 2019 Separately disclosed items *	H1 2019 Total	H1 2018 Adjusted results [1]	H1 2018 Separately disclosed items [2]	H1 2018 Total
Revenues *	2	**2,167,675**	**-**	**2,167,675**	**1,743,315**	**-**	**1,743,315**
Operating costs, net		-1,752,799	-43,963	-1,796,762	-1,422,965	-32,549	-1,455,513
EBITDA *	1.v	**414,876**	**-43,963**	**370,912**	**320,351**	**-32,549**	**287,802**
Depreciation and amortisation	1.v	-164,036	-18,207	-182,243	-93,735	-11,120	-104,855
EBITAS *		**250,839**	**-62,170**	**188,669**	**226,615**	**-43,668**	**182,947**
Share-based payment charge and acquisition-related expenses, net *		-	-56,514	-56,514	-	-40,834	-40,834
EBIT *		**250,839**	**-118,684**	**132,155**	**226,615**	**-84,502**	**142,113**
Finance income		1,679	2,649	4,328	190	10,927	11,117
Finance costs		-47,520	-1,207	-48,727	-27,095	-3,943	-31,038
Share of (loss)/ profit of associates		373	-	373	335	-	335
Profit before income taxes		205,371	-117,242	88,129	200,046	-77,519	122,527
Income tax expense		-48,713	18,743	-29,970	-44,086	12,420	-31,666
Net profit for the period	1.v	**156,658**	**-98,499**	**58,159**	**155,960**	**-65,099**	**90,861**
Attributable to:							
Equity holders of the Company		156,917	-98,044	58,873	155,887	-64,773	91,114
Non-controlling interests		-259	-455	-714	73	-326	-253
Earnings per share (basic) in EUR							
- Total		8.83	-5.52	3.31	8.82	-3.66	5.15
- Attributable to hybrid capital investors		1.31	0.06	1.37	1.17	0.20	1.38
- Attributable to equity holders of the Company		7.52	-5.57	1.94	7.65	-3.87	3.78
Earnings per share (diluted) in EUR							
- Total		8.44	-5.27	3.17	8.38	-3.48	4.90
- Attributable to hybrid capital investors		1.26	0.05	1.31	1.12	0.19	1.31
- Attributable to equity holders of the Company		7.19	-5.33	1.86	7.26	-3.67	3.59
Weighted average shares outstanding (basic) - in thousands		17,771	-	17,771	17,675	-	17,675
Weighted average shares outstanding (diluted) - in thousands		18,588	-	18,588	18,605	-	18,605

* Alternative Performance Measures (APM) are defined in Note 1.

Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

January 1, 2019 to June 30, 2019

EUR Thousands	Note	H1 2019	H1 2018
Net profit for the period		**58,159**	**90,861**
Other comprehensive income/ loss (OCI)			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation differences		39,008	12,521
Net investment hedge	6	29,162	14,754
Fair value through other comprehensive income (FVOCI)	6	-7,877	3,604
Deferred taxes on net investment hedge	6	-107	334
Deferred taxes on Fair value through other comprehensive income (FVOCI)	6	-675	-
Cash flow hedge		-1,330	-
Total		**58,181**	**31 214**
Other comprehensive income/ loss for the period, net of tax		**58,181**	**31,214**
Total comprehensive income for the period		**116,340**	**122,075**
Attributable to:			
Equity holders of the Company		116,260	122,863
Non-controlling interests		80	-788

Condensed Interim Consolidated Balance Sheet (Unaudited)

As of June 30, 2019

EUR Thousands	Note	June 30, 2019	December, 31 2018
Property, plant and equipment	1.v	1,492,728	1,018,005
Goodwill	3	3,554,922	3,418,328
Other intangible assets		971,826	946,918
Investments in associates		4,909	5,076
Financial assets and other receivables	6	52,298	67,550
Deferred tax assets		46,418	44,168
Total non-current assets		**6,123,101**	**5,500,045**
Inventories		74,418	66,373
Trade accounts receivable	6	913,691	864,898
Prepaid expenses and other current assets	6	184,271	147,955
Current income tax assets		88,072	73,134
Derivative financial instruments assets	6	401	46,796
Cash and cash equivalents	4, 6	304,575	506,246
Total current assets		**1,565,428**	**1,705,402**
Total assets		**7,688,529**	**7,205,448**
Share capital	5	1,779	1,775
Hybrid capital		1,000,000	1,000,000
Treasury shares		-184	-184
Other reserves		960,215	954,784
Retained earnings		597,811	659,244
Currency translation reserves		120,975	53,571
Total attributable to equity holders of the Company		2,680,595	2,669,190
Non-controlling interests		58,932	52,992
Total shareholders' equity		**2,739,527**	**2,722,182**
Borrowings	4, 6, 1.v	2,664,299	2,766,169
Deferred tax liabilities		126,480	138,557
Amounts due for business acquisitions	6	76,548	57,788
Retirement benefit obligations		67,438	64,074
Provisions for other liabilities and charges		5,517	6,018
Total non-current liabilities		**2,940,282**	**3,032,606**
Borrowings	4, 6, 1.v	881,676	391,075
Interest and earnings due on hybrid capital	6	49,046	66,034
Trade accounts payable	6	376,414	373,010
Advance payments received	6	50,884	40,076
Deferred revenues	6	62,781	62,564
Current income tax liabilities		28,000	39,384
Amounts due for business acquisitions	6	91,321	66,030
Provisions for other liabilities and charges		17,049	16,269
Other current liabilities	6	451,549	396,217
Total current liabilities		**2,008,720**	**1,450,659**
Total liabilities and shareholders' equity		**7,688,529**	**7,205,448**

