

Half year 2017 management report

The quantitative data contained in this report derive from the Company's customary accounting process. The report was prepared by the Management Company, presented to the Supervisory Board on 4 September 2017 and reviewed by the Statutory Auditors.

I) Operations and performance in the first half of 2017

A) Performance

Net asset value per share¹ stood at €21.15 as of 30 June 2017, after payment of a dividend of €0.65 per share, vs. €21.62 as of 31 December 2016, representing an increase of 0.8% including the dividend, and a decrease of 0.4% from 31 March 2017 (€21.89).

This performance was affected by:

- the change in the euro/dollar exchange rate, which negatively impacted the valuation of certain companies (notably Marlink and several Apax Partners LLP portfolio companies). This reduced NAV by €0.24 per share;
- a decline in valuation multiples: the weighted average multiple declined from 10.46x at end-2016 to 10.32x at end-June 2017 on the Apax Partners France portfolio, which accounts for 89% of total portfolio value (it rose slightly from 13.1x to 13.7x on the Apax Partners LLP portfolio);
- the influence of these two factors should be put into perspective, however, as the operating performance at portfolio companies continued to be favourable.

B) Investments and divestments in the first half of 2017

The Company finalised the investment resulting from the commitment it made last year, investing €9.6m in Unilabs. As Unilabs was at the same time directly held by Altamir, Altamir sold Unilabs, then reinvested in the company via the Apax IX LP fund.

In the first half of 2017, Altamir invested or made new commitments totalling €74.2m (vs. €78m in H1 2016) in **six new companies**. These investments and commitments broke down as follows:

- o a €47.2m commitment, including €37.2m through the Apax France IX fund and €10m through co-investment, in Ciprés, a French leader in supplemental insurance protection for self-employed persons and SMEs;

¹ Ordinary shareholders' portion of NAV, net of tax payable

- a €6m commitment in Syneron Candela, a leading global non-surgical aesthetic device company based in Israel and the United States. This commitment was made via the Apax IX LP fund;
- a €5.7m commitment in Safetykleen Europe, a UK-based leading service provider of surface treatment and chemical application services, with operations in Europe, Brazil, China and Turkey. This commitment was made via the Apax IX LP fund;
- a €3.8m investment to acquire Guotai Junan Securities, one of the leading securities firms in China, listed in Shanghai and Hong Kong. This investment was carried out via the Apax IX LP fund;
- a €3.2m commitment in 3M's former Electronic Monitoring business, a global provider of electronic monitoring systems for government correctional and law enforcement agencies, based in Israel and the United States. This commitment was made via the Apax IX LP fund;
- a €2.8m investment in Kepro, a US provider of care coordination and quality assurance services primarily for US state and federal healthcare payers. This investment was carried out via the Apax IX LP fund;
- a follow-on investment of €2.4m in Vocalcom, to accelerate the company's growth;
- a follow-on investment of €1.8m in Nowo/Oni, related to the renegotiation of its bank borrowings;
- various adjustments to amounts invested, totalling €1m.

Amounts received from net divestments totalled €94.2m (€147.2m in H1 2016), including income and other related revenue, and was composed of the following items:

- €66.1m from the sale of 50% of Altamir's stake in Altran as part of an accelerated placement for institutional investors. Altamir now holds 3.5% of the company's share capital;
- €15.2m from a new sale of Gfi Informatique shares to Mannai Corporation; Altamir now holds 2.5% of the company's share capital;
- €4.6m from the partial sale of GlobalLogic, already generating a multiple of 2.8x the amount invested;
- €3.7m from the release of the remaining amount held in escrow related to the sale of Mobsat Group Holding (Vizada);
- €1.9m from the sale of a remaining stake in GardaWorld, bringing total proceeds to €5.4m, a multiple of 2.3x the amount invested in 2012;
- €1.3m from the sale of the remaining stake in Chola; the investment will have generated a multiple of 2.7x the amount invested;
- €0.8m from the refinancing of Shriram City Union;
- €0.5m following the listing of Evry on the Oslo Stock Exchange;
- €0.1m from Albioma's 2017 cash dividends;

- o The companies rue21 and Answers Corporation were removed from the portfolio with no return for the Apax VIII LP fund.

C) High-quality portfolio

As of 30 June 2017, the Altamir portfolio was made up of 40 holdings. The 12 largest investments represented 82.2% of the portfolio at fair value.

Companies	Acquisition cost (in € m)	Fair value (in € m)	% of the portfolio at fair value
Marlink	59.1	95.7	12.2%
Groupe INSEEC	42.9	85.7	10.9%
Snacks Développement	37.9	78.9	10.0%
Albioma	59.0	76.2	9.7%
THOM Europe	36.6	61.5	7.8%
Altran	18.7	48.5	6.2%
Melita	33.9	42.1	5.4%
InfoVista	39.0	42.1	5.3%
Nowo Oni	22.4	32.0	4.1%
SK FireSafety Group	31.5	31.5	4.0%
Amplitude Surgical	14.0	28.0	3.6%
Alain Afflelou	20.6	23.9	3.0%
Total	415.6	646.1	82.2%

As of 30 June 2017, the value of Altamir's portfolio was €786.5m. It included 78.7% unlisted holdings and 21.3% listed holdings.

D) Cash Holdings

As of 30 June 2017, Altamir's net cash on an IFRS basis was €-12.8m, vs. €-6.8m as of 31 December 2016. Net cash on a statutory basis was €28.3m, vs. €67.3m as of 31 December 2016. The amounts do not include the €66.1m related to the sale of Altran, received after 30 June 2017.

The net cash position on a statutory basis is the most relevant indicator, given that the company's borrowing capacity (10% of the net position) is based on statutory net assets. The difference between the two positions arises mainly from investments made by the Apax France VIII-B (€17m), Apax France IX-B (€9.1m) and Apax IX LP (€16.6m) funds and financed by a line of credit.

