2015 HALF YEAR RESULTS

AT A GLANCE

- REVENUES OF CHF 2.8 BILLION, UP 3.4%
- FREE CASH FLOW OF CHF 164 MILLION, UP CHF 34 MILLION
- ADJUSTED OPERATING INCOME OF CHF 412 MILLION, UP 3.2%
- ADJUSTED OPERATING MARGIN OF 15.0%
- RESTRUCTURING EXPENSE NET OF TAX OF CHF 47 MILLION

JUNE 2015

SGS

FINANCIAL HIGHLIGHTS

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**2 752**	**2 661**	**2 805**
Change in %		*3.4*	*(1.9)*
ADJUSTED EBITDA [1]	**548**	**528**	**554**
Change in %		*3.8*	*(1.1)*
ADJUSTED OPERATING INCOME [1]	**412**	**399**	**420**
Change in %		*3.2*	*(2.0)*
ADJUSTED OPERATING MARGIN IN % [1]	**15.0**	**15.0**	**15.0**
OPERATING INCOME (EBIT)	**333**	**376**	**397**
Change in %		*(11.4)*	*(16.1)*
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF SGS SA	**214**	**241**	**255**
Change in %		*(11.2)*	*(16.1)*
ADJUSTED PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF SGS SA [1]	**275**	**260**	**275**
Change in %		*5.8*	*0.0*
ADJUSTED BASIC EPS (CHF)	**35.99**	**33.92**	**35.82**
BASIC EPS (CHF)	**28.00**	**31.49**	**33.27**
DILUTED EPS (CHF)	**27.98**	**31.34**	**33.11**
CORE OPERATING CASH FLOW	**399**		**260**
(NET DEBT)/NET CASH	**(1 169)**		**(721)**
WEIGHTED AVERAGE NUMBER OF SHARES ('000)	**7 644**		**7 667**
AVERAGE NUMBER OF EMPLOYEES	**84 465**		**82 316**

1. *Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs*
2. *Figures stated on a constant currency basis*

OVERVIEW

The SGS Group delivered first semester revenue growth of 3.4% (constant currency basis) to CHF 2.8 billion, with organic revenue growth of 1.8% and an additional 1.6% contributed by recently acquired companies. Due to the strong Swiss Franc against the majority of currencies in which SGS operates in around the world, Group revenues for the period declined 1.9% in comparison with published figures for June 2014 (historical basis).

Organic growth was impacted by reduced and delayed capital and operating expenditures by our clients in the Oil and Mining industries. These market conditions had a significant impact on three business lines: Oil, Gas & Chemicals Services, Industrial Services and Minerals Services.

Growth was achieved in all other business lines, particularly Automotive Services, Governments & Institutions Services, Environmental Services and Systems & Services Certification.

The Group undertook a number of restructuring measures to align operations with current market conditions resulting in one-off expenses amounting to CHF 64 million (CHF 47 million net of taxes).

EBITDA reached CHF 498 million and represented an adjusted operating income of CHF 412 million versus CHF 399 million in prior year (constant currency basis). The adjusted operating income margin was maintained at the prior year level of 15.0% (constant currency basis) despite challenging market conditions and in line with expectations.

Net financial expenses for the period of CHF 21 million remained at a similar level to prior year. The overall effective tax rate for the period was 26%.

Profit attributable to Equity Holders reached CHF 214 million for the period, down 11.2% over the prior year (constant currency basis), and down 16.1% compared with the CHF 255 million reported in June 2014 due to the increase in restructuring expenses and the strength of the Swiss Franc.

Operating cash flow was exceptionally strong at CHF 296 million for the period. For the first time in the last decade, the Group was able to reduce net working capital by CHF 9 million, compared to an increase of CHF 180 million in prior year. Net investments in fixed assets were CHF 123 million and the Group concluded seven acquisitions during the period amounting to CHF 41 million. The Group paid a dividend of CHF 524 million and financed the share buy-back for a net amount of CHF 144 million.

At 30 June 2015, the Group's net debt position amounted to CHF 1 169 million (30 June 2014: net debt of CHF 721 million) from a net debt position of CHF 340 million at 31 December 2014. The increase is related to the issuance of new corporate bonds for a total of CHF 550 million.

ACQUISITIONS

During the period, the Group completed seven acquisitions, further expanding into new markets and creating a more diverse service offering. With a continued focus on small- to medium-sized companies, the Group acquired one business for Consumer Testing Services in the UK, two businesses for Automotive Services in the USA and in France, and four in Environmental Services; two in Australia and two in Brazil.

These seven companies combined generate revenue of CHF 33 million and operating income of CHF 8 million on an annualised basis.