Condensed Interim Consolidated Cash Flow Statement (Unaudited)

January 1, 2019 to June 30, 2019

EUR Thousands	Note	H1 2019	H1 2018
Cash flows from operating activities			
Profit before income taxes		**88,129**	**122,527**
Adjustments for:			
Depreciation and amortisation	1.v	182,243	104,855
Share-based payment charge and acquisition-related expenses, net		56,512	40,834
Other non-cash effects		-288	127
Financial income and expense, net		42,417	19,442
Share of profit from associates		-373	-335
Transactions costs and income related to acquisitions		-3,604	-4,303
Increase/decrease in provisions, retirement benefit obligations		2,213	-1,989
Change in net working capital	9	-85,000	-26,750
Cash generated from operations		**282,249**	**254,407**
Income taxes paid		-50,287	-36,610
Net cash provided by operating activities		**231,962**	**217,796**
Cash flows from investing activities			
Purchase of property, plant and equipment		-141,007	-151,787
Purchase, capitalisation of intangible assets		-20,097	-20,164
Proceeds from sale of property, plant and equipment		4,037	926
Net capex	*1.v*	*-157,067*	*-171,024*
Free cash Flow to the Firm[1]	1.v	*74,895*	*46,772*
Acquisitions of subsidiaries net of disposals, net of cash acquired	3	-115,109	-214,256
Change in investments, financial assets and derivative financial instruments, net	6	47,225	1,121
Interest received		1,960	399
Net cash used in investing activities		**-222,991**	**-383,759**
Cash flows from financing activities			
Proceeds from issuance of share capital		5,433	9,367
Proceeds from borrowings	1.v, 4	94,728	2,480
Repayments of borrowings	1.v, 4	-239,720	-45,128
Change in hybrid capital		-	-
Dividends paid to shareholders and non-controlling interests		-238	-439
Earnings paid to hybrid capital investors		-35,625	-35,669
Interest paid		-50,819	-31,523
Net cash provided by financing activities		**-226,241**	**-100,912**
Net effect of currency translation on cash and cash equivalents and bank overdrafts		5,031	1,523
Net (decrease) in cash and cash equivalents and bank overdrafts		**-212,239**	**-265,351**
Cash and cash equivalents and bank overdrafts at beginning of period		495,003	816,026
Cash and cash equivalents and bank overdrafts at end of period		**282,764**	**550,675**

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

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

As of June 30, 2019

EUR Thousands	Attributable to equity holders of the Company							
	Share capital	Treasury shares	Other reserves	Currency translation reserves	Hybrid capital	Retained earnings	Non-controlling interests	Total equity
Balance at January 1, 2018	**1,764**	**-**	**934,857**	**-16,332**	**1,000,000**	**522,881**	**38,803**	**2,481,973**
Currency translation differences	-	-	-	13,064	-	-7	-535	12,521
Net investment hedge	-	-	-	14,754	-	-	-	14,754
Fair Value through other comprehensive income	-	-	-	-	-	3,604	-	3,604
Deferred taxes on net investment hedge	-	-	-	-	-	334	-	334
Other comprehensive income (loss) for the period, net of taxes	-	-	-	27,818	-	3,931	-535	31,214
Net profit	-	-	-	-	-	91,114	-253	90,861
Total comprehensive income (loss) for the period	-	-	-	27,818	-	95,045	-788	122,075
Share-based payment effects	-	-	-	-	-	6,191	-	6,191
Tax credit relating to share-based payment charge	-	-	-	-	-	34	-	34
Issue of share capital	6	-	9,264	-	-	-	98	9,368
Distribution on hybrid capital	-	-	-	-	-	-24,213	-	-24,213
Dividends	-	-	-	-	-	-42,345	-439	-42,784
Non-controlling interests arising on business combinations	-	-	-	-	-	-963	1,132	169
Balance at June 30, 2018	**1,770**	**-**	**944,122**	**11,486**	**1,000,000**	**556,628**	**38,806**	**2,552,812**
Balance at December 31, 2018	**1,775**	**-184**	**954,784**	**53,571**	**1,000,000**	**659,244**	**52,992**	**2,722,182**
IFRS 16 Opening Equity impact	-	-	-	-	-	-49,073	-	-49,073
Deferred taxes on IFRS 16 Opening Equity impact	-	-	-	-	-	13,354	-	13,354
Balance at January 1, 2019	**1,775**	**-184**	**954,784**	**53,571**	**1,000,000**	**623,525**	**52,992**	**2,686,464**
Currency translation differences	-	-	-	38,242	-	-28	794	39,008
Net investment hedge	-	-	-	29,162	-	-	-	29,162
Fair Value through other comprehensive income	-	-	-	-	-	-7,877	-	-7,877
Deferred taxes on FVOCI	-	-	-	-	-	-675	-	-675
Cash flow hedge	-	-	-	-	-	-1,330	-	-1,330
Deferred taxes on net investment hedge	-	-	-	-	-	-107	-	-107
Other comprehensive income (loss) for the period, net of taxes	-	-	-	67,404	-	-10,017	794	58,181
Net profit	-	-	-	-	-	58,873	-714	58,159
Total comprehensive income (loss) for the period	-	-	-	67,404	-	48,856	80	116,340
Issue of share capital	3	-	5,430	-	-	-	-	5,433
Share-based payment effects	-	-	-	-	-	7,235	-	7,235
Distribution on hybrid capital	-	-	-	-	-	-24,226	-	-24,226
Dividends	-	-	-	-	-	-51,126	-238	-51,364
Non-controlling interests arising on business combinations	-	-	-	-	-	-6,453	6,098	-355
Balance at June 30, 2019	**1,778**	**-184**	**960,214**	**120,975**	**1,000,000**	**597,811**	**58,932**	**2,739,527**

Notes to the Condensed Interim Consolidated Financial Statements

General

Eurofins Scientific S.E. (the “Company”) and its subsidiaries (“Eurofins” or the “Group”) operate more than 800 laboratories across 47 countries in Europe, North and South America and Asia-Pacific.

