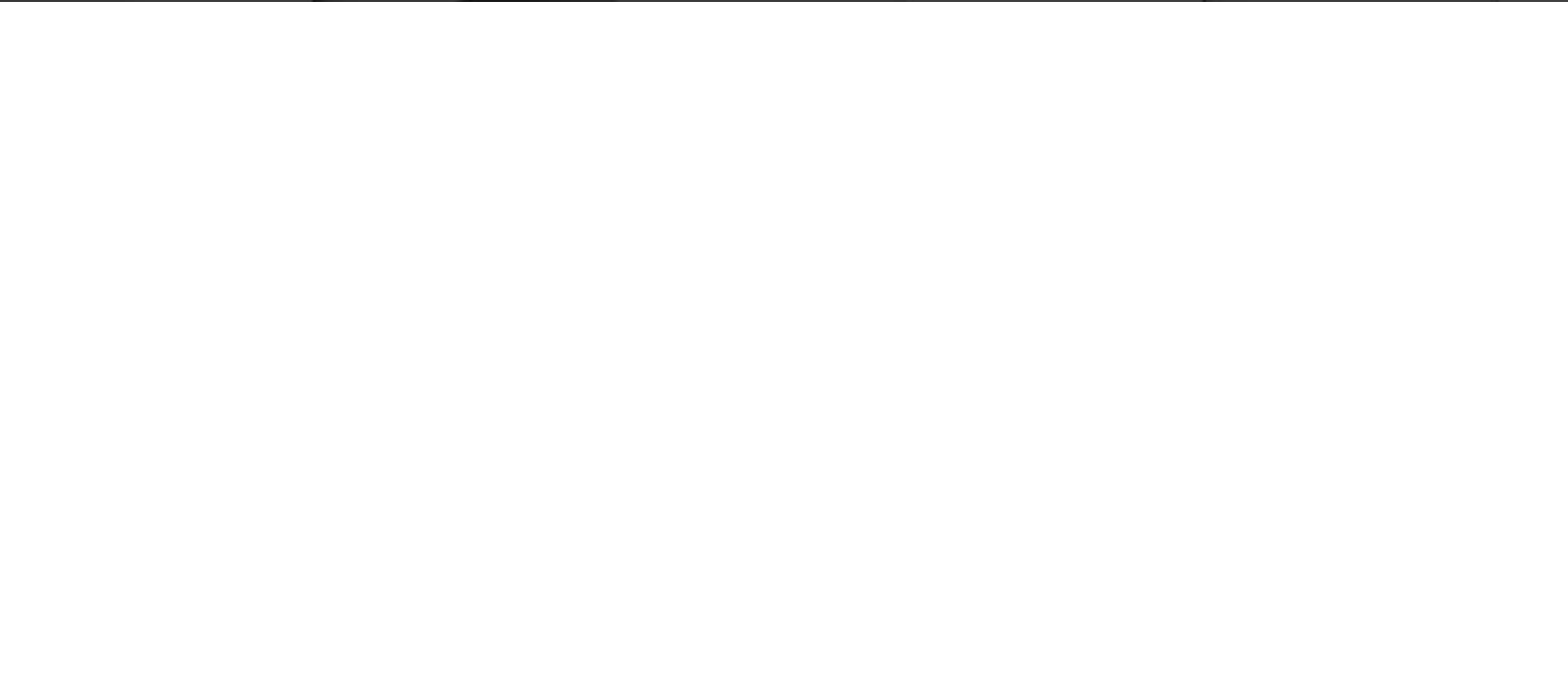




2015

Registration Document

including the annual financial report



2015 Registration Document

including the annual financial report



"This document and the accompanying financial report constitute the ALTEN registration document for 2015. It was filed with the French Financial Markets Authority (Autorité des Marchés Financiers, or AMF) on 25 April 2016, in accordance with Article 212-13 of the AMF General Regulation. It may only be used in support of a financial transaction if accompanied by a securities note authorised by the AMF.

Pursuant to Article 28 of Regulation (EC) No. 809/2004, the following information is incorporated by reference in this Registration Document:

- The separate and consolidated financial statements at 31 December 2014, and Statutory Auditors' reports, found on pages 193 to 250 of Registration Document No. D. 15-0409 filed with the AMF on 27 April 2015 ;
- The separate and consolidated financial statements at 31 December 2013, and Statutory Auditors' reports, found on pages 171 to 230 of Registration Document No. D. 14-0408, filed with the AMF on 25 April 2014.

This document was prepared by the issuer and the signatories are responsible for its contents."

Registration
Documents

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INTERVIEW WITH **Simon Azoulay**

What is your assessment of 2015?

ALTEN achieved 12.2% growth and improved its operating margin in a challenging global economic climate. Revenue for the financial year totalled in excess of €1.5 billion, while our headcount stood at more than 20,000 employees, including more than 18,000 engineers. The ALTEN Group continued to expand its international business, which grew 21.9% and now accounts for 48.5% of total Group activity.

This status confirms our position as the world leader in the engineering and technology consulting market.

The operating margin was up significantly to 9.9% of revenue as compared with 9.6% in 2014. It stood at 8.8% in the first half of 2015 and jumped to 11% in the second half. The consolidation of companies recently acquired in 2014 and 2015 continues to weigh on our operating margin; however profitability of these acquisitions is improving steadily as a result of efforts undertaken. Excluding the 2014 and 2015 acquisitions, the operating margin would have been more than 10%.

I am proud of this performance, made possible by both organic growth of 3.5% and acquisition-led growth. The acquisitions enabled us to pursue our growth strategy in all of the target countries in Europe, the United States and Asia, where we intend to expand and achieve critical mass to set up our organisation.

We have other reasons for satisfaction also, notably the introduction of new tools to assist our business development and administrative organisation, which was one of our main challenges in 2015. All of these measures combined are set to support our growth from 2016 and in the years to come.

How did each sector perform?

It has always been the ALTEN Group's strategy to be almost equally spread over the five business sectors, with each representing approximately 20% of revenue.

The aeronautics sector contracted as the R&D programmes for the A350 and A380 drew to a close. We successfully repositioned many of our teams in production process and engineering to meet the very substantial needs generated by future plane delivery schedules. The challenge was difficult, but one we rose to successfully. We can be extremely proud of that.

The automotive sector has experienced strong growth and rebounded nicely after the 2008 and 2012 crises. We are strengthening our position with all European manufacturers and parts manufacturers and we are even exporting this expertise to the United States and Asia.

In the energy sector, the drop in oil and gas prices did not have a severe impact on the group, since we won major new projects with international customers, and because we are present in energy distribution, nuclear energy and in renewables, where we achieved significant growth.

Restructuring is under way in the telecoms sector, resulting in mergers between operators and significant pressure on costs. Against this difficult backdrop, we have supported our customers and maintained our margins, by relying on our nearshore and offshore structures.

Lastly, the ALTEN Group benefited from the rebound in investment in the services, banking and financial sectors, both in France and abroad.

What core values form the basis for your development?

From the outset, the ALTEN Group has been built around three core values.

Our engineer culture has been fundamental to shaping ALTEN's development since its creation. We focus on very high value-added projects and thus are positioned to attract the best engineers from the top schools from around the world. We are committed to providing training and career advancement opportunities for our staff, and endeavour to encourage young people and women to consider a technical career and to join the Group.

Profitable and sustainable growth is part of ALTEN's DNA. It underpins the Group's development strategy to ensure a secure future for our 20,000 employees. Profitability is essential to provide the resources to expand in all our target countries, where our goal is to have more than 1,000 and up to 2,000 engineers in R&D.

Lastly, ethics and developing human capital are not only prerequisites for the growth of the ALTEN Group, but are also vital to our first two core values. The ethics held dear by all the key ALTEN Group executives focus on respect and fluid communication between all the Group's employees. Developing human capital enables us to meet our growth targets by training and supporting all our managers in their quest for excellence, whether in a business environment, a technical environment or a support functions environment.

What is your outlook for 2016?

The ALTEN Group's strategy has always been very clear. First, it entails remaining firmly positioned in all the engineering professions and carrying out premium service projects for our customers in consulting, workpackage (or structured projects) mode — which currently accounts for 50% of our revenues.

The second point is to reach critical mass in each one of our target countries, which we estimate to be approximately 1,500 engineers. We have almost reached this point in all countries in Europe. This critical mass allows us to set up training centres for both project management and business development.

We have our sights set on winning market share in North America, where we already employ more than 500 engineers, in China, and on maintaining our positions in the rest of Europe.

Board of Directors

COMPOSITION OF THE BOARD OF DIRECTORS

Article 16 of the Company's Articles of Association provides that the Board of Directors is composed of no fewer than three (3) and no more than eighteen (18) members.

The appointment of each director is the subject of a separate resolution in accordance with the ninth Recommendation of the Middledex Reference Code.

At 31 December 2014, the Board of Directors was composed of eight members:

- **Mr Simon Azoulay**, who also serves as Chairman and Chief Executive Officer;
- **Mr Gérald Attia**, who also serves as Deputy Chief Executive Officer;
- **Mr Bruno Benoliel**, who also serves as Deputy Chief Executive Officer;
- **Ms Emily Azoulay** ;
- **Ms Anaëlle Azoulay** ;
- **Ms Jane Seroussi**;
- **Mr Marc Eisenberg**, independent director;
- **Mr Jérôme Valat**, director representing employees.

Mr Simon Azoulay, a French national, was born on 29 May 1956 in Rabat (Morocco). He is a graduate of SUPELEC. At 31 December 2015, he held 5,430,637 ALTEN shares in his own name and via SGT1 and SGT2, which he controls, i.e. 16.13% of the Company's capital.

Mr Gérald Attia, a French national, was born on 6 April 1962 in Livry-Gargan (France) and holds an MBA from Hartford. At 31 December 2015, he held 279,477 ALTEN shares in his own name and via GMA, which he controls, i.e. 0.83% of the Company's capital.

Mr Bruno Benoliel, a French national, was born on 13 May 1964 in Paris and is a graduate of ESC Reims. At 31 December 2015, he held 52,800 ALTEN shares, i.e. 0.16% of the Company's capital.

Ms Emily Azoulay, a French national, was born on 20 July 1948 in Rabat (Morocco); at 31 December 2015, she held 3,000 ALTEN shares, i.e. 0.01% of the Company's capital.

Ms Anaëlle Azoulay, a French national, was born on 31 October 1990 in Paris, and was appointed by ALTEN's Combined Ordinary and Extraordinary General Meeting of 18 June 2014. At 31 December 2015, she held no Company shares.

Ms Jane Seroussi, a French national, was born on 5 February 1966 in Paris, and was appointed by ALTEN's Combined Ordinary and Extraordinary General Meeting of 18 June 2014. At 31 December 2015, she held no Company shares.

Mr Marc Eisenberg, a French national, was born on 9 April 1955 in Paris, and was appointed by ALTEN's Combined Ordinary and Extraordinary General Meeting of 18 June 2014. At 31 December 2015, he held no Company shares.

Mr Jérôme Valat, a French national, was born on 19 June 1969 in Rodez, and was appointed by the Works Council on 23 October 2015, which was duly acknowledged by the Board of Directors on 29 October 2015. At 31 December 2015, he held no Company shares.

Executive Committee

The Executive Committee meets at least once a month. It analyses the sales and financial performance, defines the development strategy, sets targets, and implements operational measures. The members of the Executive Committee are:



De gauche à droite

Stéphane OUGIER,
Executive Vice
President, ALTEN
France and the
Solutions subsidiary

Olivier GRANGER,
Chief Operating
Officer, Responsible
for International
Zone 1

Pierre MARCEL,
Deputy Chief
Executive Officer,
Responsible for
ALTEN France and
Solutions subsidiaries

Simon AZOULAY,
Chairman and Chief
Executive Officer

Gérald ATTIA,
Deputy Chief
Executive Officer,
Responsible for
Sales, Structured
Projects and
International Zone 2

Bruno BENOLIEL,
Deputy Chief
Executive Officer,
Responsible for
Finance, Legal and
Information Systems

Management Committee France

This committee meets once a month to discuss operations in France and to ensure synergies and consistency with the international companies.

Simon Azoulay,
Chairman and Chief Executive Officer

Gérald Attia,
Deputy Chief Executive Officer,
Responsible for Sales, Structured
Projects and International Zone 2

Bruno Benoiel,
Deputy Chief Executive Officer,
Responsible for Finance, Legal
and Information Systems

Pierre Marcel,
Deputy Chief Executive Officer,
Responsible for ALTEN France
and Solutions subsidiaries

Pierre Bonhomme,
Executive Vice President of ALTEN
France, Northern Germany
and UK

Stéphane Ougier,
Executive Vice President of ALTEN
France and Solutions subsidiaries

Pascal Amore,
Head of Structured Projects

Luc Dallery,
Head of Human Resources
France

Fabrice Pecqueur,
Head of External Development

Franck Lect,
Head of Internal Development
France

Pierre BONHOMME,
Executive Vice
President, ALTEN
France, North
Germany and UK

Pascal AMORE,
Head of Structured
Projects



REPORT ON THE STATE OF THE NATION



The technology partner of choice

ALTEN, Europe's leading engineering and technology consultancy, supports the development strategy of its customers in the fields of innovation, R&D and technological information systems.

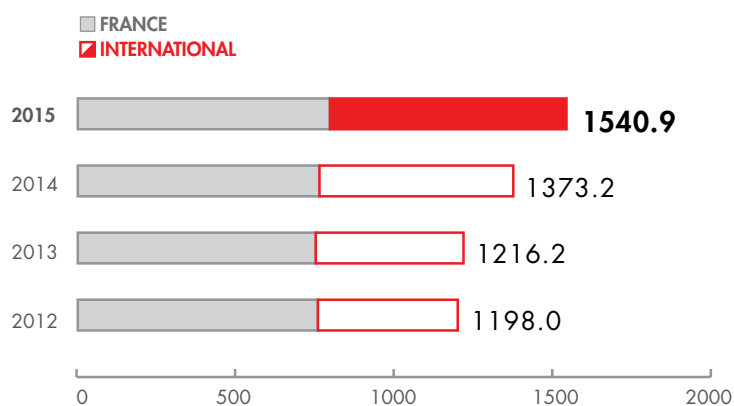
Its 18,000 highly qualified engineers carry out studies and conception projects for the Technical and Information Systems Divisions of major customers in the industrial, telecommunications and service sectors.

At a time of increasing globalisation, ALTEN is integral to the R&D strategy of its customers, supporting their performance and accompanying them as they venture into new markets.

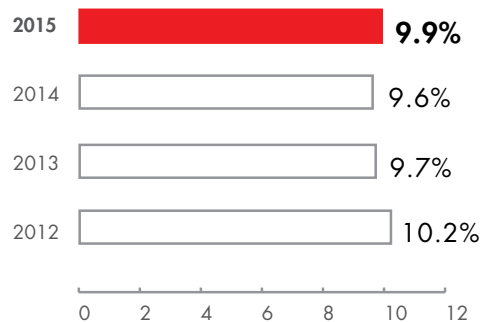
With a network that spans 20 countries, involvement at every stage of the development cycle, and service levels ranging from technology consulting to working on outsourced projects, ALTEN has made a name for itself as the technology partner of choice for multinationals.

