

First-Half Operating Profit Up 70% to €26.6 Million

- **Operating margin of 7.1%**
- **Earnings per share doubled**
- **Targeted full-year operating margin of between 7.5% and 8.0%**

(Paris – 5 September 2011 – 5:35 pm) – The Supervisory Board of Assystem S.A. (ISIN: FR0000074148 - ASY), a leading innovation and engineering consultancy, met today and reviewed the financial statements for the six months ended 30 June 2011.

The Statutory Auditors have conducted a limited review of the interim financial statements.
(€m)

	First-Half 2011	First-Half 2010
Income statement highlights		
Revenue	374.3	312.4
Current operating profit	26.6	15.7
<i>In % of Revenue</i>	7.1%	5%
Operating profit	26.6	15.7
<i>In % of Revenue</i>	7.1%	5%
Group share of net income	14.5	7.3
Cash flow highlights		
Free cash flow ¹	(16.6)	7.4
Balance sheet highlights		
Net debt/(cash) ²	8.4	1.0
Earnings per share (€)		
Basic earnings per share	0.75	0.38
Diluted earnings per share	0.70	0.38

The previously issued income statement and statement of cash flows have been adjusted for the late-2010 disposal of the Italian operations, which have been classified in "discontinued operations."

"Assystem reported robust, profitable growth in the first six months of 2011, led by a solid performance and fast expansion in every business unit," said Dominique Louis, Chairman of the Assystem Management Board. "In line with our strategy, we continued to deploy our organic and acquisitions-led growth programme. The speedy integration of Berner & Mattner and the acquisition of MPH will raise full-year revenue growth to 30%, with a greater presence in the global marketplace and in embedded systems. We currently enjoy clear visibility over the second half, which supports our confidence in our ability to deliver more than 10% organic growth and an operating margin of between 7.5% and 8.0% for the year."

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 and currency hedging instruments.

ANALYSIS OF THE FIRST-HALF 2011 INCOME STATEMENT

- *Revenues*

Reported growth for the period stood at 18.9% overall at €374.3 million. At 14.3%, organic growth in France moved closer in line with the still strong 17% growth posted by the international operations, with demand remaining high in every sector. Operations in Germany, which now include Berner & Mattner, saw revenue increase by 40.0% over the first half. Organic growth remained extremely dynamic, both in the United Kingdom, with a 31.4% gain at constant scope of consolidation and exchange rates, and in all of the other country operations.

- *Current operating profit*

<i>In € millions</i>	H1 2011	% of revenue	H1 2010	% of revenue
France	18	7.2%	9.7	4.4%
International	8.6	6.9%	6.0	6.4%
Total	26.6	7.1%	15.7	5.0%

Current operating profit, like operating profit, rose to €26.6 million from €15.7 million in first-half 2010.

Margin improved considerably in France, widening to 7.2% from 4.4%, thanks to the solid performance delivered by all of the business units, particularly in the electronics and embedded systems segments. International operations turned in a good performance overall, but with contrasts among countries, as excellent margins in the UK offset less stellar results in Germany.

Margin in the Plant Engineering & Operations BU improved to 7.1% from 6.7%, on the rising profitability of the EPCM operations.

Margin in the Aerospace Mechanical Engineering BU widened to 6.3% from 3.8%, thanks to the sharp upsurge in demand across every market segment.

Margin in the Technology & Product Engineering BU rose to 7.8% from 4.7% in first-half 2010, lifted by fast growing business in the auto industry and stronger demand in the electronics and embedded systems segments.

- *Group Share of Net Income*

Group share of net income doubled, to €14.5 million, with net financial expense stable overall, at €3 million, including a decrease in borrowing costs.

The effective tax rate, including recognition of the CVAE tax on value added in income tax expense, stood at 36.7%, down slightly from the prior-year period.

BALANCE SHEET AND CASH FLOWS

Free cash flow available amounted to a negative €16.6 million (versus a positive €7.4 million in first-half 2010), reflecting, on one hand, the €31.2 million increase in working capital requirement, primarily as a result of the sharp growth in business, and, on the other hand, outlays of €15.7 million for acquisitions. It also takes into account the payment of €8.6 million in dividends.

As a result, net debt stood at €8.4 million at 30 June 2011, compared with net debt of €1.0 million at 30 June 2010.

