

Assystem's 2010 results demonstrate profitable and sustainable growth

- Revenue up an organic 4.7%
- Current operating profit over-target, at €44.3 million, for a current operating margin of 7%
- Return to significant consolidated net profit of €22.5 million
- Record high free cash flow at €51,4 million
- Dividend submitted to shareholders of €0.45 a share

(Paris – 14 March 2011 – 17:35) – The Supervisory Board of Assystem S.A. (ISIN: FR0000074148 - ASY), a leading innovation and engineering consultancy, met on 11 March and reviewed the financial statements for the year ended 31 December 2010.

The consolidated accounts have been audited. The auditors will issue their report once the filing procedures for the registration of the reference document have been completed.

| <i>(in € millions)</i> | 2010 | 2009 |
|--|--------------|--------|
| Income statement highlights | | |
| Revenue | 636.5 | 607.3 |
| Current operating profit | 44.3 | 25.7 |
| <i>Current operating margin</i> | 7.0% | 4.2% |
| Operating profit | 44.3 | 15.6 |
| <i>Operating margin</i> | 7.0% | 2.6% |
| Group share net of income | 21.5 | (0.8) |
| Cash flow highlights | | |
| Operating free cash flow ¹ | 51.4 | 36.3 |
| Key items of the balance sheet | | |
| Treasury net of debt ² | 34.0 | (0.8) |
| Per share data (€) | | |
| Basic earnings per share | 1.10 | (0.04) |
| Diluted earnings per share | 1.08 | (0.04) |
| Dividend submitted to shareholders' approval | 0.45 | 0.25 |

The income statement and the statement of cash flows previously issued take into account the late-2010 disposal of the Italian subsidiary, which has been classified in "discontinued operations."

¹ Net cash flow from operating activities, less capital expenditure, net of disposals

² Long-term and short-term debt less cash and cash equivalents and fair value of interest rate hedging instruments.

“Assystem returned to profitable organic growth in 2010,” noted Dominique Louis, Chairman of the Management Board. “Our three business units now enjoy a robust outlook, thanks in particular to their promising positioning in the nuclear, aerospace and automotive markets. During the year, we won the ITER contract, thereby confirming our ability to manage large, complex projects and earning Assystem recognition as a nuclear architect engineer. Our growth strategy is focused on three countries – France, Germany and the United Kingdom – and on the priority energy and embedded systems markets. Execution of this strategy has been furthered by the creation of the *n.triple.a* joint venture, via our nuclear engineering alliance with Atkins, and the acquisition of Berner & Mattner, which has strengthened our presence in Germany. We enjoy clear visibility for 2011 and are confident that our three business units will pursue their profitable growth.”

ANALYSIS OF THE 2010 INCOME STATEMENT

At a time of economic recovery, Assystem successfully rode out the recession and returned to robust organic growth in 2010, with revenue rising 4.7% after declining 8.6% in 2009. Led by the continued implementation of large investment projects and research programmes, the nuclear segment reported a particularly sustained 16% gain and confirmed its growth potential outside France. The automotive segment enjoyed a vigorous upturn, with revenue surging 37% on a remarkable performance by embedded systems and the sustained development of R&D programmes in new businesses, which have improved the segment’s mid-term visibility. The aerospace segment saw continued development of major cross-border programmes offering the promise of organic growth.

2010 revenue by region

| In € millions | 2010 | 2009 | Organic growth* |
|---------------|--------------|-------|-----------------|
| France | 438.3 | 433.5 | + 1.4% |
| International | 198.2 | 173.8 | + 12.7% |
| Total | 636.5 | 607.3 | + 4.7% |

*On a constant scope of consolidation and exchange rate basis

Growth was supported throughout the year by Assystem’s performance in markets outside France, particularly in the United Kingdom, where the 23.4% gain was led by the nuclear and aerospace segments. In France, the main determinants were the nuclear operations and the *Technology & Product Engineering* business unit. The latter had a particularly brisk fourth quarter, with a sharp 10% upturn in business driven by demand for embedded systems and automotive solutions.