Key figures 2015

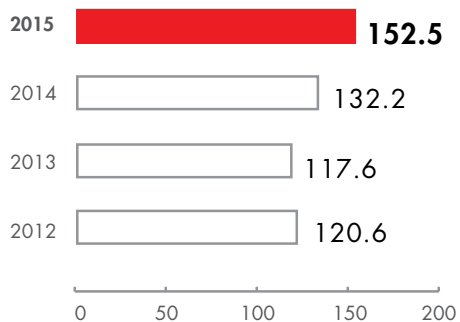
REVENUE (in € millions)



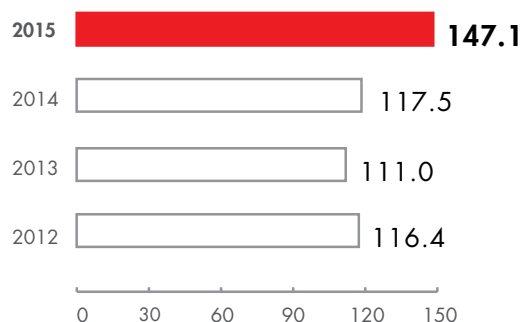
OPERATING PROFIT ON ACTIVITY (% of revenue)



OPERATING PROFIT ON ACTIVITY (in € millions)



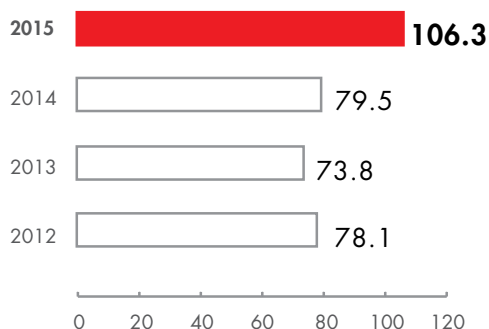
OPERATING PROFIT (in € millions)



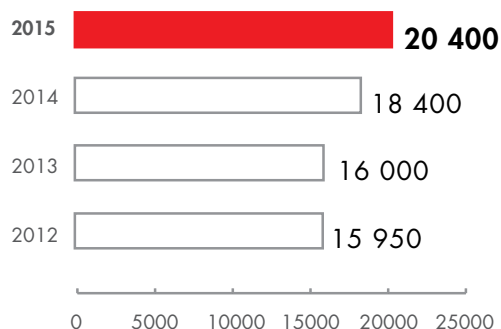
1540.9 M€

OF REVENUE IN 2015

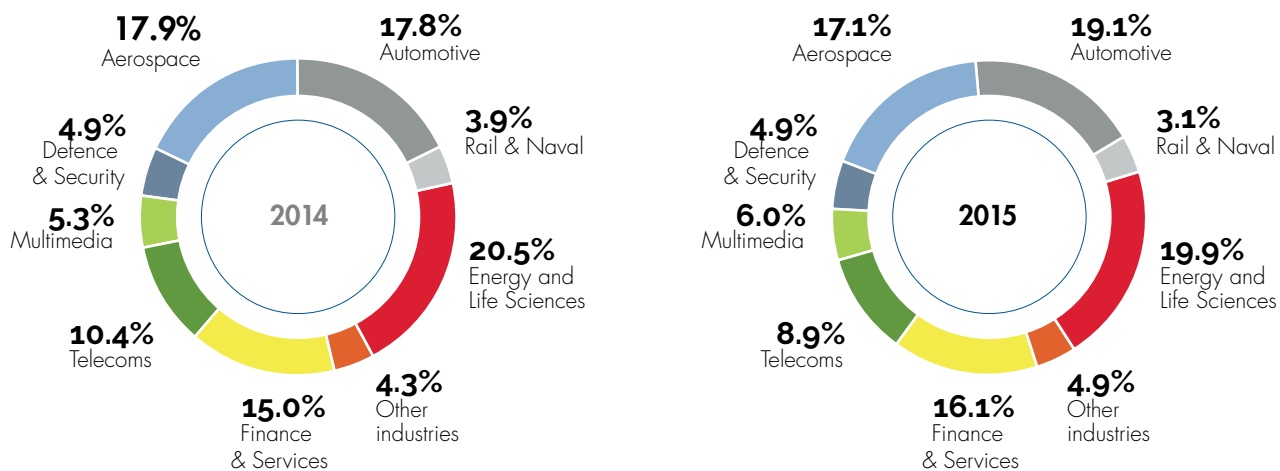
NET INCOME, GROUP SHARE
(in € millions)



WORKFORCE
at year-end

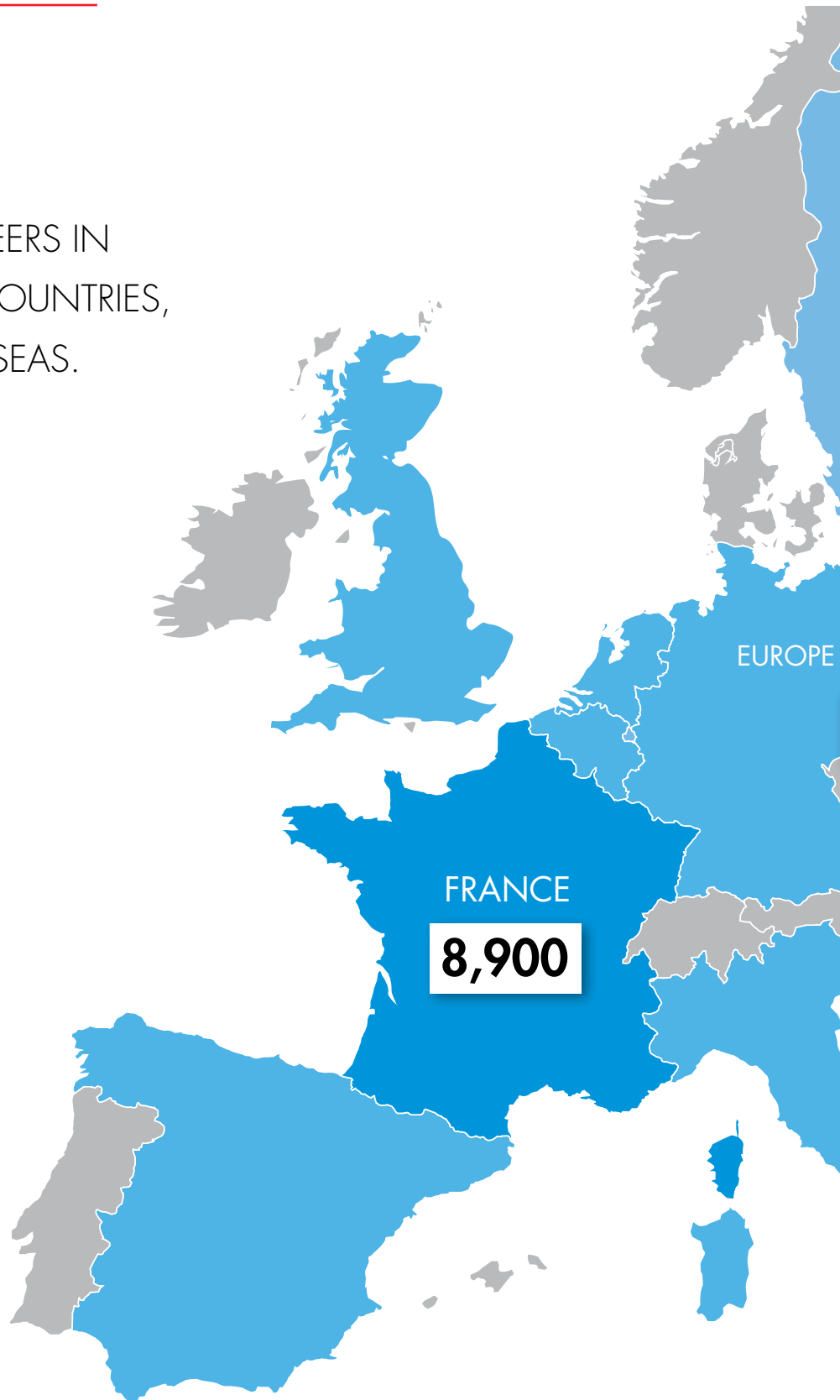


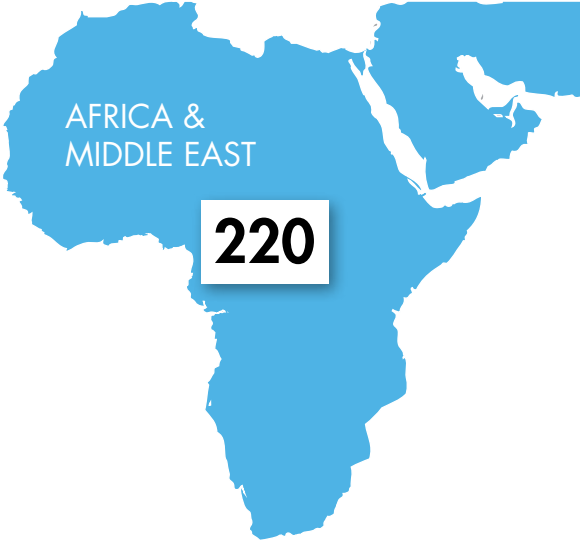
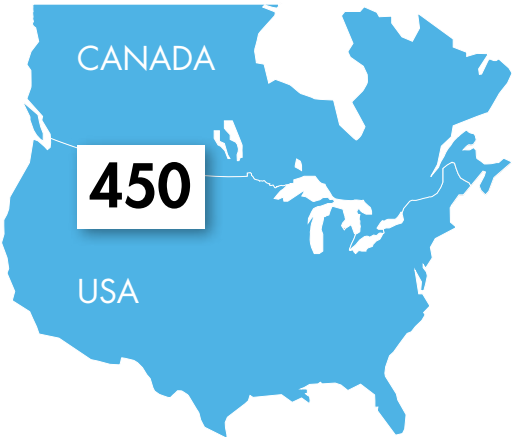
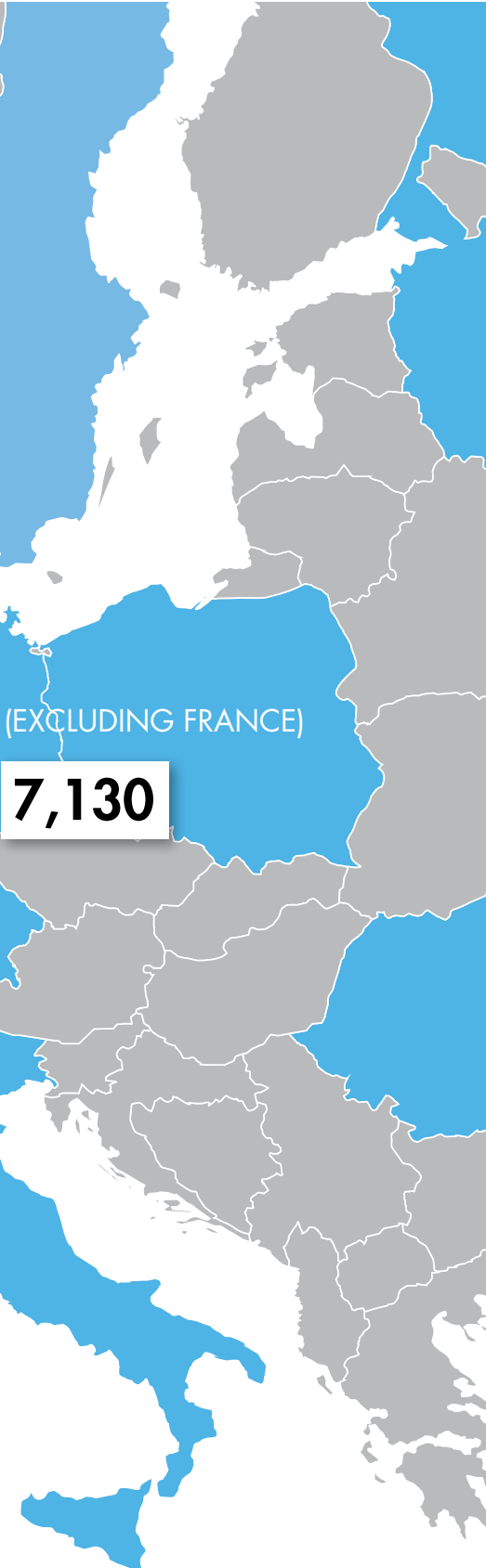
BREAKDOWN OF REVENUE BY BUSINESS SECTOR
(% of revenue)



ALTEN in the world

18,000 ENGINEERS IN
MORE THAN **20** COUNTRIES,
WITH **50%** OVERSEAS.





The benefits of developpement

Size and structure

Revenue of €1.54 billion in 2014, 18,000 engineers in 20 countries, of whom 50% are outside France

European leader in Engineering and Technology Consulting

Capacity to make acquisitions (eight in 2015) and to invest in end-to-end infrastructure projects

Culture of profitable growth, solid financial position

ISO 9001, ISO 9100, CEFRI, Mase, CMMi

Effective oversight processes throughout the entire Company

Multiple modes of engagement and project organisation helping our customers to remain competitive

Technological consulting, workpackages, fixed-price projects, Project Management for Operations (PMO), etc.

A diversified offering

A Technical Division that includes Project Managers and experts, processes assessed at CMMi level 3 in 2016, effective nearshore and offshore capacities with 1,000 engineers in Morocco, Romania and India

Project-led organisation

Systematic project feedback in an effort to ensure continuous improvement

Know-how developed in each business sector

The engineer culture

Workforce composed of 88% engineers, working upstream of each phase of the product cycle (consulting and specifications, studies and design, manufacturing engineering, customer support)

Premium, high value-added technology positioning

Structural analysis, strength of materials, real-time embedded systems, MMI, powertrain environments, security systems, networks, telecoms, electronics, etc.

Comprehensive expertise in all aspects of engineering

Full coverage of all the key market sectors

Balanced mix of sectors

High-level recruitment drive

Structured development paths, from recruitment to career management

Substantial investments in training and skills development

Sustainable Development: part of the Group's DNA

Customer presence

Level 1 supplier with all the major customers in the Automotive, Rail, Aerospace, Defence, Nuclear & Renewable Energy, Fossil Energy, Telecommunications, Services sectors etc.

Cushioning of downturns, no dependence on any particular business sector

Unique know-how in the HRM of engineers

Plan to recruit 2,700 engineers in 2016 in France, and more than 4,800 engineers worldwide, partnerships with top engineering schools.

Bonus for internal promotions in the Expertise and Management fields for engineers, sales managers and staff in support functions.

Responsibility and ethics

ALTEN earned the "Top employer 2016" label for a fifth consecutive year for its internal values and the Group's projects involving the development of human capital

ALTEN ranked Gold EcoVadis supplier for its responsible practices and ISO 14001 rating for its management of environmental performance

- 
- The background of the page is a vibrant red color with a complex, three-dimensional geometric pattern. The pattern consists of numerous overlapping, angular shapes that create a sense of depth and movement, resembling a modern architectural facade or a digital grid.
- 18** Market trends in R&D outsourcing
 - 20** ALTEN's positioning
 - 21** Range of services
 - 23** A technology partner



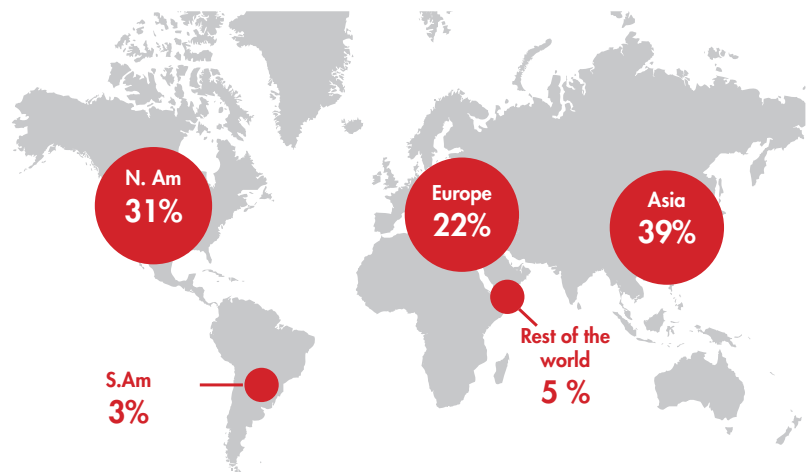
1

ALLEN,
technology partner

Market trends in R&D outsourcing

The volume of a country's R&D investment is correlated with its GDP and its public and private investment in R&D. Private enterprise accounts for approximately two-thirds of investment worldwide.

Approximately \$1,600 billion of R&D expenses around the world
(contribution of the private sector: \$1,100 billion)



Eurostat projections show that the majority of countries will significantly step up expenditure on R&D (as a % of GDP) in the next five years. For example, the proportion of GDP spent on R&D by Germany, the leading investor country in the European Union, should increase from 2.84% in 2014 to 3% in 2020 (public and private sectors combined).

France ranks fifth among the ten largest OECD countries in terms of GERD (gross domestic expenditures on R&D), behind South Korea (4.15%), Japan (3.47%), Germany (2.85%) and the United States (2.73%) and ahead of the United Kingdom, Italy, Canada, Australia and Spain. In the European Union, Finland, Sweden and Denmark devote the largest proportion of their GDP to R&D, with research intensity levels of 3.31%, 3.30% and 3.06% of GDP, respectively.

