

Press release

3 September 2015

H1 2015 Results

Solid growth and sharp rise in profitability

- Revenues: +11%
- Operating income on ordinary activities: +22%
- Net income: +34%

Commenting on the Group's interim results, Altran Chairman and Chief Executive Officer Dominique Cerutti declared, "*These interim results underscore the sustained improvement in Altran's performances for more than four years. Given the scope for further growth in certain zones, notably in Germany, these results are particularly promising and reinforce our ambition with respect to the 2020 Strategic Plan which will be presented to the market on 17 November.*"

(in millions of euros)	H1 2015	H1 2014*	%
Revenues	954.5	861.8	+10.8 %
Gross margin	256.7	225.6	+13.8 %
As a % of revenues	26.9 %	26.2 %	
Indirect costs	(184.6)	(166.4)	+10.9 %
Operating income on ordinary activities	72.1	59.2	+21.8 %
As a % of revenues	7.6%	6.9 %	
Other non-recurring operating income and expenses	(9.7)	(14.4)	
Amortisation of customer-relationship intangible assets	(3.2)	(1.2)	
Operating income	59.2	43.6	+35.8 %
Financial income (charges)	(3.9)	(3.5)	
Tax income/charges	(17.2)	(11.8)	
Net income before discontinued operations	38.1	28.3	
Net income/loss on discontinued operations			
Minority interests	(0.1)	0.1	
Net income	38.0	28.4	+33.9 %

(*)2014 figures restated for the impact of IFRIC 21 Interpretation

Results

Altran reported H1 2015 **revenues** of €954.5m, up 10.8% on H1 2014 levels (€861.8m). On a like-for-like, constant forex and working-day basis, economic growth¹ came out at +4 %.

The H1 2015 **consolidated gross margin** stood at €256.7m, equivalent to 26.9% of revenues, vs. the year-earlier level of 26.2%. The bulk of this increase was underpinned by the sustained improvement in the invoicing rate, which widened to 86.9% at end-June 2015 from the year-earlier level of 85.6%.

Indirect costs as a percentage of revenues remained stable on H1 2014 levels at 19.3%, on the back of the Group's tight cost management maintained over the period.

Consolidated operating income on ordinary activities (EBIT) came out at €72.1m (7.6% of revenues) compared with €59.2m (6.9%) in H1 2014. Note that, excluding Germany, Group EBIT reached 9.4% in the first half of 2015.

Non-recurring expenses narrowed sharply to €9.7m over the period from €14.4m in H1 2014, due notably to the diminution of around 50% in restructuring charges.

On the back of these favourable elements, consolidated **net income** advanced 34% from €28.4m at end-June 2014 to €38m in H1 2015.

Cash and debt

Over the twelve month period, free cash flow² as a percentage of revenues widened from 4.4% at end-June 2014 to 4.8 % at end-June 2015.

At the interim stage, free cash flow was negative at -€25m versus €1m at end-June 2014. This increase stemmed mainly from the temporary hike in WCF as a result of:

- an exceptional calendar effect making for a sharp rise in organic growth in June 2015 revenues (+11% due to 2 more business days than in June 2014);
- an increase in June 2015 DSO levels (90.1 days vs. 87.3 in June 2014) linked to the sharp increase in Germany.

Consolidated net debt came out at €212m in H1 2015, versus the year-earlier level of €155m.

At the end of the interim period, the Group had available cash of €383m, vs. €233m at end-June 2014.

¹ *Economic growth = organic growth restated for the forex impact and the change in the number of working days*

² *Free Cash-Flow: (EBIT + depreciation and amortisation) - exceptional costs - tax - Capex +/- change in WCR.*

Moreover, in July 2015, Altran obtained a new credit line of €300m maturing in five years which gives the Group ample means to implement its 2016/2020 Strategic Plan.

SiconTech acquisition

On 1 September 2015, Altran finalised the acquisition of SiCon Design Technologies (SiconTech), an Indian engineering company specialised in semi-conductor design with a staff of over 500 employees. SiConTech currently works with seven of the top ten global semiconductor companies and was ranked one of the fastest growing ASIC design services companies in the Deloitte India Fast 50 index in 2013 and 2014. The SiconTech acquisition reinforces the Group's position in India as well as its global Intelligent Systems solution.

Outlook

Based on the information currently available, management believes that 2015 will be another year of profitable growth for the Group.

Additional information

Altran's Board of Directors met on 2 September 2015 to approve the H1 2015 financial statements. The Statutory Auditors have performed a limited review of the Group's H1 2014 and H1 2015 financial data.

Financial calendar

29 October 2015	Publication of Q3 2015 revenues
17 November 2015	Presentation of the 2020 Strategic Plan

About Altran

As global leader in innovation and high-tech engineering consulting, Altran accompanies its clients in the creation and development of their new products and services. Altran Innovation Makers³ have been providing services for thirty years to key players in the Aerospace, Automotive, Energy, Railways, Finance, Healthcare and Telecoms sectors. Covering every stage of project development from strategic planning to manufacturing, Altran solutions capitalise on the Group's technological know-how in five key areas: Innovative Product Development, Intelligent Systems, Lifecycle Experience, Mechanical Engineering, and Information Systems.

In 2014, the Group generated revenues of €1.756bn. Altran now has a staff of over 24,000 employees operating in more than 20 countries throughout the world.

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