

Simon AZOULAY

Hello everybody! Very happy to co-present with Bruno BENOLIEL and Cyril MALARGÉ the presentation of these half-year results for the year 26. As usual, and in a very precise way, we will convey to you a vision of what happens on the market, in particular as regards ALTEN.

As regards the results, as you could see in the announcement, the revenue that we know is at 2.1 billion, which means almost double for the whole year, and even better than that. And the organic growth is of 1.6%, but in fact 1.2% because of the M&A, which was a little bit less performant for the start of the year. So, 1.6% as an absolute value is not really a matter to celebrate, because apart from the different crises, we had an average of 8 to 10% organic growth before. I hope it is just symbolic, showing that we are on our way to reach a positive organic growth.

International and France. France is driven by the Aeronautics and Defense activities, with Airbus. They have enabled to be performant within this organic growth, even if the other sectors are very well performing – Energy, Automotive – because we have been doing what had to be done, in particular to offshore in low-cost countries.

As regards the results themselves, the revenue is – [inaudible]

[inaudible]

[...] 8.9%, compared with the 7.3% of revenue in June 2025. That is the revenue for France. Hopefully, we will have a global year around 10% operational results. 8.9%. This improvement, compared with the first half-year 25, is linked to a very high-performing control of SG&A, Sales, HR and Administration, as well as the potential gross margin, which was quite stable, and is also due to an excellent management of our projects, as well as across contracts.

The gearing is good, as usual, at 14%. As regards the headcount, [...]

[no audio]

If we look at December, we caught back up. Things have improved since the end of June. This is a growth dynamic, which we should not get carried away with. But we should be fairly optimistic about what is going to happen next.

If you look at this slide – we are going to look at the last few years. It is important to look at this correctly, because there is a real message that has to come out of that beyond the figures. You need to go to the last column of the first half of 2026. What you really need to understand are the first two columns. Between the first quarters, in five years, we have doubled our turnover, we have changed size. It is no longer the same group. If you look at the size, if you look at the volume, and if you look at our geographic sharing in the 25 main countries where we are present, things have changed. What does this mean? It means a very

important change in the group's organization. Our clients have changed as well. So, beyond the actual size of ALTEN, we have seen that our clientele has become more international. We are no longer dealing with one client; we are not always dealing with them at a national level. Every client has to be dealt with in two or three countries, not in just one country anymore. So, you can imagine this has been a huge change. This all took place in spite of COVID and those two years. We are managing the group and this change in the market. We look at ALTEN as being in the top 5, perhaps the top 3 in the world of engineering services. We have to say that 24 and 25 were difficult years. We see quite flat years. In spite of all the offshoring, etc., we can see that the turnover has been divided in three – if you look at things that have been relocated. And that is in spite of AI, which is increasing the needs for engineers in some projects, but we have offset that with new projects and new types of needs that we have. So, we really hope that years 2026 and 2027 are going to be fruitful and that we are going to see growth taking off.

Now, I would like to hand it over to Cyril, who is going to talk about the results, more specifically.

Cyril MALARGÉ

Thank you, Simon. The messages that we have to retain for this first half-year – well, there are two: first of all, we can see that we are returning to organic growth, that has been confirmed. And our objectives for 2026 have been upscaled.

If I look at the first one – this idea of getting back to growth, France is doing well. It is performing well. After the first very flat quarter, they are up by 1.7%. This is very structural, this is good. Why? Because, in the future, the markets are going to be interesting: ASD – Aeronautics, Space and Defense – and Energy are more than two-thirds of revenues for France. That is important. Rail is also fairly dynamic here. That has an impact in France. As opposed to that, we have to look at the Automotive industry, which is less than 9% in France. And we are underrepresented in the Public sector. You know, this is an election year. We are perhaps going to be less impacted than others. We are looking at a scope that we could call our heartland, if you will – where things are going very well.

The second element is Germany. Germany is doing well. In the second quarter, it is up by 4.5%. Other than Automotive, everything is going up in Germany. And this is going to allow us to compensate for the lack of growth in the previous years. It is still there, but it is better. We are going into positive organic growth thanks to the growth of all of the other sectors.

In the UK, then, we are growing. In Q2, we are up 3.2% after a flat Q1. And this is being spearheaded by Energy and Defense.

Now, if we look at the markets for the five years to come, in terms of growth... Bear in mind, when we do so, that Aeronautics, Space, Defense and Energy – mainly Nuclear – are

structurally growing matters, and are about 40% of ALTEN's revenue. We want to see that going up, given the position we have for the coming years.

The second element you must retain is that we have reduced the risk area for the Automotive industry: we have gone from 20% of our turnover in 2022 to less than 14% today. We can say that perhaps the most difficult part is behind us, but we must be very cautious at the group level.

Secondly then, when I talked about the improvements in the group's results in the full year for 2026: we have upscaled our objectives. We have set them at a higher level. You can see that we are going to try to aim for 1.7 to 1.9%, and that is thanks to the performance that we saw in the second quarter and the visibility that we have in the second half of the year, as Simon said. That was a good summer. The second six months kicked off pretty well. So, we can allow ourselves some hope for growth in 2026-2027.

For operational results, then, we are around 9.2%. That first half of the year was very positive. We went from 7.3 to 8.9. Now, is this going to be a dominant trend? I do not know. We will have to see. Now, the visibility that we have on the second half of the year allows us to believe in the growth at the regular speed that we have seen up until now. And we think there is going to be an increase in results, not just in France, but elsewhere. So, this is the company itself – and not just one country – that is following that dynamic.

Now, on to the next slide. Let us talk about headcount then, and the growth in the number of engineers that we have. As Simon said, we have gone from 51,000 to 52,200 between December last year and June this year. The message is clear. All of the zones are growing. Headcount is going up in each of them. Look at North America, look at France – we have got 300 more; Europe without France has gone up as well... Well, you have the slides, you can see they have all gone up, you can see the two colors. So, it is extremely interesting, because, then again, we are looking at all the zones performing rather well, we are fairly confident about the future – the second half of this year. This should really confirm the trend that we have seen up until now.

Now – we are going to be very synthetic here – I think it is interesting to share with you what is happening in different markets.