Eurofins believes it is a scientific leader in food, environment and pharmaceutical products testing and in agroscience CRO services. It is also one of the independent market leaders in certain testing and laboratory services for genomics, discovery pharmacology, forensics, CDMO, advanced material sciences and for supporting clinical studies. In addition, Eurofins is one of the key 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 stock exchange under the ISIN code FR0000038259 (ticker ERF). The Company’s headoffice is located at 23 Val Fleuri, L-1526 Luxembourg, Grand Duchy of Luxembourg.

In the condensed interim consolidated financial statements and the notes all amounts are shown in EUR thousands and differences of EUR +/- 1 thousand are due to rounding.

These condensed interim consolidated financial statements have been approved for issuance by the Board of Directors on August 26, 2019.

1. Basis of preparation

Eurofins condensed interim consolidated financial statements for the six month period ended June 30, 2019 have been prepared according to IAS 34 – Interim Financial Reporting as adopted in the European Union.

As condensed interim consolidated financial statements, they do not include all information required by International Financial Reporting Standards (IFRS) as adopted in 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 2018 in accordance with IFRS as adopted in 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 consolidated financial statements for the year ended December 31, 2018, except for IFRS 16 and IFRIC 23.

New and amended standards adopted by the Group on the condensed interim consolidated financial statements as of June 30, 2019:

IFRS 16 Leases

The Group leases various offices, laboratories, equipments and cars. Rental contracts are typically made for fixed periods but may have extension and termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

i. Adjustments recognised on adoption of IFRS 16 - transition

The Group has adopted IFRS 16, using the modified retrospective approach from January 1, 2019 and has measured assets as if IFRS 16 had been applied from lease commencement. On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” and were off-balance sheet under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of January 1, 2019. Incremental borrowing rate is calculated based on a portfolio of leases with reasonably similar characteristics (mainly by country) based on swaps rate for Eurozone and USD and government bond yields for the other countries per maturity including a credit risk per country.

The cumulative impact of the adoption has been recognised in retained earnings as of January 1, 2019 and the comparatives for 2018 have not been restated, as permitted under the specific transitional provisions in the standard:

IFRS 16 Impacts EUR Thousands	**Financial statements excluding IFRS 16 impacts December 31, 2018**	**IFRS 16 impacts**	**Financial statements including IFRS 16 impacts January 1, 2019**
Property, plant and equipment	1,018,005	+458,147	1,476,152
Deferred tax assets	44,168	+13,354	57,522
Borrowings	3,157,244	+507,221	3,664,465
Total shareholders' equity	2,722,182	-35,719	2,686,463

The recognised right-of-use assets relate to the following types of assets:

EUR Thousands	**January 1, 2019**
Land, Buildings and leasehold improvements	434,791
Office equipment, furniture and vehicles	23,356
Total Right-Of-Use assets	458,147

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- reliance on previous assessments on whether leases are onerous, and
- application of the two exemptions allowed by IFRS 16. As a result leases with a term of 12 months or less and leases of assets with individual value when new of less than USD 5,000 are not recognised in the balance sheet. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Income Statement. Low-value assets comprise IT-equipment and small items of office furniture.

The difference between the opening debt impact and the commitments as of December 31, 2018 (Note 4.4 of the 2018 annual report) is mainly linked to:

EUR Millions	**January 1, 2019**
Operating lease commitments disclosed as at December 31, 2018	630
Discount rate impact	-92
Leases which concern assets under construction	-57
Differences in the durations applied for termination and extension options that are reasonably certain to be exercised	57
Short-term and low-value leases recognised on a straight-line basis as expense	-23
Part of the non-component leases (mainly maintenance for car leases)	-2
Others	-7
Lease liability recognised as at January 1, 2019	507

ii. Right-of-use and lease liabilites measurement

Starting January 1, 2019, assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments),
- variable lease payment that are based on an index or a rate.

The lease payments are discounted using the lessee's incremental borrowing rate as of January 1, 2019. The weighted average incremental borrowing rate on lease liabilities at January 1, 2019 amounts to 4,98%.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- restoration costs, if any.

iii. Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the company of the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. These considerations were made in the light of the willingness of the Group to maintain a certain degree of flexibility in the management of its real estate portfolio allowing for a quick response from the Group in case of changes in market trends and needs.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

iv. Impairment test

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets. This replaces the previous requirements to recognize a provision for onerous lease contract.

v. IFRS 16 impacts

The following table summarizes the impact on the statement of financial position increase/decrease from IFRS 16 adoption at the end of June 2019:

IFRS 16 Impacts – June 30, 2019 EUR Thousands	**Financial statements including IFRS 16 impacts**	**IFRS 16 impacts**	**Financial statements excluding IFRS 16 impacts**
Property, plant and equipment	1,492,728	-453,665	1,039,063
Borrowings	3,545,975	-504,520	3,041,455
EBITDA	370,912	-62,188	308,724
Depreciation and amortisation	182,243	-50,785	131,458
Net Profit	58,159	+833	58,992
Free cash Flow to the Firm	74,895	-25,642	49,253
Net Capex	-157,067	+35,934	-121,133
Proceeds from borrowings	94,728	-39,119	55,609
Repayments of borrowing	-239,720	+52,217	-187,503

IFRIC 23 'Uncertainty over Income Tax Treatments'

IFRIC 23 issued in June 2017 clarifies the accounting for uncertainties in income taxes under IAS 12 for the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The adoption of IFRIC 23 from January 1, 2019 resulted in changes in accounting policies, but with no adjustments to the amounts recognised in the consolidated financial statements.

