

2013 results in line with objectives

- **€53.2 million in operating profit; 6.1% operating margin**
- **€27.1 million in attributable net profit, Group share**
- **€22.3 million in free cash flow**

(Paris – 12 March 2014 – 5:35 pm CET) – The Supervisory Board of Assystem S.A. (ISIN: FR0000074148 - ASY), a leading innovation and engineering consultancy, met on 10 March and reviewed the financial statements for the year ended 31 December 2013.

€m	2013	2012*
Income statement highlights		
Revenue	871.4	855.6
Operating profit from business activity ¹	60.3	61.9
% of revenue	6.9%	7.2%
Operating profit	53.2	60.9
% of revenue	6.1%	7.1%
Attributable net profit, Group share	27.1	33.2
Attributable net profit excluding change in fair value of the ORNANE derivative ²	27.9	34.2
Cash flow highlight		
Operating free cash flow ³	22.3	34.0
Balance sheet highlight		
(Net debt)/Net cash ⁴	(3.6)	17.0
Per share data (€)		
Basic earnings per share ⁵	1.46	1.73
Diluted earnings per share ⁶	1.37	1.65

* The full-year figures reflect the sale of ANAFI in May 2012 and the acquisition of MPH's international operations managed from Dubai in February 2012 (consolidated over 11 months).

The consolidated financial statements have been audited by the Statutory Auditors, who will issue their opinion after completing the filing procedures for the Registration Document.

1. Operating profit from business activity corresponds to operating profit before expenses related to stock grants and stock options, acquisition costs, gains or losses on asset disposals and income and expenses related to unusual or infrequent events.
2. The change in fair value of the ORNANE derivative represented an expense of €1.3 million in 2013, or €0.8 million net of tax. In 2012, the change in fair value led to the recognition of an expense of €1.5 million, or €1 million net of tax.
3. Net cash flow from operating activities, less capital expenditure, net of disposals and excluding cash flow from discontinued operations.
4. Long-term and short-term debt less cash and cash equivalents and fair value of interest-rate and currency hedging instruments.
5. Basic earnings per share, excluding the change in fair value of the ORNANE derivative, totalled €1.51 for 2013 versus €1.79 for 2012.
6. No dilution from the ORNANE derivative was recognized at 31 December 2013, given the year-end closing share price and the Company's intention to settle the nominal value in cash.

ANALYSIS OF THE 2013 INCOME STATEMENT

- *Revenue and invoicing rate*

Revenue rose by 1.8% as reported in the year ended 31 December 2013, and by 1.6% on an organic basis at current exchange rates. Growth in France stood at 0.4%, impacted by the difficulties in the domestic auto industry and an unfavourable calendar effect (two fewer business days). Outside France, revenue climbed 4.1%, held back by the decline in the pound against the euro and the slower growth in certain aerospace programs in the UK and Germany in the second half.

The operational invoicing rate was unchanged from 2012, at 91%.

- *Operating profit*

Operating profit from business activity was in line with 2012, at €60.3 million and 6.9% of revenue. A total €7.1 million in non-recurring expenses were recognised for the year. Operating profit ended the year €53.2 million lower due to the international operations. Operating margin improved in the second half, to 7.0%, but remained lower than the 7.9% reported in 2012.

<i>In € million</i>	2013	% of revenue	2012	% of revenue
France	38.6	7.4%	38.7	7.4%
International	14.6	4.2%	22.3	6.7%
Total	53.2	6.1%	60.9	7.1%

Operating profit held firm in France, supported by the solid performance of the nuclear and aerospace businesses and the benefits of the competitiveness programmes during the year. International operations showed resilience, despite the narrow margins on the on-site technical assistance services provided by MPH Global Services and the decline in performance and adjustment measures undertaken in the German aerospace sector.

Operating margin in Complex Infrastructure Engineering came to 5.5% versus 7.1% in 2012, reflecting the costs incurred in driving sales and business development outside France and the dilutive impact from MPH Global Services.

Outsourced R&D margin stood at 6.5%, versus 7.1% in 2012, with the aerospace sector continuing to deliver firm profitability (6.9% in 2013), except in Germany and Spain. In the other sectors, margin remained stable at 5.7%, attesting to the encouraging results from the transformation undertaken in late 2012, in particular in the automotive segment.

- *Attributable net profit, Group share*

Attributable net profit Group share ended the year at €27.1 million. It was impacted by the €4.7 million year-on-year increase in net financial expense, most of which came from the almost complete write-off, in an amount of €3.4 million, of minority stakes acquired prior to 2004. The remaining capitalised costs of arranging the 2011 financing were expensed after the funds were not used.