Let us begin with this slide. Let us look at ASD – Aeronautics, Space and Defense. These three market subsegments account for 27.3% of the group's turnover. They really are a driver for the group. We have got the usual clients; you are familiar with all of them: Airbus, Safran, Rolls-Royce, Dassault, Thales, etc. We are on a market which is doing well, with a very good outlook for the ten upcoming years, with growth being pulled forward by studies, research, design of new projects, manufacturing, supply chain efficiency and effectiveness, optimization of TCO and maintenance, and creation of new services for the customer services industry. We want to make sure that we are a leader across the board here, which we are. You have the figures. Aeronautics is 16% of our turnover.

Space is 1.6% of our turnover. And again, I have already mentioned these clients – many of them have signed new contracts as well, so that is fairly positive. This is going to be supported by Europe as well. This is a niche market which is really growing. I think it is going to be fruitful in the upcoming years.

Defense and Naval Security is 9.7%. You have got Leonardo, Thales, Naval, NBDA, Saab in Sweden, Navantia in Spain – the usual suspects, to coin a phrase. This is a European market which is fairly bullish at the moment. And we hope to see double-digit growth in this market. Our specificity here is that this is a market that we can see delivered country per country. In France, France is dealing with France; in Germany, Germany is dealing with Germany; in the UK, it is the UK – you see market per market definition, and this is how we want to address this market. We really want to do it country by country rather than in a comprehensive manner.

Let us move on to the Automotive market. You have got the figures: 13.7% of turnover, with our major clients: we have got the same ones that you would expect to find: Stellantis, Renault, Volkswagen, Volvo, BMW, Traton, Ford and Mercedes. Now, we can say, obviously, that this is a market which, structurally speaking, is not growing. It is quite obviously not growing, but we have seen a little growth in some areas, even though it is less important. We are stabilizing, sequentially speaking, with manufacturers. We are suffering like everybody else with equipment suppliers, as I said in the beginning. For us, Automotive is no longer an issue, because the toughest years are behind us. We are quite content with the figures we are seeing. With our current know-how, we employ a certain amount of people in this field. We have a role to play for growth in this sector.

For Rail, we are at 3% of turnover with, again, the usual suspects: Alstom, Hitachi. This market is being pulled forward by communications systems, signaling systems... We are very nicely represented in France and Germany – a niche market where we are major players.

For Industrial equipment then – 8.1% of the group's turnover – we can see that industrial equipment activities are stabilizing. We are still suffering a bit regarding Electronics and Semiconductors, since the priorities of our clients are to build new plants as quickly as possible rather than really going into R&D. So, we have a really nice position within that market as a result.

Energy and Environment is a very strategic market, especially after the acquisition of Worldgrid a few years ago. We have a very nice stance in the Nuclear field – you can see, 11.9% of our turnover. Here we deal with EDF, Schneider, Total, ENI, Rolls-Royce... Major investments are coming for the future, as well as new projects in the field of Oil & Gas. This is very positive. At a given moment – we are not sure when – this is going to become ALTEN's second most important sector. So, we are going to continue to focus on this sector.

Life Sciences: 7.4% of turnover. Sanofi, Boehringer, Servier, etc. This is a bit of a tough dual reality: there is the CRO market, where major players are now transferring to the US. So, we are slightly down in growth there, but it is a future market for the company.

Telecom. Structurally, again, it is a market that is not growing. In France – with SFR, etc. – we are working upstream with these players to make sure we have a role to play. It has been difficult, because the business scenery is changing.

Now, what about Bank, Finance, and Insurance? We are about 8.5% of our turnover. There again, you will find major French banks, Portuguese banks and our traditional clients. This market is fairly flat. It is a fairly heterogeneous market. So, we are following the trend in France, where we are staying flat; but in Spain and Portugal, we are actually growing. So, again, it is extremely important for us.

Finally, Retail Services and Public Sector: where do we stand? This is a market where we are generating a slight level of growth in the first half of the year, particularly in the UK and Spain, in Italy as well, and, indeed, in France.

This is a whirlwind vision of what is happening in the markets. Now, what we would like to do is share something very important with you, because we have made a great deal of headway in the AI field. On this first slide, we are going to look at what is happening with go-to-market. We have been working a great deal on go-to-market. We have formalized a catalog of various offers, and these we have set per sector of activity. We have trained our teams; we have dedicated teams in order to go and discuss these projects with our clients. We have got KPIs for rolling this out to our clients. In front of you now, you can see on this slide, per sector, the details – rather, a few elements of how we are going to implement the catalog of offers. For each of these subjects, there are clients and projects. I do not want to get into the details – because all of the information is there anyway – but we can see that we have really made a great deal of headway. You can see we are very present in Aerospace; we are looking at Big Data, Product design, and other examples. Supply chain – a very nice offer there, also in Automotive... If you look down in the slide, we can see that, for all of the different segments, we have some very nice references, especially for things that we are rolling out in other accounts.

At ALTEN, AI is not just one slide. There are real projects, real clients behind these projects. On to the next slide. This is your go-to-market in a much wider remit. As you know, we have a Chief AI Officer, who is on the Executive committee. He is responsible for sharing this information with ALTEN – with everybody in ALTEN; with dedicated teams. This is really steered from the top, and you have got three pilots – three streams. I have talked about the go-to-market, but you also have the deployment of our projects, and the implementation of structures and platforms. Now, three quarters of all of our employees are being trained in AI. So, we have been able to go fairly quickly through this. With the go-to-market stream, I focused on the offer. 30% of all the group's projects have AI contained within them, and 80% of all of the proposals are AI-infused. Now, that is quite interesting – that is quite a high

figure. A great deal of training has gone into this for our teams, and we have structured partnerships to go hand-in-hand with this – we are working with Mistral, with Google in particular... For instance, we have rolled out the program with Mistral for the Matmut Group in the first half of this year.

Regarding rolling out AI in our projects, we saw that speeding up in the first quarter: a thousand new work packages have been rolled out with an average of 10% productivity generated thanks to this new AI-infused project. And we have continued to do this. We have continued to scale up and roll out these projects as quickly as possible. Roughly 50 people, between Morocco and India, are working on these accelerators to help our teams; to help them respond to calls for tender and to enroll all of the different projects that we are putting in place. If you look at the last stream, Platforms and Infrastructures, we have really targeted the implementation of our infrastructures: platforms deployed around Mistral, OpenAI, Anthropic Claude, and agentic environments. We have policies in place to help us manage token consumption. We have got cost-optimization rules in place to help us do that.