For the period from 1 February to 31 July 2017, the Management Company has decided to maintain Altamir's share of any new investment made by the Apax France IX fund at the upper limit of its commitment (€306m).

E) Other events during the first half of 2017

On 26 May 2017, the Company paid a dividend of €0.65 per share to limited partners holding ordinary shares.

In May 2017, Melita, an Apax France VIII fund portfolio company, announced its merger with Vodafone Malta to create a leading integrated communications company serving the Maltese B2B and B2C markets. The transaction is expected to be finalised before the end of the year.

F) Key events since 30 June 2017

Two new commitments; total of eight commitments and investments in the first eight months of the year:

Apax Partners LLP signed agreements with a view to acquiring three new companies:

- **ThoughtWorks**, a US-based global software development and digital transformation consulting company;
- **ECi Software Solutions**: a US provider of enterprise resource planning (ERP) software solutions to small- and medium-sized businesses (SMB) across the distribution, field services, manufacturing and building and construction industries;
- **Matchesfashion.com**: a UK-based global leader in online luxury-fashion retailing offering a collection of over 450 designers; Altamir's investment is estimated at approximately €11m.

Several build-up transactions were also carried out:

- Altran announced the acquisitions of a UK-based cyber security consultancy (Information Risk Management, 82 employees) and an Italy-based embedded software engineering company (NEXT Ingegneria dei Sistemi, 230 employees);
- Unilabs announced new acquisitions in Dubai (Scientific Clinical Laboratories) and Peru (Blufstein), following those already completed in the Slovak and Czech markets and Portugal in the first half of 2017.

G) Objectives

The 2017 objectives set in the beginning of the year included an investment amount of €80m for five or six new acquisitions. As of 30 June 2017, the Company had invested and committed €94m in nine new companies. Similarly, Altamir's €100m goal for divestments has also been virtually met, since the Company has already announced €94m in proceeds. Altamir is therefore expected to exceed its investment and divestment objectives by the end of the year.

II Financial information

A) Valuation of the securities in the portfolio

The valuation methods used for portfolio securities are described in detail in the notes to the consolidated (IFRS) financial statements.

Summary:

Altamir uses valuation methods based on International Private Equity Valuation (IPEV) guidelines, which in turn comply with IFRS (fair value).

B) Half-year 2017 consolidated financial statements

Consolidated (IFRS) income statement

In €k	30/06/2017 6 months	31/12/2016 12 months	30/06/2016 6 months
Changes in fair value	20,907	167,372	15,095
Valuation differences on divestments during the period	3,570	11,133	25,855
Other portfolio income	1,236	1,453	248
Income from portfolio investments	25,713	179,959	41,199
Gross operating income	11,048	156,516	29,889
Net operating income	6,480	128,569	24,865
Net income attributable to ordinary shareholders	6,345	129,020	24,952
Earnings per share	0.17	3.53	0.68

Income from portfolio investments in the first half of 2017 reflected:

a. changes in fair value since 31 December of the previous year;

b. capital gains, calculated as the difference between the sale price of the shares divested and their fair value under IFRS as of 31 December of the previous year.

Gross operating income is calculated after operating expenses for the period.

Net operating income is equal to gross operating income less the share of earnings attributable to the general partner and the holders of Class B shares.

Net income attributable to ordinary shareholders includes investment income and related interest and expenses.

Consolidated (IFRS) balance sheet

In €k	30/06/2017	31/12/2016	30/06/2016
TOTAL NON-CURRENT ASSETS	787,026	875,162	747,798
TOTAL CURRENT ASSETS	97,574	79,846	63,193
TOTAL ASSETS	884,600	955,008	810,991
TOTAL SHAREHOLDERS' EQUITY	772,092	789,503	685,230
PORTION ATTRIBUTABLE TO THE GENERAL PARTNER AND CLASS B SHAREHOLDERS	29,580	44,011	32,805
OTHER NON-CURRENT LIABILITIES	37,475	34,048	21,069
OTHER CURRENT LIABILITIES	45,453	87,447	71,887
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	884,600	955,008	810,991

C) Associated companies

Significant influence is presumed when the Company's percentage of voting rights exceeds 20%.

Investments subject to significant influence are not accounted for by the equity method, as permitted under IAS 28, but they constitute related parties. Closing balances and transactions for the period are presented in the notes to the consolidated statements.

D) Shareholders

As of 30 June 2017, the total number of shares was 36,512,301.

E) Senior management

Attendance fees paid to members of the Supervisory Board with respect to 2016 totalled €250,000.

III) Principal risks

The Management Company has not identified any risks in addition to those indicated in the 2016 Registration Document filed on 11 April 2017 under number D.17-0370.

This document is available on the Company's website: www.altamir.fr.

The risk factors are listed in Section 1.5 of the presentation of the Company and its activities, starting on page 67.

IV) Certification of the half-year financial report

"I hereby certify that, to the best of my knowledge, the condensed financial statements for the half-year period just ended have been prepared in accordance with applicable accounting standards and present a true and fair view of the assets, financial position and results of the Company and of its consolidated group of companies and that the accompanying half-year management report presents a true and fair picture of the important events that took place during the first six months of the year, of their impact on the financial statements, and of the principal transactions between related parties, as well as a description of the principal risks and uncertainties for the remaining six months of the year."