Current operating profit by region

| In € millions | 2010 | % of revenue | 2009 | % of revenue |
|---------------|-------------|--------------|------|--------------|
| | France | 26.5 | | |
| International | 17.8 | 9.0% | 4.6 | 2.6% |
| Total | 44.3 | 7.0% | 25.7 | 4.2% |

Current operating profit ended 2010 at €44.3 million, exceeding initial targets for the year. The upturn in demand, the sustained rise in the operational invoicing rate, which remained above 90% the entire year, and the disciplined management of indirect costs all contributed to drive a sharp improvement in current operating margin, which at 7% represented a return to pre-recession levels.

Margin improvement was especially noticeable outside France, where it occurred in a context of optimised resource management and constructive dialogue with large accounts. In France the recovery in the Technology & Product Engineering business, whose operating margin swung from negative in 2009 to more than 6% in 2010, has positioned Assystem to capture all of the upturn in business, which is likely to continue.

GROUP SHARE OF NET INCOME

The group share of net income improved sharply to €21.5 million in 2010.

It included net financial expense of €6.1 million, reflecting net borrowing costs stable at €1.9 million, financial expenses entirely due to non-cash items, and €14.7 million in income tax expense.

The effective tax rate, which as from 2010 reflects the recognition of the CVAE tax on value added in income tax expense for the year, stood at 38.4%.

ABILITY TO GENERATE HIGH CASH FLOW

Operating free cash flow amounted to €51.4 million in 2010, a further strong performance that reflected:

- The good transformation of operating profit into cash flow.
- A €14.2 million improvement in working capital, mainly thanks to a decline in DSO for the fourth straight year.
- Disciplined management of capital expenditure, which stood at €6.6 million for the year.

After a disbursement of €8.8 million (€4.9 million in dividends and €3.9 million in further share buybacks), Assystem ended the year with a positive net cash after debt of €34.0 million.

DIVIDEND

The payment of a dividend of €0.45 per share (versus €0.25 in respect of 2009) will be submitted to shareholder approval at the Annual General Meeting.

2011 OUTLOOK

In a more favourable economic environment, Assystem enjoys a growth potential, sometimes unique, in fast expanding engineering markets, such as nuclear power and embedded systems, and in countries where it can aspire to being a driver of consolidation (Germany, France and the United Kingdom) or a new player capable of creating competitive differentiation.

In 2011, Assystem expects to maintain growth in business at a faster pace than in 2010, by leveraging its solid fundamentals and an organisation that has proven effective in meeting the human resources and other challenges of resurgent demand.

Assystem intends to pursue its growth strategy through selective acquisitions in France and abroad in its core engineering businesses and in promising sectors. It has the capabilities to finance its goals.

2011 INVESTOR CALENDAR

10 May 2011: after close of trading: revenue for the three months ended 31 March 2011

12 May 2011: Annual General Meeting

28 July 2011: after close of trading: revenue for the six months ended 30 June 2011

5 September 2011: after close of trading: results for the six months ended 30 June 2011

Assystem is an international Engineering and Innovation Consultancy. As a key participant in the industry for more than 40 years, the Group supports its customers in developing their products and managing their capital expenditure throughout the product life cycle. Assystem employs more than 8,500 people worldwide and reported €636 million in revenue in 2010. The Company is listed on NYSE Euronext Paris – Compartment B - Code ISIN: FR0000074148 – ASY. For more information: www.assystem.com

CONTACTS

Gilbert Vidal

Chief Financial Officer
Phone: +33 (0)1 55 65 03 10

Pauline Bucaille

Vice President, Corporate Communications and Investor Relations
Phone: : +33 (0)1 55 65 03 08 –
pbucaille@assystem.com

Nicolas Castex

Citigate Dewe Rogerson, Media Relations
Phone: : +33 (0)1 53 32 78 88 –
nicolas.castex@citigate.fr