The new accounting policies are set out below:

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are potentially a few transactions and calculations for which the ultimate tax determination might been seen as uncertain. In assessing how an uncertain tax treatment may affect the determination of the taxable profit (tax loss), the Group assumes that a taxation authority will examine amounts and have full knowledge of all related information.

In case of uncertainty over income tax treatment resulting from a tax's examination, the Group concludes on the likehood or not that the relevant authority will accept a given tax treatment or a group of tax treatments ("qualitative check", which would trigger the booking of any accrual) and on to the orders of magnitude/ amounts involved ("quantitative check" in this case above EUR 500k). The tax risk amount will be defined by reference to the amount claimed by the tax authorities in a specific case or to the amount estimated by the Group or an external advisor.

The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due, including estimated interest and penalties where appropriate. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Estimates

The preparation of interim financial statements requires management to make judgments, 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 judgments 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, 2018, 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 June 30, 2019	December 31, 2018	Income Statement Average rates H1 2019	H1 2018
US dollar	**1.12**	1.14	**1.13**	1.21
Pound sterling	**0.89**	0.90	**0.87**	0.88
Swedish krona	**10.65**	10.28	**10.52**	10.14
Norwegian krone	**9.78**	9.94	**9.73**	9.60
Danish krone	**7.47**	7.47	**7.46**	7.45
Japanese yen	**121.95**	128.21	**125.00**	131.58
Australian dollar	**1.63**	1.61	**1.60**	1.57
Brazilian Real	**4.31**	4.44	**4.34**	4.12

Alternative performance measures (APM)

Eurofins is providing in the Income Statement certain alternative performance measures (non-IFRS information).

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

Separately disclosed items – include 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, share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal 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.

Mature and recurring activities represented EUR 2,020m and EUR 1,623m of revenues in H1 2019 and H1 2018 respectively.

EBITDA – Earnings before interest, taxes, depreciation and amortisation, share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, loss/gain on disposal and transaction costs related to acquisitions as well as income from reversal of such costs and from unused amounts due for business acquisitions.

EBITAS – EBITDA less depreciation and amortisation.

Share-based payment charge and acquisition-related expenses, net – Share-based payment charge, impairment of goodwill, amortisation of acquired intangible assets, loss/gain on disposal, 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.

EBIT – EBITAS less Share-based payment charge and acquisition-related expenses, net.

Eurofins shows EBITDA, EBITAS as defined in the notes to the Condensed Interim Income Statement 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 these APMs (Alternative Performance Measures) enhances investors' understanding of the Group's core operating results and future prospects, consistent with how management measures and forecasts the Group's performance, especially when comparing such results to previous periods or objectives 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.

These APMs are described in more detail in the Group consolidated financial statements 2018 in Notes 1.27 and 1.28.

Seasonal fluctuations

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

2. Segment information

Although the Group's business is managed on a worldwide basis, it operates in three main geographical areas (same segmentation and measurement as of December 31, 2018). These are Western Europe, North America and the Rest of the World.

The Revenues per segment are as follows:

Revenues EUR Thousands	**H1 2019**	**As % of total**	**H1 2018**	**As % of total**	**% variation H1 2019 – H1 2018**
Western Europe	1,034,288	47.7%	912,269	52.3%	13.4%
North America	798,107	36.8%	552,688	31.7%	44.4%
Rest of the World	335,280	15.5%	278,358	16.0%	20.4%
Total	2,167,675	100.0%	1,743,315	100.0%	24.3%

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

The strong increase in the revenues in "North America", apart from organic growth is mainly linked to the acquisition of :
- Covance Food Solutions which has been consolidated as from August 2018;
- Nanolab Technologies which has been consolidated as from August 2018;
- TestAmerica which has been consolidated as from November 2018.

The increase in the revenues in "Western Europe", apart from organic growth is mainly linked to the acquisition of :
- Phast in Germany which has been consolidated as from June 2018;
- Biolab in France which has been consolidated as from July 2018.

Total inter-segment revenues (not included in the table "Revenues" above) are as follows:

Total inter-segment revenues EUR Thousands	**H1 2019**	**H1 2018**
Western Europe	23,763	20,410
North America	11,130	9,741
Rest of the World	21,033	14,220
Total	55,926	44,371

Revenue is recognised when control of a good or service transfers to a customer. Control either transfers "over time" or "at a point in time". When the control transfers "over time" the entity can recognize revenue with a counterpart in percentage of completion over the duration of the contract. When the control transfers "at a point in time" the revenue is then recognized only when the performance obligation is fulfilled.