OUTLOOK

Backed by a stronger financing capacity following the arrangement of new sources of financing in late July, Assystem intends to pursue its growth strategy based on selective acquisitions, with a priority focus on embedded systems in France, the United Kingdom and Germany.

Given the clear visibility over the second half, the Company is confident in its ability to meet its full-year objectives of more than 10% organic growth and a higher operating margin, of between 7.5% and 8.0%.

2011 INVESTOR CALENDAR

Assystem's results will be presented at 8:30 am on 6 September. The presentation, as well as all of the company's financial documents, may be downloaded from www.assystem.com.

3 November 2011, after close of trading: Third-quarter 2011 revenue.

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Assystem is an international Engineering and Innovation Consultancy. As a key participant in the industry for more than 40 years, Assystem supports its customers in developing their products and managing their capital expenditure throughout the product life cycle. Assystem employs more than 9,000 people worldwide and reported €636.5 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

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APPENDICES

• CURRENT OPERATING PROFIT BY BUSINESS UNIT

In € millions	First Half 2011	First Half 2010
Plant Engineering & Operations	10	8.6
Aerospace Mechanical Engineering	6.6	3.3
Technology & Product Engineering	9.7	4.3
Other businesses	0.3	(0.5)
Total	26.6	15.7

• SHARE CAPITAL AT AUGUST, 26 2011

Shares outstanding

Ordinary shares outstanding	20,366,173	
Treasury stock	1,089,628	
BSAR 2012 ¹ redeemable share warrants outstanding	309,478	Strike price: €10.15
BSAR 2013 ² redeemable share warrants outstanding	4,892,734	Strike price: €35.00
BSAR 2015 ³ redeemable share warrants outstanding	3,189,513	Strike price: €11.10
Stock awards and performance stock awards outstanding	80,500	
Weighted average shares outstanding	19,366,133	
Diluted weighted average shares outstanding	20,629,804	

¹ Parity: 1.13; Expire: 31 March 2012; Enforcement call starting date: 31 January 2009; Enforcement call share price: €17.50.

² Parity: 1.0; Expire: 31 July 2013; Enforcement call starting date: 31 July 2010; Enforcement call share price: €52.50.

³ Parity: 1.0; Expire: 9 July 2015; Enforcement call starting date: 9 July 2013; Enforcement call share price: €15.54.

• OWNERSHIP STRUCTURE AT AUGUST, 26 2011

%	Shares	Effective voting rights ⁴
Dominique Louis / HDL / H2DA ⁵ / CEFID ⁶ / EEC	27.12	34.61
CDC Group ⁷	16.53	14.78
Members of the Supervisory board and of the Management board	3.45	5.37
Employees Saving Scheme	1.22	2.06
Free Float (including employees)	46.33	43.18
Treasury Stock	5.35	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 14% held by FSI and 2.5% by CDC EVM.

CONSOLIDATED BALANCE SHEET

In millions of euros

Assets	30/06/2011	31/12/2010	30/06/2010
Goodwill	92.7	75.6	75.6
Intangible assets	5.8	6.2	7.0
Property, plant and equipment	15.0	13.6	13.6
Investment properties	1.4	1.4	1.4
Investments in associates	0.6	0.5	0.4
Available-for-sale assets	3.3	3.3	3.7
Other non-current financial assets	4.8	4.0	3.3
Deferred tax assets	1.9	7.8	4.3
Total non-current assets	125.5	112.4	109.3
Available-for-sale-assets	1.0	1.0	1.0
Trade receivables	242.0	205.6	214.8
Other receivables	23.6	14.5	18.2
Corporate income tax receivables	3.9	1.6	3.9
Other current financial and derivative assets			
Cash and cash equivalents	63.9	127.9	93.6
Total current assets	334.4	350.6	331.5
TOTAL ASSETS	459.9	463.0	440.8
Equity and Liabilities	30/06/2011	31/12/2010	30/06/2010
Share capital	20.4	20.2	20.0
Share premiums	66.0	64.2	63.3
Consolidated reserves	47.7	36.2	41.2
Profit for the period	14.6	21.5	7.3
Equity, attributable to Assystem SA	148.7	142.1	131.8
Minority interests	2.8	2.6	2.1
Consolidated equity	151.5	144.7	133.9
Bond loans	47.7	47.1	88.7
Other non-current financial and derivative liabilities	2.1	0.2	0.4
Provisions	0.6	0.5	0.4
Employee benefits	14.9	14.7	14.1
Other non-current liabilities	8.0	8.2	6.3
Deferred tax liabilities	0.1	0.1	
Non-current liabilities	73.4	70.8	109.9
Bond loans	16.3	42.2	
Other current financial and derivative liabilities	6.2	4.4	5.5
Provisions	6.7	5.9	8.1
Trade payables and related accounts	35.6	30.8	26.3
Corporate income tax liability	2.6	5.8	1.9
Other current liabilities	167.6	158.4	155.2
Current liabilities	235.0	247.5	197.0
TOTAL EQUITY AND LIABILITIES	459.9	463.0	440.8