Agnès Villeret

Citigate Dewe Rogerson, Analyst and Investor Relations
Phone: : +33 (0)1 53 32 78 95 – agnes.villeret@citigate.fr

ANNEXES

• REVENUE BY BUSINESS UNIT

| In millions of euros | 2010 | 2009 | Organic growth (%) |
|----------------------------------|--------------|--------------|--------------------|
| Plant Engineering & Operations | 281.7 | 267.2 | + 4.1% |
| Aerospace Mechanical Engineering | 166.3 | 156.0 | + 4.9% |
| Technology & Product Engineering | 180.0 | 177.3 | + 4.6% |
| Other activities | 8.5 | 6.8 | --- |
| Total | 636.5 | 607.3 | +4.7% |

• CURRENT OPERATING PROFIT BY BUSINESS UNIT

| In millions of euros | 2010 | 2009 |
|----------------------------------|-------------|-------------|
| Plant Engineering & Operations | 21.5 | 22.9 |
| Aerospace Mechanical Engineering | 10.7 | 6.9 |
| Technology & Product Engineering | 12.6 | (3.5) |
| Other activities | (0.5) | (0.5) |
| Total | 44.3 | 25.7 |

• INFORMATIONS ON CAPITAL AT DECEMBER, 31 2010

| Number of shares | | |
|--|------------|----------------------|
| Ordinary shares outstanding | 20,157,082 | |
| Self-owned shares | 798,272 | |
| Number of redeemable subscription warrants 2012 ¹ | 442,822 | strike price: €10.15 |
| Number of redeemable subscription warrants 2013 ² | 4,892,734 | strike price: €35.00 |
| Number of redeemable subscription warrants 2015 ³ | 3,247,925 | strike price: €11.10 |
| Stock awards and performance stock awards | 64,700 | |
| Basic weighted average number of shares | 19,509,348 | |
| Diluted weighted average number of shares | 19,836,888 | |

¹ Parity: 1.13, Maturity date: March 31, 2012, Enforcement call starting date: January 31, 2009, Enforcement call price: €17.5.

² Parity: 1.0, Maturity date: July 31, 2013, Enforcement call starting date: July 31, 2010, Enforcement call price: €52.5.

³ Parity: 1.0, Maturity date: July 9, 2015, Enforcement call starting date: July 9, 2013, Enforcement call price: €15.54.

• SHARE OWNERSHIP STRUCTURE AT DECEMBER, 31 2010

| In percentage | Economic rights | Voting rights ⁴ |
|--|-----------------|----------------------------|
| Dominique Louis / HDL / H2DA ⁵ / CEFID ⁶ / EEC | 27.3 | 34.4 |
| CDC Group ⁷ | 16.7 | 14.7 |
| Members of the Supervisory board and of the Management board | 3.5 | 5.3 |
| Employees Saving Scheme | 1.3 | 2.2 |
| Free Float (including employees) | 47.3 | 43.4 |
| Treasury Stock | 3.9 | 0.0 |

⁴ These voting rights differ from the theoretical voting rights used in the calculation of threshold crossing

⁵ Held by HDL (60.5%) and certain members of the Management Board

⁶ Held by HDL, Dominique Louis and Michel Combes.

⁷ Of which 15% owned by FSI and 2.6% by CDC EVM.