The timing of revenue recognition is as follows:

		H1 2019			**H1 2018**	
Revenues EUR Millions	**Total H1 2019**	**At a point in time**	**Over time**	**Total H1 2018**	**At a point in time**	**Over time**
Benelux	134.5	6.7	127.8	119.8	4.4	115.4
France	426.8	199.8	227.0	370.1	179.1	191.0
Germany	220.7	41.3	179.4	199.6	29.1	170.5
Nordic Region	119.0	0.0	119.0	110.6	0.0	110.6
UK and Ireland	133.2	13.2	120.0	112.1	8.3	103.8
Western Europe	1,034.2	261.0	773.2	912.2	220.9	691.3
North America	798.1	134.8	663.3	552.7	122.4	430.3
Rest of the world	335.3	61.9	273.4	278.4	50.5	227.9
Total	2,167.6	457.7	1,709.9	1,743.3	393.8	1,349.5

EBITDA per segment are detailed as follows:

EBITDA EUR Thousands	**H1 2019**	**H1 2018**
Western Europe	168,751	152,156
North America	175,712	116,890
Rest of the World	52,350	40,619
Other[1]	-25,901	-21,864
Total	370,912	287,802

[1] Other corresponds to group services costs for EBITDA, and holding companies transactions for the other captions.

Total assets and capital expenditure are shown in the geographical are in which the assets are located:

Assets EUR Thousands	**H1 2019**	**FY 2018**
Western Europe	3,046,476	2,759,561
North America	3,390,900	3,126,095
Rest of the World	1,037,549	917,301
Other[1]	213,604	402,491
Total	7,688,529	7,205,448

[1] Other corresponds to holding companies transactions.

Investments EUR Thousands	H1 2019	H1 2018
Western Europe	118,017	157,275
North America	120,800	89,259
Rest of the World	62,303	70,901
Other[1]	19,585	54,133
Total	320,705	371,568

[1] Other corresponds to holding companies transactions

Investments include the purchase of property, plant, equipment (EUR 141m) and intangible assets (EUR 20.1m) as well as the change of scope for goodwill (EUR 97.3m) and for intangible assets related to acquisitions and brands (EUR 62.3m).

3. Acquisitions

During the first six months of 2019, the Group performed sixteen acquisitions. These companies have been fully consolidated. Prior to the acquisitions, these entities generated revenues in excess of EUR 95m for the year ended December 31, 2018, and had approximately 1,200 employees.

Company	Country ISO Code	Subsidiary of :	% of interest by the Group	Date of entry
ESL Analyses SAS	FR	Eurofins Analyses pour le Batiment France Holding SAS	100%	01/19
ESL Prélèvement SAS	FR	Eurofins Prélèvement pour le Bâtiment France Holding SAS	100%	01/19
Alpa Chimie Hydrologie SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
Alpa Chimie Micropolluants SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
Alpa Environment Holding France SAS	FR	Eurofins Water Testing LUX SARL	100%	01/19
DIOXAIR Société Nouvelle SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
Alpa Hygiène Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
Alpa Alimentaire Holding France SAS	FR	Eurofins Water Testing LUX SARL	100%	01/19
ISHA Chimie Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
Alpa Chimie Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
Alpa Microbiologie Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
ACP Hygiène Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
ALPABIO SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
ALPABIO Prestations SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
Alpa Support Services SAS	FR	ALPA Environnement Holding France SAS	100%	01/19
ISHA Microbiologie Alimentaire SAS	FR	ALPA Alimentaire Holding France SAS	100%	01/19
Chemical Analysis Pty Ltd.	AU	Eurofins Australia New Zealand Holding Ltd.	100%	04/19
E&E CML Limited	UK	Eurofins Product Testing UK Holding Limited	90%	02/19
Chemtest Holdings Limited	UK	Eurofins Environment Testing UK Holding Limited	95%	02/19
Blue Heron Biotech, LLC	US	Eurofins Viracor, Inc.	100%	04/19
LGS Megalab Analisis Veterinarios SLU	ES	Eurofins LGS Megalab SL	100%	03/19
Métodos Servicios Agrícolas, SL	ES	Eurofins Agroscience Services Iberica Holding SL	100%	03/19
SCM MASSALIA	FR	Eurofins Pathologie SELAS	100%	04/19
Salux Healthcare B.V.	NL	Eurofins Clinical Diagnostics Netherlands Holding BV	100%	03/19
Transplant Genomics Inc.	US	Eurofins Pharma US Holdings II Inc.	100%	06/19
Alfredo Montoro Soriano, SL	ES	Analclinic SA	100%	06/19
AQM HK Limited	CN	Eurofins Product Testing LUX Holding SARL	80%	06/19
Lab Solution Srl	IT	Eurofins Product Testing Italia Holding Srl	85%	06/19

* Please note that for commercial confidentiality and security reasons the information provided above is not comprehensive.

The businesses acquired contributed to Eurofins consolidated revenues for ca. EUR 28m and to consolidated EBITDA for ca. EUR 2m in H1 2019. If the effective dates of these acquisitions would have been January 1, 2019, Group consolidated revenues would have been increased by an additional ca. EUR 17m and consolidated EBITDA increased by an additional EUR 0.4m.

The acquisitions disclosed above have an individual acquisition price below EUR 20m, except Transpland Genomics Inc ("TGI').

End of May 2019, Eurofins closed the acquisition of Transplant Genomics Inc. ("TGI"), a molecular diagnostics company committed to improving organ transplant outcomes with non-invasive serial monitoring guided by genomics.The initial acquisition price paid was EUR 24.3m with a preliminary discounted potential deferred element recorded for EUR 38.9m based upon expected reimbursement price per test and future revenues during the period between 2020 and 2024. This "pre-revenue" company generated EUR 0.6m of revenues and a negative EBITDA of EUR 3.3m with 10 employees in 2018. From acquisition date, a negative EBITDA of 0.6m with no sales were recorded in the condensed consolidated H1 2019 income statement.