Maurice Tchenio

Chairman and CEO of the Management Company

*This is a free translation into English of the statutory auditors' review report on the interim consolidated financial statements issued in French and is provided solely for the convenience of English-speaking users.
This report also includes information relating to the specific verification of information given in the group's interim management report. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.*

Altamir

For the period from January 1 to June 30, 2017

**Statutory auditors' review report on the half-yearly
financial information**

COREVISE

26 rue Cambacérés
75008 Paris
S.A.S. au capital de €
354.870

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

**ERNST & YOUNG et
Autres**

1 place des Saisons
92400 Courbevoie – Paris-
La-Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Altamir

For the period from January 1 to June 30, 2017

Statutory auditors' review report on the half-yearly financial information

To the Shareholders,

Introduction

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying half-yearly consolidated financial statements of Altamir, for the period from January 1 to June 30, 2017.
- the verification of the information presented in the half-yearly management report.

These half-yearly consolidated financial statements are the responsibility of the Management Company. Our role is to express a conclusion on these financial statements based on our review.



1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the half-yearly consolidated financial statements.

Paris and Paris-La-Défense, September 5, 2017

The Statutory Auditors
French original signed by

COREVISE

ERNST & YOUNG et Autres

Fabien Crégut

Jean-François Nadaud



Consolidated financial statements

1. Consolidated income statement

<i>(in euros)</i>	<i>Note</i>	30 June 2017 6 months	31 December 2016 12 months	30 June 2016 6 months
Changes in fair value		20,906,503	167,372,425	15,095,412
Valuation differences on divestments during the period	<i>6.13</i>	3,570,253	11,133,012	25,854,836
Other portfolio income	<i>6.14</i>	1,236,319	1,453,264	248,258
Income from portfolio investments		25,713,074	179,958,701	41,198,506
Purchases and other external expenses	<i>6.15</i>	-13,245,017	-20,968,997	-8,839,714
Taxes, fees and similar payments	<i>6.16</i>	-1,169,874	-787,537	-787,462
Other income		1	0	0
Other expenses	<i>6.17</i>	-249,970	-1,686,343	-1,686,343
Gross operating income		11,048,214	156,515,825	29,884,987
Provision for Apax France VIII-B, IX-B, Apax VIII LP Class C unitholders		-3,730,046	-17,274,535	-5,560,963
Provision for the general partner and Class B shareholders	<i>6.10</i>	-838,057	-10,672,409	537,290
Net operating income		6,480,111	128,568,882	24,861,314
Income from cash investments	<i>6.18</i>	5,834	818,808	214,381
Financial income	<i>6.19</i>	217,215	314,993	283,470
Interest and similar expenses	<i>6.20</i>	-358,567	-682,917	-407,655
Net income attributable to ordinary shareholders		6,344,594	129,019,766	24,951,511
Earnings per share	<i>6.21</i>	0.17	3.53	0.68
Diluted earnings per share	<i>6.21</i>	0.17	3.53	0.68



2. Statement of comprehensive income

<i>(in euros)</i>	Note	30 June 2017	31 December 2016	30 June 2016
Net income for the period		6,344,594	129,019,766	24,951,511
Actuarial gains (losses) on post-employment benefits				
Taxes on items non-recyclable to profit or loss				
Items non-recyclable to profit or loss				
Gains (losses) on financial assets available for sale				
Gains (losses) on hedging instruments				
Currency translation adjustments				
Taxes on items recyclable to profit or loss				
Items recyclable to profit or loss				
Other comprehensive income				
CONSOLIDATED INCOME	COMPREHENSIVE	6,344,594	129,019,766	24,951,511
Attributable to:				
* owners of the parent company				
* non-controlling shareholders				

3. Consolidated balance sheet

<i>(in euros)</i>	Note	30 June 2017	31 December 2016	30 June 2016
NON-CURRENT ASSETS				
Investment portfolio	6.5	786,473,047	874,582,756	747,480,143
Other non-current financial assets		542,851	576,540	314,472
Sundry receivables		9,900	3,000	3,000
TOTAL NON-CURRENT ASSETS		787,025,797	875,162,296	747,797,615
CURRENT ASSETS				
Sundry receivables	6.6	66,348,773	2,447,323	2,649,761
Other current financial assets	6.7	18,898,524	19,207,830	15,812,244
Cash and cash equivalents	6.8	12,326,896	58,190,639	44,731,285
TOTAL CURRENT ASSETS		97,574,194	79,845,792	63,193,289
TOTAL ASSETS		884,599,991	955,008,088	810,990,904



SHAREHOLDERS' EQUITY

Share capital	6.9	219,259,626	219,259,626	219,259,626
Share premiums		102,492,980	102,492,980	102,492,980
Reserves		443,994,863	338,730,142	338,526,074
Net income for the year		6,344,594	129,019,766	24,951,511
TOTAL SHAREHOLDERS' EQUITY		772,092,063	789,502,514	685,230,191
AMOUNT ATTRIBUTABLE TO GENERAL				
PARTNER AND CLASS B SHAREHOLDERS	6.10	29,580,020	44,010,653	32,804,678
Other liabilities	6.11	37,474,824	34,047,809	21,069,065
Provisions		0	0	0
OTHER NON-CURRENT LIABILITIES		37,474,824	34,047,809	21,069,065
Other financial liabilities	6.12	43,995,014	84,247,936	70,557,896
Trade payables and related accounts		1,456,160	3,197,874	1,328,698
Other liabilities		1,909	1,301	375
OTHER CURRENT LIABILITIES		45,453,083	87,447,111	71,886,969
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		884,599,991	955,008,088	810,990,904

4. Statement of changes in shareholders' equity

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in euros)	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	TOTAL
Shareholders' equity as of 31 December 2015	219,259,626	102,492,980	-487,567	246,243,765	111,772,650	679,281,454
Net income for the period					24,951,511	24,951,511
Total income and expenses recognised in the period	0	0	0	0	24,951,511	24,951,511
Transactions on treasury shares			31,774	-28,782		2,992
Allocation of income				111,772,650	-111,772,650	0
Reclassification - Maisons Du Monde				1,426,343		1,426,343
Distribution of dividends to ordinary shareholders, May 2016				-20,432,108		-20,432,108
SHAREHOLDERS' EQUITY as of 30 June 2016	219,259,626	102,492,980	-455,793	338,981,867	24,951,511	685,230,191