NET DEBT

Consolidated free cash flow amounted to €22.3 million in 2013. At an average 84 days, DSO was two days higher than in 2012 but remains satisfactory.

The net €17.0 million cash position at year-end 2012 swung to net debt of €3.6 million at 31 December 2013, following the buyback in May of a block of shares held in the Company by Bpifrance for €28.3 million.

RECOMMENDED DIVIDEND OF €0.45 PER SHARE

Dividend policy is determined by the governance bodies and depends on the amount of distributable income, the Company's financial condition and the financial needs of Assystem and its subsidiaries. Future dividends may vary from previously paid amounts and in any event will remain in line with the business plan.

For 2013, Assystem is recommending the payment of a dividend of €0.45 per share, unchanged from 2012. This recommendation will be submitted to shareholder approval at the Annual General Meeting next 22 May.

OUTLOOK

Assystem is continuing to deploy its project to become a global player in strategic engineering markets, especially the nuclear industry, while consolidating its positions in the aerospace and automotive segments. In this regard, 2014 will be an important year in its international expansion, starting with the Middle East. As a result, Assystem expects to see a slight improvement in its operating performance over the year.

PUBLIC OFFER FROM HDL DEVELOPMENT

From 14 January to 17 February 2014, HDL Development made a public offer to purchase all outstanding shares of Assystem, which was described in an offer document filed with AMF, France's security regulator, on 9 January 2014 (under no. 14-004) and an offer document in response from Assystem filed with AMF the same day (under no. 14-005). The document presenting Assystem's legal, financial, accounting and other characteristics, filed with AMF on 10 January 2014, may be downloaded from www.amf-france.org and www.assystem.com/investisseurs.

At the close of the offer, HDL Development held 55.69% of outstanding shares and at least 51.21% of outstanding voting rights of the Company, as well as 90.69% of outstanding redeemable share warrants (BSAARs) and 3.26% of outstanding bonds redeemable in cash and/or in stock at the holder's option (ORNANES). On 28 February, AMF announced that the public offer would be reopened from 3 to 14 March 2014, with results to be released on 21 March.

INVESTOR CALENDAR

- 12 March 2014: Full-year 2013 results released
- 13 May 2014: First-quarter 2014 revenue released
- 22 May 2014: Annual General Meeting
- 30 July 2014: Second-quarter 2014 revenue released
- 8 September 2014: Interim 2014 results released

Assystem is an international Engineering and Innovation Consultancy. As a key participant in the industry for more than 45 years, Assystem supports its customers in developing their products and managing their capital expenditure throughout the product life cycle. Assystem employs more than 11,000 people worldwide and reported €871.4 million in revenue in 2013. The Company is listed on NYSE Euronext Paris.

For more information, www.assystem.com – Follow Assystem on Twitter: [@aneupath2growth](https://twitter.com/aneupath2growth)

This press release does not constitute a public offer to sell or a solicitation to purchase Assystem shares. It is not for release or distribution in any country other than France. Distribution of this press release, the offer or any other document pertaining to the offer and participation in the offer may be subject in certain countries to legal restrictions in certain jurisdictions. Accordingly, persons in possession of this press release are expected to inquire about any such local restrictions and comply with them as applicable.

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APPENDICES

• REVENUE BY REGION

In € million	2012	2013	Change
France	521.0	523.3	+ 0.4%
International	334.6	348.1	+ 4.1%

• REVENUE BY SECTOR

PERCENTAGE OF GLOBAL REVENUE	2013
Aerospace	37 %
Transport (including automotive)	17 %
Energy (including nuclear)	33 %
Other industries	13 %

• REVENUE BY BUSINESS UNIT

In € million	2012	2013	Weight	Total growth	Organic growth*
Infrastructure Engineering & Operations*	352.1	365.9	42%	4.0%	3.4%
Aerospace Engineering	239.5	255.9	29%	6.8%	6.8%
Technology & Product Engineering	263.9	249.6	29%	-5.5%	-5.5%

* at current exchange rate

• OPERATING PROFIT BY BUSINESS UNIT

In € million	2012	2013	Change
Infrastructure Engineering & Operations	25.0	20.2	- 19.2%
Aerospace Engineering	19.7	17.7	- 10.2%
Technology & Product Engineering	16.2	15.3	- 5.6%

• SHARE CAPITAL

NUMBER OF SHARES	31/12/2013	24/02/2014
Ordinary shares issued	19,326,066	19,431,368
Treasury stock	1,829,333	169,596
Number of BSAAR 2015 ¹ (Strike price : €11.10)	2,999,463	2,894,161
Stock awards and performance stock awards	211,536	211,536
Number of weighted average shares	18,519,429	Not available
Number of diluted average shares ²	19,808,048	Not available

¹ Parity: 1.0 ; Expire : 9/07/2015 ; Enforcement call starting date : 9/07/2013 ; Enforcement call share price: 15.54€

² Excluding potential dilutive effect from the ORNANE, the Group's objective is to repay the nominal value in cash considering the stock price.