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

EUR Thousands	H1 2019
Property plant and equipment	-17,358
Rights of Use on Acquisitions (IFRS 16)	-5,227
Intangible assets	283
Technology, customer relationships and brands	-62,313
Investments	576
Financial assets	8,624
Trade accounts receivable, net	-10,608
Inventories	-4,058
Other receivables	2,526
Deferred income taxes assets	-168
Corporate taxes receivable	-4,166
Cash	-7,558
Current liabilities	16,171
Corporate taxes due	1,423
Borrowings	3,731
Leases on Acquisitions (IFRS 16)	5,227
Pension accrual	1,539
Provisions for risks and restructuring	-29
Deferred income taxes liabilities	4,605
Net Assets Acquired	-66,780
Goodwill	-97,289
Loss on sale on disposal of a subsidiary	-539
Non-controlling interests	-354
Amounts due from business acquisitions on new acquisitions	51,789
Purchase price paid	-113,174
Less Cash	7,558
Amounts due from business acquisitions paid	-9,493
Net Cash Outflow on Acquisitions	**-115,109**
Divided to:	
Cash outflow on acquisitions	*-115,062*
Proceeds from disposals of a subsidiary net of cash transferred	*-47*

As Eurofins carries out multiple acquisitions each year, in accordance with paragraph B64 of IFRS 3, the table above discloses the acquisitions on a aggregate basis if the individual acquisition price is below EUR 100m. Due to their timing, the initial accounting for acquisitions of the period has only been provisionally determined at the balance sheet date.

The Group did not carry out any bargain purchases in 2019.

During the first six months of 2019 the Group continued to pay amounts due to former shareholders of previously acquired companies for EUR 9.5m.

In April 2019, a small Finnish company (FTF Fuel Finland Oy) was disposed of with 2018 revenues close to EUR 0.8m.

The goodwill change of the period is the following:

Goodwill EUR Thousands	**H1 2019**
Opening net book amount	3,418,328
Currency translation differences	39,305
Change in consolidation scope	97,289
Closing net book amount	3,554,922

4. Financial position

EUR Thousands	June 30, 2019	December 31, 2018
Cash and cash equivalents	304,575	506,246
Overdrafts (included in current Borrowings)	-21,811	-11,243
Cash and cash equivalents net of overdrafts at end of period	282,764	495,003

EUR Thousands	June 30, 2019	December 31, 2018
Borrowings (net of issuance costs)[1]	468,649	547,715
Bank overdrafts	21,811	11,243
Leases liabilities	544,801	48,166
of which Leases due to IFRS 16 First application[2]	*504,520*	-
Bonds (net of issuance costs)	1,641,271	1,640,318
Commercial paper[3]	320,500	361,000
Schuldschein loan	548,943	548,802
Cash and cash equivalents	-304,575	-506,246
Net Debt	3,241,400	2,650,998

[1] In H1 2019, Eurofins paid back EUR 130m of bank credit lines and increased by EUR 50m its financial position of bank credit lines.

[2] See Note 1 on IFRS 16.

[3] Eurofins also repaid EUR 40m under its Negotiable European Commercial Paper Programme ("NEU CP").

5. Changes in Shareholders' equity

Share capital: At June 30, 2019, 17,786,135 ordinary shares with a par value of EUR 0.10 per share are outstanding. All issued shares are fully paid. During the first six months of 2019, the number of shares increased by 33,977 due to the exercise of stock options and warrants by some employees for 30,120 new shares and two reserved capital increases subscribed by a contribution in kind for 3,857 new shares. As at June 30, 2019, the Group indirectly owns 400 of the Company's shares (number of own shares at December 31, 2018: 400).

Stock options: Stock options are granted to directors and employees. Movements in the number of stock options outstanding are as follows during H1 2019:

At beginning of the period	681,875
Options granted	217,588
Options exercised	-29,020
Options lost or expired	-43,860
At end of the period	**826,583**

Free shares: Free shares are granted to directors and employees. Movements in the number of free shares are as follows during H1 2019:

At beginning of the period	21,052
Free shares granted	14,928
Free shares lost or expired	-2,169
At end of the period	**33,811**

2014 BSA Leaders warrants:

In June 2014, the Company issued 117,820 capital-providing securities 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 between July 1, 2018 and June 30, 2022. The subscription price was set at EUR 18.15 per warrant.

At beginning of the period	89,600
Warrants exercised	-1,100
At end of the period	**88,500**

2018 BSA Leaders warrants:

In June 2018, Eurofins issued 124,460 capital-providing securities in the form of stock purchase warrants, conferring 2018 BSA Leaders Warrants' holders the right to subscribe for one share of the Company for each 2018 BSA Leaders Warrant at a fixed exercise price of EUR 529.65 between June 1, 2022 and May 31, 2026. The subscription price was set at EUR 34.36 per warrant.

At beginning of the period	124,460
Warrants lost or expired	-6,291
At end of the period	**118,169**

Class A beneficiary units:

Class A beneficiary units, which confer no right to dividends but a right to one vote, are 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 article 12bis of the Company's Articles of Association.

