PRESS RELEASE

First-half 2018 results

- *Operating profit before non-recurring items (EBITA)(1): €9.2 million*
- *Free cash flow for the past 12 months: €25.4 million (6.2% of revenue)*

Paris, 10 September 2018, 5.35 p.m. (CEST) – At its meeting on 6 September 2018, the Board of Directors of Assystem S.A. (ISIN: FR0000074148 – ASY), an international engineering group, reviewed the Group's financial statements for the first half of 2018 (i.e. the six months ended 30 June 2018).

KEY FIGURES

In millions of euros (€m)	**H1 2017**	**H1 2018**	**Year-on-year-change**
Revenue	**204.5**	**216.1**	**+5.7%**
Operating profit before non-recurring items(EBITA)(1)	**12.0**	**9.2**	**-23.3%**
% of revenue	*5.9%*	*4.3%*	*- 160 pts*
Profit from continuing operations	**6.2**	**7.2**	
Profit/(loss) from discontinued operations	15.6	(0.1)	
Consolidated profit for the period(2)	**21.8**	**7.1**	
Free cash flow	**0.8**	**5.4**	

In millions of euros (€m)	**31 Dec. 2017**	**30 June 2018**
Net debt/(cash)(3)	**(23.9)**	**53.7**

ANALYSIS OF THE FIRST-HALF 2018 INCOME STATEMENT

- ***Revenue***

Assystem's consolidated revenue rose by 5.7% year on year in the first half of 2018, breaking down as 0.8% in like-for-like growth, a 7.1% increase due to changes in the scope of consolidation and a 2.2% negative currency effect.

The decrease in the number of business days in the first six months of 2018 compared with first-half 2017 and the lower revenue posted by the Group's subsidiaries in Turkey (Envy) and Saudi Arabia (Radicon) shaved an aggregate 3.8% off consolidated like-for-like growth for the period (0.8% and 3.0% respectively).

(1) Operating profit before non-recurring items (EBITA) including share of profit of equity-accounted investees excluding ATG (€0.2 million in first-half 2017 and €0.6 million in first-half 2018).
(2) Including profit attributable to non-controlling interests: €0.4 million in first-half 2017 and a nil amount in first-half 2018. Profit for the period attributable to owners of the parent therefore totalled €21.4 million in first-half 2017 and €7.1 million in first-half 2018.
(3) Cash and cash equivalents less debt and after taking into account the fair value of hedging instruments.

Revenue generated by the **Energy & Infrastructure** division advanced 7.7% in the first half of 2018 to €189.1 million. Revenue from Nuclear activities jumped 18.7% to €120.6 million (with 13.3% like-for-like growth), led by demand for engineering services from key clients.

Revenue for Energy Transition & Infrastructures contracted by 7.3% to €68.5 million, with a 17.4% like-for-like decrease. The negative like-for-like growth was mainly due to (i) an unfavourable basis of comparison (as a result of non-recurring revenue recognised by Assystem's Turkish subsidiary, Envy, in the first quarter of 2017) and (ii) revenue declines reported by Radicon and Assystem's conventional energy activities in France.

At €22.3 million, revenue for the **Staffing** division was up 1.5% year on year at constant exchange rates, with rapid growth in the Industry market offsetting a fall in revenue in the Oil & Gas sector.

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

Consolidated EBITA retreated 23.3% to €9.2 million in first-half 2018 from €12 million in the first six months of 2017, and EBITA margin narrowed to 4.3% of revenue from 5.9%.

EBITA for the Energy & Infrastructure division amounted to €10.3 million and EBITA margin was 5.4% (versus €13.9 million and 7.9% respectively in first-half 2017).

When analysing the year-on-year decrease in EBITA and EBITA margin it is important to take into account the high basis of comparison for first-half 2017.

EBITA for the first half of 2018 was also adversely affected by (i) one-off communication costs, (ii) dissynergies resulting from changes in the Group’s scope of consolidation, and (iii) a temporary disruption in the Life Sciences business caused by the mergers of operating entities in France, Belgium and Switzerland carried out in order to create Assystem Care.

Staffing EBITA decreased by €0.2 million to €0.4 million, representing an EBITA margin of 1.8%.