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in euros)	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	TOTAL
SHAREHOLDERS' EQUITY as of 30 June 2016	219,259,626	102,492,980	-455,793	338,981,867	24,951,511	685,230,191
Net income for the period					129,019,766	129,019,766
Total income and expenses recognised in the period	0	0	0	0	129,019,766	129,019,766
Transactions on treasury shares			129,450	74,618		204,068
SHAREHOLDERS' EQUITY as of 31 December 2016	219,259,626	102,492,980	-326,343	339,056,485	129,019,766	789,502,514



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

<i>(in euros)</i>	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	TOTAL
SHAREHOLDERS' EQUITY as of 31 December 2016	219,259,626	102,492,980	-326,343	339,056,485	129,019,766	789,502,514
Net income for the period					6,344,594	6,344,594
Total income and expenses recognised in the period	0	0	0	0	6,344,594	6,344,594
Transactions on treasury shares			-118,917	85,227		-33,690
Allocation of income				129,019,766	-129,019,766	0
Distribution of dividends to ordinary shareholders, May 2017				-23,721,356		-23,721,356
SHAREHOLDERS' EQUITY as of 30 June 2017	219,259,626	102,492,980	-445,260	444,440,123	6,344,594	772,092,063

5. Statement of cash flows

<i>(in euros)</i>	<i>Note</i>	30 June 2017 6 months	31 December 2016 12 months	30 June 2016 6 months
Investments		-31,444,039	-194,035,316	-161,034,519
Shareholder loans granted to portfolio companies		-1,077,341	-22,440,323	-1,487,834
Shareholder loans repaid by portfolio companies		11,434,467	8,619,271	2,350,679
Total investments		-21,086,914	-207,856,368	-160,171,674
Divestment of equity investments		133,673,379	205,040,489	146,903,218
Interest and other portfolio income received		177,421	102,891	109,386
Dividends received		1,058,898	1,350,373	138,873
Change in WCR		-80,791,257	-20,789,752	-6,952,769
Income received on marketable securities		5,834	818,808	214,381
Cash flows from operating activities		33,037,361	-21,333,560	-19,758,577
Dividends paid to ordinary shareholders		-23,721,356	-20,432,108	-20,432,108
AARC investment		0	5,246	5,246
Apax France VIII-B capital calls		0	71,514	63,654
Apax France IX-B capital calls		341,862	303,031	303,031
Deposits and security deposits		0	-63,000	0
Transactions on treasury shares		0	0	-5,000
Amount attributable to the general partner and Class B shareholders		-15,268,690	-5,801,751	-5,801,751
Repayment of borrowings		-53,936,391	-8,800,000	-8,800,000
Issue of borrowings		13,683,469	84,247,936	69,163,461
Cash flows from financing activities		-78,901,105	49,530,868	34,496,532
Net change in cash and cash equivalents		-45,863,746	28,197,309	14,737,955
Cash and cash equivalents at opening		58,190,639	29,993,330	29,993,330
Cash and cash equivalents at closing	<i>6.8</i>	12,326,896	58,190,639	44,731,285

6. Notes to the consolidated (IFRS) financial statements

6.1 Entity presenting the financial statements

Altamir (the "Company") is a French partnership limited by shares governed by Articles L.226.1 to L.226.14 of the French Commercial Code. Its principal activity is the acquisition of equity interests in



other companies. The Company opted to become a “*société de capital risque*” (special tax status for certain private equity and other investment companies) as of financial year 1996.

The Company is domiciled in France.

Altamir presents its consolidated financial statements including the Apax France VIII-B private equity fund, in which it holds a 99.90% stake, the Apax France IX-B private equity fund, in which it holds a 99% stake, and Financière Hélios SASU, in which it holds a 100% stake.

Basis of preparation

a) Declaration of conformity

Pursuant to European Regulation 1606/2002 of 19 July 2002, Altamir’s half-year 2017 consolidated financial statements of Altamir have been prepared in compliance with IAS/IFRS international accounting standards as adopted by the European Union and available on its website http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

Altamir’s half-year consolidated financial statements have been prepared in compliance with IAS 34 “Interim Financial Reporting”. They do not include all information required for the preparation of the annual consolidated financial statements and must be read in conjunction with the consolidated financial statements for the financial year ended 31 December 2016, which appear in the Registration Document filed with the French Financial Market Authority (AMF) on 11 April 2017 under number D.17-0370.

The accounting rules and methods applied to the annual financial statements are identical to those used to prepare the consolidated financial statements for the financial year ended 31 December 2016 inasmuch as the new IFRSs (standards, amendments, or IFRIC interpretations) that became applicable on 1 January 2017 did not have an impact on the Group’s consolidated financial statements.

These consolidated financial statements cover the period from 1 January to 30 June 2017. They were approved by the Management Company on 4 September 2017.

b) Valuation bases

The consolidated financial statements are prepared on a fair value basis for the following items:

- financial instruments for which the Company has chosen the "fair value through profit or loss" option, pursuant to the provisions of IAS 39 (by application of the fair value option) and IAS 28 for "venture capital organisations" whose purpose is to hold a portfolio of securities with a view to selling them in the short or medium term;
- derivative financial instruments;
- the amounts attributable to the general partner and Class B shareholders; and
- the amounts attributable to Apax France VIII-B and Apax France IX-B Class C unitholders.

