

## 2024 FIRST HALF RESULTS

- **MODERATE ORGANIC GROWTH: + 0.9%**
- **OPERATING MARGIN ON ACTIVITY: 8.4% OF REVENUE**

| € million                           | June 2023      | June 2024      | YoY change    |
|-------------------------------------|----------------|----------------|---------------|
| <b>Revenue</b>                      | <b>2,047.9</b> | <b>2,108.0</b> | <b>+ 2.9%</b> |
| ▪ France                            | 654.7          | 692.1          | + 5.7%        |
| ▪ International                     | 1,393.2        | 1,415.9        | + 1.6%        |
| <b>Operating Profit on Activity</b> | <b>188.0</b>   | <b>177.2</b>   | <b>- 5.8%</b> |
| As % of revenue                     | 9.2%           | 8.4%           |               |
| <b>Operating Profit</b>             | <b>156.3</b>   | <b>159.8</b>   | <b>+ 2.2%</b> |
| As % of revenue                     | 7.6%           | 7.6%           |               |
| <b>Net profit. Group share</b>      | <b>111.1</b>   | <b>118.2</b>   | <b>+ 6.4%</b> |
| As % of revenue                     | 5.4%           | 5.6%           |               |
| <b>Free cash flow</b>               | <b>- 22.4</b>  | <b>98.0</b>    |               |
| As % of revenue                     | - 1.1%         | 4.6%           |               |
| <b>Restated Free cash flow *</b>    | <b>14.7</b>    | <b>98.0</b>    |               |
| As % of revenue                     | 0.7%           | 4.6%           |               |
| <b>Net cash position</b>            | <b>340.3</b>   | <b>267.2</b>   |               |
| <b>Headcount</b>                    | <b>57,400</b>  | <b>58,300</b>  |               |

\* FCF restated for exceptional capital gains tax on disposals 2023

### ACTIVITY AT END OF JUNE: + 2.9%

Activity growth stands at 2.9% : 5.7% in France, 1.6% outside France. On a like-for-like basis and at constant exchange rates, growth is 0.9% (5.7% in France and -1.4% outside France).

The Defense & Security, Civil Aeronautics, Automotive, and Railway sectors continued to grow.

France and Southern Europe achieved satisfactory organic growth. Asia and North America remained stable. Germany, Northern and Eastern Europe, as well as the United Kingdom, are in decline, negatively impacting the Group's activity.

### OPERATING MARGIN ON ACTIVITY: 8.4% OF REVENUE

Operating Profit on Activity totalled €177.2 M (8.4% of revenue compared to 9.2% in June 2023).

The operating margin was adversely affected by a lower number of working days and a lower activity rate compared to last year. The operating margin is nevertheless improving in France (5.7% in 2024 versus 5.6% in 2023). It is decreasing internationally (9.7% in 2024 versus 10.9% in 2023) due to the integration of less profitable companies and significant economic difficulties in Germany and the UK

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## OPERATING PROFIT: 7.6% OF REVENUE

Operating Profit totalled €159.8 M. It includes €9.8 M in share-based payments and €7.6 M in non-recurring costs (primarily costs related to acquisitions and restructurings).

## NET PROFIT, GROUP SHARE: 5.6% OF REVENUE

Financial income totalled €2.0 M. After taking into account tax expenses of €43.7 M, net profit, Group share came out to €118.2 M, an increase of 6.4% compared to June 2023.

## NET CASH POSITION: €267.2 M / GEARING: - 12.6%

Cash flow (excluding the impact of IFRS 16) totalled €177.9 M, i.e., 8.4% of revenue, in line with OPA. Working Capital Requirement increased by €24.3 M, primarily due to seasonal increase in Days Sales Outstanding (DSO) by 1 day.

Capex remained low (€9.3 M, i.e 0.4% of revenue) and the tax paid amounts to €46.4 M. Consequently, the free cash flow stands at €98.0 M, showing a significant increase compared to June 2023.