The Group’s “Holding company” expenses, net of the EBITA of the activities classified in the “Other” category, had a €1.5 million negative impact on consolidated EBITA in first-half 2018 versus a €2.5 million negative impact in the first half of 2017.

Operating profit and other income statement items

After taking into account €0.3 million in net non-recurring income for the period, consolidated operating profit came to €9.5 million, versus €12.1 million in the first six months of 2017.

The contribution of Assystem Technologies Groupe (ATG) to Assystem’s consolidated profit for first-half 2018 was €5.1 million before the impact of Assystem’s share of the acquisition costs incurred by ATG during the period (primarily for SQS) and €1.0 million[4] after that impact.

Net financial expense and income tax expense came to €0.2 million and €3.1 million respectively.

Profit from continuing operations amounted to €7.2 million versus €6.2 million for first-half 2017.

After deducting a €0.1 million loss from discontinued operations (corresponding to the residual costs incurred for the transfer of control of GPS), consolidated profit for the period totalled €7.1 million.

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(4) Breaking down as (i) a negative €2.9 million corresponding to the Group’s share of ATG’s loss for the period (including €4.1 million for the Group’s share of acquisition costs incurred in H1 2018) and (ii) €3.9 million in income from convertible bonds

- ***Information on the revenue and EBITDA[5] generated in first-half 2018 by the entities controlled by Assystem Technologies Groupe (ATG)***

Revenue generated by the entities consolidated by ATG – in which Assystem holds a 38.2% interest – totalled €511.5 million in the first six months of 2018 compared with €330.5 million in first-half 2017. The overall year-on-year growth figure was 54.8%, breaking down as 10.5% in like-for-like growth, a 45.3% positive impact from changes in the scope of consolidation (chiefly due to the consolidation of SQS from February to June 2018) and a 1.0% negative currency effect.

ATG's consolidated EBITDA amounted to €41.0 million for the period, representing 8.0% of its consolidated revenue (against €24.7 million[6] and 7.5% respectively in first-half 2017). It is important to note that (i) SQS will be consolidated for the full six months in the second half of 2018 (versus five months in the first half of the year) and (ii) the level of ATG's EBITDA and EBITDA margin is traditionally higher in the second half of the year than in the first.

NET DEBT AND FREE CASH FLOW

Assystem had net debt of €53.7 million at 30 June 2018, versus net cash of €23.9 million at 31 December 2017. This €77.6 million swing reflects the following:

- €5.4 million thanks to free cash flow from the Group's continuing operations in first-half 2018;
- €60.7 million related to the Group's additional investment in Assystem Technologies Groupe's equity and quasi-equity to participate in financing the acquisition of SQS;
- a €15.1 million dividend payment to Assystem's shareholders;
- €7.2 million in other movements in net debt/(cash), including €7.2 million in capital gains tax paid on the transfer of control of GPS.

At 30 June 2018, **free cash flow** over the previous twelve months for Assystem's total scope of consolidation amounted to €25.4 million, representing 6.2% of revenue for that period.

OUTLOOK FOR FULL-YEAR 2018

Assystem is standing by the following full-year targets for 2018:

- at least 10% growth in reported consolidated revenue compared with 2017, with an increase of at least 15% in the second half;
- consolidated EBITA at least the same as for 2017 (€26.0 million), with a significant rise in the second half of the year compared with the second-half 2017 figure;
- free cash flow representing more than 5% of annual revenue.

The interim financial report for the six months ended 30 June 2018 is available in the Finance section of the Assystem website at www.assystem.com

2018 FINANCIAL CALENDAR

- 11 September: Presentation of first-half 2018 results – 8.30 a.m. (CEST)
- 8 November: Third-quarter 2018 revenue release

ABOUT ASSYSTEM

Assystem is an international engineering group. As a key participant in the industry for over 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 / Follow Assystem on Twitter: @Assystem

(5) EBITA before the net addition to depreciation, amortisation and provisions for recurring operating items.
(6) Pro forma data, taking into account the half-yearly cost of the corporate structure put in place by ATG to manage a stand-alone group.