Now, I am going to hand back to Simon, who is going to talk about Mergers & Acquisitions.

Simon AZOULAY

Thank you, Cyril, for this presentation.

I'll finish about AI with one last comment: we are assessing, today, the reduction in the number of engineers needed in ALTEN's core business model by 7% per year. We are talking about the same typology, the same volume of projects, with AI, we can improve productivity by 7% per year, and it is not us that are going to benefit from this improvement: the clients have negotiated, and for 80% of new calls for tender in front of us, we have to ensure that the client can see that we have imposed AI and have set it into our projects. The clients are negotiating this reduction of roughly -7% across the board in all of the projects. In spite of that, we have managed to see organic growth. We have to be cautious with the figure of 2% organic growth when you encompass the reduction of -7% per year in the volumes required by AI performance: we are still growing organically. What does that mean for the future? It is not because AI is in place and is going to replace a certain number of jobs, partially replace them, or even young engineers, that our market is going to collapse. We are going to continue to grow, we will continue to earn market share, and we will win new projects in spite of AI, if you like. And we will continue to grow organically. For the last three years, I have had this question fairly regularly, so it a fairly positive comment I am able to make here.

Now, let us talk about M&A. It is a little disappointing regarding the number of acquisitions made in the first quarter, when you see the size of them: it is roughly 700 people compared to our goal of 3,000 to 4,000 per year. We are able to buy more than that, but we do not want to just buy any old thing in order to ensure that we maintain the status of M&A,

and we do not want to buy for buying's sake. Now, there have been times where we have had CAPEX, etc., and had not been able to make purchases, and we have had companies that have left us. But I think, as you can see from this slide, that while our M&A has been fairly limited, there is a strong message to take from this: we have got a lot of LOIs signed, a great deal of due diligence is underway. We are very surely going to make some quite interesting announcements in the weeks and months to come. I am not sure whether it will be before the end of the year or the first quarter of 2027, but this will help us catch up a little bit. You know ALTEN, you know we are a cautious player and that we want to look at the prices and at the quality of the companies we are interested in acquiring.

Now, regarding capital. It has not really changed. If you look at share buyback – we did this when securities were slightly lower. We did it to ensure there was a message of confidence out there. We believe in ourselves, we believe in what we are doing. You can see when the securities were extremely low, we bought shares, and that leaves us a little less cash, obviously, but we make sure that self-detention is above 5%. We founders are still around 15%, and the employees, with their employee share system, are around 2.3%, and the rest is institution investment.

That is the end of the main indicators for the group.

Now I would like to hand over to Bruno, who is going to talk more in detail about the financial KPIs.

Bruno BENOLIEL

Hello. I do not want to go back on the analysis of organic growth. Maybe as regards the exchange rate impact, we have a second half-year – if you remember – which was lying above 3%, that has been impacted by an important exchange rate impact of 1.4%. All of our financial flows and business is being done in 23 different currencies, which means that we have negative variation on exchange rate on our flows. This has been mainly from dollar – USD, CAD and INR – as well as GBP and JPY. This negative exchange rate consequence should be less impactful during the second half-year compared with the first quarter of 25.

Half-year turnover. We published these results last July; I am not going to dwell upon the different analyses. I would just like to point out that organic growth in France has gone up quickly mainly thanks to ASD, Naval, Rail and Nuclear. Organic growth is back in UK thanks to Defense, Energy and Public sector. Our position has improved considerably. Organic growth is also back in Germany, and this is really worth mentioning, because of the Automotive activities, which represented 45% of our German turnover and is now only 25%. So, we have considerably reduced our activity's exposition to risk in Germany. But the development in Germany has been very good in ASD, which represents 30% of the German turnover, but also in other sectors such as Telco, Energy in particular, and also IT in a lesser way. Activity is excellent in South Europe, where growth has been accelerated. We still have problems in Benelux and Eastern Europe – Netherlands in particular because of the current

industry – and also in the Nordics. The improvement is visible in North America, where the activity had been penalized by the Automotive sector. Canada represents 30% of our North American activity and is growing. We expect to be back on the right track as regards organic growth – at the latest in the beginning of 2027. Organic growth has also been confirmed in Asia-Pacific, thanks to Japan and China. The second quarter has shown significant improvement in the Nordics, and this should be confirmed, by the way.

Results of the first half-year. Just for you to remember: the year of 25, in particular the first half-year 25, was not normal, because of the bad performances in several geographies. Also, the operating margin was of 7.3%, but again, was not normal. 26 profited from organic growth development, better productivity and a very clear improvement of several activities. This is why we have an operational revenue which has increased from 152 to 187.3 million euros; and the 7.3% of revenue of this operating profit has increased and reached 8.9%. This has nothing to do with what we do in normal years, or normative years, again. The bps progression, as we said before, is for 60 bps due to the operating profits, and the SG&A represents 100 bps. Now, we have a very conservative vision of the presentation of our accounts. This has to do with HR. Whenever there is a reduction of activity, we integrate that in gross margin. Obviously, there was less this year than last year. There was an improvement on the margin yield due to project management – in Germany in particular. For SG&A, we profited from the absolute gaining back of value – it had already been positive during the second half-year 25 – as well as a dilution of costs because of the coming back of organic growth. And this is also the consequence of what we have enhanced last year.

Because of the plan, the share-based payments have not increased. The amortization of intangible assets recognized in business combination – this is recurring from year to year – comes exclusively from the acquisition of Worldgrid. You have the PPA, which has been presented in the appendix document.

The non-recurring result of 12.5 million euros only includes restructuring plans that I have indicated before, which accounts for, let's say, 10 million euros: 6.3 million for Germany – we still have to cut down the headcount – Italy for 1.6 million euros and the Life Science activity for 1.4 million.

And then, the proceeds from disposal – these are the fees for legal expenditures – are only 2.6 million euros for this half-year. As we indicated, we sold an activity in Life Sciences, which was linked to CRO activities based on an in-house solution. We did not have the critical size, which is why we started losing money.

This is why we have an operating profit of 158 million euros, which grew by 26.9% compared with last year.

Financial income is very easy, as you will see on the next slide.

We have an income tax expenditure of 47.7 million euros.

This leads to the net income group share, which has improved by 38%, moving up from 82.6 to 114 million euros.