The number of researchers and engineers in R&D relative to the active population is another indicator of the research effort made by a country. With 9.3 researchers and engineers in R&D per 1,000 workers in 2013, France ranks behind South Korea (12.4%) and Japan (10.0%). In contrast, it outranks Germany (8.4%), the United States (8.1% in 2012) and the United Kingdom (8.1%). With smaller populations, Finland, Denmark and Sweden stand out with respectively 14.5, 14.0 and 12.2 researchers and engineers in R&D per 1,000 workers.

ALTEN's ETC (Engineering and Technology Consulting) sur lmarket includes all consulting services, technical support, fixed-price projects and outsourced platforms in the field of Engineering and Technology Consulting, Information Systems and Technological Networks.

It may be defined as the portion of technology R&D that has been outsourced by industrial companies. There is not

a one-to-one relationship with R&D spending but it is closely correlated.

Overall R&D investment

- Public-sector R&D investment (state-owned laboratories, universities, etc.)
- = Private R&D investment
- Private-sector R&D investment in non-technology R&D (medicines, vaccines, etc.)
- = Private technological R&D investment
- ⊗ Outsourcing rate
- = ETC market

In general, outsourcing allows a manufacturer to:

- control internal R&D costs, since the size of internal teams can be aligned with the recurring level of project activity;
- manage sudden changes in workforce requirements during peak workloads;
- concentrate on product strategy, or on design and implementation of the associated specifications and project management, with ALTEN identifying and recruiting the necessary engineers;
- improve productivity using project management methodologies developed by ALTEN.

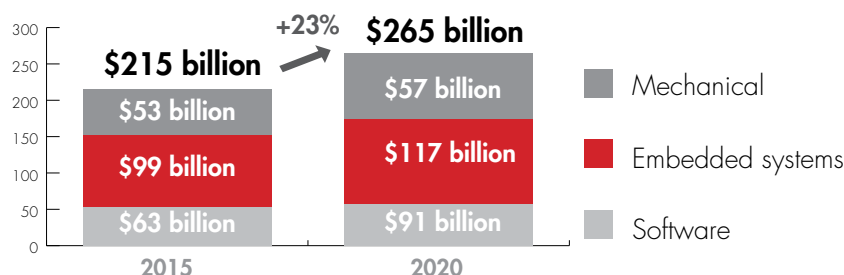
The outsourcing rate varies per country.

In France, which is one of the more structured countries in terms of R&D sub-contracting, it is estimated at 30%. This rate nevertheless conceals some significant differences that are dependent on the business sector, between 40% and 50% in the automotive and aeronautics sectors versus 20%

in the nuclear and oil/gas sectors. In Germany, where R&D investments are twice the size of those in France, it amounts to 15%. The underlying trend in outsourcing is therefore upward, including in France, both from a general standpoint or due to the effect of specific business sectors. On a like-for-like basis of R&D investments, the ETC market will automatically continue to grow worldwide over the coming years.

According to consulting firm Zinnov, the ETC market was valued at \$215 billion in 2015, i.e. an outsourcing rate of approximately 20% worldwide. Forecasts for 2020 confirm Eurostat trends and indicate that ALTEN is positioned in an active market with annual growth rates between 4 and 6%.

Growth in the global ETC market
(en milliard de dollars)
source Zinnov



Consultancy firm Pierre Audoin Conseil (PAC) expects ALTEN's potential market in France to grow as shown below:

(M€)	2014	2015	15/14	2016	16/15	2017	17/16	2018	18/17	2019	19/18	2020	20/19
Aerospace and Defence	1,764	1,767	0.2%	1,799	1.8%	1,845	2.6%	1,894	2.7%	1,936	2.2%	1,970	1.8%
Land Transport	1,127	1,152	2.2%	1,186	3.0%	1,224	3.2%	1,261	3.0%	1,292	2.5%	1,313	1.6%
Telecoms and Multimedia	509	483	-5.1%	489	1.2%	495	1.2%	503	1.6%	507	0.8%	510	0.6%
Energy and Life Sciences	1,508	1,527	1.3%	1,557	2.0%	1,589	2.1%	1,621	2.0%	1,636	0.9%	1,645	0.6%
Other	1,392	1,419	1.9%	1,451	2.3%	1,490	2.7%	1,523	2.2%	1,552	1.9%	1,572	1.3%
Total Technology Consulting (scope: ALTEN core business)	6,300	6,348	0.8%	6,482	2.1%	6,643	2.5%	6,802	2.4%	6,923	1.8%	7,010	1.3%

In 2013 in France, 418,100 people worked in full-time equivalent employment (FTE) in R&D, including 60% working in companies.

ALTEN overview and sector trends

Automotive

Strong business growth for French manufacturers and equipment suppliers.

Numerous projects involving emissions (engine), connected and autonomous vehicles and security.

2016 trends: continued positive momentum.

Aerospace

End of the A380/A350 development programmes, decrease in airframe activity.

Strong growth in manufacturing engineering and Space.

2016 trends: slower-growth activities.

Energy and Life Sciences

Oil & Gas down slightly, diversified portfolio
Problems in the nuclear sector (Areva).

Strong growth in Pharmaceutical, Medical & Chemicals.

2016 trends: decline in Oil & Gas, increase in Life Sciences activity.

Telecommunications and multimedia

Slowdown in activity in France and Sweden.

Growth in other European countries.

2016 trends: slowdown in «Embedded», impact of the possible BT-Orange merger in France.

Finance and Services

Upsurge in Bank, Insurance and Retail investments.

2016 trends: growth activities.

ALTEN's positioning

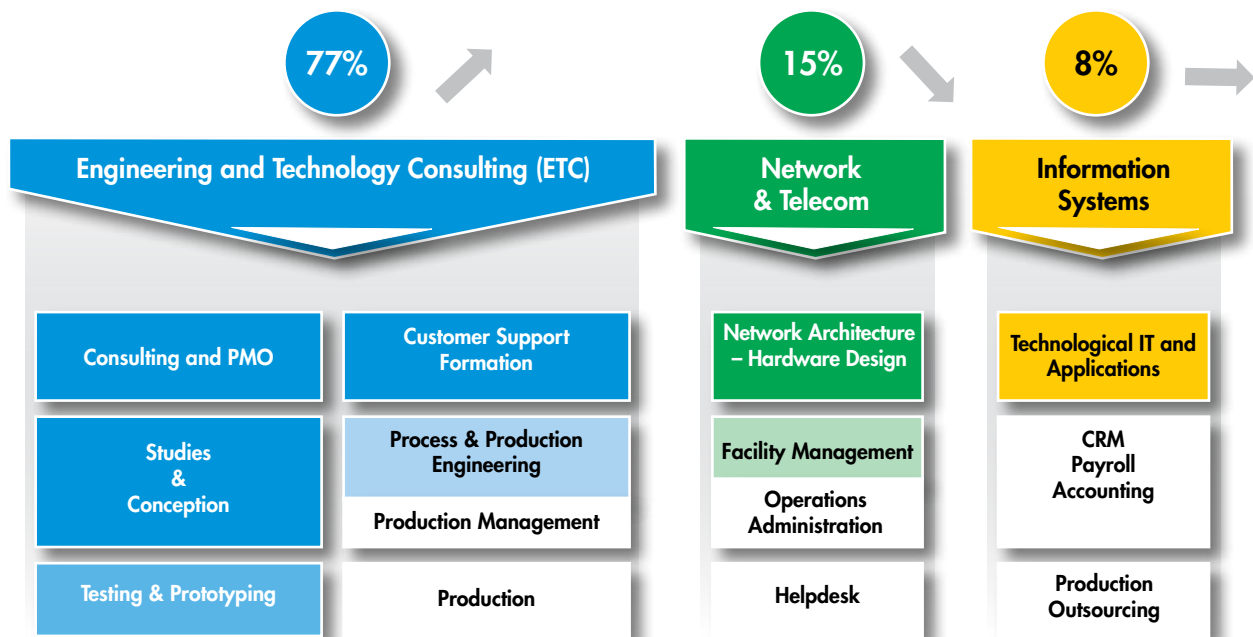
The ALTEN Group's strategic positioning is based on:

1. Three business lines:

- **Engineering and Technology Consulting (ETC):** Studies & design of technological products.
- **Telecoms and Multimedia Networks:** Product design (terminals or network equipment). Architecture, deployment and operation of networks.
- **Technological Information Systems:** Information Systems architecture, software development, third-party application acceptance, support and operations.

2. Engineer-level services over the whole development cycle:

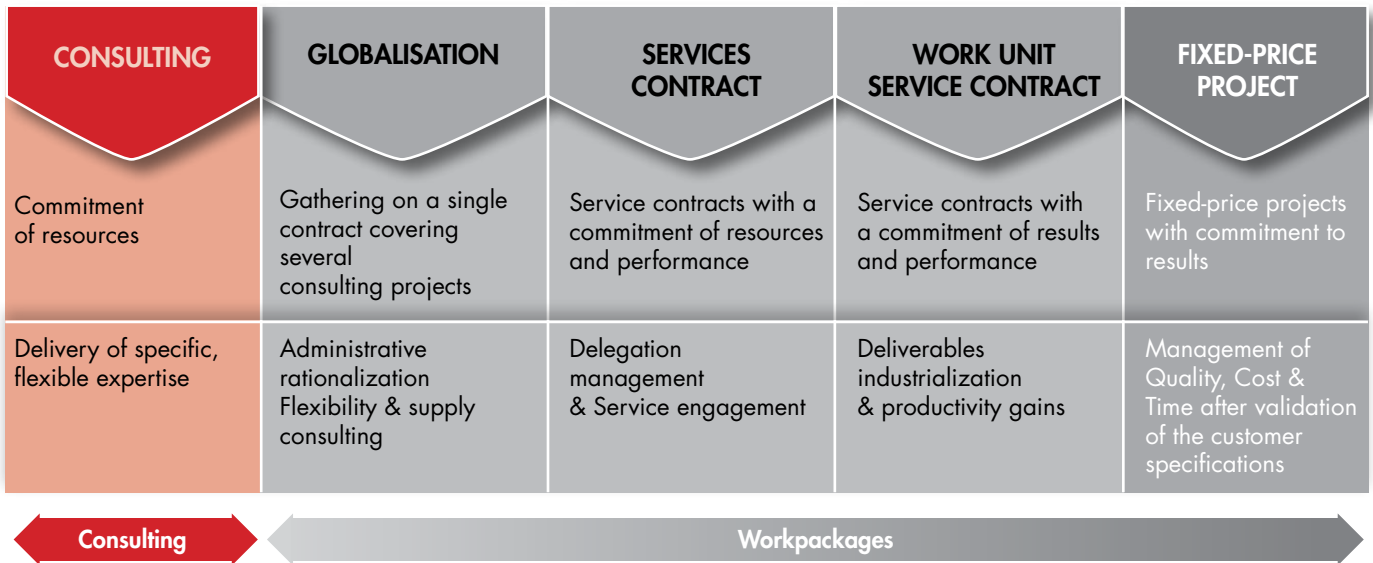
- **ALTEN's Core business offering:** consulting, pre-feasibility studies and design.
- **The Solutions offering,** delivered by specialist, horizontal and transnational companies, meets specific client needs (e.g. PMO/programme management, customer support, technical training, etc.) and may complement ALTEN's services as part of a comprehensive approach.



ALTEN has remained true to this premium positioning since its inception. It participates in all high-value technological projects on behalf of the Technical and IT Divisions of major industrial, telecoms and services companies.

Range of services

Five offers to meet our clients' technology needs.



Consulting services

Consulting means going on-site to carry out a project on a client's premises with a commitment of resources. Billing is on a time-spent basis and the project is supervised by an ALTEN manager.

All projects entrusted to ALTEN are carried out by highly qualified engineers.

ALTEN's expertise	Project owner support
Practical expertise	Intervention during phases upstream of specifications that demand a good understanding of the client's organisation, needs and industry, leading to formal drafting of specifications.
Technical expertise	Added capacity in the study and design phases, or technological support in high value-added niches.
Support expertise	Support to help manage the different components of a project (planning, quality, cost control, supplier management, etc.) or to assist the client with change management, for example by providing training.

Workpackage management

The growth in workpackage management is related to the listing policies of the major industrial companies, which aim to streamline sub-contractor services and transfer broader scopes as well as project management responsibilities to the selected service providers. These providers must be able to orchestrate the completion of projects through established oversight processes.

Workpackages include several levels of responsibility and risk-sharing, and may be carried out on the client's premises or may be partially or completely outsourced to an ALTEN facility. They are overseen by ALTEN's Technical Division, which establishes a structured and multidisciplinary team (PMO, technical support and project engineers) that is

adequate for the levels of engagement defined with the client. They provide logistical resources to the client (facilities, professional software, secure communication channels, and more). Depending on the client's needs, ALTEN can put in place specific organisational structures for transnational projects, with extra coordination across several teams in different countries, or call in one of the near shore/offshore structures (Romania, India, Morocco) for some project phases.

These constitute a true obstacle for the competition since the processes and structures required for the completion of projects require significant investments and involve a steep learning curve.

ALTEN, French leader in the delivery of workpackages

ALTEN is currently the uncontested leader in the delivery of workpackages, both in numbers and by size of the projects undertaken, which represented 60% of business activities in 2015, and through the quality of the ALTEN delivery. Its project management methodologies were again assessed at Capability Maturity Model & Integration (CMMI) level 3 in 2015.

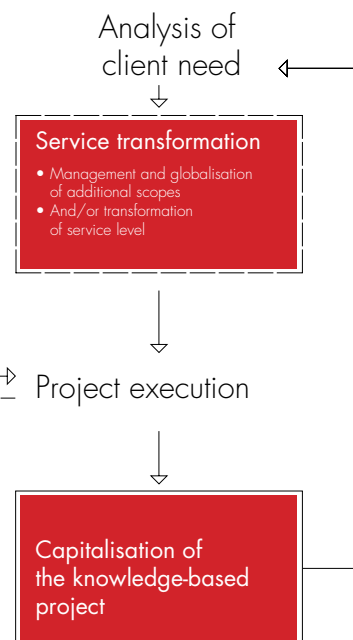
This worldwide standard established by the Software Engineering Institute makes it possible to understand, assess and improve engineering companies' systems for completing projects through a continuous improvement approach.