The methods used to measure fair value are discussed in note 6.3.

c) Operating currency and presentation currency

The consolidated (IFRS) financial statements are presented in euros, which is the Company's operating currency.

d) Use of estimates and judgements



The preparation of financial statements under IFRS requires management to formulate judgements and to use estimates and assumptions that may affect the application of accounting methods and the amounts of assets, liabilities, income and expenses. Actual values may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. The impact of changes in accounting estimates is accounted for during the period of the change and in all subsequent periods affected.

More specifically, information about the principal sources of uncertainty regarding the estimates and judgements made in applying the accounting methods that have the most significant impact on the amounts recognised in the financial statements is described in note 6.4 on the determination of fair value.

e) Key assumptions

Continuity of operations is based on key assumptions including availability of sufficient cash flow until 30 June 2018. The Company has credit lines totaling €60m, undrawn as of 30 June 2017, €12.3m in cash equivalents and €18.9m in other financial assets that the Company considers as cash. As an SCR, Altamir's debt may not exceed 10% of its statutory net asset value, i.e. €60.3m as of 30 June 2017.

6.3 Determination of fair value

Altamir uses principles of fair value measurement that are in accordance with IFRS 13:

Category 1 shares

Companies whose shares are traded on an active market ("listed").

The shares of listed companies are valued at the last stock market price, without adjustment, except for those cases set out in IFRS 13.

Category 2 shares

Companies whose shares are not traded on an active market ("unlisted"), but are valued based on directly or indirectly observable data. Observable data are prepared using market data, such as information published on actual events or transactions, and reflect assumptions that market participants would use to determine the price of an asset or liability.

An adjustment to level 2 data that has a significant impact on fair value may cause a reclassification to level 3 if it makes use of unobservable data.

Category 3 shares

Companies whose shares are not traded on an active market ("unlisted"), and are valued based on unobservable data.



6.4 Significant events during the year

6.4.1 Investments and divestments

The Company invested and committed €74.2m in H1 2017, which broke down as follows:

1) €68.6m in six new investments:

- €47.2m in CIPRÉS Assurances, a French leader in supplemental insurance protection for self-employed persons and SMEs. This investment was carried out via and alongside the Apax IX-B fund; specifically, €37.2m were invested through the fund and €10m through co-investment;
- €21.4m via the Apax IX LP fund, in five new companies:
 - o ~€6m in Syneron Candela, a leading global non-surgical aesthetic device company based in Israel and the United States,
 - o ~€5.7m in Safetykleen Europe, a UK-based service provider of surface treatment and chemical application services, with operations in Europe, Brazil, China and Turkey,
 - o €3.8m in Guotai Junan Securities, one of the leading securities firms in China, listed in Shanghai and Hong Kong,
 - o €3.2m in the former electronic monitoring business of the 3M group (formerly known as Attenti) based in Israel and the United States, which develops, manufactures and markets remote monitoring solutions for correctional and law enforcement agencies,
 - o €2.8m in Kepro, a US provider of care coordination and quality assurance services primarily for US state and federal healthcare payers;

2) €5.6m in follow-on investments and commitments in portfolio companies:

- €2.4m in Vocalcom,
- €1.8m in Nowo Oni,
- €0.3m in Assured Partners,
- €0.3m in Azelis,
- €0.2m of follow-on investments and adjustments in other portfolio companies,
- lastly, a €0.6m adjustment for Unilabs, to which a commitment was made at the end of 2016. The actual amount invested exceeded the announced figure (see next paragraph).

The Apax IX LP fund finalised the investment in Unilabs, to which a €9m commitment had been made the previous year.

The volume of sale proceeds and revenue realised or signed amounted to €94.2m, comprising sale proceeds of €93m and revenues of €1.2m.



The €94.2m primarily included:

- €66.1m from the sale of 50% of Altamir's stake in Altran as part of an accelerated bookbuilding for institutional investors. Altamir now holds 3.5% of the company's share capital;
- €15.2m from a new sale of Gfi Informatique shares to Mannai Corporation; Altamir now holds 2.5% of the company's share capital, via Itefin Participations;
- €4.6m from the partial sale of GlobalLogic, already generating a multiple of 2.8x the amount invested;
- €3.7m from the release of the remaining amount held in escrow related to the sale of Mobsat Group Holding;
- €1.9m from the sale of a remaining stake in GardaWorld, bringing total proceeds to €5.4m, a multiple of 2.3x the amount invested in 2012;
- €1.3m from the sale of the remaining stake in Chola; the investment will have generated a multiple of 2.7x the amount invested;
- €0.8m from the refinancing of Shriram City Union;
- €0.5m following the listing of Evry on the Oslo Stock Exchange;
- €0.1m from Albioma's 2017 cash dividends.
- The US company rue21 filed for a Chapter 11 bankruptcy reorganisation. It was therefore removed from the Apax VIII LP fund portfolio, with no projected return on the investment. The fund also removed Answers Corporation from its portfolio, while maintaining a small receivable from the company.

The Company also finalised the sale of Unilabs, announced at the end of 2016, and received proceeds of €41.1m (vs. €41.2m announced at end-2016).

6.4.2 Other events

As announced at the annual results presentation, the Company renegotiated its overdraft lines, increasing them to €60m. As of 30 June 2017, these lines were undrawn.

6.4.3 Key events since 30 June 2017

Altamir received the proceeds from the sale of Altran shares through an accelerated bookbuilding in June 2017, amounting to €65m.



The Apax France IX fund finalised its acquisition of Ciprés.

The Apax VIII LP fund received the proceeds from the stock market listing of Evry.

The Apax IX LP fund finalised the acquisition of three companies, SafetyKleen and Syneron Candela, and announced the acquisition of ECi Software and ThoughtWorks, two US players in TMT, as well as Matchesfashion.com, a UK-based online luxury-fashion retailing.

