PRESS RELEASE

2017 results

- *Operating profit before non-recurring items (EBITA)(1) up 17.6% to €26.0 million*
- *EBITA margin up 0.8 pt to 6.6%*
- *Free cash-flow(2): €20.8 million, representing 5.3% of revenue*
- *Dividend(3): €1.0 per share*

Paris, 19 March 2018, 5.35 p.m. CET – At its meeting on 15 March 2018, the Board of Directors of Assystem S.A. (ISIN: FR0000074148 - ASY), a leading player in engineering, reviewed the Group's financial statements for the year ended 31 December 2017.

Dominique Louis, Assystem's Chairman and Chief Executive Officer, stated:

"2017 was a year of major strategic moves for Assystem.
We chose to boost the business development of GPS (now "Assystem Technologies Groupe") by transferring its control to Ardian, while retaining a large stake in its capital to remain closely associated with its value creation.
In parallel, we acquired an ownership interest in Framatome in order to strengthen our positioning at the heart of the French nuclear industry with a view to helping promote the sustainability and development of low-carbon electricity both in France and worldwide, for which civil nuclear power has a key role to play. Thanks to its expertise and long-standing experience in nuclear engineering and more generally in infrastructure engineering serving energy transition requirements, Assystem is well placed to leverage the opportunities of this high-growth market".

Key figures

In millions of euros (€m) – Audited figures	**2016***	**2017**	**Year-on-year change**
Revenue	**380.1**	**395.2**	**+ 4.0%**
Operating profit before non-recurring items – EBITA	**22.1**	**26.0**	**+ 17.6%**
% of revenue	*5.8%*	*6.6%*	*+ 0.8 pt*
Consolidated profit for the period	**32.1**	**404.6**	**-**
Free cash flow	**-**	**20.8**	**-**
% of revenue	-	*5.3%*	-
Net cash/(debt)(4)	**(16.1)**	**23.9**	**-**
Dividend per share (in €)	**1.00**	**1.00**	-

** Restated to facilitate year-on-year comparisons*

(1) Operating profit before non-recurring items (EBITA) including share of profit of equity-accounted investees (€1.4 million in 2016 and €0.9 million in 2017).
(2) Free cash flow from continuing operations. Corresponding to net cash generated from operating activities less capital expenditure, net of disposals.
(3) For 2017, the figure corresponds to the dividend that will be recommended at the Annual General Meeting on May 16, 2018.
(4) Cash and cash equivalents less debt and after taking into account the fair value of hedging instruments.

ANALYSIS OF THE 2017 INCOME STATEMENT

- ***Revenue***

Based on its new scope of fully-consolidated companies, Assystem's **consolidated revenue** rose by 4.0% in the year ended 31 December 2017, breaking down as 4.0% in like-for-like growth (6.8% excluding the impact of revenue decreases from Radicon and the Staffing business), a 1.0% increase due to changes in the scope of consolidation and a 1.0% negative currency effect.

Revenue for the **Energy & Infrastructure** business climbed 7.4% to €341.3 million. Within this business, the Nuclear segment reported revenue of €205.5 million, up 8.9%, or 9.6% on a like-for-like basis, and Energy Transition & Infrastructures revenue rose 5.3% to €135.8 million, with 2.1% like-for-like growth (or 4.8% excluding Radicon's revenue decline).

At €45.1 million, revenue for the **Staffing** business retreated 13.2% year on year at constant exchange rates, or 15.3% on a reported basis, as performance was weighed down by lower business volumes in the Oil & Gas sector. However, projects in the Industry sector have now started up, which should help to at least stabilise annual revenue in 2018.

- ***Operating profit before non-recurring items (EBITA)***

Consolidated EBITA advanced 17.6% to €26.0 million in 2017 from €22.1 million in 2016, and EBITA margin represented 6.6% of revenue, up 80 basis points year on year.

EBITA for the Energy & Infrastructure business climbed €3.8 million to €27.9 million, which drove a 60 basis-point increase in EBITA margin to 8.2%.

Staffing EBITA decreased by €0.5 million to €1.9 million, representing an EBITA margin of 4.2%.