ALTEN's financial income is not deeply analyzed here. Outside of IFRS 16, the financial result is of 6 million euros. It is composed of different financial products, like cost of net financial [inaudible]: 5.7%. Interest on leasing contracts, which is 2.8 million, and then we have FX income: 1.1 million – a decrease. And other net financial incomes.

Split up according to regions, the performance has improved in all our countries. We have said it before: the performance has led us to progress on our margin; 200 bps in France, as it went from 5.5 to 7.5%. Here, we have the corporate, non-allocated costs, we have a 9.5% margin in France. The margin improvement is of 60 bps of the improvement of the net operating margins, and 130 bps for the improvement of SG&A – which is a little bit better than the global improvement of the group on SG&A.

We have an operating profit that increased by 150 bps thanks to the increase of operating margin in almost all of our countries. As was said before, it is true for all the countries of the group and not only one or two countries. Within the Nordics, the situation remains difficult. This is the only place where we have an operating margin that remains below. In Germany, the operating margin was near to 0 in 25. It has improved and is very close to 5%, like the Asia-Pacific geography. Benelux and North America lie at 10%. For UK, South Europe and Eastern Europe, we have an operating margin of a little more than 10%.

We have a healthy balance sheet. Once the dividends have been paid, it is 313 million euros. That is a good result.

The position in net cash is good. As regards the development between the end of 25 and June 30th, 2026, the operating cash flow is of 180.7 without IFRS 16, which is 8.6% of our turnover. We go back to an operating cash flow which comes close to the activity one, which is absolutely normal as regards what we are doing. The taxes paid are 37 million euros, which is less than the tax burden, because what we paid in 26 was for 25. But the rest, which is due and paid in 26 is based on the final figures of 25.

The need for cash is growing, and this is due to 69 million euros, of which we have a part which is due to organic growth, at 14% which is due to the increase of DSO – seasonal between December and January. It was 86.5 days at the end of December, and it went up to 90 days by the end of June. I would like you to remember that the DSO was 93 days; so, we have increased by a few days to the comparable dates between end of June 25 and end of June 26.

The fiscal debt of the group is linked to seasonality and activity. The variations are not significant.

As you can see, CAPEX is low. It is only 0.4% of our turnover. It is a little bit less than for our normative years.

This means that our free cash flow is at 105 million euros – that is 5% of our turnover – and increased by 33% compared with last year. And this is despite the return to organic growth. On our next slide, you will see that rolling 12 months – because we need to smooth out seasonality – our free cash flow is 6.4% of our global revenue.

Very quickly, to the flow analysis and the other elements: the financial investments are at 73 million euros – that is the down payment on M&A. Dividends are stable, at 51.5 million euros, with the payment at the end of June. Regarding share buyback: we had spent 65 million euros at the end of June. For information, on September 23rd, investment in share buyback is 88.5 million euros, for 4.2% of the capital that has been bought back. Other financial flows are 8 million euros: financial interest and exchange rates consequences on foreign currencies. Which means that we end the half-year with a cash flow that is quite important: 313 million euros, a gearing of -14% after payment of acquisitions, payment of dividends and share buyback.

I am not going to comment on the following slides, because I just said what had to be said. You will be able to read that.

To summarize, what you have to remember for the financial results of this group joins what Cyril and Simon have said: ALTEN returned to organic growth during the second quarter 26 thanks to Civil Aeronautics, Space, Defense, Naval, Rail and Energy – altogether 42% of the turnover. Automotive is still slightly declining. We see a stabilization of the main activities, even if the situation remains a little bit complicated for OEMs, because once you have such a decrease, there is no possibility to decrease further. There will be a stabilization of the activity. The operating margin has increased very importantly during the second half-year. It represents 8.9% of our global turnover. Apart from the Nordics, all the countries have improved their OPA. The OPA has increased by 23%, and the free cash flow has increased by 33% compared with year 25. The activity is completely self-financed thanks to the cash generation, which is particularly important. That leaves perspectives for the year 26 that we have increased – of course, as long as the geopolitical situation remains unchanged. We have a growth which should range between 1.7 and 1.9%. It is in particular in the end of September and beginning of October that we have the best visibility on the new projects which are going to start on the customer-side during the last quarter. This is why the operating margin has been increased. We have roughly 9% by the end of July, and 9.2% for the whole year as regards the positive elements that we have communicated upon.

Now I am going to hand over to Simon. He is going to tell us more about the growth strategy for the coming half-year and the coming years.

Simon AZOULAY

Thank you very much, Bruno.

A comment on the slides with the variations on the cash flow. There are a few things that happened only during the first half-year: the share buyback and the payment of

dividends. That is altogether 116 million euros that you won't have for the second semester. So, you can imagine the cash for the second half-year.

As regards the two slides of conclusion summing up all that has been said till now: the complicated environment; the size of ALTEN; – it really is a change within the organization for the top 5 companies in engineering, with a lot of people involved – and AI, which we are not really afraid of, even if, globally, it means making acquisitions to compensate the drop of the requirement of engineers and the necessity to keep up the organic growth. All these elements altogether, and what is happening, mean that we are particularly optimistic to grow. We have a very ambitious plan for the coming years: “Plan 80”, which means 80,000 engineers. But of course, it will mean being able, with Cyril, to set up a very strong international organization on the management, with the global accounts at international levels – it used to be national – and the capacity to deliver, which means a technical organization that has to produce global projects, which is already done. I think the technical management and organization is already the best that we have within the profession, because we have the possibility to deliver offshore, and it is not bound to one country anymore: it is transnational. Technical managers who are already transborder. Then, we will also have to show our customers that we have strong offers in terms of AI as well as projects. And, the last item which I think will improve is the capacity to capture interesting targets in M&A, despite the fact that it is complicated because 90% of our targets have already been captured by private equities. When they are put back on the market, it becomes extremely difficult to grab them. But we have good hopes to identify good targets in Europe.

This is the end of this presentation. Thank you very much. We are ready to take your questions

OPERATOR

Let's move on to the Q&A. We have a first question from Mr. Nicolas DAVID.