HIGHLIGHTS OF THE ANNUAL CONSOLIDATED STATEMENT

• CONSOLIDATED FINANCIAL SITUATION STATEMENT

In millions of euros

| Assets | Notes* | 2010 | 2009 | 2008 |
|---|---------------|--------------|--------------|--------------|
| Goodwill | 7,8 | 75.6 | 75.0 | 83.1 |
| Intangible assets | 9 | 6.2 | 9.2 | 12.8 |
| Property, plant and equipment | 10 | 13.6 | 14.9 | 16.7 |
| Investment properties | 11 | 1.4 | 1.4 | 1.9 |
| Investments in associates | 12 | 0.5 | 0.5 | 1.0 |
| Available-for-sale assets | 13 | 3.3 | 3.6 | 2.8 |
| Other non-current financial assets | 14 | 4.0 | 3.8 | 5.5 |
| Deferred tax assets | 26 | 7.8 | 5.2 | 4.1 |
| Total non-current assets | | 112.4 | 113.6 | 127.9 |
| Available-for-sale-assets | | 1.0 | | |
| Trade receivables | 15 | 205.6 | 203.7 | 252.0 |
| Other receivables | 15 | 14.5 | 13.7 | 20.6 |
| Corporate income tax receivables | | 1.6 | 4.1 | 0.6 |
| Other current financial and derivative assets | 16,18 | | | |
| Cash and cash equivalents | 17 | 127.9 | 92.9 | 73.6 |
| Total current assets | | 350.6 | 314.4 | 346.8 |
| TOTAL ASSETS | | 463.0 | 428.0 | 474.7 |

| Equity and Liabilities | Notes* | 2010 | 2009 | 2008 |
|--|---------------|--------------|--------------|--------------|
| Share capital | 19 | 20.2 | 20.0 | 20.6 |
| Share premiums | | 64.2 | 63.3 | 67.4 |
| Consolidated reserves | | 36.2 | 44.7 | 24.4 |
| Profit for the period | | 21.5 | (0.8) | 25.8 |
| Equity, group share | | 142.1 | 127.2 | 138.2 |
| Minority interests | | 2.6 | 1.4 | 1.0 |
| Consolidated equity | | 144.7 | 128.6 | 139.2 |
| Bond loans | 20 | 47.1 | 87.7 | 85.6 |
| Other non-current financial and derivative liabilities | 21,18 | 0.2 | 1.0 | 0.6 |
| Provisions | 22 | 0.5 | 0.6 | 1.6 |
| Employee benefits | 23 | 14.7 | 12.5 | 10.7 |
| Other non-current liabilities | 24 | 8.2 | 6.0 | 6.9 |
| Deferred tax liabilities | 26 | 0.1 | | 0.3 |
| Non-current liabilities | | 70.8 | 107.8 | 105.7 |
| Other current financial and derivative liabilities | 20 | 42.2 | | |
| Provisions | 21 | 4.4 | 5.0 | 6.6 |
| Trade payables and related accounts | 22 | 5.9 | 12.3 | 8.6 |
| Corporate income tax liability | | 30.8 | 26.9 | 38.7 |
| Other current liabilities | | 5.8 | 0.7 | 4.2 |
| Other current financial and derivative liabilities | 25 | 158.4 | 146.7 | 171.7 |
| Current liabilities | | 247.5 | 191.6 | 229.8 |
| TOTAL EQUITY AND LIABILITIES | | 463.0 | 428.0 | 474.7 |

* These notes refer to the commentaries included in the Annual Financial Statement that will be released on our website www.assystem.com

● **CONSOLIDATED INCOME STATEMENT**

| <i>In millions of euros</i> | Notes | 2010 | 2009 | 2008 | |
|--|-----------|-----------------------|--------------|--------------|------|
| Revenue | 29 | 636.5 | 607.3 | 658.6 | |
| Employee benefits expense | 32 | (458.8) | (449.6) | (471.7) | |
| Taxes and duties other than income tax | | (1.5) | (7.0) | (6.9) | |
| Amortization, depreciation and provision expense | 30 | (10.9) | (11.5) | (10.0) | |
| Other ordinary operating revenue and expense | 31 | (121.0) | (113.5) | (125.1) | |
| Current operating profit | 6 | 44.3 | 25.7 | 44.9 | |
| Non-current operating revenue | 33 | | 0.3 | 2.3 | |
| Non-current operating expense | 33 | | (10.4) | (5.0) | |
| Operating profit | 28 | 44.3 | 15.6 | 42.2 | |
| Share in profit of associates | | 0.1 | 0.2 | 0.4 | |
| Net borrowing costs | 34 | (1.9) | (1.9) | (1.8) | |
| Other financial revenue and expense | 35 | (4.2) | (2.9) | (3.7) | |
| Profit for the period from continuing operations before tax | | 38.3 | 11.0 | 37.1 | |
| Income tax expense | 36 | (14.7) | (3.5) | (11.1) | |
| Profit for the period from continuing operations | | 23.6 | 7.5 | 26.0 | |
| Profit for the period from discontinued operations | 42 | (1.1) | (8.4) | (0.2) | |
| Consolidated profit for the period | | 22.5 | (0.9) | 25.8 | |
| Attributable : | | | | | |
| | | To Assystem SA | 21.5 | (0.8) | 25.8 |
| | | To minority interests | 1.0 | (0.1) | |