After taking into account net cash flows from investing activities (-€78.8 M), dividends paid (-€52.1 M) and other financial investments (€3.1 M), ALTEN's net cash position stood at €267.2 M at the end of June 2024.

ALTEN has self-financed its growth, particularly external growth, and has significant investment capacity.

## EXTERNAL GROWTH:

### - 2 ACQUISITIONS OVERSEAS

In Asia (Vietnam/Japan): a company specialising in software development (€20m revenue, 950 consultants)

In Poland: a company specialising in IT services (€18m revenue, 250 consultants)

### - EXCLUSIVE NEGOTIATIONS TO ACQUIRE WORLDGRID

ALTEN has entered into exclusive negotiations with Atos for the acquisition of Worldgrid, a European leader specialising in Energy and Utilities solutions in France, Germany and Spain, particularly in the Nuclear sector. The transaction, which is subject to the usual regulatory approvals, is expected to be completed by the end of 2024. (2023 revenue: €170m; 1,100 employees)

## OUTLOOK FOR 2024:

As anticipated, the first half of 2024 continued in the same vein as the first quarter. Except for the USA, where some positive signals are emerging, project delays and postponements are increasing in Europe. Consequently, activity will continue to slow down in the second half. ALTEN now expects to achieve an organic growth rate between 0.5% and 1% in 2024.

The operating margin will therefore be impacted by the macroeconomic context. Due to seasonality, it will exceed 9% in the second half. It is expected to be between 8.7% and 8.9% for the entire year.

Next publication: October 24<sup>th</sup> after market close: *Q3 2024 Results*

## APPENDIX TO PRESS RELEASE:

### Definition of alternative performance measures and reconciliation with IFRS standards

The ALTEN 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.

*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 2024

| €M                                      | H1 2023 Revenue | H1 2024 Revenue | % Change    |
|---|-----------------|-----------------|-------------|
| <b>Revenue on a like-for like basis</b> | <b>2,037.9</b>  | <b>2,056.1</b>  | <b>0.9%</b> |
| France                                  | 654.7           | 692.1           | 5.7%        |
| International                           | 1,383.2         | 1,363.9         | -1.4%       |
| <b>Scope variation</b>                  | <b>10.0</b>     | <b>51.9</b>     | <b>2.0%</b> |
| France                                  |                 | -               | -           |
| International                           | 10.0            | 51.9            | 3.0%        |
| <b>Exchange rate impact</b>             |                 | <b>0.0</b>      | <b>0.0%</b> |
| France                                  |                 | -               | -           |
| International                           |                 | 0.0             | 0.0%        |
| <b>Group Revenue</b>                    | <b>2,047.9</b>  | <b>2,108.0</b>  | <b>2.9%</b> |
| France                                  | 654.7           | 692.1           | 5.7%        |
| International                           | 1,393.2         | 1,415.9         | 1.6%        |

### Operating Profit on Activity

Operating Profit on Activity is the operating income before taking into account the costs on share-based payments, results from significant transfers of assets, goodwill impairment, as well as other significant and uncommon elements considered as miscellaneous fees and operational activities.

Since payments on share-based compensation have noticeable heterogeneous annual changes, the tables included in our financial statements show the operational performance of the Group and make it possible to compare with previous or selected periods.

### Net cash position

Net debt - as defined and used within the Group, stands for cash investments, cash and cash equivalent less gross financial debt (overdraft bank loans and other assimilated financial debts). This measure is called 'net cash position' when

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the amount of cash investments, cash and cash equivalent is higher than the gross financial debt; conversely, it is called 'net debt'.

## **Free cash flow**

Free cash flow corresponds to net cash flow from operating activities minus net operating investments and net cash flow from financing activities related to payments of leasing debts.

## **About ALTEN**

**For more information: [www.alten.com/investisseurs/](http://www.alten.com/investisseurs/) / Journalists' details: [alten@hopscotch.fr](mailto:alten@hopscotch.fr)**

*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).*