

BUSINESS IN FIRST HALF 2020: -4.0%

- Impacts of health crisis on organic growth
- 2 acquisitions outside France

€ million	H1 2019	H1 2020	Year-on-year change
Revenue	1,292.3	1,240.4	-4.0%
▪ Of which France	571.2 i.e. 44.2% of total revenue	491.1 i.e. 39.6% of total revenue	-14.0%
▪ Of which international	721.1 i.e. 55.8% of total revenue	749.3 i.e. 60.4% of total revenue	+3.9%

BUSINESS AT END OF JUNE 2020: -4.0%

Business decreases by 4.0% this semester: -14.0% in France and +3.9% outside France. On a like-for-like basis and constant exchange rate, business decreases by 7.3%: -13.7% in France and -2.2% outside France. Despite a favorable calendar effect (+0.7 business day in H1 2020), since mid-March the impact of the health crisis on our activity have been strong.

By the middle of Q2 2020, at the end of lockdown in Europe and more particularly in France, business did not fully recover. The activity is now gradually resuming with the clients who had suspended their projects, in accordance with current health measures.

As a consequence, the remote working procedures that were implemented during lockdown are still in use to allow the activity to resume smoothly.

In Q2 2020, business decreases by 15.2%: -28.2% in France and -5.2% outside France. On a like-for-like basis, business decreases by 18.4%. Degrowth reaches 27.9% in France and -11.0% on an international level.

Business rate in Q2 2020 sharply decreased to 77% (Versus 92% in Q2 2019). In H1 2020, business rate therefore stood at 83.9% vs. 91.9% last year.

Business in the first semester was strongly impacted by the health crisis.

Extensive remote working and partial unemployment were implemented whenever possible. Recruitment freeze was also put in place.

France was more specifically impacted by the drop in activity in the Automotive and civil Aeronautics sectors. Only the Rail/Naval and Energy sectors experience growth. Outside France, Scandinavia and Germany, also active in the Automotive and public Aeronautics sectors, experience a decrease of nearly 15%. The activity in North America and Benelux is stable. Growth in the UK, Italy, and Switzerland is above 10%.

Many business sectors are decreasing; more particularly Automotive and Aerospace. On the contrary, Rail/Naval, Life Sciences and Energy grow by nearly 10%.

EXTERNAL GROWTH: 2 ACQUISITIONS OUTSIDE FRANCE

ALTEN is consolidating its position abroad and has carried out 2 acquisitions in Asia in H1 2020:

- One Chinese/Japanese company specialised in IT (annual revenue: €18 M, 400 consultants)
- One company in South Korea specialised in Software Development / CAE / PLM (annual revenue: €21 M, 300 consultants)

OUTLOOK FOR 2020:

Similarly to all global economic operators, ALTEN has been impacted by the health emergency linked to the Covid-19 pandemic, its economic repercussions sharply affecting our business since mid-March.

Because of the lockdown measures enforced worldwide, despite remote working, suspensions/terminations of projects have multiplied.

Over the mid-term, the crisis has strongly affected the following sectors: Automotive and Heavy trucks, Air transport & associated services, along with civil Aeronautics. Consequently, France, Sweden, Germany, and the US to a minor extent, i.e. countries where the above-mentioned sectors constitute a main part of the activity, are the most affected.

A rebound in economic activity from the low point in June 2020 will be very gradual. Business rate should resume growth in Q4 2020.

As a consequence, as a result of an adverse base effect, it is highly probable that the organic decrease in activity in H2 2020 will approximate the one of Q2 2020. Without prejudice and given the lack of visibility, this decrease should be around 12% in year 2020.

NEXT PUBLICATION: SEPTEMBER 22nd 2020

H1 2020 results : September 22nd 2020

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

Paris, July 28th 2020
5:40 pm



Appendix to Press Release:

Definition of alternative performance measures and reconciliation with IFRS standards

The ALLEN 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 scope on a chosen period.

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

Scope variation impacts are measured excluding acquisitions, revenue of the period and for transfers, revenue of the previous period, in order to create a scope 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 in H1 2020

€M	H1 2019 Revenue	H1 2020 Revenue	% change
Revenue on a like-for-like basis	1,289.7	1,196.2	-7.3%
France	568.6	491.1	-13.7%
International	721.1	705.1	-2.2%
Scope variation		39.2	3.0%
France		-2.4	-0.4%
International		41.7	5.8%
Exchange rate impact		2.5	0.2%
France		-	-
International		2.5	0.3%
Group revenue	1,292.3	1,240.4	-4.0%
France	571.2	491.1	-14.0%
International	721.1	749.3	3.9%