CONSOLIDATED INCOME STATEMENT

In millions of euros

	30/06/2011	30/06/2010	30/06/2009	
Revenue	374.3	312.4	305.5	
Employee benefit expense	(264.2)	(232.9)	(236.3)	
Taxes and duties other than income tax	(0.7)	(0.8)	(3.6)	
Amortization, depreciation and provision expense	(4.8)	(5.9)	(4.7)	
Other ordinary operating revenue and expense	(78.0)	(57.1)	(56.1)	
Current operating profit	26.6	15.7	4.8	
Non-current operating revenue	-	-	-	
Non-current operation expense	-	-	-	
Operating profit	26.6	15.7	4.8	
Share in profit of associates	0.1			
Net borrowing costs	(0.6)	(1.0)	(0.7)	
Other financial revenue and expense	(2.4)	(1.8)	(1.0)	
Profit for the period from continuing operations before tax	23.7	12.9	3.1	
Income tax expense	(8.7)	(4.9)	(0.9)	
Profit for the period from continuing operations	15.0	8.0	2.2	
Profit for the period from discontinued operations	(0.3)		(1.5)	
Consolidated profit for the period	14.7	8.0	0.7	
Attributable :				
	To Assystem SA	14.5	7.3	1.1
	To minority interests	0.2	0.7	(0.4)
Basic earnings per share	0.75	0.38	0.06	
Diluted earnings per share	0.70	0.38	0.06	
Basic earnings per share from continuing operations	0.75	0.38	0.13	
Diluted earnings per share from continuing operations	0.70	0.38	0.13	
Basic earnings per share from discontinued operations	(0.015)		(0.076)	
Diluted earnings per share from discontinued operations	(0.015)		(0.076)	

CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of Euros

	30/06/11	30/06/10	30/06/09
OPERATING ACTIVITIES			
Profit for the period from continuing operations	15.0	8.0	2.2
Elimination of non-cash and non-operating transactions	13.3	13.7	9.0
Change in working capital requirement	(31.2)	(7.1)	3.4
Income tax expense	(10.8)	(2.8)	(9.5)
Net cash flow from discontinued operations	1.0	(2.4)	0.9
Net cash flow from operating activities	(12.7)	9.4	6.0
INVESTING ACTIVITIES			
Non-current assets – acquisitions	(4.6)	(2.3)	(2.4)
Non-current assets – disposals	0.7	0.3	
	(3.9)	(2.0)	(2.4)
Securities purchased	(15.7)	(0.2)	
Securities sold			
	(15.7)	(0.2)	
Loans repaid by companies classified as available-for-sale assets		0.1	
Net cash flow from discontinued operations			(0.1)
Net cash flow used in investing activities	(19.6)	(2.1)	(2.5)
FINANCING ACTIVITIES			
Bond and other borrowing repayments	(26.1)	(0.6)	(0.7)
Interest paid	(1.3)	(1.6)	(1.0)
Dividends paid to shareholders of parent company	(8.6)	(4.9)	(9.7)
Capital increases	2.0		0.2
Purchase and disposal of treasury shares	(1.1)	0.7	(2.4)
Net cash flow used in financing activities	(35.1)	(6.4)	(13.6)
Change in net cash	(67.4)	0.9	(10.1)
Net cash at beginning of period	127.2	92.3	70.1
Effect of non-cash items and exchange rate fluctuations			(0.4)
Change in net cash	(67.4)	0.9	(10.1)
Cash at end of period	59.8	93.2	59.6