Workpackages, an integrated client/supplier relationship

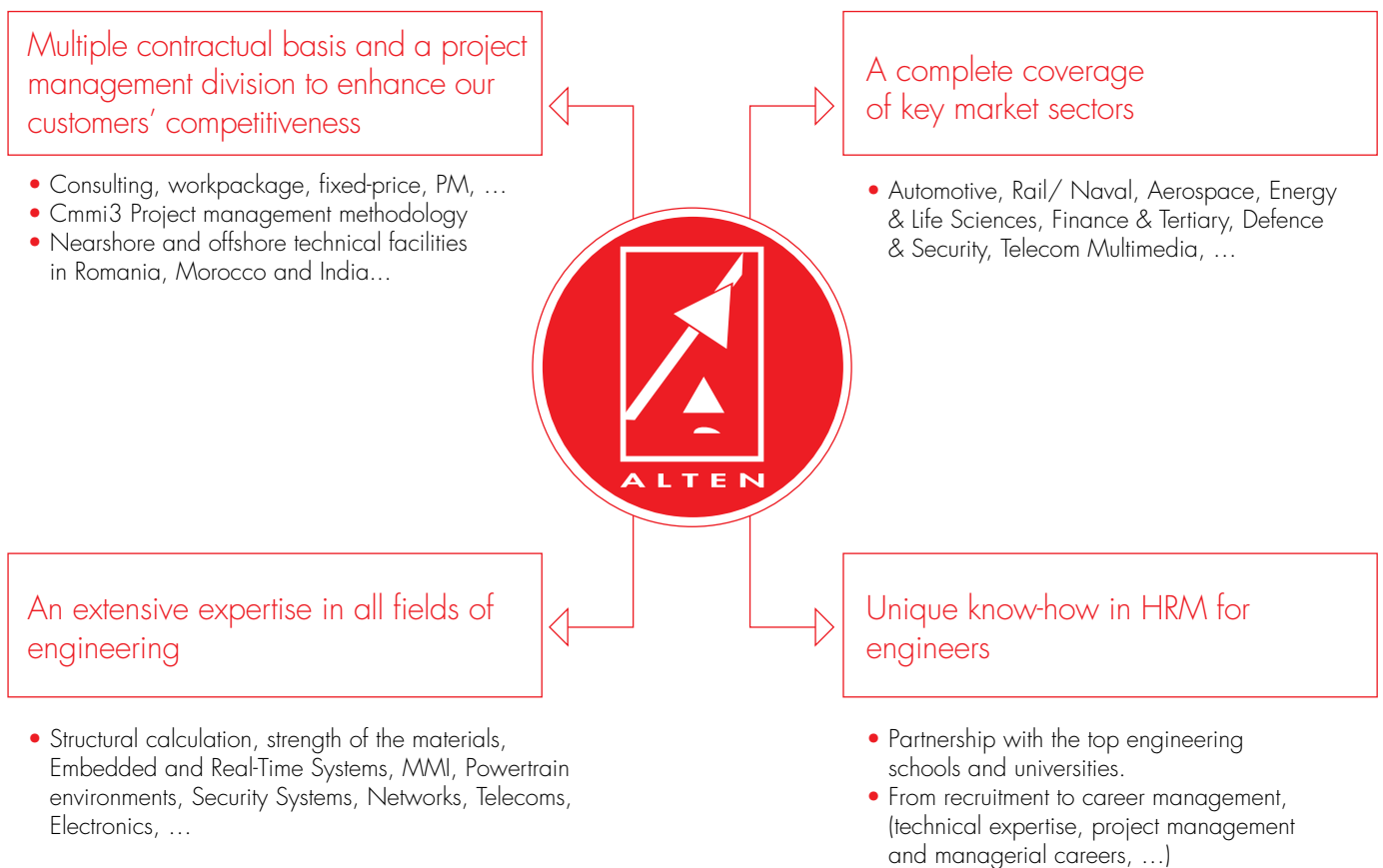
The expansion of workpackage services has major implications for ALTEN but also for clients. Beyond the project feedback that is systematically sought, the search for productivity may lead to a change in the service and/or may bring the participation of ALTEN nearshore or offshore structures for all or a portion of the project. These transformations lead to a revision of the processes and interfaces for both ALTEN and the client, and are therefore implemented as part of an integrated supplier approach.



Partial or total completion on an ALTEN nearshore/offshore structure



A technology partner



 A culture based on high-level engineers

26	Automotive
28	Rail
30	Aerospace
32	Defense & Security
34	Nuclear and renewable energy
36	Oil & Gas
38	health and pharmacy
40	Telecommunications and Multimedia
42	Bank, Finance and Insurance



2

Our customers

Automotive

19.1 %

OF 2015 REVENUE

Turnaround in the automotive market with the comeback of industrialised countries

IHS Automotive estimates that the global automotive market should pick up 2.6% in 2016, with close to 90 million vehicles sold. Yet, the main countries powering the global uptick in the sector have seen their own growth decline. The Chinese market, representing 25.2% of light commercial vehicle registrations in the world in 2013, posted 4.7% growth last year, compared to 7% in 2014 and 14% in 2013.

The outlook is brighter in industrialised countries: Europe bounced back to pre-crisis (2008) levels, producing more than 16 million vehicles (+6.6%), while sales in the United States were higher than expected in January 2016. The market continues to benefit from low prices at the pump and the effect of lower interest rates, as well as from continued economic growth. As a result, manufacturers have strengthened their position through innovative technologies in order to satisfy these ever more demanding markets.

Ramping up the development of plug-in hybrid vehicles

By 2020, all manufacturers will have to comply with the targets set by the European Union, i.e. average emissions of 95g/km for each range of vehicles. This average covers all registered vehicles and not just the number of models listed in the catalogue. Consequently, low-emission models must prove themselves sufficiently attractive to be widely distributed.

Given that "a vehicle with CO₂ emissions of less than 50g will count as two passenger cars in 2020", car manufacturers are intensifying the development of plug-in hybrids. Output has increased tenfold in four years.

In addition, significant efforts have gone into optimising existing diesel engines. Carmakers are currently opting for mild hybrid technology, known as the «low-cost 48V hybrid system». Several demonstrators (Audi, Delphi and Valeo, amongst others) have been developed, with Renault announcing its commercialisation in 2017.

Ramping up the development of advanced driver-assist systems (ADAS)

According to Lux Research, the combined annual growth rate (CAGR) for ADAS will jump from 10% in 2015 to 40% in 2020.

With more than 95% of accidents due to human error, semi-autonomous or autonomous driving has become a key selling point. While passive safety features (airbags, etc.) aim to mitigate the consequences of an accident, active safety systems (ADAS) will make it possible to prevent the accident before it happens. In the near future, manufacturers are even planning «anticipatory» safety features through connected

vehicle technology (between vehicles or between the vehicle and infrastructure), such as «ITS-Connect», marketed this year by Toyota.

We are getting ever closer to 100% autonomous driving, a market estimated at €77 billion in 2025, rising to €500 billion in 2035.

Equipment suppliers at the heart of this transformation

Equipment suppliers have become key players in digital technology. By taking a very early position in sensors and embedded software, Continental experienced explosive growth and the same holds true for Denso, though its revenue was two times higher only ten years ago. To respond to this challenge, Faurecia sold off its plastic parts business to reposition itself in the connected vehicle technology sector. Another initiative was taken by Valeo when it acquired the German high-tech Peiker to «strengthen its global leadership in autonomous and connected vehicles».



Functional areas covered by ALTEN

Electrical and electronic systems

Telematics, Infotainment, Security
ADAS, connected vehicles, autonomous vehicles

Chassis and suspension systems

Management and oversight of QCDP projects

Powertrain environment(engine and gearbox)

Internal combustion engines, hybrid and electric engines

Manufacturing & Supply-chain



French manufacturer: ergonomics and MMI validation and embedded apps

Patrick, ALTEN Project Director

«Increasing customer demands to integrate faster, more reliable and innovative multimedia applications have spurred manufacturers to imagine ever more complex solutions, while at the same time remaining intuitive and respecting the basic principles of cognitive ergonomics.

In an ultra-competitive world, the manufacturer must constantly innovate and stay one step ahead to attract customers of any origin, social level or degree of technical knowledge. In this context, meeting all the combinations of needs and reaching a maximum number of potential drivers is not an easy task.

Since 2013, ALTEN has been working on developing new multimedia platforms for Renault to meet these demands. In early-2015, we adopted a new organisational model called «Workpackage» for a three-year period. ALTEN thus demonstrated to Renault our leading expertise in these fields, backed by our capacity to implement autonomous and outsourced organisations with oversight and follow-up in Work Units.

The developments entrusted to ALTEN fall within the scope of embedded systems, ADAS (advanced driver-assist systems) and multimedia.

ALTEN teams must, among other things, draw up functional specifications in order to define the service expected by the customers. They also set out the ergonomic principles required to achieve the best compromise between intuitiveness, fluidity and comfort. Lastly, they validate the results after implementation to monitor compliance with the specifications and compare solutions by conducting competitive analyses. Backed by this expertise, the manufacturer recently tasked a new ALTEN team with the role of architect and lead supplier for the TCU (Telecom Control Unit) communication system in GENEVI's new IM (in-vehicle infotainment) Compliant™ platform. This extension to its role for Renault offers significant synergy opportunities between the multimedia and communication system teams.

This collaboration is valued by the manufacturer, and for the past several half-year periods, ALTEN has participated in the annual performance reviews — with stand-out results.»

British manufacturer: development and engine calibration

Jean-Mathieu, ALTEN Workpackage Manager

«ALTEN faces two major challenges in the English market: to become known and gain recognition in automotive engineering. With a premium manufacturer, we began in consulting mode on development activities and validation of engines.

In less than two years, we have become a partner of choice. In 2015, recognition of our expertise provided the opportunity to expand our services: we set up middle management at the customer's site and deployed the first commitment-based service contract (workpackage).

The English engineering market is very specific and is based on an «agencies» approach, bringing customers and independent engineers together. Operating in this environment, the services offered by ALTEN Ltd have proved very innovative for our customers. Understanding the business, supporting our customers over the long term, continuously monitoring our activities and the growing expertise of our engineers have created true added value. Today, at customer's sites, our engineers assist our customers in the design, development, validation, calibration and research phases, for all the powertrain systems developed by the manufacturer.

By 2020, the manufacturer plans to produce one million vehicles a year, up from approximately 600,000 today. Drawing on the success of this collaboration, ALTEN Ltd continues to diversify the activities that can be deployed on site or outsourced to our facilities in Coventry: upstream, by participating in the development of hybrid engines and embedded multimedia systems, and downstream, in «manufacturing engineering» and the «supply chain».



Positioning in sectors with **high technological content**
Project organisation and **international presence**

Rail

3.1 %

OF 2015 REVENUE

The combination of economic and population growth is expected to drive ever greater numbers of people to live in cities. By 2050, the world's population is projected to reach 9 billion, 70% of whom will live in urban areas. This growing urbanisation is expected to be particularly pronounced in China, India and developing countries in Africa and Latin America. Some of the changes wrought by these developments include the increasing saturation of airports and roads. Rail is often seen as the most credible solution to meet these challenges, particularly when it comes to environmental impact.

In Europe, the global rail market leader, the market is growing with revenues poised to increase from €49 to €54 billion between 2012 and 2018, i.e. an average annual rate of +1.8%. The French market remains attractive, driven by investments in urban and inter-city transport, as a result of improvement projects in infrastructure and urban transport systems, including the «Grand Paris» programme which is the most notable example.

Digital transformation in the rail sector

The ever-increasing demand from customers for integrated information systems and onboard entertainment has prompted manufacturers to imagine ever more complex solutions. Coverage of the French 4G network has also mobilised all telecoms and rail players. In its digital plan presented last February, SNCF has pledged to ensure 3G/4G connectivity by the end of 2016 in train stations but most importantly in the trains, including the TGV.

Companies in the sector are also counting on the growth of interconnected objects to enable better risk anticipation and drastic cost reduction. By placing sensors all over the network, SNCF is planning for «predictive maintenance» making it possible to anticipate problems. Considerable cost savings could be achieved: «Today, SNCF employees regularly inspect switch heaters to ensure they are in good working order. Soon, they'll know the condition of the installations without even having to move, explains Guillaume Pepy, SNCF Chairman. The digital revolution is expected to call into question the company's production methods, train maintenance techniques and rail network monitoring.

The train of the future

The Hyperloop concept unveiled in 2013 by Elon Musk, Tesla's CEO, started the race for higher-speed trains. This revolutionary mode of transport will carry people passengers almost at the speed of sound in passenger pods gliding inside a system of two low-pressure tubes, travelling at speeds of up to 1,223 km/h. Testing is expected to begin early in first-quarter 2016, and the test site will be fully operational in late 2016/early 2017, according to the company, whose goal is to deliver a commercially viable system by 2020.



Functional areas covered by ALTEN

Rolling stock

Signalling

Infrastructures

Passenger services



TCMS, the «brain of the train»

Eric, ALTEN Project Director

«In recent years, increasingly sophisticated new technologies have been used in command-control, embedded computing and telecommunications. The TCMS (Train Control Monitoring System), the train's brain, coordinating all the electrical and electronic subsystems, lies at the heart of this challenge.

For this flagship product from Alstom Transport, ALTEN has been involved in different phases of its V-cycle including:

- communication interface specifications (managing the flow of communication between the subsystems - traction, brakes, doors and monitoring);
- programming the subsystem interfaces;
- integration, unit and functional testing of all functions;

ALTEN is the only company to provide performance obligation assurance drawing on its long experience in technical expertise and project management. It's the result of many years of work during which we were able to adapt ourselves to the changing skills required in the rail sector, while at the same time completing the ramp-up demanded by our customers. In light of these accomplishments, Alstom Transport is currently planning to include ALTEN in the final testing stages, which would be just reward for ten years of joint efforts on projects such as metro systems in Budapest or Mexico.»



Building **long-term**
customer relationships
Expanding into **new**
business areas

Aerospace

17.1 %
OF 2015 REVENUE

Aerospace continues to grow

According to the International Air Transport Association (IATA) passenger growth forecast, a 3.8% average annual growth in demand is predicted in the next 20 years. Growth in traffic will be strongest in the Asia Pacific and Middle East regions at 4.9% each on average. In 2034, 2.9 billion passengers are expected to fly within the Asia-Pacific region, accounting for 42% of global traffic.

In response to increasing demand, aircraft manufacturers will have to adapt their products and service offerings. In the wake of a prosperous period for new aircraft design, securing production ramp-up, integration of embedded new technologies and maintenance performance have now become top priorities.

Where production meets innovation

Boeing recorded 876 net orders in 2015 and Airbus 1,036, a record year for the two largest aircraft manufacturers. Production is expected to increase by approximately 20%, with delivery of 1,816 aircraft in 2033, forecast by a Deloitte study. To meet the demand, manufacturers are reassessing their production tools and planning to use digitisation and robotics on their assembly lines. In France, Airbus has moved forward with its factory of the future on the Saint-Nazaire site using augmented reality in the testing phases. The A350 XWB offers another example with more than 1,000 3D printed components.

The MRO market explodes and accelerates the pace of digitisation

The MRO (Maintenance, Repair and Overhaul) market mirrors the industry's expansion and was up 11% in 2015, as a result of the expansion of global airline fleets and increased overhaul activity on second generation CFM56 and GE90 engines. This trend is expected to last over the long term, with major changes in the competitive environment, for both the products and service offerings and the players.

Digital transformation has an increasingly important role to play in optimising maintenance performance. All market participants, including Airbus, Safran, Rolls-Royce and Air France Industries, are all seeking differentiation in this growth market. Big Data, predictive maintenance, 3D printing and augmented reality will enable industrial companies to re-evaluate their economic models.

Record year for the space industry

2015 was a breakout year for the space industry, bolstered by the audiovisual needs of the American public, the increase in military drone use and observation missions for environmental protection. Airbus DS and Thales Alenia Space both announced a «very significant» increase in satellite orders; for launchers, Arianespace's order book totalled €5.3 billion at year-end 2015, i.e. 58 launchers for 39 customers. This market is very promising and specialists

have estimated an annual growth rate (CGAR) of 5.1% between 2014 and 2019.

Launchers: increased launch rate and cost control

To meet these challenges, market operators have struck a balance between increased launch rates and production costs. As of 2013, Arianespace embarked upon a series of operational projects to adapt its range of launchers to market needs and to deliver greater flexibility over the coming years.

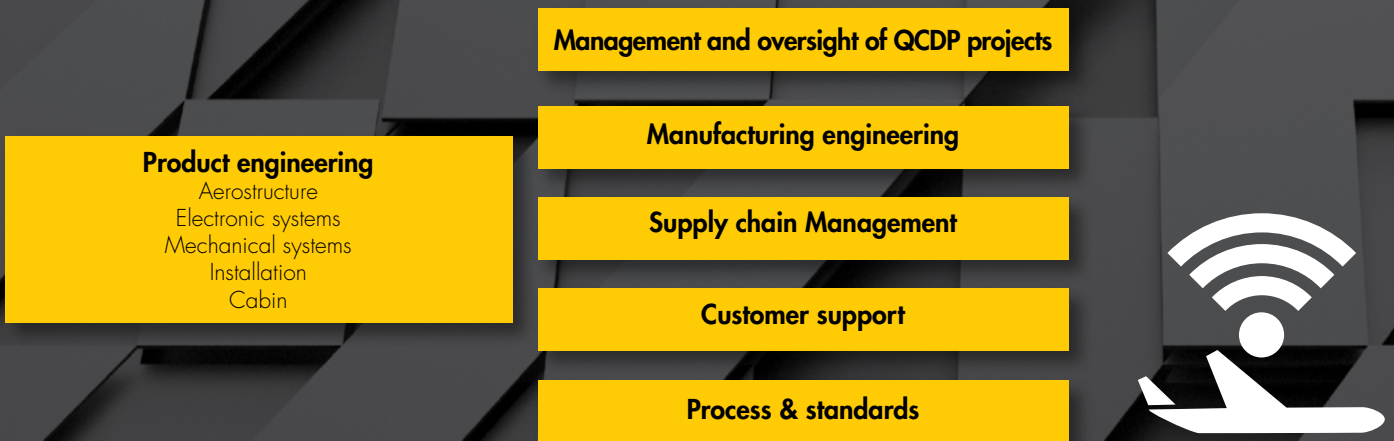
In addition, the introduction of the American Space X, with a more centralised organisation and more competitive prices, has disrupted the competitive landscape. The Falcon 9, which is 30% to 40% less expensive than its competitors, has prompted European participants to adjust their production methods and re-examine their organisations. Within this context, Airbus and Safran have joined forces to set up Airbus Safran Launchers (ASL) to assist in the development of Ariane 6.