Nicolas DAVID

Yes, indeed. Hello, I hope you can hear me well. I would like to raise my question as regards the margin. First of all, the guidance for the whole year. You have a margin of 9.5%, but it's less in the year-to-year vision. Why is it lower in a year-to-year forecast? It seems that we are back to the normal. It doesn't sound intuitive to have this aim of 5%. Could you tell us more about the gearing? You would have less gearing on the TACE. Is there something logical behind that? For the engineering, you have done an enormous amount of work. Maybe AI is going to help out on the margins, what are we going to do for projects? It's mainly a question as regards margins.

Bruno BENOLIEL

Concerning the margin for the second half-year, it's going to be higher than the first one, obviously. Even if we look at the second half-year 2025, it's going to be higher than the

one for the first half-year 2025. There is a dynamic development of first and second half-year which is due to the calendar effect. I do not share the same analysis as you. What is true, also, and this is why I mentioned it, the margin difference between half-year last year and this year is important, but it will be less this year for two reasons. The first one is that the margin for the first half-year 2025 was not part of the normal, and now we're back to normal, so that sounds logical. And also because we did an enormous effort on SG&A, and it was reflected in our activities. It will be less visible 1st and 2nd half-year 2026. We have the investment to do to schedule the development of our group, all the different projects that have been mentioned. We're going international, so we do not expect a dramatic improvement of SG&A rate. We are getting to consolidate a certain number of acquisitions, which are going to account for the margin, as I indicated. The operating margin is going to be less than the year normal. It takes 1 to 2 years to bring it back to the group level, so the dynamic is particularly logical and relevant.

To go back on the 10%, indeed, it is how to increase the margin within geographies where it is less than normal. For Asia, we are at 5; for Nordics, they will, in time, react. We are going to see the improvement dynamics which is going to impact the project, at even long term. It will mean a reduction of the relative rate of SG&A, but it will be longer in time.

Cyril MALARGÉ

I would say, as a complement, we are growing and we have more margin in the growing phase than the reduction. And then, in terms of work packages, we have higher margins because we master better our capacity to generate profit on the work packages.

Nicolas DAVID

If you look at asset divestment, I'm not sure what the right figure is, because I have 9.5% in margin. I think you have some room for maneuver, regards to 9.2%. Just to give you a quick follow-up on growth: I have some very positive comments, particularly for the Nordics and the United States. That being said, growth in the year is roughly 2%, which is less than the second quarter last year. What can we do in order to offset all of this?

Bruno BENOLIEL

The publication of the third quarter takes into account that which today is gaining ground, that is projects being launched, so that's usually as of September 15th, we usually have better visibility up to October. I think this allows us to really set the figures. You must also bear in mind that the comparison that's in place: we've had a very good bounce-back at the end of 2025, so that means that you have knock-on effect on how you're going to read the figure. That might lead you to believe that the growth is going to slow down in the 2nd half of the year, whereas in reality, we're continuing to recruit or continue to renew projects. We do have this growth dynamic which is fairly highlighted. This itself is going to lead us to reduced growth of about 2% in the second semester, to reach the figures that we have communicated. I think it was easier to do like that than to focus on 3% for the first part of 2026.

OPERATOR

Let's move on to the next question: Frédéric [nom inconnu].

Frédéric [NOM INCONNU]

Thank you for taking my question. I want to talk about AI. You talked about inflation around 7%. Do you think this is going to be sustained on the upcoming years, or do you think it's going to be very much concentrated on this particular year and next year? And, how can this be offset by our widening of our scope in client activity? Could you describe the change in expenses with our main clients? Are we going to maintain these 7% to invest in wider projects which will allow us to increase our turnover from our clients?

Cyril MALARGÉ

What you must remember is that this -7% is a figure that shows that we're focusing on work packages and what our clients want. We're trying to give extra services to our clients and this is what we can see in the teams. You have to make the difference between the gross impact of AI and the reality on our staff levels, which you can see through the impact on our teams. There is a difference. That's the first point to retain about this -7%.

The second element is that this engineering market is not a market where we have 200, 300, 400 people in one place. It's very different. We're working on our clients' products. Clients who have small teams, 5, 6, 7 in a team, the impact of AI is going to be less in terms of the turnover. We think AI needs to be qualitative in order to deliver services more quickly and with better quality. Now, I can see that there's difference from the IT world, and here the impact is very different compared to that.

Lastly, we've trained all our teams, all our business managers. They've been through e-learning, online training, they've given us a business plan based on the scope and they've been certified for this, so they can be more proactive in delivering new business models. We didn't do that up until now. This is in order to be able to take a stance upstream with offers, which have been perhaps hitherto unsolicited by the client. We are using AI in offensive manner, as in we're on the offense to drive new clients.

A figure that's interesting to me is that we've worked with the incubator program with the team. This project was used in 80% of calls to tender at the beginning, now it's 50%. We're using this intelligently and adapting the AI to the project on the package we're trying to implement or offer.

Frédéric [NOM INCONNU]

If I may add, when you talked again about those 7%, this is what we've seen in the current contracts, is this a trend you think is going to sit in, or is it structural to improve effectiveness and it perhaps will last over time?

Cyril MALARGÉ

To be honest, it's very difficult to reply to that question. This is not a homogenous 7%. You take some activities; it can be between 10 and 80% in testing. It really depends on many things: what's coming out every week, what new tools, what new functions are coming. The questions that I asked are all about training my teams, looking at the platforms. That's our responsibility to make sure that all of this is available for our teams, and that our teams will use these tools so it becomes natural. That is our job: to ensure that this becomes natural behavior in order to avoid being subjected to the unpredictability of the market.

Simon AZOULAY

So, this 7% is the estimation that was done by our AI Officer for the four years in front of us. It's in the specifics of ALTEN engineering services, the economy of production engineered by AI with the progressive deployment of certain tools and some tools that we furnish to our clients. As Cyril said, in some cases, it goes from 0% to 80%, but on the specific stance of ALTEN the average is 7% over four years right after full deployment. What will happen afterwards, we don't know. But our challenge is to offset this need for engineers which is going down by 7% with higher tariffs or by extra offers, or by conquests of an organic growth, which means that the 2% of organic growth that we're going to suggest could correspond to 9%. It's just an estimation, an assessment done by the AI Officer.

Cyril MALARGÉ

That leads me to think about AI. We have been here before, I believe. It was offshore, and then it was something else. It's just new developments; this one is called AI but it's the same dynamics that we've seen before with new developments. We have to continue production but with different tools to be more effective.

Frédéric [NOM INCONNU]

Thank you.