SIGNIFICANT SHAREHOLDERS

As at 30 June 2015, Mr. August von Finck and members of his family acting in concert held 15.03%, Groupe Bruxelles Lambert acting through Serena SàRL held 15.00%, the Bank of New York Mellon Corporation held 3.30% and BlackRock Inc. held 3.08% of the share capital and voting rights of the Company.

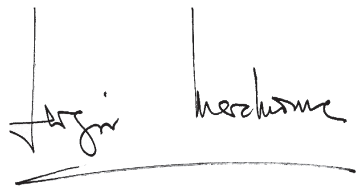
At the same date, SGS Group held 2.77% of the share capital of the Company.

2015 OUTLOOK

The Group expects to deliver organic growth comparable to the first semester, with improved margins and solid cash flow generation.

17 July 2015

Sergio Marchionne
Chairman of the Board



Frankie Ng
Chief Executive Officer

AGRICULTURAL SERVICES

Agricultural Services delivered comparable organic revenue growth of 3.2% to CHF 173 million for the period, sustaining its growth in challenging market conditions. Positive results were bolstered by expansion of the Seed and Crop business, continued growth in trade inspections and laboratory activities and solid growth from fumigation and pest management. Growth across these business activities helped offset the curtailment of collateral management services and continued effects of the fishing ban in Peru, the latter impacted both discharge control and fish meal export monitoring activities. Excluding these impacts, organic growth would have reached 8.6%.

In the Seed and Crop business, expansion was driven by Pan-European agrochemical studies, an increased network of crop research activities in South America and innovative precision farming services in the Southern Hemisphere. Trade inspections remained strong in the period, particularly in Canada which benefited from high onsite grading activity and an increase in vessel and railcar inspections. Laboratory activities experienced double-digit growth as recent investments in network expansion came to fruition.

The adjusted operating margin improved to 15.3% from 14.8% in prior year (constant currency basis) supported by increased volumes in Eastern Europe and Canada. Restructuring measures have been implemented to align organisational structures to changing market demand.

New water management services will be introduced in the second semester and recent seed and crop investments in South America should start to deliver benefits. Trade activities are expected to remain stable through to the end of the year.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**173.0**	**167.6**	**180.5**
Change in %		*3.2*	*(4.2)*
ADJUSTED OPERATING INCOME [1]	**26.5**	**24.8**	**26.9**
Change in %		*6.9*	*(1.5)*
MARGIN % [1]	**15.3**	**14.8**	**14.9**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

MINERALS SERVICES

Minerals Services delivered revenue of CHF 315 million for the period, a 1.9% reduction compared to prior year (constant currency basis). Low exploration expenditure continuing to impact Geochemistry and Metallurgy volumes particularly in Australia and Canada. Strong growth was delivered in Energy Minerals, predominantly in Russia, China, Colombia and South Africa. This was partially offset by coal market contractions in the USA, Australia and Indonesia.

The pace of revenue reduction slowed during the period. Onsite laboratories grew in single digits with two new laboratories coming on line in Russia and Ghana. Trade Services for fertilizer activities experienced double-digit growth and the Energy Minerals business grew by single digits.

Geographically, the business delivered good performance in Europe, Africa, South America and in Asia Pacific, with the exception of Australia.

The adjusted operating income margin for the period decreased from 13.8% in prior year (constant currency basis) to 13.3% as strong pricing pressure continued across all aspects of the service portfolio. This was partially offset by the benefits achieved from better cost alignment including further network consolidation in the USA and Australia. Additional restructuring measures have been implemented to exit unprofitable Oilsands activities in Canada and specific activities in Australia.

The market is expected to remain difficult until demand rises to sufficient levels to stabilise commodity prices. Pricing pressure will remain strong for core testing services.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**314.6**	**320.7**	**341.1**
Change in %		*(1.9)*	*(7.8)*
ADJUSTED OPERATING INCOME [1]	**41.7**	**44.2**	**48.0**
Change in %		*(5.7)*	*(13.1)*
MARGIN % [1]	**13.3**	**13.8**	**14.1**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

OIL, GAS & CHEMICALS SERVICES

Oil, Gas & Chemicals Services delivered comparable organic growth of 0.2% to CHF 554 million for the period, supported by strong demand in trade-related services, offseting the challenges in Upstream.

Trade-related services delivered strong growth benefiting from the high volatility of oil prices which generated higher volumes of trading. Russia benefited from increased crude oil and product exports and solid growth was reported in Africa, Asia Pacific and the Americas.

The business achieved strong growth in Oil Condition Monitoring services in Asia Pacific and in the Middle East from higher sample volumes and increased demand for transformer oil testing. New Fuel Integrity Programmes implemented in the prior year in Europe and the Middle East also progressed well while Plant & Terminal Operations activities sustained growth. A positive pricing strategy along with new contracts helped Metering & Instrumentation contribute high single-digit growth. These strong results partially offset the decline in Upstream services.