The Group's "Holding company" expenses, net of the EBITA of the activities classified in the "Other" category, had a €3.8 million negative impact on consolidated EBITA in 2017 versus a €4.4 million negative impact in 2016 (as restated in order to facilitate year-on-year comparisons).

- ***Operating profit and non-recurring income and expenses***

Consolidated operating profit after non-recurring items came to €14.2 million, up 11.8% on the €12.7 million reported for 2016.

Non-recurring items represented a net expense of €11.8 million, breaking down as:

- €6.8 million corresponding to a provision recognized in addition to that booked in 2015 for a tax dispute concerning the former GPS division's research tax credits for 2010, 2011 and 2012. The risks relating to this dispute are now fully covered by this provision.
- €5 million primarily representing charges and provisions related to (i) adapting some of the Group's resources to its new scope of consolidation and (ii) restructuring measures for conventional energy activities.

The contribution of Assystem Technologies Groupe (ATG) to Assystem's consolidated profit for 2017 (before the tax recognised on the coupon on ATG convertible bonds held by Assystem) was €3.8 million, breaking down as (i) €2.3 million for Assystem's 39.2% share of ATG's profit for the period from 1 October 2017 to 31 December 2017 and (ii) €1.5 million in income from the convertible bonds.

Assystem recorded **net financial income** of €0.1 million for the year, including €2.7 million in "Net financial expense on cash and debt" which was more than offset by a net €2.8 million positive impact from "Other financial income and expenses".

The **income tax expense** for continuing operations was €4.8 million. This total includes €1.3 million in net income related to dividend tax and a €0.1 million tax charge on the coupon received on the ATG convertible bonds.

Profit from discontinued operations amounted to €391.3 million and primarily corresponds to the gain arising on the transfer of control of the former GPS division to ATG. It also includes the profit figure of the former GPS division for the first three quarters of 2017.

Consolidated profit for the period came to €404.6 million, of which €0.5 million was attributable to non-controlling interests.

The Group estimates that its **pro forma consolidated profit for the period** amounts to €29.0 million. This figure, which does not include non-recurring income or expenses, was calculated based on the following:

- EBITA for the year (i.e. €26.0 million).
- An estimate of what ATG's contribution to Assystem's 2017 consolidated profit would have been (including the income tax charge on the coupon on the convertible bonds) if ATG had been set up on 1 January 2017 and if Assystem had held a 39.2% stake in ATG at that date (i.e. €13.0 million).
- An estimate of the annual recurring net financial expense based on the Group's balance sheet configuration at 31 December 2017 (i.e. €1.9 million).
- A pro forma income tax charge on EBITA after deducting financial income and expenses (i.e. €8.1 million).

- ***Information on the revenue and EBITA generated in 2017 by the entities controlled by Assystem Technologies Groupe***

Revenue generated by the entities consolidated by ATG – in which Assystem currently holds a 38.2% interest (compared with 39.2% at 31 December 2017) – totalled €673.6 million for the full twelve months of 2017, up 16.7% year on year (with 13.4% like-for-like growth).

EBITA reported by the entities controlled by ATG was €56.8 million for full-year 2017.

NET CASH/(DEBT)

Assystem had net cash of €23.9 million at 31 December 2017 (versus €16.1 million in net debt one year earlier). This positive swing reflects the following:

- €20.8 million in free cash flow from the Group's continuing operations, representing 5.3% of revenue.
- A €60.4 million net cash inflow relating to (i) GPS and the transfer of control of this division to ATG (a €409.2 million inflow) (ii) the share buyback offer carried out in the fourth quarter of 2017 (a €225.1 million outflow) and (iii) the acquisition of a 5% stake in Framatome (a €123.7 million outflow).
- A €21.2 million dividend payment to Assystem's shareholders.
- A negative €20.0 million in other cash flows, mainly related to the acquisitions of BQG and ECP.

RECOMMENDED DIVIDEND FOR 2017

At the Annual General Meeting to be held on 16 May 2018, Assystem will recommend the payment of a dividend of €1.00 per share for 2017. If this divided is approved by the shareholders it would represent a total payout of €15.2 million(5), corresponding to 52% of pro forma consolidated profit for the period.

(5) Corresponding to €1.00 multiplied by the 15,159,063 outstanding Assystem shares carrying dividend rights at 31 December 2017.