6.5 Investment portfolio

PORTFOLIO BREAKDOWN AS OF 30/06/2017

Level 1 - quoted on an active market	167,533,627
Level 2 - valuation based on techniques using observable market data	585,029,201
Level 3 - inputs not based on observable market data	33,910,219
	<hr/>
	786,473,047

Changes in the portfolio during the year were as follows:

(in euros)

	<hr/> Portfolio <hr/>
Fair value as of 31 December 2016	874,582,756
Investments	31,444,039
Changes in shareholder loans	(10,357,126)
Divestments	(130,103,126)
Changes in fair value	20,906,503
Fair value as of 30 June 2017	<hr/> 786,473,047 <hr/>
Of which positive changes in fair value	57,778,905
Of which negative changes in fair value	(36,872,402)



Changes in the Level 3 investment portfolio during the year were as follows:

<i>(in euros)</i>	<u>Portfolio</u>
Fair value as of 31 December 2016	33,108,795
Acquisitions	-
Divestments	-
Changes in fair value	801,424
Fair value as of 30 June 2017	33,910,219

Changes in the Level 2 investment portfolio during the year were as follows:

<i>(in euros)</i>	<u>Portfolio</u>
Fair value as of 31 December 2016	644,527,483
Acquisitions	17,113,896
Divestments	(67,623,039)
Change of category from Level 2 to Level 1	(8,140,000)
Changes in fair value	(849,140)
Fair value as of 30 June 2017	585,029,201

Valuation methods are based on the determination of fair value as described in paragraph 6.3.

	30 June 2017	31 December 2016
% of listed instruments in the portfolio	23.2%	26.0%
% of listed instruments in NAV	23.7%	28.8%



Portfolio breakdown according to the degree of maturity of the investments:

<i>(in euros)</i>	30 June 2017	31 December 2016
Stage of development		
LBO	718,692,428	751,528,208
Growth capital	67,780,618	123,054,547
Portfolio total	786,473,047	874,582,756

<i>(in euros)</i>	30 June 2017	31 December 2016
Industry		
Business & Financial Services	318,513,083	295,804,212
Technology, Media and Telecom (TMT)	220,707,202	285,004,496
Retail & Consumer	195,160,394	216,838,205
Healthcare	52,092,368	76,935,843
Portfolio total	786,473,047	874,582,756

6.6 Sundry current receivables

Sundry current receivables mainly relate to a €66.1m receivable due from Altran, which was received in August 2017.

6.7 Other current financial assets

Other current financial assets mainly relate to an Allianz tax-efficient capitalisation fund valued at €16.1m using the amortised cost method, including capitalised interest.

6.8 Cash and cash equivalents

This item broke down as follows:

<i>(in euros)</i>	30 June 2017	31 December 2016	30 June 2016
Money-market funds	376	376	376
Time deposits	-	5,000,833	29,073,731
Cash on hand	12,326,521	53,189,430	15,657,178
Cash and cash equivalents	12,326,896	58,190,639	44,731,285
Bank overdraft	-	-	-
Cash shown in the statement of cash flows	12,326,896	58,190,639	44,731,285



6.9 Shareholders' equity

The number of shares outstanding for each of the categories is presented below:

<i>(number of shares)</i>	30 June 2017		31 December 2016	
	Ordinary Shares	Class B shares	Ordinary Shares	Class B shares
Shares outstanding at start of year	36,512,301	18,582	36,512,301	18,582
Shares outstanding at end of year	36,512,301	18,582	36,512,301	18,582
Shares held in treasury	19,945	12,164	16,632	12,164
Shares outstanding at end of year	36,492,356	6,418	36,495,669	6,418
NAV per ordinary share (cons. shareholders' equity/ordinary shares)	21.16		21.63	

<i>(euros)</i>	30 June 2017			31 December 2016		
	Ordinary Shares	Class B shares	Total	Ordinary Shares	Class B shares	Total
Par value at end of year	6.00	10.00		6.00	10.00	
Share capital	219,073,806	185,820	219,259,626	219,073,806	185,820	219,259,626

The dividend paid to the limited shareholders in 2017 for the financial year 2016 was €0.65 per ordinary share outstanding (excluding treasury shares). The NAV per ordinary share (excluding treasury shares) was €21.16 as of 30 June 2017 (€21.63 per share as of 31 December 2016).

6.10 Amount attributable to general partner and Class B shareholders

This item broke down as follows:

<i>(in euros)</i>	30 June 2017	31 December 2016
Amount attributable to general partner and Class B shareholders	29,580,020	44,010,653
Class B warrants	-	-
Total amount attributable to general partner and Class B shareholders	29,580,020	44,010,653

The Class B warrants expired on 29 November 2016.

The change in the amount attributable to the general partner and Class B shareholders during the year is detailed below:

<i>(in euros)</i>	30 June 2017	31 December 2016
At opening	44,010,653	39,139,995
Amount paid during the financial year	(15,268,690)	(5,801,751)
Amount attributable to general partner and Class B shareholders on earnings of the period	838,057	10,672,409
Amount attributable to general partner and Class B shareholders	29,580,020	44,010,653

6.11 Amount attributable to Apax France VIII-B/Apax VIII LP/Apax France IX-B Class C unitholders



This line item relates to unrealised capital gains owing to Class C unitholders of Apax France VIII-B, Apax VIII LP and Apax France IX-B of €29.8m, €4.9m and €2.7m, respectively, based on these funds' performance. These liabilities are due in more than one year.

6.12 Other current financial liabilities

As of 30 June 2017, this line item primarily included debts to Apax France IX-B (€10.4m) and Apax IX LP (€16.6m), corresponding to investments made that Altamir has not yet been asked to fund. This line item also includes €17m outstanding under the line of credit used by Apax France VIII-B.