OPERATOR

Next question: Mr. Laurent DAURE.

Laurent DAURE

Good morning gentlemen, thank you for this presentation. I have three questions, again with regards AI. We talked about these tools which are replacing some young engineers. In the 4-year plan, have you anticipated an average age for a stable engineer employment, and what impact will this might have on our margins?

The second one, I want to look at the mix. You talked about 70/30 engineering/IT services. Are we going to see a difference in that balance over the next 6 months in terms of growth and margins.

Last question: I would like to know what your vision is for the next 5-10 years of the Nuclear activities. In particular, you said 2-3% of our turnover today – how far can we go in this sector, and what stance should we take in the new sectors in France. We're looking forward to 2030. Are we beginning to see a genesis of activity in this area.

Cyril MALARGÉ

Thank you, Laurent. For the first question and the impact on the average age of our engineers, fairly naturally, we're going to probably employ fewer young engineers, but that's not really what we're seeing today. The model isn't being brought into question, because, as I said earlier, AI does not have the same role to play in IT and in engineering. This means, quite frankly, that we have not observed a structural impact on recruitment. We recruited more people than last year, for example; or on the average age of the people employed. When it comes to the margins; we're working on that, because that's going to depend on our capacity to hand over to the client that which we promised, making sure that the proposals are met. The subject is not on the table today, because we're sharing the fact that the margins which emerge are reemployed. We invest it. 7% for 10 people – that's a lot; 9 times out of 10, the client is going to ask us to retain their staff. We have to reconcile that with margins. We saw this with offshore.

With the difference of growth and margin between IT services and engineering, I don't think there's any significant difference.

Bruno BENOLIEL

Actually, there's not one. This is due to our stance, which is strong. If you look at our dynamics per sector of activity, you can see we're flat in the yellow part – IT services –, and have a strong growth in engineering, even though we went down in the Automotive industry. Overall, I don't think there's any difference in dynamic, I have to say.

Simon AZOULAY

Laurent, there are statistics which with everyone is familiar, and we update them every quarter. We look at the average experience of engineers that are with us in various sectors of activity, including pure engineering R&D, etc. Clients have senior employees – project leaders, architects – and they really are in charge of the projects. They outsource some, but not all, of their projects. We're not going to tell Airbus how to design their landing gears, that's their jobs. We are not going to tell them, "You have to get rid of 7% of your engineers". In Airbus, they do have younger people: their average age is 29. That means that the average level of experience is 3-4 years. Without management, the average is going to be between 0 and 8 years of experience. This accounts for 40% of our recruitment. In IT, it's different, because our clients want specialists. They want to outsource as much as possible. They want to develop an application for SAP or for Salesforce, any given software. Any IT department, anything they can externalize, if they have a BPO, offshore or not, they're going to outsource it. So, there, they're

going to need people with more experience. There's usually a gap of 3 years in the average age between people from engineering and people from IT.

To back up on what Cyril said just beforehand, AI hasn't really had that much of an impact on the average age of engineers, but it's really been one year of difference. We're still recruiting as many people. In engineering, AI has not killed the profession of young engineers, but it leaves time for schools to train engineers to construct their projects differently. We're seeing a change, a development of software tools for engineers. It'll be able to train them and allow us to have architects who become junior engineers. It's really just adaptation, a slight tweaking of what we consider to be engineers is going to be architects that are going to pursue their training and become engineers. These young engineers are going to be trained further to become more experienced.

Cyril MALARGÉ

In the Nuclear field, what I can share with you is that in WorldGrid, we had EPR2, which we're going to work with in the next 5 years. We're looking at a 5% growth between now and the upcoming years. I'm not talking the stance we might have on other ECMR projects with WorldGrid for example. You had the schema from Simon. It's worth the effort, because it's strategic for us. It's a very unique offer on the market, and somewhere out there we're going to need to invest. We have hope that EPR2, that will be stopped one day, we'll do maintenance over the next 20 years. We are able to address the upcoming subjects for the Nuclear group – EDF, for example. If you're talking about the delivery of a new EPR, we have to look at how we work with major industrial players, that's where we are at our strength. We're looking at at least 50% growth for EPR2. This knowledge and offer have to be reconciled.

OPERATOR

Next question from Inès MAHAUX.

Inès MAHAUX

I have two questions. Firstly, on Energy: could you give us more information on the type of region that is typically at stake, and do you have a typology for clients that you would have to help locally. You're talking about Nuclear about to become your second segment. Is that accompanied with an increase of onshore population.

My second question: I'd like to come back on what you said about the public sector in France. I know that it's limited, but is there not a risk that, when we deal with major French companies like Airbus or Thales, are the elections not going to have an impact in terms of the visibility for the next 10 years in the aeronautic sector.

Cyril MALARGÉ

Typically, the activities around UK and France for Nuclear activities are good. We also have a very nice position in Spain in Germany. We also would like to make sure to be able to

develop around IT. We are currently working on projects together with WorldGrid and ALTEN to develop IT in Energy. But onshore activities, it's not only for Nuclear, but also for other Energy branches. We work mainly for operators, so it is EDF, but also Schneder, for instance, but this is really the target. As regards Aerospace, it's a world traffic. It's going to double every 10 years. Honestly, the French elections are not going to impact this kind of development. It's a market which is developing. Airbus is going to deliver more, the Germans also. This is what we have, but now I do not know what kind of decisions are going to be taken and the ones which will have an impact on economy in general. It's not going to be ALTEN or Airbus. I think what is at stake goes far beyond presidential elections. Maybe you have another opinion?

Bruno BENOLIEL

No. Indeed, if you look at the real subject, that's the arrival of Comac on this market. They want to accelerate the development to really make a difference. The C919 has not been certified yet, but it's probably going to be. It is the competitor, the newcomer within 5 to 10 years. That's going to be positive for investments in terms of R&D and projects. With all the different projects with data, etc., the presidential elections won't have any impact on Airbus' activities.

Cyril MALARGÉ

The public sector, by the way, is this going to be impacted? We're not really exposed to that.

OPERATOR

Next question: Derric Marcon.

Derric MARCON

Hello, gentlemen. I have four questions. The first one as regards AI. We started talking about it two years ago, it will go on for a while. Can you tell us a little bit more about the expectations of customers who would like to have more with less people. Is it possible to qualify that, to say what kind of projects are concerned and the budget of R&D where AI, where the customer doesn't want to diminish the R&D because of AI or with AI.