OUTLOOK FOR 2018

In the nuclear market, Assystem expects to see continued robust growth in 2018 for services provided to existing power plants and a ramp-up of business for new-build projects in the United Kingdom, Turkey and the Middle East.

In its other markets, the Group expects to reap the benefits of strong momentum in the life sciences and transport infrastructure sectors.

The combination of the above factors is expected to support overall growth and operating margin but it is likely that the conventional energy sector will see significant decreases in revenue, EBITA and operating margin.

On a consolidated basis, the Group's targets – which only take into account the acquisitions completed by end-2017 – are as follows for 2018:
- At least 10% growth in consolidated revenue and EBITA, with stronger growth in the second half than in the first due to an unfavourable basis of comparison with first-half 2017.
- Free cash flow representing more than 5% of revenue.

FINANCIAL CALENDAR FOR THE FIRST HALF OF 2018
- 26 April: First-quarter 2018 revenue release.
- 16 May: Annual General Meeting.

ABOUT ASSYSTEM

Assystem is an international engineering group. As a key participant in the industry for 50 years, the Group supports its clients in managing their capital expenditure throughout their asset life cycles. Assystem S.A. is listed on Euronext Paris.
For more information please visit www.assystem.com
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APPENDICES

NB: The 2016 figures have been restated to facilitate year-on-year comparisons

1/ REVENUE AND EBITA BY DIVISION

- **REVENUE**

In millions of euros	2016	2017	Total year-on-year change	Like-for-like change*
Group	**380.1**	**395.2**	**+4.0%**	**+4.0%**
Energy & Infrastructure	317.7	341.3	+7.4%	+6.6%
Staffing	53.2	45.1	-15.3%	-13.2%
Other	9.2	8.8	-	

* Based on a comparable scope of consolidation and constant exchange rates.

- **EBITA(1)**

In millions of euros	2016	% of revenue	2017	% of revenue
Group	**22.1**	**5.8%**	**26.0**	**6.6%**
Energy & Infrastructure	24.1	7.6%	27.9	8.2%
Staffing	2.4	4.6%	1.9	4.2%
Holding company and Other	(4.4)	-	(3.8)	-

(1) *Operating profit before non-recurring items (EBITA) including share of profit of equity-accounted investees (€1.4 million in 2016 and €0.9 million in 2017).*

2/ CONSOLIDATED FINANCIAL STATEMENTS

- **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

In millions of euros	**31 Dec. 2016**	**31 Dec. 2017**
Assets		
Goodwill	184.8	81.5
Intangible assets	3.6	1.6
Property, plant and equipment	17.9	6.7
Investment property	1.4	1.4
Equity-accounted investees	0.9	0.7
Shares and convertible bonds of Assystem Technologies Groupe	-	128.3
Other non-current financial assets(1)	13.9	128.6
Deferred tax assets	17.0	4.5
Non-current assets	**239.5**	**353.3**
Trade receivables	320.1	160.0
Other receivables	70.9	47.5
Income tax receivable	1.5	0.5
Other current assets(2)	0.3	0.5
Cash and cash equivalents(2)	85.4	28.2
Current assets	**478.2**	**236.7**
TOTAL ASSETS	**717.7**	**590.0**
Equity and liabilities	**2016**	**2017**
Share capital	22.2	15.7
Share premium	80.3	-
Consolidated reserves	106.7	(28.4)
Profit for the period attributable to owners of the parent	31.5	404.1
Equity attributable to owners of the parent	**240.7**	**391.4**
Non-controlling interests	0.3	0.3
Total equity	**241.0**	**391.7**
Long-term bond debt	-	-
Other long-term debt and non-current financial liabilities(2)	4.4	3.6
Pension and other employee benefit obligations	26.4	13.7
Liabilities related to share acquisitions	14.1	9.1
Long-term provisions	7.6	16.4
Other non-current liabilities	5.9	1.8
Non-current liabilities	**64.8**	**44.6**
Short-term bond debt	14.4	-
Other short-term debt and current financial liabilities(2)	82.7	1.0
Trade payables	66.4	32.8
Due to suppliers of non-current assets	1.5	0.2
Accrued taxes and payroll costs	186.7	85.9
Income tax liabilities	3.8	7.2
Liabilities related to share acquisitions	4.4	-
Short-term provisions	7.2	8.2
Other current liabilities	51.2	18.4
Current liabilities	**418.3**	**153.7**
TOTAL EQUITY AND LIABILITIES	**717.7**	**590.0**