The adjusted operating income margin for the period declined from 11.1% in prior year (constant currency basis) to 10.8% mainly due to a change in business mix in high margin Upstream services in certain geographies, specifically with International Oil Companies. Additional restructuring measures have been initiated to further reduce headcount and to realign the cost base.

Several new contracts will come on line in the second semester in New Zealand, Thailand and Malaysia for Upstream activities, along with new contracts in Fuel Integrity Programmes and Oil Condition Monitoring. In addition, new laboratory outsourcing projects in India and new laboratory commissioning projects in the Middle East are expected to bring benefits towards the end of the year.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	554.4	553.4	576.2
Change in %		*0.2*	*(3.8)*
ADJUSTED OPERATING INCOME [1]	60.1	61.7	67.0
Change in %		*(2.6)*	*(10.3)*
MARGIN % [1]	10.8	11.1	11.6

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

LIFE SCIENCE SERVICES

Life Sciences Services delivered comparable organic revenue growth of 0.4% to CHF 100 million for the period with mixed performance across the service portfolio.

Laboratory services delivered high single-digit revenue growth and a significant improvement in overall margin over prior year. A particularly solid performance was achieved in North American and Asian laboratories with increased volumes and better economies of scale driving margin. Clinical Research in Antwerp experienced a slow start to the year due to postponements by clients. This impact was partially offset by strong performance in Biometry which experienced double-digit growth.

The adjusted operating income margin for the period increased to 8.6% from 8.2% in prior year (constant currency basis) due to the strong results of Laboratory Testing which was partially offset by the slow start in Clinical Research operations.

During the period, the business continued its drive towards operational excellence with a strong focus on quality and cost efficiency. The key account and sales management structure has been revised to further improve the sales pipeline.

Major investments in Laboratory Services in India have been completed and are expected to deliver benefits in the second semester. The continued investment and scope expansion in India, France and Italy demonstrate the Group's commitment to drive business growth in Laboratory Services.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	100.2	99.8	107.5
Change in %		*0.4*	*(6.8)*
ADJUSTED OPERATING INCOME [1]	8.6	8.2	9.0
Change in %		*4.9*	*(4.4)*
MARGIN % [1]	8.6	8.2	8.4

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

CONSUMER TESTING SERVICES

Consumer Testing Services (CTS) delivered comparable revenue growth of 5.7% (of which 4.8% organic) to CHF 535 million for the period with strong growth in East Asia, the Americas, Eastern Europe and the Middle East.

Double-digit growth was achieved in the Electrical & Electronics segment especially Wireless and Mobile activities stemming from recent investments in Asia and the USA in Over-The-Air (OTA) and Long-Term Evolution (LTE) technologies. Automotive parts testing enjoyed double-digit contributions in China, India and Germany. Cosmetics, Personal Care and Household delivered strong organic growth in Germany and China in addition to the contribution of recently acquired Courtray laboratory in France. Food Testing activities also performed well in the Asian local markets driven by consumer concerns on Food Safety.

The adjusted operating income margin for the period decreased from 23.4% in prior year (constant currency basis) to 22.3% due to competition in the retail sector in Europe and consolidation and simplification of supply chains along with a reduction of product variances. This resulted in slower growth mainly in Softlines and Hardlines reflecting the general trend of cost reduction measures in the retail industry.

CTS continued to make investments to maintain market leadership, adding new testing capabilities and expanding its global footprint in food testing with the acquisition of SVA Ltd. in the United Kingdom. SVA Ltd. is a leading independent provider of an extensive range of advisory, testing and regulatory services to the food and consumer products industry.

In line with seasonality and continued strong performance in a number of activities, we expect revenue growth to continue in the second semester with a stable or slight improvement in results.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**534.6**	**505.9**	**511.0**
Change in %		*5.7*	*4.6*
ADJUSTED OPERATING INCOME [1]	**119.3**	**118.5**	**116.1**
Change in %		*0.7*	*2.8*
MARGIN % [1]	**22.3**	**23.4**	**22.7**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

SYSTEMS & SERVICES CERTIFICATION

Systems & Services Certification delivered comparable organic revenue growth of 6.6% to CHF 197 million for the period. The training business continues to grow in double digits since the launch of the SGS Academy two years ago. This positive trend, in addition to growth in performance assessment activities support the change in the portfolio mix and help to alleviate margin pressure. Core Management System Certification also experienced good results with strong single-digit growth following the introduction of the new version of ISO 9001.

Many of the business' activities demonstrated solid performance across the world, particularly in Africa, in spite of challenging market conditions during the period. Training activities continue to play a strong role in particular in Africa, where the SGS Academy was launched in five new countries in addition to the expansion of these services in South Africa. Development of Hospitality services gained momentum and several new contracts were signed with leading Hotel Groups in the Health & Safety and Food Safety sectors.