Then, electronics: could we say a few words about that? Are they more focused on building new companies and new factories instead of working on projects? What do you see on the coming 12 months compared to the ones we just went through?

The third question is about North America: with H2 which is better than H1, what are the different improvement of sectors which you are aiming at?

And then, within the figure that you gave, Bruno, have you taken into account the acquisitions which were made? 7 million by end of December last year, and it went on diminishing. The earnout, I thought, was consolidating, but it doesn't seem to be the case.

Simon AZOULAY

Hello, Derric. I'm going to try to answer your 4 questions.

First of all, the team which was mentioned by Cyril is the team which is around the ComEx. It doesn't mean that we only this number of people participating. We have in 30 in Morocco, 30 in India, technical management is roughly 15 people. So, in terms on investment, we have much more than that without re invoicing. We have the AI tool innovation department really investing on AI, it goes beyond them. In terms of business impact, what happens is that when you have teams working on the customer's side, they request for similar tasks, similar projects where you calculate in terms of hourly production. Indeed, the customer sometimes asks for a reduction, but obviously we are also in competition with other companies, which are also going to use AI and offer savings in time and productivity. But we manage to keep up with competition on the customer's side because we do more business and more projects with 10 people instead of coming down to 8, we are going to work on another project that we would not have been able to get if we had eliminated 2 people. This is what I call the Management gains. It is compensated on ALTEN's side, the loss of work due to AI is compensated by working on new projects. It could have been worse, but it is a market share gain, because thanks to AI, you save money, it has been going on for 20 years. We have a lot of gains of productivity for quite a while. It was not called AI, it was called IT, but it was the same.

And when we say that the turnover in the Automotive sector went down, it doesn't mean that we have less engineers working there, it means that the daily cost of an engineer, wherever he or she is located, is divided by 2. So globally, we will have as many engineers in the Automotive sector than in the Aerospace one. And if we have to put everyone in China one day, well sincerely, I don't even want to talk about that because I hope it's not going to take place.

Derric MARCON

Yes, but as regards AI, is it possible to invoice the customer and if yes, how much does it represent at the group level?

Simon AZOULAY

Reals costs, it is roughly 12 million euros. We do not re invoice them. It's an investment. Unfortunately, and I mentioned that before, the savings that AI brings in productivity, our projects last for a year and a half on average. So, as soon as we reach a new project, the customer says, "Well, for the same kind of work and the same number of units, we have this and that to do, and I would like to have a discount of 10 to 15%." It is extremely difficult to keep our savings. The ones who could keep their savings of AI, and I'm not so sure about that, are those having a BPO, like in India, they have 300 people. The support of a software for an administration or a key account, they're going to put that in India and it's going to be cheaper. They also have with their own internal universities and internal trainees, important savings. In

R&D and renewed on new subjects, every one and a half year. We do not have the time to keep the savings for us. I don't know if you understand what I say.

Derric MARCON

Yes, yes. And the 12 million euros, that includes the management.

Bruno BENOLIEL

Everything is included: the tools, the platforms, the investments, everything. This is part of what we call not-reinvoiced costs at the technical management level.

Derric MARCON

Like the ones working on the accelerators?

Simon AZOULAY

Yes. None has understood the market yet. It is the cost of tokens which are associated with projects. The explosion of costs is really high. We have a platform that we target to make things easier. We are trying to look at the LLM typology for an AI investment. It's necessarily going to be increased. At a certain time, the discussion with customers will be about re invoicing the tokens that have been used. There is no other choice.

Derric MARCON

Yes, that was part of my question. Do you reinvoice? Like the salary cost, the engineers, the costs of tokens, etc.

Bruno BENOLIEL

No, not yet, this is what Simon told you about.

Simon AZOULAY

It's not part of the DNA. We are selling what our engineers do. Now we have to develop support tools. We will have to do that, because we're going to have secondary costs, like for instance when the customer required work packages, we included technical management costs. We have a margin which is linked to that. We were asked to deliver products within our buildings and facilities, so we have included that too. That's so much per day. Now maybe we will have also to include all the AI tools according to the project technology. It's not done yet, we have to learn how to do it.

Derric MARCON

OK, fine.

Bruno BENOLIEL

And we start with PMO activities to do that, because the correlation between service delivery, intellectual property and work which is being done will have to change. And then we have our engineers working on the customer side. They use the customers' tokens and infrastructure, because it's internal, and sometimes it's at our level.

As regards electronics, this market is complicated, we do not have so much of it, and I regret because I am an electronic engineer. Why don't we have so much of it? Because we need a very wide category of population. When you have a work package, it takes technicians, blue collars, test equipment, you have to deliver e-card which have been tested, etc. It is not really part of the DNA of ALTEN, where we have many engineers. It's complicated for us. Or, we should have to pair up with other providers. But sometimes, we have a partnership with other companies to deliver electronics. But usually, electronics is really put aside. We have a little technical support, but not so much.

Derric MARCON

I was thinking about semiconductors.

Simon AZOULAY

Semiconductors, we have 800 working for all the companies for semiconductors between the USA and India. We'd like to ramp up to 1,500. But the prices of companies working on semiconductors are three times the turnover. That's a little bit scary, and we don't know if it's going to be sustainable. We almost signed three, and each time, negotiations failed on due diligence or requalification of the real EBIT. Anyway, complicated.

So, organically, yes, we are moving on very slowly. 1,000 engineers based mainly in the US. We have a few activities in Germany, but that's it.

ASML, that's machinery. This is where we are very present (500 people working with it), but this is not semiconductor. It is the Industrial equipment machine sector, and this is different.

As regards North America, it is strategic. We have a little bit less than 3,000 engineers working for American projects, which are up. We are doing low-cost development in India, Mexico and Colombia. It has become interesting for the US market. We have to capture 10,000 engineers on projects in North America. We are looking like mad for acquisitions, but we don't have so many. The Indians, they win markets in the USA, but they work in India. So, what we are looking at, are Indian companies working and serving American customers. But again, it's becoming more and more expensive. We will be successful in North America the day we will manage to buy Indian companies. Most of the time, it's local to local. I'm talking about the USA, and not Canada. A lot for Defense, Aerospace. Even Boeing is offshoring a lot to India. For Defense, we will have to create a company with the security clearances. So, we think about that. The best managers working in the Defense sector in France are observing all of that. It will be mainly, to start with, US and India.