(1) *Including Framatome shares amounting to €124.3 million at 31 December 2017.*
(2) *Included in net cash, which amounted to €23.9 million at 31 December 2017, breaking down as:*
- *Cash and cash equivalents: €28.2 million*
- *Fair value of derivatives included in other current assets: €0.3 million*
- *Short- and long-term debt and current and non-current financial liabilities: €(4.6) million.*

- **CONSOLIDATED INCOME STATEMENT**

In millions of euros	**2016**	**2017**
Revenue	**380.1**	**395.2**
Payroll costs	(268.1)	(277.7)
Other operating income and expenses	(88.2)	(88.6)
Taxes other than on income	(0.6)	(0.8)
Depreciation, amortisation and provisions for recurring operating items, net	(2.5)	(3.0)
Operating profit before non-recurring items (EBITA)	**20.7**	**25.1**
Share of profit of equity-accounted investees	1.4	0.9
EBITA including share of profit of equity-accounted investees	**22.1**	**26.0**
Non-recurring income and expenses	(9.4)	(11.8)
Operating profit	**12.7**	**14.2**
Share of profit of Assystem Technologies Groupe (ATG)	-	2.3
Income from ATG convertible bonds	-	1.5
Net financial income (expense) on cash and debt	(1.5)	(2.7)
Other financial income and expenses	2.3	2.8
Profit from continuing operations before tax	**8.9**	**18.1**
Income tax expense	(4.5)	(4.8)
Profit from continuing operations	**4.4**	**13.3**
Profit from discontinued operations	27.7	391.3
Consolidated profit for the period	**32.1**	**404.6**
Attributable to:		
Owners of the parent	31.5	404.1
Non-controlling interests	0.6	0.5

- **CONSOLIDATED STATEMENT OF CASH FLOWS**

In millions of euros	**2016**	**2017**
CASH FLOWS FROM OPERATING ACTIVITIES		
EBITA including share of profit of equity-accounted investees	66.9	62.6
Depreciation, amortisation and provisions for recurring operating items, net	8.8	7.1
EBITDA	**75.7**	**69.7**
Change in operating working capital requirement	(3.4)	(33.2)
Income tax paid	(12.8)	(14.0)
Other movements	(5.8)	(4.6)
Net cash generated from operating activities	**53.7**	**17.9**
O/w related to discontinued operations	*61.7*	*(5.3)*
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property, plant and equipment and intangible assets, net of disposals, o/w:	(8.4)	(10.3)
Acquisitions of property, plant and equipment and intangible assets	*(8.9)*	*(11.0)*
Proceeds from disposals of property, plant and equipment and intangible assets	*0.5*	*0.7*
Free cash flow	***45.3***	***7.6***
O/w free cash flow related to discontinued operations		*(13.2)*
Acquisitions of shares in companies	(26.6)	(161.7)
Proceeds from sales of shares in companies, net of the reinvestment in Assystem Technologies Groupe	0.2	444.7
Loans repaid to the Group by non-consolidated companies	-	-
Net cash generated from (used in) investing activities	**(34.8)**	**272.7**
O/w related to discontinued operations	*(19.3)*	*414.5*
CASH FLOWS FROM FINANCING ACTIVITIES		
Net financial income received (expenses paid)	(1.5)	(3.6)
Proceeds from new borrowings	80.0	102.9
Repayments of borrowings and movements in other financial liabilities	(32.3)	(200.2)
Dividends paid	(17.9)	(22.9)
Buyback of equity instruments	(176.9)	
Income from equity instruments	(7.2)	
Other movements in equity of the parent company	(9.8)	(225.1)
Net cash used in financing activities	**(165.6)**	**(348.9)**
Net decrease in cash and cash equivalents	**(146.7)**	**(58.3)**
Net cash and cash equivalents at beginning of year	**233.4**	**84.4**
Effect of non-monetary items and changes in exchange rates	(2.3)	1.2
Net decrease in cash and cash equivalents	(146.7)	(58.3)
Net cash and cash equivalents at year-end	**84.4**	**27.3**