- **OWNERSHIP STRUCTURE AT 31/12/2013**

%	Shares	Effective voting rights ³
Dominique Louis / HDL Group	28.7	29.6
Members of the Supervisory board and of the Management board ⁴	3.5	6.6
Employees Saving Scheme	1.1	2.2
Free Float	57.2	61.6
Treasury Stock	9.5	0.0

³ These voting rights differ from the theoretical voting rights used in the calculation of threshold crossing.

⁴ Excluding Dominique Louis

- **OWNERSHIP STRUCTURE AT 24/02/2014⁵**

%	Shares	Voting rights
HDL Development	55.69	<i>(at least)</i> 51.21
Public	43.44	48.79
Autocontrôle	0.87	0.0

⁵ at the date of the publication by AMF of the results of the public offer first period

● **CONSOLIDATED BALANCE SHEET**

In € million

ASSET	2013	2012	2011
Goodwill	119.8	120.1	114.0
Intangible assets	5.0	4.7	5.4
Property, plant and equipment	19.1	20.0	16.5
Investment properties	1.4	1.4	1.4
Investments in associates	0.7	0.6	0.6
Available-for-sale assets	0.2	3.1	3.4
Other non-current financial assets	8.5	8.4	7.1
Deferred tax assets	7.5	5.3	6.1
Non-current assets	162.2	163.6	154.5
Available-for-sale-assets			
Trade receivables	273.8	270.9	250.3
Other receivables	43.1	30.0	26.7
Corporate income tax receivables	4.2	3.9	1.1
Other financial assets	0.2	0.6	
Cash and cash equivalents	133.6	136.5	151.8
Current assets	454.9	441.9	429.9
TOTAL ASSETS	617.1	605.5	584.4
Equity and Liabilities	2013	2012	2011
Share capital	19.3	20.7	20.4
Share premiums	51.1	69.1	66.2
Consolidated reserves	91.2	74.1	42.5
Profit for the period	27.1	33.2	41.0
Equity, attributable to Assystem SA	188.7	197.1	170.1
Minority interest	7.1	7.5	2.9
Consolidated equity	195.8	204.6	173.0
Bond loans	84.5	82.3	103.9
Other non-current financial and derivative liabilities	7.8	7.6	6.5
Provisions	0.3	0.5	0.8
Employee benefits	17.2	15.3	14.3
Other non-current liabilities	6.4	6.9	0.4
Deferred tax liabilities	1.4	0.3	0.4
Non-current liabilities	117.6	112.9	126.3
Bond loans	0.0	24.1	24.4
Other current financial and derivative liabilities	44.9	5.4	4.7
Provisions	5.2	6.0	10.8
Trade payables and related accounts	41.6	43.7	40.5
Corporate income tax liability	2.8	1.8	2.6
Other current liabilities	209.2	207.0	202.1
Current liabilities	303.7	288.0	285.1
TOTAL EQUITY AND LIABILITIES	617.1	605.5	584.4