The adjusted operating income margin for the period decreased from 16.0% in prior year (constant currency basis) to 14.5%, mainly impacted by cost pressure in China and strong competition in East Asia.

The success demonstrated from the change in portfolio mix gives the Group confidence that the business will generate solid results in the second semester.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**196.5**	**184.4**	**193.6**
Change in %		*6.6*	*1.5*
ADJUSTED OPERATING INCOME [1]	**28.5**	**29.5**	**30.4**
Change in %		*(3.4)*	*(6.3)*
MARGIN % [1]	**14.5**	**16.0**	**15.7**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

INDUSTRIAL SERVICES

Industrial Services revenue declined by 2.6% (of which 3.3% organic) at constant currency basis to CHF 427 million for the period due to reduced investments, delayed operating expenditure and increased pricing pressure in the Oil & Gas sector in the Americas and South East Asia Pacific. Geotechnical Services to the mining industry in Australia also experienced a sharp slowdown due to lack of new capital and operational expenditures.

China recorded double-digit growth driven by testing, supply chain services and Non-Destructive Testing (NDT) for the equipment and machinery industry. Eastern Europe & Middle East and East Asia reported strong growth following major contract wins. Elsewhere in Europe, revenues have stabilised at prior levels as the region begins to show signs of improvement.

In Mexico, SGS is successfully supervising the Toluca Rail construction project. SGS is in charge of administration, monitoring and control of the project including civil works, electro-mechanical works, workshops and depots and acquisition of new rolling stock. The business also secured two major contract renewals; a three-year contract in Angola for NDT services and a five-year contract in the Middle East for Advanced NDT.

The adjusted operating income margin for the period increased slightly to 11.1% from 11.0% in prior year (constant currency basis), despite a drop in volume and price pressure. Efforts made to align the cost base have mitigated the impact and additional restructuring measures have been initiated to reduce headcount and align organisational structures to the changing market demand.

The expectation of continued growth in China and part of East Asia along with the execution of some delayed projects in North America will likely help to stabilise revenue in the second semester against prior year results.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**426.7**	**438.3**	**472.3**
Change in %		*(2.6)*	*(9.7)*
ADJUSTED OPERATING INCOME [1]	**47.4**	**48.2**	**50.9**
Change in %		*(1.7)*	*(6.9)*
MARGIN % [1]	**11.1**	**11.0**	**10.8**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

ENVIRONMENTAL SERVICES

Environmental Services delivered strong revenue growth of 24.9% (of which 5.2% organic) at constant currency basis to CHF 175 million for the period effectively increasing market share and margins.

In Europe, solid performance was driven by laboratory synergies, operational efficiencies and a larger customer base along with positive impacts from recent acquisitions in the Netherlands and Switzerland. A renewed focus on field and testing services helped cement a position of market leadership in South America. The USA achieved strong performance in the industrial hygiene sector offsetting the seasonal impact from extreme weather in the first quarter.

The market in Australia remains challenging due to pricing pressure from the mining sector. In China and India the business continues to strengthen and diversify services as it moves away from the CDM (Clean Development Mechanism). The implementation of a global key account approach in Health & Safety services has strengthened its industry position and market share.

The adjusted operating income margin for the period improved from 7.8% in prior year (constant currency basis) to 12.9%, reflecting improved productivity in European, Asian and African operations and the impact of acquisitions made in 2014.

During the period, the Group acquired four companies including Western Radiation Services Pty Ltd., Radiation Safety Services Pty Ltd. in Australia, AirServices Estudos e Avaliaçôes Ambientais Ltda. and Cronolab Referência em Análises Químicas e Ambientais Ltda. in Brazil.

The Group foresees continued growth of laboratory testing and field operations in the second semester with an acceleration in Health & Safety services.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**175.3**	**140.3**	**152.4**
Change in %		*24.9*	*15.0*
ADJUSTED OPERATING INCOME [1]	**22.7**	**11.0**	**12.2**
Change in %		*106.4*	*86.1*
MARGIN % [1]	**12.9**	**7.8**	**8.0**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

AUTOMOTIVE SERVICES

Automotive Services delivered strong growth of 12.4% (of which 6.6% organic) at constant currency basis to CHF 152 million for the period with solid results from statutory inspection and commercial activities.

The impact of the liberalisation of the statutory inspection market in the Canary Islands was fully offset by the strong results in Europe, Africa and the Americas. The USA performed well during the period with solid results as Certified Pre-Owned Vehicle Auditing activities ramped up and Vehicle & Engines Testing services produced excellent results following the expansion through acquisition of Testing Services Group (TSG). In Europe, commercial inspection volumes increased following implementation of a Key Account management system over the past years.