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APPENDICES

1/ REVENUE AND EBITA BY DIVISION

- **REVENUE**

In millions of euros	H1 2017	H1 2018	Total year-on-year change	Like-for-like change*
Group	**204.5**	**216.1**	**+5.7%**	**+0.8%**
Energy & Infrastructure	175.5	189.1	+7.7%	+0.5%
Staffing	24.3	22.3	-8.2%	+1.5%
Other	4.7	4.7	-	

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

- **EBITA(1)**

In millions of euros	H1 2017	% of revenue	H1 2018	% of revenue
Group	**12.0**	**5.9%**	**9.2**	**4.3%**
Energy & Infrastructure	13.9	7.9%	10.3	5.4%
Staffing	0.6	2.5%	0.4	1.8%
Holding company and Other	(2.5)	-	(1.5)	-

(1) Operating profit before non-recurring items (EBITA) including share of profit of equity-accounted investees excluding ATG (€0.2 million in first-half 2017 and €0.6 million in first-half 2018).

2/ Consolidated Financial Statements

- **Consolidated statement of financial position**

In millions of euros	**31 Dec. 2017**	**30 June 2018**
Assets		
Goodwill	81.5	83.4
Intangible assets	1.6	2.5
Property, plant and equipment	6.7	6.9
Investment property	1.4	1.4
Equity-accounted investees	0.7	0.9
Assystem Technologies Groupe shares and convertible bonds	128.3	189.8
Other non-current financial assets(1)	128.6	129.1
Deferred tax assets	4.5	5.1
Non-current assets	**353.3**	**419.1**
Trade receivables	160.0	156.8
Other receivables	47.5	41.6
Income tax receivables	0.5	3.9
Other current assets(2)	0.5	0.4
Cash and cash equivalents(2)	28.2	12.6
Current assets	**236.7**	**215.3**
TOTAL ASSETS	**590.0**	**634.4**
Equity and liabilities	**31 Dec. 2017**	**30 June 2018**
Share capital	15.7	15.7
Share premium	-	-
Consolidated reserves	(28.4)	355.2
Profit for the period attributable to owners of the parent	404.1	7.1
Equity attributable to owners of the parent	**391.4**	**378.0**
Non-controlling interests	0.3	(0.3)
Total equity	**391.7**	**377.7**
Long-term debt and non-current financial liabilities(2)	3.6	33.5
Pension and other employee benefit obligations	13.7	14.7
Liabilities related to share acquisitions	9.1	8.0
Long-term provisions	16.4	16.5
Other non-current liabilities	1.8	1.8
Non-current liabilities	**44.6**	**74.5**
Long-term debt and non-current financial liabilities(2)	1.0	33.0
Trade payables	32.8	31.6
Due to suppliers of non-current assets	0.2	0.5
Accrued taxes and payroll costs	85.9	87.9
Income tax liabilities	7.2	1.4
Short-term provisions	8.2	6.2
Other current liabilities	18.4	21.6
Current liabilities	**153.7**	**182.2**
TOTAL EQUITY AND LIABILITIES	**590.0**	**634.4**

(1) Including Framatome shares amounting to €124.3 million at 30 June 2018.
(2) Debt net of cash and cash equivalents totalled €53.7 million at 30 June 2018, breaking down as:
- *Short- and long-term debt and current and non-current financial liabilities: €66.5 million*
- *Cash and cash equivalents: €(12.6) million*
- *Fair value of derivatives included in other current assets €(0.2) million*

- **CONSOLIDATED INCOME STATEMENT**

In millions of euros	H1 2017	H1 2018
Revenue	**204.5**	**216.1**
Payroll costs	(142.2)	(158.5)
Other operating income and expenses	(49.5)	(47.2)
Taxes other than on income	(0.5)	(0.6)
Depreciation, amortisation and provisions for recurring operating items, net	(0.5)	(1.2)
Operating profit before non-recurring items (EBITA)	**11.8**	**8.6**
Share of profit of equity-accounted investees	0.2	0.6
EBITA including share of profit of equity-accounted investees	**12.0**	**9.2**
Non-recurring income and expenses	0.1	0.3
Operating profit	**12.1**	**9.5**
Share of profit/(loss) of Assystem Technologies Groupe	-	(2.9)
Income from Assystem Technologies Groupe convertible bonds	-	3.9
Net financial income (expense) on cash and debt	(1.0)	(0.3)
Other financial income and expenses	(0.8)	0.1
Profit from continuing operations before tax	**10.3**	**10.3**
Income tax expense	(4.1)	(3.1)
Profit from continuing operations	**6.2**	**7.2**
Profit/(loss) from discontinued operations	15.6	(0.1)
Consolidated profit for the period	**21.8**	**7.1**
Attributable to:		
Owners of the parent	21.4	7.1
Non-controlling interests	0.4	-