3/ BREAKDOWN OF THE 2017 STATEMENT OF CASH FLOWS

In millions of euros	Continuing operations	GPS/ATG	**Group**
EBITDA	29.0	40.7	69.7
Change in operating working capital requirement	0.1	(33.3)	(33.2)
Income tax paid	(4.1)	(9.9)	(14.0)
Acquisitions of property, plant and equipment and intangible assets, net of disposals	(2.4)	(7.9)	(10.3)
Other movements	(1.8)	(2.8)	(4.6)
Free cash flow	**20.8**	**(13.2)**	**7.6**
Acquisitions of shares in companies, net of disposals(1)	(139.4)	422.4	283.0
Net financial income received (expenses paid)			(3.6)
Dividends paid to shareholders of Assystem SA			(21.2)
Share buyback offer and other movements in equity			(226.8)
Proceeds from new borrowings (repayments of borrowings)			(97.3)
Net decrease in cash and cash equivalents			**(58.3)**
Net cash and cash equivalents at beginning of year			**84.4**
Effect of non-monetary items and changes in exchange rates			1.2
Net decrease in cash and cash equivalents			(58.3)
Net cash and cash equivalents at year-end			**27.3**

(1) Including (i) for continuing operations: €123.7 million for the acquisition of Framatome shares and (ii) for GPS/ATG: €20.6 million for acquisitions carried out prior to 28 September 2017 and €443.0 million representing the cash inflow resulting from the transfer of control of GPS, net of the reinvestment in ATG.

4/ CHANGES IN NET CASH/(DEBT)

In millions of euros		
Net cash/(debt) at 31 December 2016	**(16.1)**	
Free cash flow from continuing operations	**20.8**	
Strategic transactions (net cash inflow)	60.4	*Breaking down as (i) a €409.2 million cash inflow relating to GPS's operations, the transfer of control of GPS and the reinvestment in ATG; (ii) a €225.1 million cash outflow resulting from the share buyback offer and (iii) a €123.7 million cash outflow corresponding to the acquisition of a 5% stake in Framatome*
Dividends paid to shareholders of Assystem	(21.2)	
Acquisitions and other	(20.0)	*Mainly relating to the acquisitions of BQG and ECP*
Net cash/(debt) at 31 December 2017	**23.9**	

5/ Pro forma profit for 2017[1]

In millions of euros	**2017 pro forma**
Revenue	**395.2**
EBITA	**26.0**
Contribution of Assystem Technologies Groupe to profit for the period[2]	**13.0**
Net financial expense	(1.9)
Income tax expense[3]	(8.1)
Pro forma profit for 2017[1]	**29.0**

(1) Estimated profit for 2017 based on the Group's configuration in fourth-quarter 2017. This estimate does not include the impact of (i) non-recurring income and expenses or (ii) certain one-off financial items recorded in 2017.
(2) Estimated pro forma contribution of ATG to profit for the period based on GPS/ATG's operating performance in 2017, ATG's financial structure and Assystem's 39.2% stake in ATG. This estimate includes €7.8 million in pro forma share of profit of equity-accounted investees and €5.2 million in income (net of the corresponding tax) from convertible bonds for the full year.
(3) Pro forma income tax expense on EBITA, after deducting net financial expense.

6/ Information about the Company's capital

Number of shares	**31 Dec. 2016**	**31 Dec. 2017**
Number of ordinary shares outstanding	22,218,216	15,668,216
Number of treasury shares	1,068,442	509,153
Number of free shares and performance shares outstanding	313,300	253,190
Weighted average number of shares outstanding	21,258,072	20,910,097
Weighted average number of diluted shares	21,571,372	21,163,287

Ownership structure at 28 February 2018

%	**Shares**	**Actual voting rights**
HDL Development[1]	61.34%	76.88%
Free float[2]	35.38%	23.12%
Treasury shares	3.28%	-

(1) HDL Development is a holding company controlled by Dominique Louis (Assystem's Chairman and Chief Executive Office), notably through HDL, which itself holds 0.22% of Assystem's capital.
(2) Including 0.22% held by HDL.