Several major contracts were secured during the period including the Ministry of Works & Transport in Uganda awarding SGS with exclusive and countrywide design, construction and management of their Motor Vehicle Inspection Program. In Argentina, SGS was selected for the design, construction and management of Vehicle Inspection Stations in Buenos Aires City.

The adjusted operating income margin for the period decreased from 19.8% in prior year (constant currency basis) to 18.1%, impacted by the liberalisation of the market in the Canary Islands and investments in new resources to develop laboratory testing services.

During the period, the Group acquired two businesses; Testing Services Group LLC, a leading provider of fuel testing systems in the USA and DLH, a provider of vehicle inspections services in France. These acquisitions enable the Group to diversify laboratory testing services and expand its footprint.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**152.0**	**135.2**	**147.4**
Change in %		*12.4*	*3.1*
ADJUSTED OPERATING INCOME [1]	**27.5**	**26.8**	**30.2**
Change in %		*2.6*	*(8.9)*
MARGIN % [1]	**18.1**	**19.8**	**20.5**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

GOVERNMENTS & INSTITUTIONS SERVICES

Governments & Institutions Services delivered comparable organic growth of 8.4% to CHF 125 million for the period, with solid performance from inspection programmes in Europe, Middle East, Africa and Asia.

Product Conformity Assessment added two new contracts in Niger and Gabon and experienced strong double-digit growth in Europe and Asia. Scanning Services, Valuation Services and TransitNet added new contracts in Cameroon, Bangladesh, Benin and Bahrain and continued to deliver strong results. A new contract was also signed in Forestry Services in the Republic of Congo for the deployment of a national Timber Legality and Traceability solution.

In parallel to TradeNet operations in Ghana and Mozambique which reported solid growth, the business strengthened Single Window solutions through consultancy services. At the same time, NGOs and Institutions activities were successfully relaunched.

The business launched SGS e-Valuator®, a technical assistance tool for Customs agents, fully integrated in the Customs process and designed to increase capacity and efficiency of inspections. The new intelligent and cost-effective solution replaces the previous Pre-Shipment Inspections solutions. A new proprietary solution called SGS LegalTrace® was also introduced in Forestry Services.

The adjusted operating income margin for the period increased from 22.6% in prior year (constant currency basis) to 23.4%, boosted by the new service mix and economies of scale.

During the second semester, the Group expects accelerated growth from recently signed contracts, further expansion of the Tracking programme and an increase in demand for Telecom solutions.

(CHF million)	JUNE 2015	JUNE 2014 PRO-FORMA [2]	JUNE 2014
REVENUE	**124.7**	**115.0**	**123.2**
Change in %		*8.4*	*1.2*
ADJUSTED OPERATING INCOME [1]	**29.2**	**26.0**	**29.3**
Change in %		*12.3*	*(0.3)*
MARGIN % [1]	**23.4**	**22.6**	**23.8**

1. Before amortisation of acquisition intangibles, restructuring, transaction and integration-related costs
2. Figures stated on a constant currency basis

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED INCOME STATEMENT

(CHF million)	NOTES	JUNE 2015	JUNE 2014
REVENUE		**2 752**	**2 805**
Salaries, wages and subcontractors' expenses		(1 591)	(1 588)
Depreciation, amortisation and impairment		(165)	(144)
Other operating expenses		(663)	(676)
OPERATING INCOME (EBIT)	3	**333**	**397**
Analysis of Operating income			
Adjusted operating income		412	420
Restructuring costs	3	(64)	(11)
Amortisation of acquisition intangibles		(10)	(10)
Transaction and integration-related costs	3	(5)	(2)
Operating income		**333**	**397**
Net financial expenses		(21)	(23)
PROFIT BEFORE TAXES		**312**	**374**
Taxes		(81)	(101)
PROFIT FOR THE PERIOD		**231**	**273**
Profit attributable to:			
Equity holders of SGS SA		214	255
Non-controlling interests		17	18
BASIC EARNINGS PER SHARE (IN CHF)	4	**28.00**	**33.27**
DILUTED EARNINGS PER SHARE (IN CHF)	4	**27.98**	**33.11**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(CHF million)	JUNE 2015	JUNE 2014
Actuarial gains/(losses) on defined benefit plans	(10)	(22)
Income tax on actuarial gains/(losses) taken directly to equity	-	8
Items that will not be subsequently reclassified to income statement	**(10)**	**(14)**
Exchange differences and other	(319)	(27)
Items that may be subsequently reclassified to income statement	**(319)**	**(27)**
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	**(329)**	**(41)**
Profit for the period	231	273
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(98)**	**232**
Attributable to:		
Equity holders of SGS SA	(100)	224
Non-controlling interests	2	8

