

2019 FULL-YEAR RESULTS

- STRONG ORGANIC GROWTH: **10.7%**
- A SATISFACTORY OPERATING MARGIN ON ACTIVITY: **9.9%** OF REVENUE
- **7** ACQUISITIONS OVERSEAS

€ million	2018	2019*	YoY change
Revenue	2,269.9	2,624.0	+15.6%
* of which France	1,029.9	1,134.5	+10.2%
* of which International	1,240.0	1,489.5	+20.1%
Operating Profit on Activity	224.0	260.8	+16.4%
As % of revenue	9.9%	9.9%	
Operating Profit	214.2	238.2	+11.2%
As % of revenue	9.4%	9.1%	
Net profit, Group share	157.9	164.2	+4.0%
As % of revenue	7.0%	6.3%	
Free Cash flow ⁽¹⁾	82.5	160.3	+94.3%
As % of revenue	3.6%	6.1%	
Net cash position	12.5	74.9	
Headcount	33,700	37,200	+10.4%

Audit in progress

* IFRS16 standards applicable from January 1st 2019

BUSINESS 2019 IN SHARP GROWTH: +15.6%

Revenue reaches €2,624.0 M growing by 15.6% as compared to 2018. On a like-for-like basis, business grows by 10.7% (10.2% in France and 11.2% outside France).

All business sectors are growing and more specifically Rail/Naval, Aerospace and Defence & Security.

A SATISFACTORY OPERATING PROFIT ON ACTIVITY: 9.9% OF REVENUE

The operating profit on activity increases more quickly than the activity itself (+16.4%) accounting for €260.8 M. Despite adverse calendar effect and activity rate, along with continuous structuring efforts to support our growth, the operating margin on activity has slightly increased, up to 9.94% of revenue. It reached 10.8% of revenue in the second half.

OPERATING PROFIT:

Operating profit reaches €238.2 M including €5.2 M of share-based payments (without cash impact), €11.6 M of non-recurring costs mainly associated with acquisition and restructuring costs, as well as social and tax adjustments (following audits), and €5.8 M of goodwill depreciation.

PRESS RELEASE

NET PROFIT, GROUP SHARE: €164.2 M OR 6.3% OF REVENUE

Financial result accounts for - €3.4 M. After taking into account tax expenses of - €77.3 M, earnings from equity affiliates of €6.1 M, and minority interests of - €0.6 M, net income equals €164.2 M.

NET CASH FLOW: €74.9 M / GEARING: - 6.7%

Cash flow reaches €272 M (before taking into accounts IFRS16 effects) and grows by 12.4% as compared to 2018. Free cash flow reaches €160.3 M and has almost doubled as compared to 2018 (+94%) thanks to a very good control of WCR and low Capex. Financial investments (€66.8 M) and dividends (€33.4 M) were entirely self-financed. Therefore net cash position equals €74.9 M at the end of 2019, with a gearing of - 6.7%.

EXTERNAL GROWTH: 7 ACQUISITIONS IN 2019

ALTEN has also consolidated its position on an international level by completing 7 acquisitions outside France in 2019 (5 in Europe, 1 in Asia and 1 in the US), with 830 consultants and €65 M of revenue.

OUTLOOK FOR 2020:

Following two years of a very strong organic growth (>10%), growth should get back to normal standards in 2020, in respect with the trend experienced in the second half of 2019.

ALTEN will pursue a satisfactory growth, more rapidly than the market, and will accelerate its development thanks to a targeted external growth more specifically on an international level.

Next publication: April 24th after market closing: *2020 Q1 Results*

About ALTEN

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As a European Leader in Engineering and Technology Consulting (ETC), ALTEN carries out design and research projects for Technical and IT divisions of major clients in industry, telecoms and services.

ALTEN's stock is listed in compartment A of the Euronext Paris market (ISIN FR000001946); it is part of the SBF 120, the IT CAC 50 index and MIDCAP100, and is eligible for the deferred Settlement Service (SRD).

PRESS RELEASE

Appendix to Press Release:

Definition of alternative performance measures and reconciliation with IFRS standards

The ALTEN Group uses alternative performance measures especially selected to follow up on its operational activities. The Group has chosen these measures as they supply additional information allowing the users of periodic financial information to have a comprehensive understanding of the Group's performance. Such alternative performance measures are complementary to IFRS standards.

Revenue growth on a like-for-like basis (i.e. organic growth)

Growth on a like-for-like basis (and constant exchange rate) is calculated excluding the effects of exchange rate variations and the variations of the consolidation perimeter on a chosen period.

The effects of exchange impacts are measured by converting the revenue of the period with the average exchange rate from the previous period.

The effects of a perimeter are measured excluding acquisitions, revenue of the period and for transfers, revenue of the previous period, in order to create a perimeter which is identical to the previous period.

This alternative measure enables to identify the real performance of the Group in terms of activity on the chosen period.

Evolution of business 2019

€M	2018 Revenue	2019 Revenue	% Change
Revenue on a like-for-like basis	2,269.9	2,512.8	10.7%
France	1,029.9	1,134.5	10.2%
International	1,240.0	1,378.3	11.2%
Scope variation		96.3	4.2%
France		-	-
International		96.3	7.8%
Exchange rate impact		14.9	0.7%
France		-	-
International		14.9	1.2%
Group revenue	2,269.9	2,624.0	15.6%
France	1,029.9	1,134.5	10.2%
International	1,240.0	1,489.5	20.1%

Operating Profit on Activity

Operating Profit on Activity is the operating income before taking into account the costs on share-based payments, results from significant transfers of assets, goodwill impairment, as well as other significant and uncommon elements considered as miscellaneous fees and operational activities.

Since payments on share-based compensation have noticeable heterogeneous annual changes, the tables included in our financial statements show the operational performance of the Group and make it possible to compare with previous or selected periods.

Net cash position (net debt)

Net debt - as defined and used within the Group, stands for cash flow and assimilated elements of cash flow less gross financial debt (bank loans and other assimilated financial debts). This indicator is called “net cash position” when the amount of cash flow or assimilated element of cash flow are higher than gross financial debt (or “net debt” in the opposite case).

Free cash flow

Free cash flow corresponds to net cash flow from operating activities minus net operating investments and net cash flow from financing activities related to payments of leasing debts.