

## 2006 Results

The revenues for 2006 are at €1495.4m, up 4,2%% as compared to 2005.

<i>in €m</i>	31.12.2005	H1 2006	H2 2006	31.12.2006
	IFRS	IFRS	IFRS	IFRS
<b>Revenues</b>	<b>1434,5</b>	<b>745,9</b>	<b>749,5</b>	<b>1495,4</b>
<b>Current Operating Income</b>	<b>93,2</b>	<b>48,9</b>	<b>27,1</b>	<b>76,0</b>
<i>As % of sales</i>	<i>6,5%</i>	<i>6,55%</i>	<i>3,6%</i>	<i>5,1%</i>
<b>Non recurring income / losses</b>	<b>(37,9)</b>	<b>(12,1)</b>	<b>(2,6)</b>	<b>(14,7)</b>
<b>Goodwill depreciation</b>	<b>(26,4)</b>	<b>(4,6)</b>	<b>(11,3)</b>	<b>(15,9)</b>
<b>Operating income</b>	<b>28,9</b>	<b>32,1</b>	<b>13,3</b>	<b>45,4</b>
<i>As % of sales</i>	<i>2,0%</i>	<i>4,3%</i>	<i>1,8%</i>	<i>3,0%</i>
<b>Net cost of debt</b>	<b>(21,9)</b>	<b>(11,5)</b>	<b>(11,6)</b>	<b>(23,1)</b>
<b>Other financial income / losses</b>	<b>(0,7)</b>	<b>(0,8)</b>	<b>(2,2)</b>	<b>(3,0)</b>
<b>Income taxes</b>	<b>(6,1)</b>	<b>(11,8)</b>	<b>(3,9)</b>	<b>(15,7)</b>
<b>Net result of integrated companies</b>	<b>0,2</b>	<b>8,2</b>	<b>(4,5)</b>	<b>3,7</b>
<b>Minority interests</b>		<b>0,1</b>	<b>(0,2)</b>	<b>(0,1)</b>
<b>Group's net result</b>	<b>0,2</b>	<b>8,1</b>	<b>(4,3)</b>	<b>3,8</b>

The operating income at €45.4m is impacted by restructuring charges of €23,4m resulting from the cost reduction plan.

The Group has recorded goodwill depreciations of €15.9m.

Net cost of debt (-€23.1m ) is in line with group debt.

The group's net results amounted to €3.8m in 2006.

As of December 31<sup>st</sup> 2006, the group net debt stood at €379.9m following IFRS rules, to be compared to €336.9m in 2005. The net debt increase is mainly resulting from the change in client

receivables. The group breached one of its financial covenants as of December 31<sup>st</sup>, 2006 but obtained a waiver from its banks.

### **Cost reduction plan**

Since the indirect costs level remain too high at 28% of 2006 group's revenues, the group is implementing a program aiming at reducing total overhead costs of at least 3% of total group revenues by the beginning of 2009. The mid term group objective is to tend towards the industry best performers. More detailed information on this cost reduction plan will be disclosed to the group's annual shareholders meeting to be held in June 2007.

### **Prospects**

In 2006 the group implemented major changes:

- a decrease in the number of its legal entities
- an reorganization of its offer by verticals aiming at better addressing its clients
- a progressive offer enrichment to address R&D consulting market changes

These changes should allow Altran to accelerate the growth of its revenues in 2007.

The second thrust of priority will be the reduction of indirect costs to improve group's profitability.

The 1<sup>st</sup> quarter revenues to be published in May 3<sup>rd</sup>, 2007 will be in line with market expectations.

*For more information*

[www.altran.com](http://www.altran.com)