CONDENSED CONSOLIDATED BALANCE SHEET

(CHF million)	JUNE 2015	DECEMBER 2014
NON-CURRENT ASSETS		
Land, buildings and equipment	925	1 043
Goodwill and other intangible assets	1 220	1 337
Other non-current assets	639	268
TOTAL NON-CURRENT ASSETS	**2 784**	**2 648**
CURRENT ASSETS		
Trade accounts and notes receivable	910	1 068
Other current assets	706	701
Cash and marketable securities	1 052	1 350
TOTAL CURRENT ASSETS	**2 668**	**3 119**
TOTAL ASSETS	**5 452**	**5 767**
TOTAL EQUITY	**1 643**	**2 403**
NON-CURRENT LIABILITIES		
Loans and obligations under financial leases	2 216	1 672
Provisions and other non-current liabilities	302	347
TOTAL NON-CURRENT LIABILITIES	**2 518**	**2 019**
CURRENT LIABILITIES		
Trade and other payables	484	511
Other liabilities	807	834
TOTAL CURRENT LIABILITIES	**1 291**	**1 345**
TOTAL LIABILITIES	**3 809**	**3 364**
TOTAL EQUITY AND LIABILITIES	**5 452**	**5 767**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(CHF million)	JUNE 2015	JUNE 2014
Profit for the period	231	273
Non-cash items	269	264
Decrease/(Increase) in working capital	9	(180)
Taxes paid	(110)	(97)
Core operating cash flow	*399*	*260*
Non-recurring cash outflows	(103)	-
CASH FLOW FROM OPERATING ACTIVITIES	**296**	**260**
Net (purchase) of fixed assets	(123)	(123)
Net (acquisition) of businesses	(41)	(17)
Investments in long-term bank deposits	(310)	-
Other from investing activities	8	1
CASH FLOW FROM INVESTING ACTIVITIES	**(466)**	**(139)**
Dividend paid to equity holders of SGS SA	(522)	(499)
Dividend paid to non-controlling interests	(2)	(2)
Net cash (paid)/received on treasury shares	(144)	31
Proceeds of corporate bonds	549	362
Interest paid	(34)	(28)
Net flows on interest rate swaps	16	5
(Decrease) in borrowings	(12)	(3)
CASH FLOW FROM FINANCING ACTIVITIES	**(149)**	**(134)**
Currency translation	21	(5)
(DECREASE) IN CASH AND CASH EQUIVALENTS	**(298)**	**(18)**

CONDENSED STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	ATTRIBUTABLE TO		
(CHF million)	EQUITY HOLDERS OF SGS SA	NON-CONTROLLING INTERESTS	TOTAL EQUITY
BALANCE AS AT 1 JANUARY 2014	**2 143**	**69**	**2 212**
Total comprehensive income for the period	224	8	232
Dividends paid	(499)	(2)	(501)
Share-based payments	7	-	7
Movement in non-controlling interests	-	-	-
Movement on treasury shares	31	-	31
BALANCE AS AT 30 JUNE 2014	**1 906**	**75**	**1 981**
BALANCE AS AT 1 JANUARY 2015	**2 327**	**76**	**2 403**
Total comprehensive income for the period	(100)	2	(98)
Dividends paid	(522)	(2)	(524)
Share-based payments	6	-	6
Movement in non-controlling interests	-	-	-
Movement on treasury shares	(144)	-	(144)
BALANCE AS AT 30 JUNE 2015	**1 567**	**76**	**1 643**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed financial statements have been prepared in accordance with the accounting policies applied by the Group in the consolidated financial statements for the year ended 31 December 2014.

Several new amendments and interpretations were adopted effective 1 January 2015 but have no material impact on the Group's consolidated financial statements.

3. SEGMENT INFORMATION

JUNE 2015

(CHF million)	REVENUE	ADJUSTED OPERATING INCOME	AMORTISATION OF ACQUISITION INTANGIBLES	OPERATING INCOME BY BUSINESS
Agricultural Services	173	26	-	26
Minerals Services	315	42	(1)	41
Oil, Gas & Chemicals Services	554	60	(1)	59
Life Science Services	100	9	(1)	8
Consumer Testing Services	535	119	-	119
Systems & Services Certification	196	29	-	29
Industrial Services	427	47	(3)	44
Environmental Services	175	23	(1)	22
Automotive Services	152	28	(3)	25
Governments & Institutions Services	125	29	-	29
TOTAL	**2 752**	**412**	**(10)**	**402**
			Unallocated costs	(69)
			GROUP OPERATING INCOME	**333**

JUNE 2014

(CHF million)	REVENUE	ADJUSTED OPERATING INCOME	AMORTISATION OF ACQUISITION INTANGIBLES	OPERATING INCOME BY BUSINESS
Agricultural Services	181	27	-	27
Minerals Services	341	48	(1)	47
Oil, Gas & Chemicals Services	576	67	(1)	66
Life Science Services	108	9	(1)	8
Consumer Testing Services	511	116	-	116
Systems & Services Certification	194	31	-	31
Industrial Services	472	51	(3)	48
Environmental Services	152	12	(1)	11
Automotive Services	147	30	(3)	27
Governments & Institutions Services	123	29	-	29
TOTAL	**2 805**	**420**	**(10)**	**410**
			Unallocated costs	(13)
			GROUP OPERATING INCOME	**397**

All segment revenues reported above are from external customers.