Satellites: electric propulsion and ramped-up production

Manufacturers need to ramp up production to meet the increased demand for satellites, including an order for 900 OneWeb microsatellites for Airbus. At the same time, electric propulsion, more advanced and more adapted to commercial applications and space exploration than chemical propulsion, has opened up new horizons. By 2022, one quarter of all satellites will be entirely electric.



Functional areas covered by ALTEN



The Cockpit of the Future from Airbus

«In response to the steady increase in air traffic, aircraft manufacturers have been forced to rethink the interface between the cockpit and its users (pilots, maintenance personnel, etc.). Airbus is seeking to optimise cockpit functions to improve safety, airline profitability, pilot productivity and flight planning flexibility.

Here, ALTEN is assisting Airbus with the specifications of the functions related to flight, navigation, communications, control systems and mission data management.

Our activities focus on:

- operational specifications;
- prototyping solutions;
- certification and industrialisation;
- management of operational assessments (drawing up operational scenarios, pilot briefings, etc.)

Positioned at the heart of R&D activities at Airbus, the ALTEN team is working with Airbus Bizlab, a start-up accelerator intended to enable the European aircraft manufacturer to devise innovative solutions for services in the aerospace industry.»

CNES Ariane 6

«The introduction of Space X has disrupted the aerospace industry. Ariane, which was planning to develop a new version of its Ariane 5 rocket, had to rethink its goals and focus on Ariane 6, based on a much more competitive cost model.

ALTEN is assisting the Centre National d'études spatiales (French government agency responsible for shaping and implementing France's space policy in Europe - CNES) throughout the development of the new Ariane 6 rocket. We are responsible for:

- dimensioning the skirts and stages of the rocket (cylinder, cone);
- trajectory and structural sizing calculations;
- functional testing via computer simulations;

ALTEN stands out at CNES through its organisational flexibility and its highly qualified employees, capable of performing complex tasks under tight deadlines.»



At the heart of innovation for
future aircraft programmes
High-level skills applied to the
 key challenges facing the **space industry**

Defence et security

4.9 %

OF 2015 REVENUE

Defence: between guerrilla warfare and the threat of a new Cold War

With the spread of ISIS, the fight against terrorism is the major challenge facing the coalition's defence ministers. This «asymmetric» conflict continues to drive up the number of contracts for drones, multi-role combat aircraft, helicopters, high-precision surface-to-air missiles, armoured vehicles and infantry equipment. Geopolitical tensions in the Middle East have also contributed to the momentum in the defence industry, as the first Rafale export sales to Egypt and Qatar (24 fighter jets each) have proven.

At the same time, in response to Russia's intervention in former Soviet republics (Crimea and Ukraine) and its position in complex situations such as in Syria, NATO has decided to enhance its «forward presence» in the East. Washington intends to quadruple, to \$3.4 billion, military spending for an increased U.S. military presence in Europe, by deploying heavy weapons (tanks, etc.). Against this backdrop, European tank manufacturers Nexter and KMW have merged to form a new group with revenue of €2 billion, capable of developing battle tanks to counter Russia's innovative new battle vehicles (for example, the new T-14 battle tank featuring a remotely controlled turret).

These developments have bolstered the entire French defence industry, illustrated for example by the buoyancy of Renault Truck Défense, expected to double its revenues by 2018-2019, and the launch of several European drone projects (MALE 2020 and FCAS).

Security: measures to reinforce

The series of attacks suffered by a number of countries, including France, will inevitably lead to reinforced national security measures. Europe intends to accelerate the exchange of passenger data when entering and leaving the EU, through its Passenger Name Record (PNR) project. Member States will reinforce surveillance, as will be the case in France within the framework of the French Intelligence Bill enacted in 2015. A significant increase in big data processing and detection of early signals is to be expected. 2015 was also a bad year for cybersecurity: attacks have multiplied and become more complex, due to increased cyberespionage and cybercrime. Some cases have drawn particular attention due to their magnitude and the considerable fallout they caused, particularly the theft of confidential data at Sony, the hacking attack at TV5 Monde that disrupted broadcasting for several hours and the cyberattack on Ukraine's power grid in early 2016.

In response, the French government has invited companies to work together to develop a «Safe by design» turnkey industrial solution to protect data and detect and block cyberattacks. With global cyberthreat costs estimated at between \$2,500-\$3,500 billion in 2020 and the growth of connected objects, the scope of the security industry continues to expand. The outlook for strong growth is promising.



Functional areas covered by ALTEN

Air defence

Ground defence

Naval defence

Homeland security

Cybersecurity



ALTEN Italia and Finmeccanica

Marcelo, Head of ALTEN Italia

«Geopolitical instability in some regions has profoundly changed the defence industry. To respond to this challenge, Finmeccanica, Europe's second largest defence company, stepped up the pace of production and aligned its products to today's global imperatives. Helicopters, aircraft, airborne and space systems, airborne and terrestrial electronic systems, and security systems have become our main development focus.

ALTEN Italia has assisted Finmeccanica throughout the product development process. Upstream, ALTEN develops complex software-intensive systems. Downstream, we participate in product testing and validation. For example, Finmeccanica's system testing programmes have been significantly upgraded and we are actively working on developing drone systems (UAV).

Finmeccanica values the following four ALTEN attributes in particular: the quality of deliverables, compliance with delivery deadlines, capacity for innovation and flexibility. We have built a long-term sustainable relationship with this customer on the basis of these qualities.»



International positioning
Presence in both **Defense** and
Security

Passenger Name Record (PNR)

Yves, ALTEN Technical Director

«Assessing threats has become critical for border management and homeland security. Passenger Name Record (PNR) is a vast data project that collects the identity of all airline passengers travelling, entering or leaving the EU. Once the reservation is made, PNR data (Passenger Name Record), and API data (Advanced Passenger Information) generated at check-in, can be cross-checked against external reference databases and analysed using risk-profiling techniques to quickly assess potential risks.

ALTEN is involved in most stages of the cycle, in specifications, integration and qualification with a performance obligation on the test development phase. ALTEN has enjoyed a long-standing relationship with the manufacturer in charge of the project. With our rounded view of our customer's operations, we can anticipate the problems that might arise in the development phase, and adapt the planning and cost management accordingly.

PNR must be presented in the first quarter of 2016, and the global market potential is substantial. The pressure is all the greater as developing this technology has been deemed a top national priority by the French government.»

Nuclear and renewable energy

Energy, Sciences
of Life & Industry

19.9 %

OF 2015 REVENUE

COP21 in 2015

France presided over and hosted the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21/CMP11), from November 30 to December 11, 2015. The goal of the new universal climate agreement is to keep global temperature rise to below 2 degrees Celsius. Energy sector stakeholders, both in France and abroad, will have to do what is necessary to reach these goals.

EPR reactors: a difficult start

Reducing the share of nuclear power in the energy mix is a French government objective under the law on energy transition. The upcoming closure of the Fessenheim nuclear power plant and the launch of the next generation EPR nuclear reactor are the challenges of the future.

On 17 December, the French Nuclear Safety Authority authorised Areva to start tests in Flamanville, with the reactor expected to be commissioned by late 2018. Looking to the future, EDF is planning to develop and build 30 to 40 «New Model» EPRs by 2050 to replace the existing fleet. Anticipating this renewal requires finding solutions to reduce investments in these future programmes, by optimising the planning and costs associated with bring the reactors on stream.

The programme to maintain the current fleet in good working order, called «Major Refit», has also run into difficulties. A number of incidents have raised concerns about the ability to successfully overhaul the reactors while carrying out traditional maintenance operations. The cost of the required assessments and work is estimated at €55 billion and could very well rise.

To successfully complete its projects, EDF must find financing solutions and form industrial partnerships. As regards the UK EPR to be built at Hinkley Point, an agreement was signed with China General Nuclear (CGN) and China National Nuclear Corporation (CNNC), which will have a 33.5% stake in the project.

In 2015, participating for the fourth time in the CDP assessment (an organisation whose goal is to assess the impact of large companies on climate change), the ALTEN Group scored 100 B, earning it a place on the Climate Disclosure Leadership Index (an index that lists all the companies that obtained a maximum score of 100). This remarkable progress reflects the Group's efforts to incorporate climate change into its strategy.

Stagnation of renewable energy in electricity consumption despite innovations

2015 was heralded as the year of innovation: the construction of a new-generation, combined cycle gas turbine (CCGT) plant in Bouchain (France) designed to emit only half as much CO₂ as the coal-fired plant, the development of a treatment facility for household waste supplying the urban heating grid in Nancy, the inauguration of Europe's largest solar plant in Bordeaux, the creation of a photovoltaic road surface by Colas, etc. All industries, from wind and solar to marine and thermal energy, are pulling together for the transition to renewable energy. Yet, the share of renewable energy in national electricity consumption fell back 0.2% during the year, from 19.5% to 19.3%. This data published in an overview entitled «Panorama de l'électricité renouvelable» may cause concern from the perspective of the targets set by the law on energy transition: sourcing 40% of France's energy production from renewables by 2030. An ADEME (the French Environment and Energy Management Agency) scenario allows for 100% renewable energy by 2050, with wind-generated electricity representing 63% of the electricity produced.

Rethinking the network to better integrate renewable energy: the smart grid

Adapting the grids is necessary to meet these targets: they are currently organised on a centralised model, while renewable energies take another approach. Production is decentralised with smaller units scattered over a territory. In addition, many of these renewable energies (solar, wind) are intermittent, and peak consumption does not generally match peak demand on the grid. Smart systems will provide the answer to these problems. Developing new technologies (storage of wind/solar energy), combining various energies (Smart City - SoGrid - Hiraki), controlling energy demand in real time (Linky, connected objects), and anticipating needs with emphasis on greater precision (predictive modelling, statistical analysis) will be the key to renewable energies becoming a permanent part of the French energy system.



Functional areas covered by ALTEN

Electricity production - Nuclear

Electricity production - Renewable energy

Transportation and distribution of electricity



ALTEN and EDF EN: Risk assessment of installing an offshore wind farm in the presence of UXO

Marcolina, ALTEN Manager

«The first offshore wind farm installation in France, off the coast of Fécamp in Normandy, is led by EDF Energies Nouvelles and a consortium of strategic partners. In the wake of a study that revealed the presence of UXO (unexploded ordnance or explosive remnants of war) in the project area, the challenge for EDF Energies Nouvelles is to confirm the correct positioning of the wind turbines and the security of the chosen site. The project involved assessing the risk that vibrations generated when installing the wind turbines could trigger a destructive explosive event.

To meet this challenge, various skills were required. Firstly, knowledge of the marine environment and the energy transfer equation in the sea, plus knowledge of modelling ground-structure interaction. ALTEN successfully combined its expertise in marine engineering, civil engineering and geotechnics to meet EDF EN's needs. An expert team in these areas was assembled and finished the work within the three-month deadline.

Through an inclusive approach, ALTEN provided the technical responses for EDF EN's application intended for maritime authorities. The study first examined far fields, i.e. the distance between turbines and UXO of more than 100 meters. An analytical solution, equation-based and in 2D, was supplied in one month. The near fields (for distances of less than 100 meters) were analysed using a dynamic approach. One of ALTEN's engineers had already worked on ground-structure interactions using 3D modelling software for the pre-dimensioning of the EPR nuclear reactor in England. Drawing on a sector analogy, he provided a solution in two months aimed at applying these methods in a marine environment.

ALTEN was able to respond quickly, drawing on its consultants' broad range of expertise. Committing ALTEN's expertise to a «fixed-price» project, within a limited time frame and in a competitive manner, was a real challenge. The sector analogy was also decisive in resolving the technical issues, and offers an approach to vibration problem solving. This project was also an opportunity to forge bonds with EDF EN, for which ALTEN now conducts contractual analyses.



Proactive in forming expert teams
Transferring industry know-how

Oil prices hit an eleven-year low

Brent has fallen below \$40 a barrel since December 2015, compared to \$50 at the start of the year. A slowdown in oil demand growth and net increases in OPEC production are behind this drop. The International Energy Agency (IEA) explained that oil production will slow to 1.2 million barrels a day in 2016, compared to a peak of 1.8 million barrels pumped this year, boosted by low oil prices. Nevertheless, OPEC's 12 member countries and Indonesia have announced their intention to raise their production ceiling to 31.5 million barrels a day, from a previous target of 30 million barrels. Their aim is to discourage high-cost producers, foremost amongst them being shale oil producers in the U.S.

Repercussions on the oil industry

The impacts of cost-cutting across the oil industry include a reduction in the number of oil exploration projects, renegotiation of supplier contracts and the use of less complex technologies. Global oil and gas investments are expected to plunge by more than 12% in 2016, amounting to \$522 billion, following a 22% nosedive in 2015. It will be the first time since the 1986 oil price collapse that the industry will experience two consecutive years of declining investment.

The M&A wave that began in 2014 is still underway: for example, Shell, by acquiring BG, plans to focus on the liquefied natural gas (LNG) market and deepwater oil production, notably in Brazil. In response to this crisis, all the oil services companies and equipment suppliers have been rolling out restructuring plans. Disposals of assets, recapitalisation, and above all job cuts. For example, Vallourec and BP cut 2,000 and 4,000 jobs respectively, worldwide. Subcontractors have asked for support from the major Groups. For example, the French oil services firm CGG will be backed by Total, up to a maximum amount of

€35 million. A merger between Technip and FMC is also being considered.

In addition, within the context of COP21, fossil fuel subsidy reform is a goal unanimously shared by governments and international bodies. Roughly thirty countries around the world have reduced subsidies for oil, coal and gas production. Among the more recent examples, Mexico has eliminated variable tax subsidies on fuel, saving \$16 billion between 2012 and 2014. After months of hesitation, the French government has confirmed its plans to end export subsidies for coal. On October 15, 2015, it announced its policy to equalise diesel and gas prices within five years.

What is the outlook for 2016?

According to the IMF, lower oil prices have contributed to lowering production costs in many industries and have benefited consumers. However, these positive effects will be dampened by the difficulties that oil-producing countries will face in the future. If these oil producers make less money, they will import less, resulting in a loss of earnings for their suppliers, particularly European countries. In addition, many companies who operate in the oil economy will feel the pain. For example, Airbus Helicopters is still suffering from the drop-off in projects from oil companies looking to lower their costs. In 2015, the manufacturer landed only two orders for its H225, one of the best-sellers to offshore operators, compared to 32 in 2014.

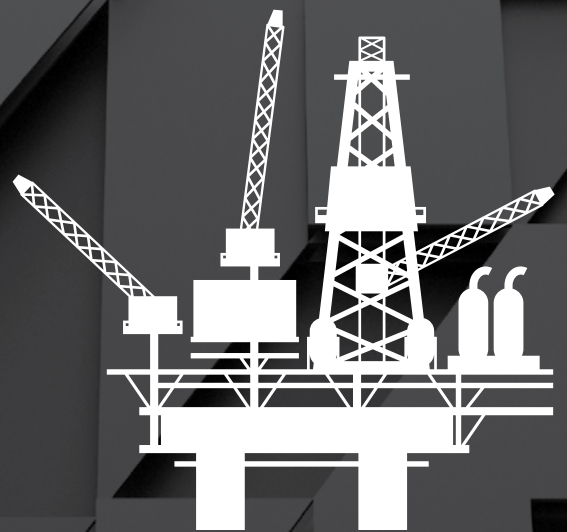


Functional areas covered by ALTEN

Production plant - Design

Production plant - Operations and launch

Transport



Technical expertise enhancing oil warehousing performance

Benjamin, ALTEN Manager

«Oil warehouses are storage facilities that receive refined products for all distribution channels. Industrial customers order and collect the products they need. In response to declining petroleum product demand, Total had to gradually adjust its logistics network in France. In addition, new standard processes have been defined nationally and Total selected ALTEN to implement them and ensure compliance.