As from July 1, 2017, Class A beneficiary units, which confer no right to dividends but a right to one vote, can be allocated to holders of fully paid-up shares for which (i) proof is provided of registration in the name of the same shareholder for at least three consecutive years as provided for in article 12bis.2 of the Company's Articles of Association (ii) request to subscribe class A beneficiary units is sent in writing by the relevant shareholder to the Company at the latest by June 30, 2020 and (iii) subject to the Company receiving payment of a subscription price of EUR 0.10 per class A beneficiary unit.

The total number of Class A beneficiary units decreased from 6,517,116 as of December 31, 2018 to 6,514,949 as of June 30, 2019.

Class B beneficiary units:

Class B beneficiary units, which confer no right to dividends but a right to one vote, are allocated to holders of fully paid-up shares for which (i) proof is provided of registration in the name of the same shareholder for at least five consecutive years as provided for in article 12bis.3 of the Company's Articles of Association (ii) request to subscribe class B beneficiary units is sent in writing by the relevant shareholder to the Company at the latest by June 30, 2021 and (iii) subject to the Company receiving payment of a subscription price of EUR 0.10 per class B beneficiary unit.

The total number of Class B beneficiary units increased from 3,000,000 as of December 31, 2018 to 4,000,000 as of June 30, 2019.

Hybrid capital:

A EUR 21.0m distribution on hybrid capital has been paid in January 2019 (EUR 300m at 7%) and EUR 14.6m in April 2019 (EUR 300 at 4.875%).

Dividends:

A EUR 51.1m dividend (EUR 2.88 per ordinary share) has been paid in July 2019 to the shareholders and is included in the line "Other current liabilities" in the Balance Sheet as of June 30, 2019.

6. Financial risk management and financial instruments

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results.
The Directors do not consider that the principal risks and uncertainties have changed materially since the publication of the Group's annual financial statements as at December 31, 2018.

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.
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, 2018.
There have been no changes in the risk management approach or in risk management policies since year-end.

Fair value estimation

The carrying and fair values of the financial assets and financial liabilities are as follows as of June 30, 2019:

EUR Thousands	Carrying Value	Financial assets classification				Fair Value
		Loans and receivables	Assets at fair Value through profit and loss (FVPL)	Derivatives used for hedging	FVOCI	
Assets						
Period ended June 30, 2019						
Financial assets and other receivables	52,298	42,473	-		9,825	52,298
Trade accounts receivable	913,691	913,691	-	-		913,691
Other current assets	124,373	124,373	-		-	124,373
Derivative financial instruments	401	-	-		401	401
Short term deposit with banks	1,843	-	1,843		-	1,843
Cash and cash equivalents	302,732	302,732	-		-	302,732
Total	**1,395,338**	**1,383,269**	**1,843**	**-**	**10,226**	**1,395,338**

EUR Thousands	Carrying Value	Financial liabilities classification			Fair Value
		Liabilities at fair value through profit and loss	Derivatives used for hedging	Other financial liabilities at amortised cost	
Liabilities					
Period ended June 30, 2019					
Borrowings (current and non-current)	3,545,975	-	-	3,545,975	3,577,933
Interest and earnings due on hybrid capital	49,046	-	-	49,046	49,046
Amounts due for business acquisitions	167,869	-	-	167,869	167,869
Trade accounts payable, other current liabilities and advance payments received and deferred revenues	941,628	-	-	941,628	941,628
	4,704,518	**-**	**-**	**4,704,518**	**4,736,476**

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).

Amounts due for business acquisitions are valued on Level 3 without re-estimation during H1 2019. Accounting policy is defined in note 1.21 of the 2018 annual report.

There were no transfers between levels during the period.

With the exception of the 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 January 2022 (fair value amount of EUR 511m against a carrying value of EUR 500m);
- A quoted price included in Level 1 of the fair value hierarchy for the Eurobond January 2023 (fair value amount of EUR 520m against a carrying value of EUR 500m)
- A quoted price included in Level 1 of the fair value hierarchy for the Eurobond July 2024 (fair value amount of EUR 651m against a carrying value of EUR 650m).

Derivative financial instrument assets: Exposure to other market risks
The assets corresponded to listed equity derivatives. The fair value of these assets amounted to EUR 45.1m as of December 31, 2018. The variation is resulting from the remainig sale of the listed equity derivative instrument for EUR 47.5m in 2019. This operation has generated a gain of EUR 2.4m in H1 2019.

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 functional currency of either the lender or the borrower. The net investment in hedged foreign operations is worth EUR 1,741m (fully eliminated in consolidation), mainly USD for EUR 1,308m and GBP for EUR 110m. The fair value of hedging represents a cumulated negative value of EUR 40.8m at the end of June 2019 included in “Currency translation differences” in equity.

7. Contingent liabilities

Contingent liabilities are described in more detail in the Annual Report 2018 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 as at December 31, 2018.

Contingent liabilities concerning Boston Heart Diagnotics Inc. are described in more detail in the Annual Report 2018 in Note 3.14. Discussions with the Department of Justice and the previous onwers are still on-going. However Group is indemnified by the former shareholders of BHD for losses arising out of, resulting from, based on or relating to the investigation and qui tam cases, up to the amount of funds held in escrow (USD 30m) or, if not sufficient, payable under the provision for earn-out. The fair value of the probable cash outflows for the Earn-out including the offset mechanism on the pending litigations was estimated at an amount of USD 60m at June 30, 2019, same as at December 31, 2018 and at acquisition time (maximum amount undiscounted).