The adjusted operating income represents the profit earned by each segment. This is the main measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segmental performance.

There have been no material changes to the total assets by segment as disclosed in the last annual financial statements.

Unallocated costs 2015

During the first semester 2015, the Group incurred CHF 5 million of transaction and integration-related costs which have been expensed in accordance with IFRS 3 (revised).

At the same time, the Group incurred a pre-tax restructuring charge of CHF 64 million largely as a result of personnel reorganisation due to the decline in market conditions in certain businesses and geographies (CHF 31 million) as well as fixed asset impairment and other charges (CHF 33 million).

Unallocated costs 2014

During the first semester 2014, the Group incurred CHF 2 million of transaction and integration-related costs which have been expensed in accordance with IFRS 3 (revised).

At the same time, the Group incurred a pre-tax restructuring charge of CHF 11 million, largely as a result of personnel reorganisation due to the decline in the mining sector (CHF 3 million) and other related charges including asset impairments (CHF 8 million).

4. EARNINGS PER SHARE

	JUNE 2015	JUNE 2014
Profit attributable to equity holders of SGS SA (CHF million)	214	255
Weighted average number of shares ('000)	7 644	7 667
BASIC EARNINGS PER SHARE (CHF)	**28.00**	**33.27**
Profit attributable to equity holders of SGS SA (CHF million)	214	255
Diluted weighted average number of shares ('000)	7 650	7 703
DILUTED EARNINGS PER SHARE (CHF)	**27.98**	**33.11**

Adjusted earnings per share:

	JUNE 2015	JUNE 2014
Profit attributable to equity holders of SGS SA (CHF million)	214	255
Amortisation of acquisition intangibles (CHF million)	10	10
Restructuring costs net of tax (CHF million)	47	8
Transaction and integration-related costs net of tax (CHF million)	4	2
Adjusted profit attributable to equity holders of SGS SA (CHF million)	275	275
ADJUSTED BASIC EARNINGS PER SHARE (CHF)	**35.99**	**35.82**
ADJUSTED DILUTED EARNINGS PER SHARE (CHF)	**35.96**	**35.65**

5. FAIR VALUE MEASUREMENT RECOGNISED IN THE BALANCE SHEET

Marketable securities and derivative assets and liabilities are the only financial instruments measured at fair value subsequent to their initial recognition.

Marketable securities of CHF 9 million qualify as Level 1 fair value measurement category. Derivative assets of CHF 36 million and liabilities of CHF 31 million qualify as Level 2 fair value measurement category in accordance with the fair value hierarchy.

Level 1 fair value measurements are those derived from the quoted price in active markets. Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Derivative assets and liabilities consist of foreign currency forward contracts that are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contract.

6. BUSINESS COMBINATIONS AND OTHER SIGNIFICANT TRANSACTIONS

Acquisitions

Since January 2015, the Group has completed seven acquisitions.

SVA Ltd.:

- 100% of SVA Ltd., an independent provider of advisory, testing and regulatory services for the food and consumer products industry, based in United Kingdom.

  This company was acquired for an equivalent of CHF 30 million and the total goodwill generated on this transaction amounted to CHF 15 million.

Other:

- 100% of AirServices Estudos e Avaliações Ambientais Ltda., performing air emission monitoring and testing, as well as environmental studies, based in Sao Paulo, Brazil.
- 100% of Cronolab Referência em Análises Químicas e Ambientais Ltda., providing water, soil and air testing, with a special focus on dioxins and furans, based in Rio de Janeiro, Brazil.
- 100% of Radiation Safety Services Pty Ltd. (RSS), providing transport and disposal of radioactive sources, compliance, calibration, audit and survey, radiation officer training and other training and consulting services related to radiation, headquartered in Mackay, Australia.
- 100% of Western Radiation Services Pty Ltd. (WRS), specialising in the analysis of water, soils, sediment and food for radioactive materials operating out of Perth, Australia.
- 100% of Testing Services Group LLC (TSG), a provider of fuel systems testing for global customers in the automotive, small engine, marine, portable fuel container and US government markets, based in Michigan, USA.
- 100% of DLH, a provider of vehicle inspections services, headquartered in Lyon, France.

These companies were acquired for an equivalent of CHF 16 million and the total goodwill generated on these transactions amounted to CHF 13 million.

