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17h40

FULL-YEAR 2016 RESULTS

- STRONG 13.5% INCREASE IN REVENUE
- SATISFACTORY OPERATING MARGIN: 10.3% OF REVENUE
- 10 ACQUISITIONS COMPLETED SINCE JANUARY 2016 (INCL. 9 OUTSIDE FRANCE)

€ million	Full-year 2015	Full-year 2016	Year-on-year change
Revenue	1,540.9	1,748.3	+13.5%
* France	795.3	830.1	4.4%
* International	745.6	918.2	23.2%
Operating profit from ordinary activities	152.5	180.9	18.6%
As % of revenue	9.9%	10.3%	
Share-based payments	0.1	(9.0)	
Non-recurring profit/(loss)	(5.5)	(14.5)	
Operating profit	147.1	157.4	7.0%
As % of revenue	9.5%	9.0%	
Net profit, Group share	106.3	112.4	5.7%
As % of revenue	6.9%	6.4%	
Free cash-flow	105.1	112.4	+6.9%
As % of revenue	6.8%	6.4%	
Net cash	17.4	4.6	
Headcount	20,400	24,000	+17.6%

Audit in progress

BUSINESS UP 13.5% IN 2016

Full-year 2016 revenue was up 13.5% year on year to €1,748.3. On a like-for-like basis, business grew by 7.3% (up 3.4% in France and up 11.5% outside France).

Organic growth accelerated throughout the year, both in France and internationally.

The ALLEN Group continued its international growth drive. International business grew by 23.2% and now accounts for 52.5% of the Group's total business. Half of this growth was driven by acquisitions and half by sustained organic growth (of 11.5%).

OPERATING PROFIT FROM ORDINARY ACTIVITIES UP 18.6%

There was a significant improvement in operating margin on ordinary activities, from 9.9% in 2015 to 10.3% this year: it was 10.2% for the first six months of the year, rising to 10.5% in the second-half of the period, in spite of an unfavorable calendar effect *vis-à-vis* H2 2015 (i.e., 2 less business days in H2 2016).

The higher operating margin was a result of enhanced project performance, careful control of overheads (SG&A expenses), and improved operating margins on acquisitions completed in 2014 and 2015.

OPERATING PROFIT UP: + 7.0%

Operating profit climbed 7% year on year to €157.4 million. This amount includes €9.0 million in expenses related to setting up the free share award plan. This operation had no impact on the Group's cash situation and there is maximum potential dilution estimated at 2.1% of capital.

The non-recurring loss of €14.5 million mainly comprises the impact of reassessments of social security charges in France, restructuring costs and acquisition-related fees.

NET PROFIT GROUP SHARE UP 5.7%

After taking into account the financial result and tax expense, net profit group share amounted to €112.4 million (6.4% of revenue), a 5.7% increase on the 2015 figure (i.e., €106.3 million, or 6.9% of revenue).

NET CASH BALANCE: POSITIVE €4.6 MILLION

Free cash flow for the year was satisfactory and amounted to €112.4 million, or 6.4% of revenue.

The free cash flow enabled the Group to self-finance its investments, acquisitions and dividend payouts.

The Group had a positive net cash balance of €4.6 million at end-December 2016. Consequently, ALTEN has a healthy balance sheet that will allow it to continue to finance both its organic and acquisition-based growth.

EXTERNAL GROWTH: 10 NEW ACQUISITIONS SINCE JANUARY 2016

Alten continued to deploy a dynamic, targeted external growth strategy throughout the year in line with its strategic plan.

The Group completed 10 acquisitions in 2016 (including 9 outside France), representing an additional 1,700 consultants and cumulative annual revenue of €119 million.

In France, Alten acquired a Life Sciences company (estimated annual revenue €19 million - 190 additional consultants). Outside France, nine new companies joined the Group:

- 4 acquisitions in Europe: in Germany, Italy and Romania (revenue €41 million - 450 additional consultants).
- 5 acquisitions in North America and India (revenue €59 million - 1,065 additional consultants).

OUTLOOK FOR 2017

In a context of geopolitical uncertainty, ALTEN will continue to deploy its dynamic external growth strategy and organic growth drive in accordance with its margin protection policy.

As in 2016, ALTEN should deliver positive organic growth in 2017.

Next publication: April 26, 2017 (after trading) – First quarter 2017 turnover

About ALTEN

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

ALTEN's shares are listed on segment A of Euronext Paris (ISIN FR000001946). It is part of the SBF 120, IT CAC 50 and MIDCAP100 indexes and is eligible for the Deferred Settlement Service (SRD).