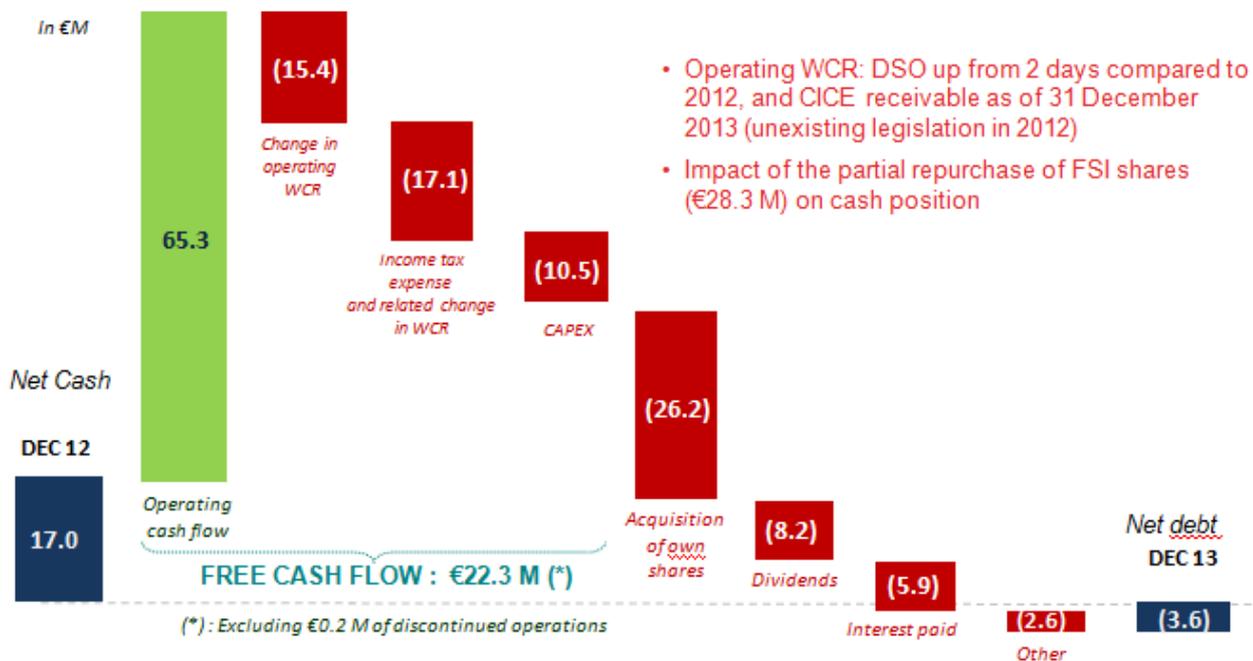
• CONSOLIDATED INCOME STATEMENT

<i>In € million</i>	2013	2012	2011	
Revenue	871.4	855.6	760.6	
Employee benefit expense	(626.2)	(611.8)	(529.9)	
Taxes and duties other than income tax	(1.9)	(2.1)	(1.7)	
Amortization, depreciation and provision expense	(10.3)	(11.0)	(11.0)	
Other ordinary operating revenue and expense	(172.7)	(168.8)	(161.8)	
Operating profit from business activity	60.3	61.9	56.8	
Expenses related to stock grants and stock options	(1.2)	(1.1)	(0.4)	
Acquisition costs and capital gains or losses on disposals	(5.9)	0.1	2.3	
Operating profit	53.2	60.9	58.7	
Share in profit of associates	0.2	0.2	0.2	
Net borrowing costs	(3.6)	(4.3)	(2.5)	
Change in fair value of the ORNANE derivative	(1.3)	(1.5)	6.7	
Other financial revenue and expense	(8.5)	(2.9)	(3.2)	
Profit for the period from continuing operations before tax	40.0	52.4	59.9	
Income tax expense	(12.9)	(18.2)	(18.6)	
Profit for the period from continuing operations	27.1	34.2	41.3	
Profit for the period from discontinued operations	0.1	(0.1)	(0.1)	
Consolidated profit for the period	27.2	34.1	41.2	
Attributable :				
	To Assystem SA	27.1	33.2	41.0
	To minority interests	0.1	0.9	0.2

• CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In € million</i>	2013	2012	2011
OPERATING ACTIVITIES			
Profit for the period from continuing operations	27.1	34.2	41.3
Elimination of non-cash and non-operating transactions	38.3	34.3	22.6
Change in working capital requirement	(15.5)	(3.1)	(1.1)
Income tax expense	(17.1)	(21.3)	(20.6)
Net cash flow from discontinued operations	0.2	(0.1)	0.9
Net cash flow from operating activities	33.0	44.0	43.1
INVESTING ACTIVITIES			
Non-current assets – acquisitions	(10.6)	(12.0)	(13.8)
Non-current assets – disposals	0.1	1.9	5.3
	(10.5)	(10.1)	(8.5)
Securities purchased	(0.2)	(12.3)	(36.0)
Securities sold		1.7	
	(0.2)	(10.6)	(36.0)
Loans to companies classified as available-for-sale asset		(0.3)	
Loans repaid by companies classified as available-for-sale assets	0.3		
Dividends received	0.1	0.2	0.1
Flux net de trésorerie lié aux opérations d'investissement	(10.3)	(20.8)	(44.4)
FINANCING ACTIVITIES			
New borrowings and other financial debt	39.6	0.1	87.0
Bond and other borrowing repayments	(24.6)	(25.3)	(42.6)
Interest paid	(5.9)	(4.4)	(2.7)
Dividends paid to shareholders of parent company	(8.2)	(8.5)	(8.6)
Capital increases	1.7	3.2	2.2
Purchase and disposal of treasury shares	(27.9)	(3.5)	(9.8)
Net cash flow used in financing activities	(25.3)	(38.4)	25.5
Change in net cash	(2.6)	(15.2)	24.2
Net cash at beginning of period	136.3	151.4	127.2
Effect of non-cash items and exchange rate fluctuations	(0.3)	0.1	
Change in net cash	(2.6)	(15.2)	24.2
Cash at end of period	133.4	136.3	151.4