6.13 Valuation differences on divestments during the year

<i>(in euros)</i>	<u>30 June 2017</u>	<u>30 June 2016</u>
Sale price	133,673,379	146,903,218
Fair value at start of year	130,103,126	121,048,382
Impact on income	<u>3,570,253</u>	<u>25,854,836</u>
Of which positive price spread on divestments	6,392,004	26,727,663
Of which negative price spread on divestments	(2,821,750)	(872,828)

6.14 Other portfolio income

<i>(in euros)</i>	<u>30 June 2017</u>	<u>30 June 2016</u>
Interest and other portfolio income received	177,421	109,386
Dividends	1,058,898	138,873
Total	<u>1,236,319</u>	<u>248,258</u>

6.15 Purchases and other external expenses (including VAT)

Purchases and other external expenses broke down as follows:



(in euros)

	30 June 2017	30 June 2016	30 June 2015	30 June 2014
Direct fees (incl. Tax) : (1)	5,409,626	4,601,951	5,509,207	4,939,823
Altamir Gérance management fees (excl. Tax)	3,213,240	2,922,013	3,651,894	3,282,945
Non-recoverable VAT on Altamir Gérance management fees	642,648	584,403	730,379	656,589
Other fees and expenses (incl. Tax)	1,553,739	1,095,535	1,126,934	1,000,289
* including fees related to the portfolio	28,387	934	93,945	92,605
* including recharges for services, administration and investor relations	381,382	425,169	311,727	353,129
* including fees related to overdraft lines	422,223	70,272	309,313	62,490
Indirect fees (incl. tax):	7,835,390	4,237,763	3,893,978	3,626,119
Apax France VIII-B, Apax VIII LP, Phénix, Apia Vista, Apax France IX-B and Apax IX LP management fees	6,052,286	1,923,834	3,002,331	2,984,349
Other Apax France VIII-B, Apax VIII LP, Phénix, Apia Vista, Apax France IX-B and Apax IX LP expenses	1,783,104	2,313,929	891,646	641,769
TOTAL EXPENSES AND EXTERNAL PURCHASES (2)	13,245,017	8,839,714	9,403,185	8,565,942
Direct investments at cost				
Subscription commitments in the Apax funds	175,342,483	247,793,608	301,027,081	317,572,515
	803,776,407	417,176,379	339,720,000	339,720,000
CAPITAL COMMITTED AND INVESTED	979,118,890	664,969,987	640,747,081	657,292,515
(1) / Average NAV.	0.74%	0.67%	0.85%	0.85%
(2) / Average capital committed and invested	1.61%	1.35%	1.45%	1.29%

As of 30 June 2017, direct fees represented 0.74% of average NAV, and total fees represented 1.61% of average committed and invested capital.

The management fees of €3.9m (including VAT) invoiced by the Management Company were calculated pursuant to Article 17.1 of the Company's Articles of Association. This amount is stable compared with 30 June 2016 and lower than on 30 June 2015 because fees invoiced by the new Apax France IX-B and Apax IX LP funds were deducted.

The other fees and expenses of €1.6m (including VAT) included:

- €0.4m (including VAT) for accounting, investor relations and financial services provided to the Company by Altamir Gérance in accordance with a services agreement dated 9 July 2013;
- fees of €0.4m relating to credit lines (structuring costs and non-use fees); and
- external consultancy fees of €0.03m.

These costs were higher than those of H1 2016, mainly due to the setup of a new banking pool.

Indirect fees rose from €4.2m to €7.8m as a result of the subscription to the two new funds, Apax France IX-B and Apax IX LP. The period ended on 30 June 2016 only included three months of fees for the Apax France IX-B fund and one month for the Apax IX LP fund, versus six months of fees for each of the two funds during the period ended on 30 June 2017.

6.16 Taxes, fees and similar payments

The balance of €1.2m corresponded to the 3% tax paid on dividends distributed in 2017 with respect to the 2016 financial year.



6.17 Other expenses

Other expenses of €0.3m related to attendance fees paid in 2017 in respect of 2016.

6.18 Income from cash investments

This item related to interest earned or accrued in the second half of 2017 on time deposits and money-market mutual funds (SICAVs).

The expected return on these investments in 2017 is 0.31%.

6.19 Financial income

Financial income corresponded primarily to a €217k change in the unrealised gain on the Allianz tax-efficient capitalisation fund.

6.20 Interest and similar expenses

This line item primarily corresponded to interest paid on the drawn credit lines and on the bank overdraft.

6.21 Earnings per share

The weighted average number of shares outstanding reflects the exclusion of treasury shares.

Basic earnings per share	30 June 2017	30 June 2016
Numerator (in euros)		
Income for the period attributable to ordinary shareholders	6,344,594	24,951,511
Denominator		
Number of shares outstanding at start of year	36,512,301	36,512,301
Effect of treasury shares	(18,289)	(33,714)
Effect of capital increase	-	-
Weighted average number of shares during the year (basic)	36,494,012	36,478,588
Earnings per share (basic)	0.17	0.68
Earnings per share (diluted)	0.17	0.68

6.22 Related parties

In accordance with IAS 24, related parties are as follows:



(a) Shareholders

Apax Partners SA as the investment advisor and Altamir Gérance as the Management Company invoiced the Company for total fees of €3,855,888 including tax in the first half of 2017 (€6,949,859 including tax in all of 2016).

The amount remaining payable as of 30 June 2017 was €80,757 (€93,742 as of 31 December 2016). The amount receivable as of 30 June 2017 was €80,663 (no amount receivable as of 31 December 2016).

(b) Associated enterprises

A significant influence is presumed when the equity interest of the Company exceeds 20%.