All the above transactions contributed a total CHF 7 million in revenues and CHF 2 million in operating income. Had all acquisitions been effective 1 January 2015, the revenues for the period from these acquisitions would have been CHF 17 million and the operating income would have been CHF 4 million. The goodwill arising from some transactions is expected to be tax deductible.

Fair value of assets and liabilities arising from the acquisitions for the period:

(CHF million)	SVA	OTHER	TOTAL
Tangible and other long-term assets	1	2	3
Intangible assets	11	-	11
Trade accounts and notes receivable	3	4	7
Cash and cash equivalents	3	-	3
Other current assets	2	1	3
Current liabilities	(3)	(2)	(5)
Non-current liabilities	(2)	(2)	(4)
NET ASSETS ACQUIRED	**15**	**3**	**18**
Goodwill	15	13	28
TOTAL PURCHASE PRICE	**30**	**16**	**46**
Acquired cash and cash equivalents	(3)	-	(3)
Consideration payable at date of acquisition	-	(2)	(2)
Consideration paid in the period	-	-	-
NET CASH OUTFLOW ON ACQUISITIONS	**27**	**14**	**41**

Due to their timing, the initial accounting for all seven acquisitions has only been provisionally determined at the balance sheet date.

Within the transaction and integration-related costs the Group incurred transaction-related costs of CHF 3 million related to external legal fees, due diligence expenses as well as the costs of maintaining an internal acquisition department. These expenses are reported within other operating expenses in the condensed consolidated income statement.

Consideration payable relates mainly to environmental and commercial warranty clauses.

7. GOODWILL

(CHF million)	2015	2014
COST		
AT 1 JANUARY	**1 105**	**1 009**
Current period acquisitions	28	9
Consideration on prior years' acquisitions	-	-
Exchange differences	(121)	3
AT 30 JUNE	**1 012**	**1 021**

The goodwill arising on acquisitions relates to the value of expected synergies and the value of the qualified workforce that do not meet the criteria for recognition as separable intangible assets.

8. RETIREMENT BENEFIT OBLIGATIONS

During the period, an interim assessment of employee benefit obligations and actual return on plan assets has been performed for the major defined benefit pension plans. A resulting increase in net pension liabilities of CHF 10 million has been recorded.

Following an agreement with the Swiss authorities, an entity previously recognised as a subsidiary is now considered as a Swiss pension fund. This change in the bylaws of the entity led to its deconsolidation and its recognition as a pension fund in the Group's accounts.

9. BONDS AND OTHER FINANCIAL INSTRUMENTS

In January 2015, the company terminated the interest rate swap which hedged the 10-year CHF 275 million corporate bond issued in 2011 with a coupon of 3.0% and maturing in 2021.

Furthermore, in May 2015, the company successfully issued a new eight-year CHF 325 million bond maturing in 2023 with a coupon of 0.25% and a 15-year CHF 225 million bond maturing in 2030 with a coupon of 0.875%. Both bonds have a re-opening clause.

10. APPROVAL OF INTERIM FINANCIAL STATEMENTS AND SUBSEQUENT EVENTS

These condensed interim financial statements were authorised for issue by the Board of Directors on 16 July 2015.

11. EXCHANGE RATES

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

			BALANCE SHEET END OF PERIOD RATES		INCOME STATEMENT AVERAGE RATES	
			JUNE 2015	DECEMBER 2014	JUNE 2015	JUNE 2014
Australia	AUD	100	71.50	80.59	74.23	81.44
Brazil	BRL	100	29.83	36.54	32.12	38.82
Canada	CAD	100	75.09	84.92	76.91	81.26
Chile	CLP	100	0.15	0.16	0.15	0.16
China	CNY	100	15.02	15.92	15.25	14.45
Eurozone	EUR	100	104.10	120.22	105.97	122.14
United Kingdom	GBP	100	146.37	153.47	144.49	148.67
Korea	KRW	100	0.08	0.09	0.09	0.09
India	INR	100	1.46	1.55	1.51	1.47
Taiwan	TWD	100	3.02	3.11	3.04	2.95
USA	USD	100	93.16	98.76	94.83	89.07

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The English version is binding.

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2015 FULL YEAR RESULTS

Wednesday, 20 January 2016

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Monday, 14 March 2016

Geneva, Switzerland

INVESTOR DAYS

Chile - Peru
Thursday - Friday
29-30 October 2015

STOCK EXCHANGE LISTING

SIX Swiss Exchange, SGSN

STOCK EXCHANGE TRADING

SIX Swiss Exchange

COMMON STOCK SYMBOLS

Bloomberg: Registered Share: SGSN.VX

Reuters: Registered Share: SGSN.VX

Telekurs: Registered Share: SGSN

ISIN: Registered Share: CH0002497458

Swiss security number: 249745

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WHEN YOU NEED TO BE SURE