- **CONSOLIDATED STATEMENT OF CASH FLOWS**

In millions of euros	**H1 2017**	**H1 2018**
CASH FLOWS FROM OPERATING ACTIVITIES		
EBITA including share of profit of equity-accounted investees	36.1	9.2
Depreciation, amortisation and provisions for recurring operating items, net	2.5	1.2
EBITDA	**38.6**	**10.4**
Change in operating working capital requirement	(29.3)	5.7
Income tax paid	(8.6)	(4.5)
Other cash flows	(3.3)	(3.2)
Net cash from (used in) operating activities	**(2.6)**	**8.4**
O/w related to continuing operations	*1.4*	*8.4*
O/w related to discontinued operations	*(4.0)*	*-*
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property, plant and equipment and intangible assets, net of disposals, o/w:	(6.3)	(3.0)
Acquisitions of property, plant and equipment and intangible assets	*(6.4)*	*(3.1)*
Proceeds from disposals of property, plant and equipment and intangible assets	*0.1*	*0.1*
Free cash flow	***(8.9)***	***5.4***
O/w related to continuing operations	*0.8*	*5.4*
O/w related to discontinued operations	*(9.7)*	*-*
Investment in ATG	-	(60.7)
Other movements, net*	(18.9)	(9.8)
Net cash used in investing activities	**(25.2)**	**(73.5)**
O/w related to continuing operations	*(2.8)*	*(66.3)*
O/w related to discontinued operations	*(22.4)*	*(7.2)*
CASH FLOWS FROM FINANCING ACTIVITIES		
Net financial income received (expenses paid)	(1.7)	0.1
Proceeds from new borrowings	103.4	59.7
Repayments of borrowings and movements in other financial liabilities	(94.5)	7.4
Dividends paid	(22.9)	(15.7)
Other movements in equity of the parent company	0.1	(3.8)
Net cash generated from (used in) financing activities	**(15.6)**	**47.7**
Net decrease in cash and cash equivalents	**(43.4)**	**(17.4)**
Net cash and cash equivalents at beginning of period	**84.4**	**27.3**
Effect of non-monetary items and changes in exchange rates	0.4	(0.8)
Net decrease in cash and cash equivalents	(43.4)	(17.4)
Net cash and cash equivalents at period-end	**41.4**	**9.1**

** In first-half 2018, "Other movements, net" primarily corresponded to (i) €7.2 million for a portion of the corporate income tax due on the capital gain recognised in 2017 when Assystem transferred control of GPS and (ii) €1.1 million related to the acquisition of Biotech Quality Group shares.*

3/ CHANGES IN NET DEBT/(CASH)

In millions of euros		
Net (cash) at 31 Dec. 2017	**(23.9)**	
Free cash flow from continuing operations	(5.4)	
Additional investment in ATG	60.7	*Equity and quasi-equity*
Dividends paid to shareholders of Assystem	15.1	
Other movements	7.2	*Including €7.2 million in tax on the capital gain generated on the transfer of control of GPS*
Net debt at 30 June 2018	**53.7**	

4/ INFORMATION ABOUT THE COMPANY'S CAPITAL

NUMBER OF SHARES	**31 Dec. 2017**	**31 Aug. 2018**
Ordinary shares outstanding	15,668,216	15,668,216
Treasury shares	509,153	606,011
Free shares and performance shares outstanding	253,190	276,290
Weighted average number of shares outstanding	20,910,097	15,114,905
Weighted average number of diluted shares	21,163,287	15,391,195

OWNERSHIP STRUCTURE AT 31 AUGUST 2018

%	**Shares**	**Exercisable voting rights**
HDL Development[1]	61.34%	77.14%
Free float[2]	34.79%	22.86%
Treasury shares	3.87%	-

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

(2) Including 0.22% held by HDL.