Investments subject to significant influence are not accounted for by the equity method, as allowed under IAS 28, but they constitute related parties. The closing balances and transactions for the year with these companies are presented below:

<i>(in euros)</i>	30 June 2017	30 June 2016
Income statement		
Valuation differences on divestments during the period	(4,347,403)	7,637,209
Changes in fair value	13,462,857	21,513,139
Other portfolio income	-	-
Balance sheet		
Investment portfolio	387,905,212	395,415,392
Sundry receivables	1,186,909	2,394,636

(c) Senior management

Attendance fees paid in 2017 to members of the Supervisory Board with respect to 2016 totalled €249,970.

Contingent liabilities

The contingent liabilities of the Company broke down as follows:



<i>(in euros)</i>	30/06/2017	31/12/2016
Irrevocable purchase obligations (investment commitments)	0	172,514
Other long-term obligations (liability guarantees and other)	6,184,051	6,184,051
Total	6,184,051	6,356,565
Altamir's investment commitments in Apax France VIII-B	16,877,068	16,877,068
Altamir's investment commitments in Apax France IX-B	242,065,645	295,950,000
Altamir's investment commitments in Apax IX EUR LP	133,170,000	138,000,000
Altamir's investment commitments in Apia Ciprés	10,000,000	0
Total	408,296,764	457,183,633

The tables above show the subscription commitments not yet called as of 30 June 2017 and as of 31 December 2016.

Altamir has committed to investing €276.7m in Apax France VIII-B. As of 30 June 2017, the amount invested was €259.8m.

Altamir committed to invest €60m in Apax VIII LP. As of 30 June 2017, the total amount had been invested.

Altamir has committed to invest between €226m and €306m in Apax France IX-B. As of 30 June 2017, the amount called was €63.8m. However, the fund continues to draw down on credit lines to finance its investments. As of 30 June 2017, €46.3m had been invested or committed but not called. This amount included €37.2m related to the Ciprés acquisition, which was finalised in early July.

Altamir has committed to invest €138m in Apax IX LP. As of 30 June 2017, the total amount called was €4.8m. Since the fund also uses credit lines, €30m was committed or invested in six new investments made in 2017, for which the capital was not called.

Altamir has committed to invest €10m in Apia Ciprés, co-investment vehicle for Ciprés. As of 30 June 2017, no amount had been called.

Furthermore, a portion of the distributions paid by the Apax VIII LP fund can be called back by the management company to meet the funds' cash requirements, principally for follow-on investments in their portfolios. This amount was €5.4m for Apax VIII LP as of 30 June 2017.

As part of the divestment of Buy Way, Altamir provided a guarantee, capped at 15% of the sale price, i.e. €6,184,051, in order to meet any third-party claims, and to cover the sellers' filings and any tax risks.



(a) *Direct investment commitments:*

Companies	Commitments as of 31/12/2016	Investments during the period	Cancellation of commitments as of 30/06/17	New commitments as of 30/06/17	Commitments as of 30/06/17
Listed securities					
Investment commitment in Altimus	172,514	172,514	0	0	0
Unlisted securities					
Total	172,514	172,514	0	0	0

(b) *Liability guarantees and other commitments*

Liability guarantees

None.

Other off-balance-sheet commitments

Altamir carries out LBO transactions via special-purpose acquisition companies (SPACs).

If the underlying target company is listed, the debt is guaranteed by all or part of that company's assets.

When the share price of these companies falls, and the average share price over a given period drops below a certain threshold, the SPACs become responsible for meeting collateral or margin calls. This involves putting cash in escrow in addition to the collateralised securities so as to maintain the same collateral-to-loan ratio ("collateral top-up clause"). In the event of default, banks may demand repayment of all or part of the loan. This collateral is furnished by the shareholders of the SPACs, including Altamir, in proportion to their share in the capital. They have no impact on Altamir's revenue and NAV (listed companies are valued on the last trading day of the period), but can tie up part of its cash. Conversely, when the share price of these companies rises, all or part of the balance in escrow is released, and the calls repaid.

In terms of sensitivity, a 10% or 20% drop in the average market prices of these listed securities compared to the calculation performed on 30 June 2017 would trigger no collateral call for Altamir.

A commitment was given to certain managers of THOM Europe, Snacks Développement and InfoVista to repurchase their shares and obligations in the event of their departure. These commitments were not material as of 30 June 2017.

Altamir provided a sale commitment to Financière Royer covering all of the shares of the Royer group, exercisable between 1 January 2015 and 3 January 2019.

Financière Royer provided a purchase commitment to Altamir covering all of the shares of the Royer group, exercisable between 1 January 2015 and 31 December 2018.



Other accrued income

As part of the sale of Buy Way to Chenavari Investment Managers, two potential earn-outs based on insurance revenues may be received. Altamir has asked Chenavari Investment Managers to pay the first earn-out.

Pledged securities:

- Securities pledged to Transatlantique Bank:

As of 30 June 2017, 1,111,111,112 A units in the Apax France VIII-B fund were pledged against a credit line of €8m, undrawn as of 30 June 2017.

The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.

- Securities pledged to LCL Bank (banking pool with LCL, BNP, Neuflyze OBC, HSBC and Palatine Bank):

As of 30 June 2017, 6,141,732,283 A units in the Apax France VIII-B fund and one A unit in the Apax France IX-B fund were pledged to the banking pool against a credit line of €52m, undrawn as of 30 June 2017.

The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.

- Securities pledged to ECAS:

As part of the acquisition of the INSEEC group, the Apax France VIII-B fund has pledged all of the financial instruments that it holds in Insignis SAS and Insignis Management SAS to the lenders of the LBO debt represented by ECAS as Agent.

- Securities pledged to ABN AMRO:

As part of the acquisition of Amplitude, the Apax France VIII-B fund has pledged all of the financial instruments that it holds to ABN AMRO.