

# Consolidated statement of cash flows

<i>(in millions of euros)</i>	<b>First half 2015</b>	<b>First half 2014</b>
Net income (loss) attributable to the owners of the parent	(58)	25
Net income (loss) attributable to non-controlling interests	(1)	(1)
Depreciation, amortization and impairment of tangible and intangible assets (including goodwill) <sup>1</sup>	74	83
Cost of debt (gross)	41	46
Core exposure effect <sup>2</sup>	1	17
Other restatements <sup>3</sup>	35	(65)
<b>CASH FLOWS FROM OPERATIONS BEFORE GROSS COST OF DEBT AND TAX<sup>4</sup></b>	<b>92</b>	<b>105</b>
Decrease (increase) in receivables <sup>5</sup>	(193)	(149)
Decrease (increase) inventories	1	(35)
Increase (decrease) in payables and accrued expenses	173	(34)
Income tax paid	(20)	(23)
Impairment of current assets and accrued contract costs	12	(2)
<b>NET CHANGE IN CURRENT ASSETS AND LIABILITIES</b>	<b>(27)</b>	<b>(243)</b>
<b>NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES</b>	<b>65</b>	<b>(138)</b>
Proceeds from disposals of property, plant and equipment and intangible assets	5	4
Capital expenditures	(74)	(71)
Decrease (increase) in loans granted and short-term financial assets	(1)	(3)
Purchase of shares in consolidated companies, net of cash acquired	(0)	(6)
Proceeds from sale of shares in consolidated companies, net of cash transferred	(0)	(8)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(70)</b>	<b>(84)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS AFTER INVESTING ACTIVITIES</b>	<b>(5)</b>	<b>(222)</b>
Proceeds from long-term borrowings	0	2
Repayments of long-term borrowings	(1)	(1)
Proceeds from (repayments of) short-term borrowings	(46)	(43)
Cash capital increases (reductions)	9	(0)
Interest paid	(58)	(64)
Transactions with owners not resulting in a change of control	-	2
Dividends paid	(0)	(0)
<b>NET CASH GENERATED BY FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(96)</b>	<b>(104)</b>
Net effect of currency translation differences	(24)	(4)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(125)</b>	<b>(330)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>787</b>	<b>968</b>
<b>CASH AND CASH EQUIVALENTS AT PERIOD-END</b>	<b>662</b>	<b>638</b>
<i>of which cash and cash equivalents recorded under assets</i>	<i>681</i>	<i>653</i>
<i>of which short-term bank loans and overdrafts recorded under liabilities</i>	<i>(19)</i>	<i>(15)</i>

<sup>1</sup> Including restructuring costs due to the impairment of non-current assets.

<sup>2</sup> Effect due to the revaluation of Core exposure at its unit weighted average cost, which has no cash impact.

<sup>3</sup> Other restatements for the six months ended June 30, 2015 primarily included (i) a positive 10 million euros in relation to offsetting the Group's income tax charge and (ii) a positive 30 million euros to cancel the net change in operating provisions (including provisions for pensions, restructuring costs and antitrust proceedings).

Other restatements for the six months ended June 30, 2014 included (i) a positive 14 million euros in relation to offsetting the Group's income tax charge and (ii) a negative 59 million euros to cancel the net change in operating provisions (including provisions for pensions, restructuring costs and antitrust).

<sup>4</sup> The Group also uses the "operating cash flow" concept which is mainly calculated after adding back cash outflows relating to restructurings (51 million euros and 29 million euros for the first half of 2015 and 2014, respectively), and deducting gross cost of debt and the current income tax paid during the period.

<sup>5</sup> During the first half of 2015 the Group sold tax receivables for a net cash impact of 22 million euros. These receivables were subsequently derecognized as the sale met the derecognition criteria in IAS 39.