ALTEN has worked with Total Marketing & Services on various aspects of oil warehouse management since 2010. In collaboration with the heads of the IT Department, the aim of the project is to develop and monitor the deployment of warehouse management software. Additionally, advances in technologies, new regulations and changing prices call for network modernisation, i.e. the development of new software and related hardware. The scope of responsibility was widened recently to include metrology management, which involves the control of measurements and the guarantee that the quantity sold equals the quantity delivered. This project is designed to ensure optimum and competitive warehouse operation, which is vital in the current tense economic environment for the industry. Capitalising on expertise in such diverse areas as automation, industrial data processing and metrology, ALTEN enjoys a solid competitive advantage over the long term of this project.

ALTEN's skill sets can be carried over to other industry sectors, such as automotive or aeronautics, or to related projects requiring management

through industrial data processing. Backed by the deep expertise of its consultants, ALTEN is positioned to ensure knowledge transfer and the success of future projects.»



Knowledge of
customer processes
Performance analysis

Health and Pharmacy

Energy, Sciences
of Life & Industry

19.9%

OF 2015 REVENUE

Within five years, 30% of general practitioners will retire and in 2035, one-third of the French population will be over the age of 60. Continuing to practice curative medicine without resorting to home hospitalisation will be challenging, especially for patients suffering from chronic conditions. Hence, technological development has moved to the forefront of health industry priorities. The aim is to simplify the patient's life and to facilitate exchange of information with the doctor.

To move these initiatives forward, pharma companies are partnering with technology companies. For example, Sanofi and Google have entered a strategic partnership to improve the efficiency of diabetes research. Their goal is to develop solutions that make it possible to better understand, monitor and treat each patient. Google has already announced other partnerships to develop new sensors (contact lenses with Alcon) to measure glucose levels, or new medical devices for insulin injections.

eHealth has arrived

The health industry has been transformed in the past few years with advances in technology and the digital revolution affecting all sectors. The connected body and digitisation of the caretaker-patient relationship are in their infancy. This new sector, called connected health or «eHealth», is proving to be a great opportunity for many start-ups, which have joined the France eHealthTech association, in the hope of sharing networks, experience and influence at the highest level.

Four models stand out on this new market. Telemedicine, through remote patient consultations and healthcare via mobile interface, looks particularly promising from an economic point of view. Treatment and digital diagnosis (using a smartphone as an otoscope to inspect the ear canal with a mobile camera, for example) are solutions for isolated areas without access to specialist services, while increased competition, such as the French start-up Doctolib and its online appointment facility, offers greater transparency. Lastly, the data management software industry also provides a model for growth.

While promising, there is a lot of ground to cover before eHealth reaches maturity. There is much progress required, especially with regard to building trust in the proposed services and ensuring data protection.

3D printing market

The 3D printing market in health is expected to grow 25% a year (compared to 20% in the industry as a whole) by 2020, and will be worth \$2.13 billion in 2020 compared to \$490 million today. Implants and surgical guides are the major application areas in this sector. 3D printing has the potential to create complex forms, while reducing costs and the manufacturing time of the implants. The technology

introduces the possibility of reconstituting a 3-D model of the human skull as a surgical guide for pre-operative planning.

There is also potential for the pharmaceutical industry in this field. 3D-printing technology can be used to manufacture a porous formulation that rapidly dissolves in the mouth, providing a vector for faster drug action and improved effectiveness. Personalised medicine and personalised dosing of medications (methods of administering drugs) tailored to the patient are being explored.



Functional areas covered by ALTEN

Pharmaceutical

Medical diagnosis

E-health



ALTEN supports its clients in the profound technological changes taking place in health industry

Cédric, ALTEN Manager

«The health industry is on the cutting edge of new technology development to better diagnose, treat and follow-up patients. Drawing on the wide diversity of technical expertise of its engineers, ALTEN is involved in the changes at all stages of patient care.

In R&D, ALTEN is involved in developing a new mammography system for GE Healthcare. The project entails developing and testing software for the Nextgen programme, new medical equipment to take 3D pictures and identify malignant areas. At the same time, the customer aspires to improve existing services to facilitate analysis and diagnosis by radiologists. ALTEN developed a new solution for image processing, improving the 2D quality using data collected in 3D.

In terms of production, ALTEN is optimising the manufacturing process for prostheses. Alten's sustainable solutions (monitoring indicators, employee training, tracking tools) help its customers to modernise and stay competitive. This requires understanding product features at each stage of the production process and implementing quality measures specific to the medical field.



Discussion of state-of-the-art technology interacting with practitioners to understand functional needs

We also assist manufacturers of dental and medical imaging equipment. For example, one of these manufacturers is developing high-technology and high-precision 3D modelling tools that will enable practitioners to restore the jaw's natural aesthetics and function. One of their products is an X-ray system used to make 3D models of the patient's facial structure to produce custom-made facial and dental prostheses.

ALTEN deployed software experts to work on developing the data recovery software. Orthodontists were consulted on this project to ensure that the result was aligned with their expectations and needs. Software functions were developed and improved drawing on ALTEN's proven skill in programming software and image processing, combined with our engineering expertise in algorithms.

In the future, it will be possible to produce custom models and produce the prosthesis instantaneously

— considerably reducing patients' waiting time — using this tool with a 3D printer.

Telecommunications and multimedia

14.9%

OF 2015 REVENUE

The Telecoms and Multimedia industry is undergoing profound changes. In recent years, substantial investments have been made in the network and its infrastructure to keep pace with the changes in how individuals and company use digital technology. Operators are seeking to recover lost margins and develop and monetise new services. Prospects brightened during the period due to the number of tie-ups between operators, such as the merger talks between Bouygues and Orange which began in December. At the same time, the surge in the Internet of things, led by a number of innovative French start-ups, ushers in new prospects.

Networks and infrastructure

The 4G roll-out is nearing completion and has contributed to generating strong growth in mobile data traffic. To cope with this increase in traffic, the French government decided to allocate the 700 MHz band, currently used by digital terrestrial television (DTT) services, and to auction 2 x 30 MHz to mobile operators. The band will be gradually rolled out across the country between 2016 and 2019. Over the longer term, frequency bands for 5G, the next generation of mobile broadband technology, will be identified in 2019, following the trials scheduled at the Winter Olympic Games in South Korea in 2018.

The development of specific-usage networks is under way. The Internet of Things (IoT) supports new networks such as LORA and Sigfox, which are lower power lighter and emit longer range signals, enabling them to cover France at a much lower cost than traditional networks. Li-Fi, a wireless light-based connection, is also in the testing phase. Its main advantage is greater data security with data accessible only within the cone of light. Similarly, «heavy» specific-usage networks (4G and 5G) are being explored, along the same lines as secure military communications networks. Another possible application would be to create this type of network to respond to needs as they arise (large gatherings, annual events) to avoid overburdening the existing network. Innovation has also come to the radio: terrestrial digital radio, an alternative to the already saturated FM frequencies, is being tested in a number of French cities and should be made available to the general public in 2016.

To deliver the flexibility and reactivity required, the current swing towards Internet/cloud technologies has picked up momentum. The spread of VoLTE will be a major event in 2016. Needed network virtualisation will transform networks into platforms capable of adapting «on demand».

How companies and private individuals use digital technology

The transformations in the industry have also changed how manufacturers and individuals use digital technology. Users

want mobility and access to more and more features - with the certainty that their data is secure. The mobile phone has turned into a contactless payment device, with technology developed by Orange, which is seizing this opportunity to diversify and open a 100% mobile Bank. The demand for high-speed broadband continues to rise, driven by the growth in data-generating technologies: the connected home, 4K TV, 3D gaming and the Personal Cloud, to name but a few. In turn, networks must evolve to handle the increasing amounts of data being generated. Data also opens up new market opportunities for data mining solutions (predicting consumer behaviour, etc.).

No sector and of the economy industry will be immune from these changes. Digitisation is the future of factories. They will be both connected and smart. The workplace is changing to meet the needs of the new generation of digital natives, in terms of network infrastructures, automation and personalised manufacturing. Customer relations are also being reshaped reflecting new approaches to create the right relations in real time. A company's work methods and internal processes lie at the heart of this transformation.



Functional areas covered by ALTEN

Project management

Network architecture, terminals and equipment

Infrastructure Operations Security

IT operator



Router virtualisation: ALTEN Calsoft Labs driving innovation with Bayonette Norway

Mrinmoy, Manager ALTEN Calsoft Labs

«Bayonette is a new Internet service provider in Norway, seeking to provide high-performance Internet service to private individuals simply and affordably. High-speed broadband is needed to support new Internet services, such as Ultra High Definition (UHD) video, massive multiplayer online gaming platforms and simultaneous users in the same household. The current solution is based on a complex, cumbersome router needed to accommodate the required technology. Bayonette intends to simplify this system using virtualisation, or the Cloud. Bayonette has joined forces with ALTEN Calsoft Labs, an ALTEN subsidiary located in India, to roll out the first Virtual Customer Premise Equipment or vCPE for residents — a world first.

This innovation combines equipment engineering, network virtualisation and fibre optics. The recognised expertise of ALTEN Calsoft Labs in residential equipment and network virtualisation, together with Bayonette's high-speed (1Gbit/s) Internet service, has made it possible to develop this next-generation system. ALTEN Calsoft Labs put together an experienced team to develop, integrate and test the system, allowing Bayonette to optimise its Time-to-Market. The vHome platform, the solution developed by Bayonette and ALTEN Calsoft Labs, offers many advantages to residents. Simple to set up, the router is then managed online. Upgrades and integration of new services take place in the Cloud, transparently and instantaneously, reducing their need for on-site technical support to resolve technical issues or after-sales service. Simplifying daily life for users is one of Bayonette's core goals.



Cloud and data virtualisation
Rolling-out a **transnational project** (India/Norway)

The technology developed includes a number of innovations, for example the use of Linux (LXC) containers to deliver industry-level performance and stability. The virtualisation market eagerly awaits this new tool. Bayonette and ALTEN Calsoft Labs believe that the vHome platform will become the tool of choice for the growth of connected households. This new provider's management platform may be used to support future dedicated networks, such as the Internet of Things or IoT and the new «Smart Home» market.

Arve Paalsrud, Bayonette CTO

«ALTEN has helped us to accelerate our residential vCPE development. We appreciated vCPE framework, capable of delivering the required line rate throughput, while at the same time meeting our scalability, reliability and OAM requirements.»

Bank Finance and insurance

16.1 %

OF 2015 REVENUE

Three key trends were evident in the Bank, Finance and Insurance industry: the customer experience revolution, Big Data exploitation and reinforced cybersecurity.

Digital Revolution and the user experience

Today's consumers want individualised experiences, tailored to their personality, consumption habits and financial situation. Globally, 44% of customers feel that their bank does not exactly meet their expectations. Consequently, the challenge facing big retail banks is complex: offering the degree of personalisation and flexibility expected by the customer, developing differentiated products and services, while at the same time reducing deployment costs.

Big Data exploitation, a new business model is born

The Big Data «revolution» poses a dual challenge for financial services: on the one hand, the necessity to harness powerful drivers to optimise existing models (improving customer knowledge, new scoring methods, etc.) and on the other, the exploration of new opportunities to create contextually aware services and monetise data.

Two new data-driven models have already spread through the world of financial services. They are driven by two newcomer categories: finance start-ups or FinTech and North American and Chinese digital giants. The data is the necessary «fuel» for these models that map out a «new» banking relationship according to three principles: smart automation, disintermediation and the excellence of the user experience. For traditional banks, this very real threat calls for

counter-offensive measures. These new intermediaries have taken control of the customer relationship limiting themselves to the role of technology service providers.

Reinforced cybersecurity

In February, Kaspersky, a security software developer, uncovered the «Carbanak» cybergang responsible for a fraud that targeted approximately 100 banks around the world since 2013 and stole a total of \$1 billion. Cyberattacks have reached unprecedented scale, complexity and sophistication, while banks and companies are managing increasing volumes of data online.

Digital security is critical to support sustainable digital transformation of financial institutions (user confidence).

Identity fraud and «Fake President» fraud are key security challenges for banks. Resocom Solutions recorded a 4% rate of fraudulent identity documents during inspections carried out by banks in 2015. «Fake President» fraud engendered €350 million in losses to large French corporations in the same year.



Functional areas covered by ALTEN

Project management

IT architecture and application development

Third-party application acceptance

Third-party application support

Infrastructure
Production
Security

BI



“Follow My Card” Project

Yves, ALTEN Technical Director

«As more and more people use bank cards, cash transactions are expected to drop by more than 20% in the coming years. To support this growing number of users, the challenge for the banking industry is to adjust how these cards are manufactured and distributed.

ALTEN is working with Morpho in the «Follow My Card» project to improve coordination of bank card manufacturing and distribution data. We are involved in deploying a new, more cost-competitive PostgreSQL database and in training customers in how to use this new tool.

The «Follow My Card» project will soon be marketed following its approval by financial institutions. ALTEN has also been called upon to assist in developing additional features.»



Transaction **security**
Change management

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3

Operational excellence
and sustainable
development

Letter from the Chairman and Chief Executive Officer Simon Azoulay



“Our international development and our leading position in the Engineering and Technology Consulting market give us a responsibility to all our stakeholders, be they employees, employee representative bodies, customers, shareholders, suppliers or partners.

In order to meet stakeholders’ requirements, anticipate their needs and build lasting and trusting relationships with them, in recent years our Group has made sustainable development central to its growth strategy. ALTEN sees this approach as central to its commitment in favour of people and sustainable innovation.

Initiated in 2010 with the signing of the United Nations Global Compact, our commitment has been unceasingly expanded and strengthened since then. The internationalisation of our markets, swift change in technology and the growing demands of society in terms of responsibility have prompted us to take action.

Our corporate culture is shaped by core values shared by all of our employees, namely the development of human capital, engineering culture and the quest for profitable and sustainable growth. In 2015, ALTEN reaffirmed this approach by updating and reinforcing our key founding documents. We have also identified our stakeholders’ expectations and the challenges inherent to our industry as accurately as possible. We are restructuring our sustainable growth strategy, in line with these fundamental and guiding principles, based on the following priorities:

A career-accelerating employer, by promoting talent, skills development, career and mobility management, security and the personal development of our employees.

An innovation catalyst, through the support given to our customers, employees and students in developing sustainable innovative solutions.

A responsible partner, uncompromising on fundamental issues related to information security, business ethics or respect for the environment.

In 2016, we will continue to rise to new challenges. As Chairman and Chief Executive Officer of ALTEN, I affirm my commitment to continuing the implementation of this approach in the Group’s various host countries in order to capitalise on individual initiatives, and to share our common values.

More than ever, we want to drive forward our sustainable development approach, measure our progress, submit to assessments and ensure we take a critical look at ourselves, to continually improve our practices in complete transparency.

I am confident that ALTEN’s employees will take an active part in this process.”

Simon Azoulay,
Chairman and Chief Executive Officer

Our values

Values written in the Group's DNA

ALTEN combines human values, a culture of excellence and expertise in assisting the performance of its clients. Our corporate culture is based on key values shared by all our employees.



Engineering culture

Engineers and engineering are what the Group is all about. Technical teams cultivate this same feeling of belonging to a technological environment based on creativity, innovation and trouble-shooting.

ALTEN is a major employer of engineers in France and Europe, and works on a daily basis to support and promote the engineering profession and further the study of science among young people and women.

ALTEN is an innovative company that conducts its own research and development with the aim of balancing the economic, environmental and social dimensions within technology projects.



Profitable and sustainable growth

The quality of its management, staff and rigour are the cornerstones of ALTEN's results and robustness.

ALTEN is a financially sound company that year after year meets its objectives in terms of profitable growth. Since its inception, it has remained true to its commitments in the areas of education and design, and to its support for the engineering profession.

We make acquisitions, and invest continuously in comprehensive project infrastructure and R&D projects that advance the development of new skills for future projects.

ALTEN has for over 25 years been involved in all key projects in terms of technological challenges by collaborating on the R&D strategy of its clients to support their performance and provide assistance for their local, national and international projects.

Human capital development



ALTEN is committed to reconciling performance and sustainable development.