Securities over borrowings

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

EUR Thousands	**June 30, 2019**	**December 31, 2018**
Bank borrowings secured over buildings and other assets	26,042	21,698
Leases secured over buildings and other assets[1]	40,281	48,366
Bank borrowings secured by covenants and assets	5,310	6,995
Total borrowings and leases secured	*71,633*	*77,059*
Bank borrowings secured by covenants	27	-
Bank borrowings guaranteed by the direct parent of the borrower	158	450
Total	71,819	77,509

[1] Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

All amounts of the above chart are included in the Group’s Condensed Interim Consolidated Balance Sheet.

Tax

The Group operates in 47 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. Tax controls are always on-going. Where the effects 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 judgments to be reasonable in accordance with IFRIC 23 (Note 1); 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 S.C.A., holding of the Martin family. This company owns 36.0% of the Company’s shares and 59.4% of its voting rights as of June 30, 2019.

Transactions with Affiliates or with companies owning shares in Eurofins Group such as Analytical Bioventures S.C.A. 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.” are mainly related to lease agreements on laboratories/ sites used by Eurofins and are as follows:

EUR Millions	H1 2019	H1 2018
Support management services, provided to the related party	0.1	0.1
Support management services, provided to Eurofins	-	-
Receivables from related party	12.0	13.4
Bank guarantees to related party	0.2	0.2
Right of use from related party (IFRS 16)	153.2	-
Lease liabilities to related party (IFRS 16)[2]	177.3	-
Interest expenses to related party (IFRS 16)	4.0	-
Rent expenses to related party[1]	0.7	12.4

[1] Please note that rent expenses from 2019 onwards for EUR 13.8m are accounted for in Depreciation and Interest expenses from 2019 onwards following IFRS 16 implementation.

[2] Lease liabilities to related party were included in commitments in 2018.

9. Change in net working capital

Net working capital stood at 6.4% of revenues impacted by higher days of sales outstanding (DSO) at recently acquired companies (as it usually takes some time to align them to Group standards) and difficulties in collections during the cyber-attack.

10. Cyber-attack

As communicated in an ad-hoc press release on Monday June 24th, since Monday June 17th, the vast majority of affected laboratories' operations had been restored. The production and reporting IT systems of essentially all those that still were not live then became operational again during the following week. Restoration operations continued for a few more weeks for some less important back office and software development systems. Most affected companies worked diligently to catch up on their cyber-attack related backlog in the last two weeks of June.

Eurofins companies alerted and are cooperating with law enforcement agencies and renowned IT forensics and security companies in the investigation of this matter. Forensics investigations have been completed and historic or related dormant threat agents identified were eliminated. Additional security and monitoring tools were deployed since then and world class cyber security experts were engaged. All this will be providing additional protection and monitoring. We are continuing to work intensively with leading cybersecurity experts to further secure our current systems and infrastructure and to add enhanced security features and measures to protect our systems and data. The investigations conducted so far by our internal and external IT forensics experts have concluded that there now should be no significant residual risk from the ransomware attack and have not found evidence of any unauthorised theft or transfer of confidential client data. The security of our client data and of all our IT systems is of the utmost importance to Eurofins. Eurofins companies remain committed to making significant investments in the continuous improvement of the security of their IT systems.

Eurofins being fortunately well insured, it could well be that the full missing margin caused by this criminal act will be compensated by its insurers. Coverage has been confirmed and discussions about exact determination of damages will be on-going for some months. We hope to have brought this close to resolution and to have received at least partial payments by year end. However, unfortunately the significant impact of lost revenues in June due to IT systems disconnection or unavailability, Forensics and remediation costs, renders the comparability of H1 2019 financial statements to those of H1 2018 substantially meaningless. We have attempted to provide indications regarding revenues evolution trends based on year-to-date May 2019 results. As no exact determination of lost revenues and margins for June is possible, correcting results for such estimated effects in our H1 financial statements would be hazardous. Missing revenues in July originated essentially only from Eurofins Forensics UK awaiting government clearance to restart operations which was given at the end of July. As July's revenues growth confirms, the operations of other affected Eurofins companies appears to have fully restarted.

11. Post-closing events

Change of scope:

Since July 1, 2019, Eurofins has completed the acquisition of five companies: two in Environment testing in Spain and in Poland, one in Food testing in France and two in Clinical Diagnostics in France and Brazil. The total annual revenues of these acquisitions were in excess of EUR 32m in 2018 for an acquisition price paid of ca. EUR 40m.

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Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on Review of Interim Financial Information

We have reviewed the accompanying condensed interim consolidated financial statements of Eurofins Scientific S.E. which comprise the condensed interim consolidated balance sheet as of June 30, 2019 and the condensed interim consolidated income statement, the condensed interim statement of comprehensive income, the condensed interim consolidated statement of changes in equity and the condensed interim consolidated cash flow statement for the period then ended and notes to the interim condensed consolidated financial statements including a summary of significant accounting policies and other explanatory notes (the "Interim Financial Information").

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the Interim Financial Information in accordance with the applicable reporting framework and for such internal control as the Board of Directors determines is necessary to enable the preparation and presentation of the Interim Financial Information free from material misstatement whether due to fraud or error.

Responsibilities of the "*Réviseur d'Entreprises Agréé*"

Our responsibility is to express a conclusion on the accompanying Interim Financial Information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the Interim Financial Information, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of the condensed interim consolidated financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information do not give a true and fair view the financial position of the company as at June 30, 2019 and of its financial performance and cash flows for the period then ended in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as adopted in the European Union.

For Deloitte Audit, *Cabinet de Révision Agréé*

David Osville, *Réviseur d'Entreprises Agréé*
Partner

September 2, 2019

Société à responsabilité limitée au capital de 35.000 €
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