

Press release

27.10.2017

Strong dynamics in Q3 2017, with +5.6% economic growth, pursuing on the solid H1 trend

- Q3 revenues up +8.1% to €529.4m, economic growth at +5.6%
- Strong quarterly performance in key countries (economic performance in France +7.7%, Germany +5.6%, and the return to growth confirmed in Italy at +4.4%)

Altran delivered consolidated revenues of €529.4m in the third quarter of 2017, up +8.1% year on year, with an organic¹ growth of +4.1% and an economic² growth of +5.6%.

Dominique Cerutti, Chairman and Chief Executive Officer of the Altran Group, declared: *“Altran achieved solid growth in the third quarter, in line with the first half performance. We continue to see good momentum across our geographies and the return to growth in Italy is confirmed. India is accelerating with very strong growth across the board and in semiconductors in particular. Together with our recent acquisitions, all these trends support our ongoing US build-up and transformation, paving the way for the future.”*

Quarterly trends in Group revenues are as follows:

<i>(in millions of euros)</i>	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Revenues, excluding contributions from companies acquired and/or divested (A)	467.7	524.5	548.0	529.0	505.9
Contribution of companies acquired and/or divested (B)	21.9	25.7	35.5	39.3	23.5
Total Revenues (A)+(B)	489.6	550.2	583.5	568.3	529.4

All reported figures exclude the US utilities business, which has been treated as discontinued operations, as per IFRS5 rules.

¹ Growth at constant forex and perimeter

² Organic growth adjusted for working days effect

Geographic breakdown of Q3 2017 performance:

- **France:** +7.7% economic growth, with solid performance from all industries.
- **Northern Zone:** the return to growth in Germany is again confirmed this quarter (with +5.6% economic growth, +20.5% reported growth). Scandinavia registered a +7.1% economic growth this quarter. As anticipated, the UK growth is limited in Q3 (+1.6% economic growth). Switzerland saw a marked improvement with economic growth of 4.9%. The situation in Benelux is improving as the measures taken recently continue to pay-off.
- **Southern Zone:** in Italy, the return to growth announced in Q2 is confirmed (+4.4% economic growth) with all industries performing. Iberia, with +9.3% economic growth, proves to have a strong and stable growth.
- **Americas and Asia:** +17.1% reported growth and +3.0% economic. In the USA, the Group is making significant progress in its build-up; offshore India/USA showed impressive economic growth (+40.6%) in all domains, while client remix led to onshore negative economic growth this quarter (-13.3%). China delivered a +11.9% economic growth in a challenging market.

(in €m)	Q3 2017	Q3 2016	Reported Growth%	Organic Growth%*	Economic Growth%**
FRANCE	211.6	199.5	6.1%	6.1%	7.7%
NORTHERN ZONE	179.0	161.6	10.8%	1.2%	2.7%
Germany & Austria	65.9	54.7	20.5%	4.0%	5.6%
Benelux	39.9	37.0	7.8%	-2.7%	-1.2%
UK	50.8	49.8	2.0%	0.0%	1.6%
Scandinavia	14.4	12.1	19.0%	5.6%	7.1%
Switzerland	8.0	8.0	0.0%	3.4%	4.9%
SOUTHERN ZONE	103.8	98.6	5.3%	5.3%	6.9%
Italy	49.7	48.3	2.9%	2.9%	4.4%
Iberia	54.1	50.3	7.6%	7.6%	9.3%
AMERICAS & ASIA	35.0	29.9	17.1%	2.5%	3.0%
USA***	18.1	16.8	7.7%	-14.8%	-13.3%
India***	9.0	5.8	55.2%	39.0%	40.6%
China	7.9	7.3	8.2%	13.5%	11.9%
TOTAL	529.4	489.6	8.1%	4.1%	5.6%

* Growth at constant forex and perimeter

** Organic growth adjusted for working days effect

*** USA performance should be read in conjunction with that of India, as a growing part of US projects are carried out out of India

Trends in invoicing rate

The invoicing rate was 86.7% in Q3 2017, compared with 87.6% in Q3 2016, due to strong ramp-up in our four Global Delivery Centers and successful recruitment season in major countries.

Trends in staff levels

As of 30 September 2017, total headcount of the Altran group was 32,848 employees following the closing of GlobalEdge acquisition, compared with 30,821 at 30 June 2017 and 28,291 at 30 September 2016.

Outlook

Year-to-date revenue growth, operational KPIs and ongoing transformation are in line with the execution of *Altran 2020. Ignition*.

Financial calendar

25 January 2018: Q4 2017 revenues

8 March 2018: 2017 annual results

About Altran

As a global leader in Engineering and R&D services (ER&D), Altran offers its clients a new way to innovate by developing the products and services of tomorrow. Altran works alongside its clients on every link in the value chain of their project, from conception to industrialization. For over thirty years, the Group has provided its expertise to key players in the Aerospace, Automotive, Defence, Energy, Finance, Life Sciences, Railway, and Telecom sectors, among others. In 2016, the Altran group generated revenues of €2.120bn. With a headcount of more than 30,000 employees, Altran is present in more than 20 countries.

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