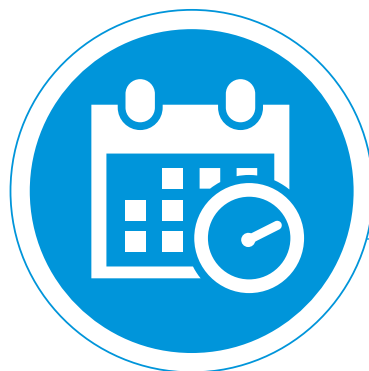
The women and men who make up the Group are the driving force of its business. ALTEN aims to promote diversity and employability, and to develop talents in accordance with the fundamental principles of integrity, fairness, transparency and humility. Diversity, whether cultural, sexual, age-, gender- or career-related, nurtures our values.

Cultivating talents, enabling individual development, developing expertise and providing a springboard for the future are among our core commitments.

ALTEN offers everyone an environment and pathway tailored to the cultivation of skills, projects and, ultimately, the Company.

Origins of our commitment

ALTEN's sustainable development approach dates back to 2010, when we signed the United Nations Global Compact. Since then, a great deal of progress has been made in terms of our infrastructure, operational processes, management of human capital and support of social projects. The Group's sustainable development approach has grown, and been clarified and strengthened with the following key steps:



2015 represents a significant step forward in our commitment to sustainable development. The Group has strengthened policy basics and requirements, while committing itself to new projects: restructuring its strategy in line with stakeholders' expectations and the materiality of these challenges: reinforcing its founding documents; maintaining its non-financial performance indices; and integrating its subsidiaries into the Group's approach.

2010

- Creation of a dedicated department
- Initial commitment to the United Nations Global Compact
- First Bilan Carbone® carbon footprint assessment
- Launch of the "Elles Bougent" partnership

2011

- Publication of the first Sustainable Development Report
- Distribution of the Sustainable Development Charter
- Distribution of the first Code of Ethics
- Mapping of the Group's stakeholders

2012

- Distribution of the Responsible Purchasing Charter
- First Top Employer® certification
- Winner of the National Grand Prix in Engineering
- Second Bilan Carbone® carbon footprint assessment

2013

- Launch of "Elles d'ALTEN"
- ISO 14001 certification
- Achievement of "Gold" status in the Ecovadis assessment

2014

- Simon Azoulay's chairmanship of the "Elles Bougent" association
- «Advanced» Differentiation Level from Global Compact
- Third Carbone® carbon footprint assessment

Challenges and strategy

A sustainable development strategy is only relevant and effective if it respects the core values of the Group, and is consistent with the challenges and expectations of its stakeholders.

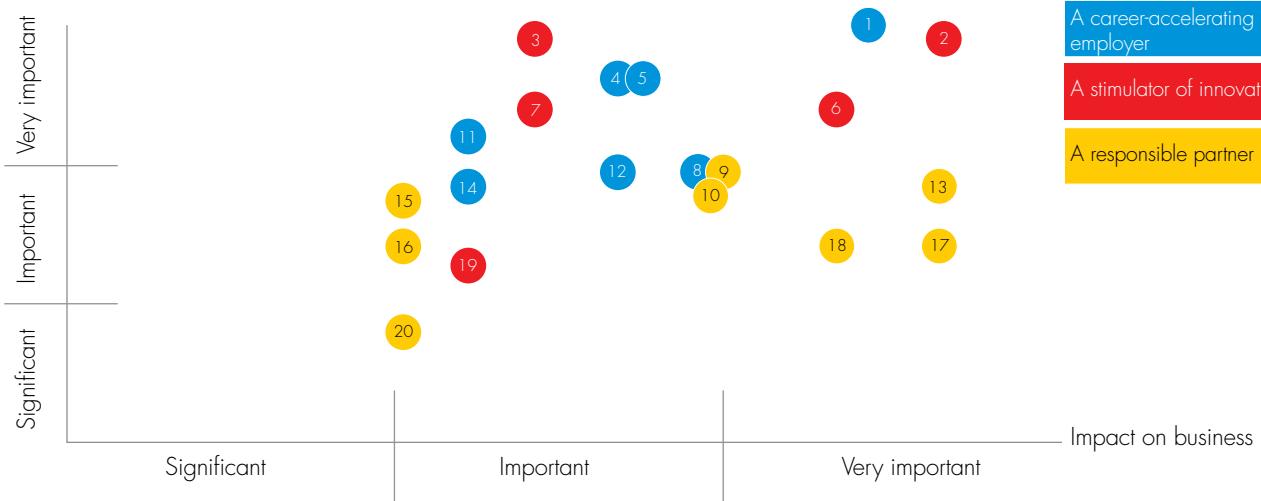
In 2015, ALTEN revised its materiality matrix to refine its analysis and ensure the validity of the results. To accomplish this, and in line with the initial work carried out two years previously, the Group elected to comply with the materiality principle, as set out in the Global Reporting Initiative (GRI) Guidelines. Challenges are considered “material” for an entity if they can affect the company’s short-term performance, determine its capacity to achieve its strategic objectives or match best practice in its sector, alter the behaviour of

stakeholders, or shape change in the Group (new standards, new trends, etc.) Based primarily on industry analysis and meeting key stakeholders, this analysis is set forth using the following matrix:

This work has also made it possible to refocus the Group’s sustainable growth strategy around three main priorities specific to the ALTEN Group:

- a career-accelerating employer;
- an innovation catalyst;
- a responsible partner.

Importance for stakeholders



A career-accelerating employer

- 1 Attract and retain talent
- 4 Promote talents and offer sustainable career paths
- 5 Promote diversity and equal opportunity
- 8 Make safety in the workplace a priority
- 11 See to the well-being of employees in the workplace
- 12 Develop the skills of every person, and reinforce their employability
- 14 Develop social dialogue

A stimulator of innovation

- 2 Develop innovative and sustainable solutions for our customers and society
- 3 Promote professions which are engineering-related
- 6 Promote the development of technical competencies through R&D
- 7 Promote the sharing of knowledge among stakeholders
- 19 Support talented engineers

A responsible partner

- 9 Place ethics at the heart of our activities
- 10 Be involved in long-term relationships with our partners
- 13 Maximise customer satisfaction
- 15 Support strong and meaningful societal initiatives
- 16 Have dialogues with stakeholders
- 17 Develop worldwide and in France
- 18 Ensure the security of information systems
- 20 Minimise the environmental impact of our facilities

Recognition

The ALTEN Group's sustainable development approach regularly obtains certifications, labels and ratings, demonstrating the Group's commitment and non-financial performance.



Top Employer®: for the fifth consecutive year, ALTEN received the Top Employer® label in France, awarded by the CRF Institute. This label highlights and rewards the Human Resources policy and investment in human capital made by the Group with a view to being a model employer. Also noteworthy, ALTEN Spain obtained certification for the first time in 2015.



EcoVadis Rating: In late 2015, the ALTEN Group asked EcoVadis to assess, for the seventh consecutive year, the responsibility of its practices. The Group's sustainable development approach received a score of 74/100, allowing it to maintain its "Gold" level and ranking it among the top 2% of the companies rated by EcoVadis.



Management Systems Certifications: international standards are strategic tools and guidelines: incorporating the requirements of these standards into companies' management systems ensures maximum effectiveness. ALTEN has obtained ISO 9001 and EN 9100 (aerospace sector) certification for its quality management system, and ISO 14001 certification for its environmental management performance.



Health & Safety Certifications: ALTEN has had MASE (manual for the improvement of company safety) certification since 2008 and CEFRI (certification for working in radioactive sites) certification since 2007, bearing witness to the efforts made and successes achieved thanks to its Health & Safety management system.



Global Compact: a signatory of the UN Global Compact since 2010, the Group has yet again demonstrated in 2015 the success of its sustainability commitments and initiatives by the renewal of its Communication on Progress (COP) at the Advanced Level.



CDP (previously Carbon Disclosure Project): In 2015, participating for the fourth time in the CDP assessment, the Group scored 100 B, earning it a place on the Climate Disclosure Index, an index that lists all the companies that obtained a maximum score of 100.



Trendence: in 2015, ALTEN was up 16 points and maintained its top 100 ranking of the favourite employers of engineering school students



Universum: in the 2015 rankings of the most attractive employers for top business and engineering school students, ALTEN made the best showing for engineering students, catapulting directly to the 88th position.

Highlights of 2015

Streamlining of printer inventory

In 2015, a project for streamlining the printer inventory was launched on a national level. Rolled out in collaboration with Purchasing, the in-house Information Systems and Sustainable Development Departments, this far-reaching project covers many areas. In addition to optimising the number of printers and reducing them by 58%, the Group rolled out a secure printing system to enhance information security and raise employee awareness. The system uses a badge reader, provides environmental impact information (CO₂, water, energy) for each print-out and configures the machines to print in black-and-white and recto-verso as the default. Management of equipment end-of-life is also a crucial component, and will be a priority project in 2016.



CDP Rating

In recent years, investors and stakeholders have given increasing importance and respect to non-financial rating agencies. These agencies assess and rank companies based on their CSR programmes.

The CDP is an international organisation consisting of over 820 investors, representing \$95 trillion in capital. Its aim is to assess the impact of large corporations on climate change.

The analysis is based on an annual questionnaire sent to corporations to collect information on both their integration of climate change (strategy, risks and opportunities, etc.) and their greenhouse gas emissions. CDP's rating is scored out of 100 to reflect the transparency criteria and a letter between A and E to represent the performance of the measures taken to reduce climate change.

In 2015, participating for the fourth time in the CDP assessment, the Group scored 100B, earning it a place on the Climate Disclosure Index, an index that lists all the companies that obtained a maximum score of 100.

This remarkable progress compared to previous year results demonstrates the Group's efforts to integrate climate change into its strategy.



Renewing its founding documents: business ethics, workplace relations and responsible purchasing

ALTEN's policies, strategic guidelines and commitments to sustainable development are set out in the founding documents, echoing the fundamental principles of integrity and transparency implemented by the Group's management and employees to continuously forging bonds of trust.

In 2015, two of these key documents were updated and reinforced: The Compliance & Ethics Charter and the Responsible Purchasing Charter.

The new Ethics Charter sets out new Group-wide commitments and strengthens or supplements the driving principles included in the first version dating back to 2011, notably in terms of the following issues: requirements placed on suppliers and subcontractors; preservation of the environment; protection of data and assets; health and safety at work; respect for the Group.

In addition, the Group, which is dedicated to promoting Sustainable Development throughout its sphere of influence, has reaffirmed its position with a new Responsible Purchasing Charter, setting out ALTEN's commitments to its suppliers in France and detailing its expectations and requirements.

Lastly, it is worth noting that a Code of Human Relations in the Workplace has also been drawn up. Through this document, the Group sought to create the basis of a shared commitment, reflecting its determination to respect and ensure respect

for principles of corporate action and conduct covering employment, working collectively and individual behaviours. This Code establishes a set of attitudes and goals to which ALTEN employees should aspire.



Launching the ALTEN Awards

In late 2015, ALTEN launched a new in-house competition, the ALTEN Awards, to reward the men and women who are the pride of this Group. Open to all engineering consultants, the competition is designed to highlight their professional backgrounds and successes.

The results of this first edition were announced in early 2016.



ALTEN Innovation Day

In 2015, the Group launched a new encounter for digital innovation enthusiasts: the ALTEN Digital Innovation Day. During the course of this one-of-a-kind event, candidates had the opportunity to participate in conferences on current topics, presented by employees from the Group's Technical Division. Dedicated information and exchange venues, the «Villages Talent Spots» offered the chance to benefit from feedback from specialists on topics such as Devops, Smart Consulting or Data Secure.



Excellencia Trophy

In 2015, ALTEN opted to become a Premium Partner of the Excellencia Trophy. The main objective of this initiative of Femmes du Numérique («Women in the Digital World») and Pasc@line is to promote the digital sector to young women, to break stereotypes, and to raise awareness of the opportunities for women in technology-related jobs.

The trophy is for female secondary-school students, women entrepreneurs and women invested in a social or humanitarian action, in connection with the digital world, in three categories: Trophy for «Creator of a Digital Business»: Trophy for «Scientific Student»: Trophy for «Woman invested in social and humanitarian action»:

For this second edition, 79 applications were received, and 12 women were presented with their awards in person, in the presence of Axelle Lemaire, the French Secretary of State for Digital Affairs.

Key figures

9,722 employees,
including 24 % women, 98% on
permanent employment contracts
and 88% of engineer consultants



3,492 new hires,
including 92% recruited
on permanent contracts

92 % of annual reviews carried out

2.56 frequency rate of lost time accidents

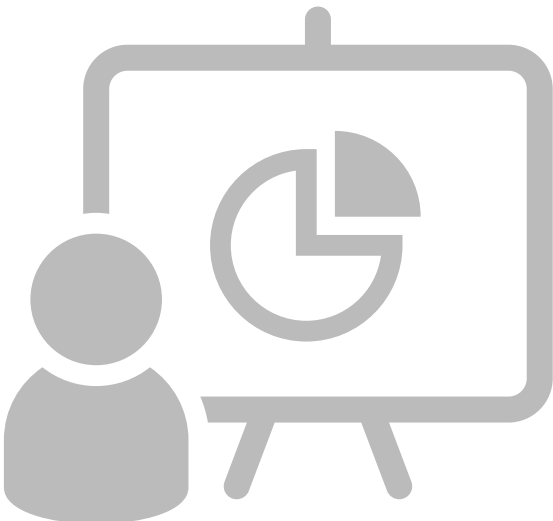
39 % of sites in France
with ISO 14001 certification

80 preferred partner relationships
with target schools

110 g CO₂/km average emissions
for the fleet of company cars

74 / 100
EcoVadis non-financial rating score

(Scope: French legal entities)



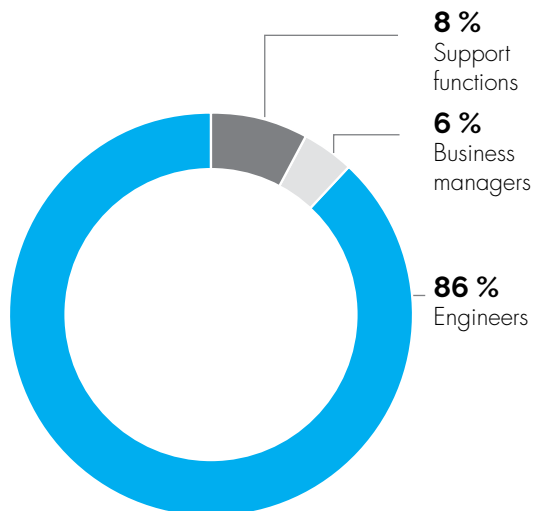
I. A career-accelerating employer

1.1 ALTEN, major player in employment

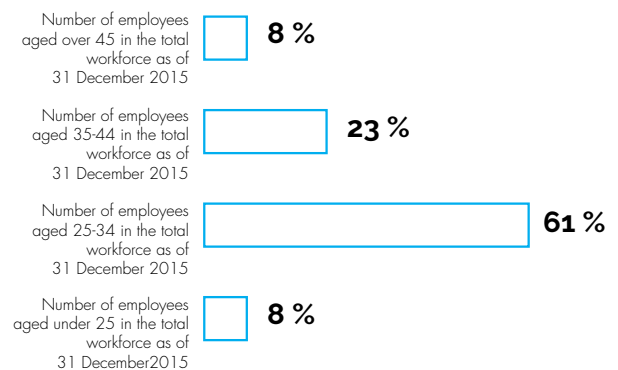
As of 31 December 2015, the ALTEN Group's workforce in the reporting scope under review totalled 16,249 employees.

	Number of female employees	Number of male employees	TOTAL		2014
France	2,347	7,375	9,722	60%	9,375
Germany	392	1,391	1,783	11%	1,229
Belgium	76	244	320	2%	269
Spain	417	1,021	1,438	9%	1,273
Italy	173	546	719	4%	637
Sweden	245	928	1,173	7%	1,116
India	227	867	1,094	7%	Not covered in 2014
	24%	76%	16,249		13,899

Among them, 86% were engineer consultants and 92% were employed on permanent contracts in 2015.



Within the reporting scope under review, almost 70% of employees were aged under 35.