| In euro | | | | |
|---|----|--------|--------|--------|
| Basic earnings per share | 37 | 1.10 | (0.04) | 1.29 |
| Diluted earnings per share | 37 | 1.08 | (0.04) | 1.27 |
| Basic earnings per share from continuing operations | 37 | 1.16 | 0.39 | 1.30 |
| Diluted earnings per share from continuing operations | 37 | 1.14 | 0.39 | 1.28 |
| Basic earnings per share from discontinued operations | 35 | (0.06) | (0.43) | (0.01) |
| Diluted earnings per share from discontinued operations | 35 | (0.06) | (0.43) | (0.02) |

• **CONSOLIDATED STATEMENT OF CASH FLOWS**

| <i>In millions of euros</i> | Notes | 2010 | 2009 | 2008 |
|---|-----------|---------------|---------------|---------------|
| OPERATIONS | | | | |
| Profit for the period from continuing operations | | 23.6 | 7.5 | 26.0 |
| Elimination of non-cash and non-operating transactions | 41 | 30.5 | 28.7 | 27.3 |
| Change in working capital requirement | 41 | 14.2 | 16.3 | 9.4 |
| Income tax expense | 41 | (10.3) | (11.3) | (11.5) |
| Net cash flow for discontinued operations | 42 | (4.0) | 0.8 | (3.1) |
| Net cash flow from operating activities | 41 | 54.0 | 42.0 | 48.1 |
| INVESTING ACTIVITIES | | | | |
| Non-current assets acquisitions | | (7.1) | (6.1) | (12.0) |
| Non-current assets disposals | | 0.5 | 0.3 | 0.2 |
| | | (6.6) | (5.8) | (11.8) |
| Securities purchases | | (0.5) | | (6.7) |
| Securities disposals | | | | 1.0 |
| | | (0.5) | | (5.7) |
| Loans to companies classified as available-for-sale assets | 14 | | | |
| Loans repaid by companies classified as available-for-sale assets | 14 | | 0.3 | 0.3 |
| Dividends received | | 0.2 | 0.1 | 0.8 |
| Net cash flow for discontinued operations | 42 | 0.8 | | (0.9) |
| Net cash flow from investing activities | | (6.1) | (5.4) | (17.3) |
| FINANCING ACTIVITIES | | | | |
| Proceeds from bonds issues and other borrowings | 21 | | | 64.0 |
| Bond and other borrowings repayments | 21 | (1.2) | (0.6) | (85.2) |
| Interest paid | 34 | (3.1) | (2.6) | (4.6) |
| Dividends paid to shareholders of parent company | | (4.9) | (9.7) | (7.6) |
| Capital increases | 19 | 1.1 | 0.7 | 1.2 |
| Purchase and disposal of treasury shares | | (4.9) | (2.1) | (9.4) |
| Net cash flow from financing activities | | (13.0) | (14.3) | (41.6) |
| Variation in cash | | 34.9 | 22.3 | (10.8) |
| Cash at beginning of period | 41 | 92.3 | 70.1 | 80.4 |
| Effect of non-cash items and exchange rate fluctuations | | | (0.1) | 0.5 |
| Variation in cash | | 34.9 | 22.3 | (10.8) |
| Cash at end of period | 41 | 127.2 | 92.3 | 70.1 |