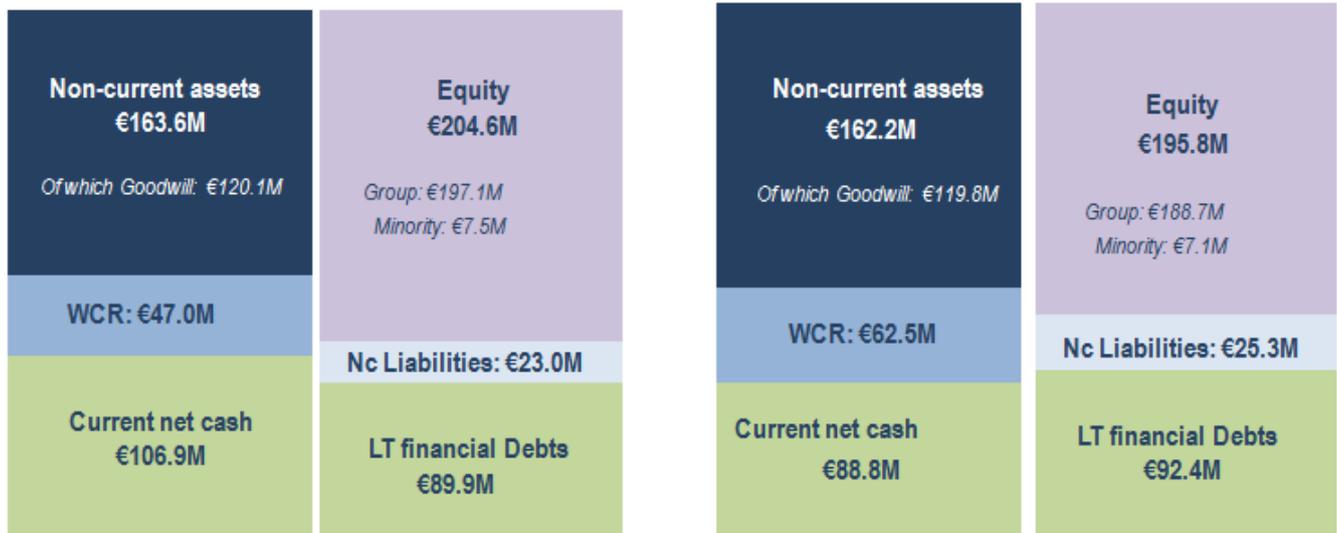
• NET DEBT



• FINANCIAL ASSESSMENT

31 DEC 2012

31 DEC 2013



- **Issuance of net share settled bonds convertible into new and/or exchangeable for existing shares (ORNANE)**

Total amount of the issue	€92 million
Date of issue	6 July 2011
Maturity	1 January 2017
Number of bonds issued	4.181.818
Unit issue price, with a 27.43% premium	€22.00
Interest rate	4%
Redemption	Ultimately reimbursable
Fair value of the issue at 31 December 2013	€1.4 M
<i>Of which mark-to-market value of the equity component</i>	€6.9 M

ORNANE redemption process

An ORNANE is a hybrid financial instrument that is similar to a bond but which under certain conditions can be converted into or exchanged for a share of Company stock. At maturity, the Company may opt to apply one of the following redemption procedures:

	Share price lower or equal to the nominal value of the bonds	Share price higher than the nominal value of the bonds
Option 1	Reimbursement in new and/or existing shares	Reimbursement of face value and of premium in new and/or existing shares
Option 2	Reimbursement in cash	Reimbursement of face value in cash and of premium in new and/or existing shares

Accounting principles

Per IFRS, ORNANE is a bonded debt with two components:

- A bond component: recognized as a debt at amortized cost; and
- An equity component (derivative) recognised in debt and marked to market. Mark-to-market adjustments are recognized in other financial revenue and expense on a separate line. "Change in fair value of the ORNANE derivative." This is different from an OCEANE convertible bond, for which the embedded derivative is recognised in equity at cost. This accounting principle does not have any cash impact on profit and is inversely related to the share price.

Limited dilution

ORNANEs offer Assystem the option of limiting the number of shares to be issued upon conversion or exchange. The Company's current intention is to settle the nominal value in cash.