And now to the earnouts. We have bought two companies, 1,000 people. We have one positioned on the short earnout, the volume is not very important and I think that if we do what we have in the pipeline, and if we make an official announcement, then we will have an important earnout provision for 2027. So, it is already contained in the figure for 2026, yes, it's part of it.

Derric MARCON

Okay, thank you very much.

OPERATOR

Okay, next question. **Jérémy [NOM INCONNU]**.

Jérémy [NOM INCONNU]

Thank you very much to all the teams. I put my question in the chat. I have a first question as regards the share of the work packages. Could you tell us, within the engineering, what it represents for S1?

Simon AZOULAY

it represents almost 80% of turnover. We are quite mature, and it corresponds to the customer's wishes. We want to have teams managed by the technical management. The definition of the work package is not lumps of projects. We delivered managed teams with the technical management and around the competence. We measure the number of hours and we deliver. It's extremely difficult, because it's R&D; specifications change all the time. We spend a lot of time looking at the contracts more than the work which has to be done. It represents around 80% of our turnover in engineering. It's back to normal. In the IT services, this is what we call the yellow world at ALTEN: Finance, Retail, Distribution, etc. We deliver technical support. One third of work package, and two thirds of technical support. We organize that around very precise competences linked to a project or a specific request from the customer, like Finance, marketing, etc.

Jérémy [NOM INCONNU]

Ok, thank you. I have two questions as regards AI. The counterpart – is that going to be an increase of 7% of engineers cost per year?

Simon AZOULAY

Not at all. It is the number of engineers which are requested. It has decreased by 7% in general, but we think it's going to be the end of the tunnel in 7 years' time. We have increased the activity in AI – none delivered a precise on that, it is what the AI officer told us. Those 7% are not going to be caught back by the increase of seniority or whatever, it is being done by the winning of more market shares.

Jérémy [NOM INCONNU]

Yes, but if you could keep these productivity gains, you would see an increase?

Simon AZOULAY

Yes, of the margin. But unfortunately, as I said before, they want, for each project, to have the all the costs included.

Jérémy [NOM INCONNU]

And do you have requests from the side of our customers to replace internal software, packaged by internal business solution that you developed for them. Have you observed that?

Simon AZOULAY

No. In the world of engineering, that represents 75% of our turnover. We work on short cycle innovation and not specific products. It exists in the world of IT services, and all the big companies (ESNs), I mean Accenture and whoever, they have a department which is packaged products, and they develop specific applications for customers. This is not ALTEN's business at all.

Jérémy [NOM INCONNU]

You've talked about France, you've talked about Britain. I think there was 74 million that wasn't divided, and I thought that subsidiary was then closed. Should we be looking at the constitutional provisional cashout of 2026-2027?

Simon AZOULAY

I don't know. It's really scandalous. An English subsidiary which develops business outside France, which pays its tax according to French ratios, then it's been trial after trial, penalties, this idea of fraud, there's injected so they would have an audit over 10 years. It's an absolute racket, it's scandalous. That's where we are. We have provisioned the amount. We are trying to feed that up the chain to the head of state. We are facing a lot of pressure. In many groups, when they have subsidiaries abroad, they try and pretend that it's a French subsidiary when it's not, actually. We have reduced activity there anyway.

Jérémy [NOM INCONNU]

It's provisioned; it's the second provision in the balance sheet?

Simon AZOULAY

I'll let Bruno reply.

Bruno BENOLIEL

For reasons Simon has explained, it's very complex for tax positions, that's why we're heading up the chain to the head of state. 2026-2027, we hope to have some results and see exactly what's happened.

Simon AZOULAY

Given the current political context, we can presume that this kind of decision will be taken out for a legal framework. I'm really weighing my words when I say it's a real racket. Thank you.

OPERATOR

We have a question from Nicolas DAVID.

Nicolas DAVID

You said that there weren't any gains in productivity. We're not going to meet 2% or 4%. Is that not a little optimistic? Because if we see that there are opportunities elsewhere, then we're given new clients, is this not linked to the fact that they could find less expensive projects, which will help increase the budget and allow for other projects. There's a gain in effectiveness, even though the volumes are different. You might think that this is due to something else, a hike, outsourcing, etc. Actually, it comes down to architecture of volumes. Everything is linked.

Simon AZOULAY

The client maintains its budgets, to keep things simple. He's going to impose increased productivity, so less engineers for the same cast, but reduces his panel of suppliers. Every year, they review the supplier selection. We always managed to be on top, so we have an extra market share. That's pretty much how it happens, because it's more practical for the client to do it like that.

Nicolas DAVID

So, it's rather getting more market share than actually opening up new market shares. You're not really talking about unblocking the budget, you're trying to get even more volume with the same budget.

Simon AZOULAY

When you talked about 7%, we actually get savings and needs and volumes of engineers of our clients. We're going to offset that with the gains of market share by the ALTEN teams. (I'm sorry, everyone is speaking at once).

Nicolas DAVID

And if we had to compare it to offshore production and IT with price reductions and reduction of salaries?

Simon AZOULAY

No, that's another process. The number of engineers is the same, but the cost is divided by three. That then cuts the turnover by three for the same number of engineers, that's what happens in the Automotive industry.

Nicolas DAVID

Yes, but it seems to be slower.

Simon AZOULAY

We have 1,600 engineers who work in the Automotive field. You know them. 15 years ago, they were all in France. Today, there's 1,600 engineers, and 200 of them live in France. The rest are offshore. So, it's different.

Nicolas DAVID

You can remember the discussion that took place a few years ago when we were talking onshore, how it's going to be catastrophic, but we've all seen what's happened. Growth was improved. We're looking at the same type of phenomenon. We're not looking at soft skill and production, it's going to be done differently, but it's pretty much the same process.

Simon AZOULAY

The budget remains, and is shared out differently.

Nicolas DAVID

Thank you.

Simon AZOULAY

I've seen the time, I know that so much is happening at ALTEN, we could stay for another two hours, but thank you for having participated in this meeting. We are obviously available to take any extra question by mail. I hope you have all the information you need for ALTEN at the moment. I'd like to wish you all an excellent day and a great week-end. Thank you very much and goodbye.