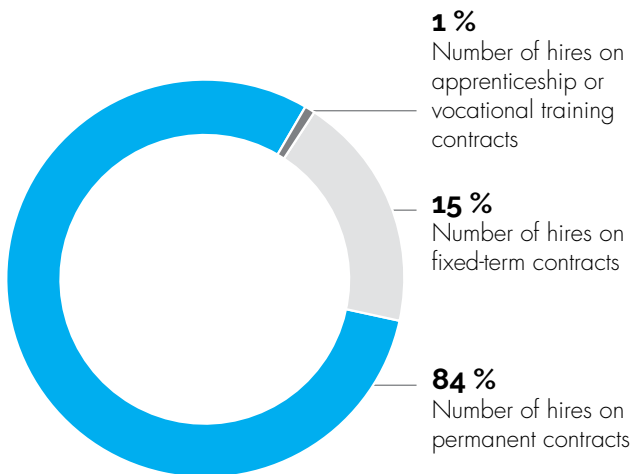
The average age in France was 31.

*Reporting scope under review: see methodological note

Pro-active hiring activity

In the context of a robust commitment, in which ALTEN's customers are becoming increasingly demanding in terms of quality and productivity, the ability to identify, hire, develop and promote the most talented people is of strategic importance.

ALTEN is a major player in the engineering job market in Europe. In 2015, the Group continued its active international recruitment policy, welcoming more than 6,000 engineers and high-potential employees to its teams in the reporting scope under review, of which 3,400 are in France. Among them, 84% were hired on permanent contracts on the Group scope, and 92% were hired in France.



This recruitment trend is underpinned by an industrialised skills analysis process to identify and recruit high-level profiles. The exclusive survey by "L'Usine Nouvelle", published at the very start of the year, also placed the Group among the top 11 recruiters in 2016.

A genuine career springboard, ALTEN recruits many young graduates. The Group's teams of consultants work on the largest technology projects in the following industries: Aeronautics, Space & Defence, Land Transport, Energy & Life Sciences, Telecoms & Multimedia, Finance & Services. They open up opportunities for development within sectors and geographical areas alike. This is why the Group requires its engineers to have life skills equipping them to adapt to rapidly changing environments, in addition to high-level technical skills and knowledge of the customer's industry.

To identify potential candidates as early as possible, ALTEN cultivates many ties with future graduates. Numerous events forging contacts with candidates are held each year:



- The ALTEN Job Tour, a veritable Tour de France of career opportunities, each year allows countless candidate engineers to meet ALTEN on its premises and to discover its activities. In 2015, over 600 candidates took part in the event in 11 cities;
 - The ALTEN Backstage, soirée, launched with great success for the first time in 2014, was repeated this year on the Group's premises. Aim of the event: to enable students to learn more about final-year internships at ALTEN through quality interviews, while at the same time discovering the Group and its business segments. In 2015, some 100 participants attended, with close to 60 training programmes offered and 15 engineering fields represented;
 - In November 2015, the Group launched a new encounter for digital innovation enthusiasts: the ALTEN Digital Innovation Day. This event dedicated to digital innovation allows candidates to get key, up-to-date information, attend technical conferences and meet and exchange with specialists on specific topics. For this first edition, four conferences were proposed and presented by employees from the Group's Technical Division;
 - «How are developers adapting to the digital shake-up?»,
 - «Evolving infrastructure: what impact will virtualisation have on business lines?»,
 - «Threat Management: expertise beyond technological solutions»,
 - «How to get the most out of mountains of data»,
- Villages Talent Spots», held by ALTEN personnel officers, managers and consultants were also organised to offer participants tangible feedback on topics such as Devops, Smart Consulting or Data Secure. The day's activities made it possible to raise the awareness of close to thirty young people;

- The Group also takes part, in France and throughout the world, in numerous job fairs and specialised recruitment forums. These events are an opportunity for students and graduates to meet recruiters, to discover career opportunities and to benefit from a wealth of recruitment advice from professionals. In 2015, ALTEN participated in 80 fairs and forums in France. In Belgium, the Group has partnered with LSM Conseil, a junior enterprise, offering annual, technical and functional workshops for students of the Catholic University of Louvain La Neuve. Four workshops designed specifically to meet the needs of the Junior Enterprise were held again this year. Another noteworthy item was ALTEN Belgium's participation as a jury member at the LSM Business Cup, the biggest CSR-oriented Business Game in Europe.



- In addition, the Group maintains **close partnership relations** with many engineering and business schools. In France, ALTEN has an active commitment alongside more than 80 target schools, and regularly organises HR workshops (mock interviews, CV workshops, etc.) and trade and technical conferences. Thanks to the opportunities created by the Group's R&D work, support is offered every year to students preparing doctoral theses deemed to have a particularly high level of quality and technical content. In Germany, ALTEN GMBH has identified close to 40 target universities and forged a close relationship with some of them. A number of events such as recruitment parties, interviews, presentations, workshops and other activities have been organised through these exchanges.
- Spain and Italy are also very active: partnerships have been forged with more than 70 and 40 universities in each country respectively. At ALTEN Technology, a student mentoring programme was initiated in Hamburg and Hanover. Supported, coached and mentored by ALTEN employees from various departments such as HR, Finance, IT or Engineering, these students are also offered job opportunities within the Group upon graduation.

Forging close relationships with academia calls more and more frequently upon the relationship networks of ALTEN's employees. An internal referral system encourages and rewards the promotion of job applications by employees. This system currently represents 11.4% of hires in France. As true ambassadors of the Group, an increasing number of ALTEN's consultants and managers visit their old universities to give lessons, tutorials, conferences and skills-transfer sessions. ALTEN is proud to see its employees share the Group's values in their networks.

Lastly, the Group is making itself increasingly visible on social media and the Internet. Highlighting initiatives, sharing links and relaying information, exchanges, profiles and interviews of consultants: ALTEN has active Facebook and Twitter accounts, as well as a dedicated YouTube channel. The Group also runs several information and opinion sharing hubs on the Viadeo and LinkedIn professional social networks.



The ALTEN Innovation Center

The ALTEN Innovation Centre has for several years welcomed engineering school students, allowing them to complete their internships in the most instructive environment possible. This original approach implemented by ALTEN is built on four pillars:

- Challenging topics: interns are responsible for developing an innovation that includes a sustainable development dimension (environmental or societal);
- Accountability: interns are responsible for both the execution and management of the work entrusted to them. This places them at the heart of three major phases that form the backbone of all innovative projects at ALTEN: framing, modelling and prototyping;
- An environment rich in methodology: interns develop their project in accordance with the framework drafted by ALTEN for the development of innovation, and use ALTEN's Agile methodology specifically designed for innovative projects;
- Dedicated support: trainees are placed under the responsibility of an ALTEN expert to advise and guide them in their approach to innovation. In this way, they are "coached" more than managed.

In addition to this approach, The ALTEN Innovation Centre organised the 2nd edition of the ALTEN Open Mind Challenge in 2015, initiated in 2014 in partnership with the CNJE (National Confederation of Junior Enterprises). This challenge is open to teams of engineering school students working on innovative and sustainable technology projects. The winning team is invited to work towards the realisation of its project through end-of-course internships at the ALTEN Innovation Center.

The winners of the 2014 edition were thus able to develop their «Guardian Angel» project (a «security assistant» drone in an urban environment). As a result of the work carried out at ALTEN, the winners are expected to launch a startup and apply for a patent. The junior enterprise of Toulouse won the 2015 edition of the Challenge with its «Infinite Structures» project aimed at creating temporary structures (bridges, sheds, tables, chairs, and others) using infinitely reusable components that automatically join together using electromagnetic force. In 2016, a group of students will join the ALTEN Innovation Center to work on this innovative project.

Industrial relations and collective agreements

See sections "17.4 Collective agreements" and "17.5.5 Employee relations" of this document. Presented in this report relates solely to the Group's entities in France. Within the scope of international reporting, more than 500 agreements were signed.

Remuneration and profit-sharing

See sections "17.3 Agreement on employee profit-sharing" and "17.5.7 Remuneration, mandatory and discretionary profit-sharing and savings plans" in this document.



1.2 Career management, internal mobility and training

Career management

Being a responsible employer means making the development of human capital a priority.

A Top Employer© since 2012, ALTEN has implemented a dynamic HR management policy focused on diversity of career paths and skills development. This allows each employee to keep their skills up to date and enhance their employability, and the Group to secure its growth prospects by identifying the skills needed now and in the future. Moreover, ALTEN has adapted its internal organisation in order to better target the expectations and specificities of its three employee groups: engineering consultants, business managers, and support personnel.

The career management of **engineering consultants** is driven by internal processes implemented by business managers and the Engineering Career Development Department («DCI»): annual interviews (over 4,400 in 2015, or 91% of notional engineer interviews) serve to identify the skills acquired and those that need to be developed, to take note of training requirements and to frame development plans. Career interviews are an opportunity to reflect on the direction taken by the career path. In 2015, DCI chose to reinforce the integration of consultants by offering them e-learning training modules, so that they would better understand the ALTEN group and expectations in terms of behavioural competencies. The DCI also wished to reinforce business manager training in consultant management, through training modules on conducting the annual interview and consultant monitoring.

Alongside the managers, Career Committees bring together the operations managers twice yearly, who review the performances of each business manager. Business results, hiring results, and development results, as well as compliance with the process and the quality of monitoring are reviewed on this occasion. Also, decisions are made regarding hierarchical changes and functional and geographic mobility. Moreover, each year, the annual assessments of the business managers provide the opportunity to review the previous year with their line managers and decide on the action plans needed to achieve goals. Lastly, the AMPLIFY training paths are designed for business managers to acquire the competencies and know-how that are essential to this profession. All throughout their career, individual support, courses in theory, e-learning modules and assessments reinforce what they learn in the field, with operational performance as its goal. Also of note, an «integration passport» is now in place in ALTEN in both France and Germany intended to provide new managers with the benefit of support of an experienced manager and

supervision in certain key assignments: business prospecting, hiring interviews, preparation of technical meetings; etc.




Dynamic career paths in **support roles** ensure we can fill one out of three positions from within the Group, and this statistic has remained stable for over three years. These employees have opportunities to develop their careers in different ways. They can acquire expertise in their profession and become a leader for their area, or opt for a supervisory career. Moreover, each business line offers generous possibilities of working on cross-disciplinary projects, such as the implementation of information systems and process harmonisation. ALTEN never stands still and there is no shortage of new project deployments. To keep pace with all these career development options, the Department for Development of Support Positions («DDS») introduced a number of different evaluation processes several years ago: annual interviews and Career Committees. Beyond providing daily support for managers, multi-channel training ensures skills development. The DDS also supports employees through career interviews so that they can plan and shape a future in the Group. These interviews also serve to organise internal transfers, which align as closely as possible with their career aims and competencies.

The Group's subsidiaries also take care to deploy customised tools to identify and develop their talents. In Germany, for instance, ALTEN GmbH has two customised coaching programmes to support managers or consultants at every stage of their careers. In Italy, all employees are offered annual interviews.

Lastly, ALTEN and its subsidiaries introduced various tools for collaborative skills management and to adjust training and hiring plans. In France, for example, ALTEN introduced a new platform for engineers, managers and recruitment staff two years ago to fine-tune the mapping of skills and to optimise the search for profiles matching customer needs. In Spain, an in-house application, accessible to all employees, was

developed in 2015 to consolidate all information on hiring and internships.



**ALTEN,
Top Employer© 2016**

For the fifth year in succession, ALTEN was named Top Employer© France 2016, which rewards companies for their HR policy deployed in 2015.

The awarding of this label is based on an internal audit built upon a reference framework of 400 HR practises covering different aspects of human resources: training, development, career management, diversity, policy of well-being, societal responsibility, communication and corporate culture.

ALTEN stands out for its young talent management and development policy, its large-scale training agenda, and its role as a career springboard in particular for young graduates. Also of note, the certification of ALTEN Spain for the first time in 2015!

Internal mobility

With a view to relying in the first place on its employees in its international expansion, ALTEN has also implemented tools to collect and organise requests for mobility.

Geographic and functional mobility is encouraged in the ALTEN Group. The development of the ALTEN Group internationally brings with it opportunities to pursue careers abroad. Trained in France, some motivated business managers, who speak the local language and have a proven track record, are given responsibility for exporting our business model to the new entities.

This mobility allows all employees to develop their skills, giving a boost to their careers and expanding their horizons through the discovery of new cultures. For example, in 2015, 376 employees in France and more than 497 in the reporting scope under review were recruited by means of inter-company mobility.

Skills development and enhanced employability

ALTEN is at the heart of a constantly changing world. The Group's training policy takes into account these changes and prepares for tomorrow's challenges, with the main objective of adapting the skills of its employees to the needs of the market and supporting them in their professional projects.

Each Group entity has its own specific training department, giving it greater proximity to employees. Moreover, the Group's internal university, the ALTEN Training Centre (ATC), an accredited training organisation, promotes internal training, and structures and diversifies training opportunities for all employees, regardless of their job. It is also a platform for dialogue and a source of role models, thereby generating genuine internal cohesion.

The ATC has three flagship programmes:



AMPLIFY: designed to improve the performance and support the development of business managers.



ALTEN Way of Project Management: designed for project managers and engineers, with the aim of ramping up the skills of project personnel, disseminating shared project management practises in the Group, and deploying internal methodologies.

This training addresses two of the principle priorities identified as essential to the projects carried out by ALTEN: a technology priority (Workpackage Management – ALTEN methodology – financial management of a project, etc.) and a project-management priority (customer relations, communication, people management, leadership, etc.).

People management and leadership: focused on the development of shared management practices, this management training programme for support roles was reinforced in 2014. A framework of managerial skills has been built to create a training programme tailored to each career path. This training programme has several components: traditional classroom-based training, self-assessment, «rapid learning», co-development, etc.

In 2015, a leadership section was added.

More technical programmes are being developed for specific jobs based on capitalising on the expertise of our experts (HR, finance, nuclear energy, rail transport, etc.) as well as cross-cutting programmes related to security, sustainable development, etc.

The ATC offers a comprehensive range of courses, based upon diverse and innovative teaching methods: classroom training, co-development, practical training workshops, e-learning, and distance learning. The wealth of the training programmes offered by the ALTEN Training Centre is a means of continually enhancing the employability of our staff.

Offering its employees an educational and collaborative environment is a key means of equipping ALTEN to rise to the challenges of tomorrow.

Focus on e-learning training courses

The development of new technologies has prompted ALTEN to take a new approach to training. E-learning platforms are now available. This solution offers modules tailored to the Group's businesses through "rapid learning" for the integration of newcomers, the support of management or the development of knowledge through technical resources provided by business experts. The "induction package" offers all newcomers a presentation of the Group and its commitments through a selection of e-learning modules on Jobs, Safety, Environment and Diversity.

- In 2015, in France, almost 98,900 hours of training were delivered within the reporting scope under review. A total of 3,200 employees (almost 33% of employees) attended at least one training session. In Germany, Belgium, Spain, Italy, Sweden and India, more than 74,500 training hours were provided, covering 60% of employees.
- In Belgium, the ALTEN Associate Programme aims to stimulate the integration of high-potential young employees by offering training on skills development or project management. It also promotes exchanges between consultants during meetings and conferences. In 2015, four certification sessions in the «Prince2» project management method were held. The 30 or so participating consultants were all certified, thus enlarging their areas of competence.
- In Spain, an innovative solution known as "I Cloud" was rolled out to resolve the difficulties of providing classroom-based training for employees. This effective and dynamic tool helps improve the knowledge of employees and promote their professional development, while at the same time improving ALTEN's customer service.
- In Sweden, many modules focused on the employees' personal development are available: health and well-being, stress management, and interview techniques.
- At ALTEN Technology in Germany, the language and management training courses offered, in addition to technical and mandatory modules required by customers, were immensely popular.
- In Italy, new arrivals have three years to take 40 hours of mandatory training in cross-disciplinary topics, and 210 additional technical training hours directly related to their jobs. The in-house ALTEN Italia Techno Academy was created in 2015. It is dedicated to engineering and delivers theoretical and practical training and courses focusing on thesis development.
- In India, all employees are required to take a minimum of 45 hours of training per year. Also, each new arrival is assigned a sponsor to support them over a period of several months and facilitate their integration.

1.3 Diversity lies at the core of the group's hr policy

Within ALTEN, diversity fosters the Group's values and its Human Resources policy. It wipes away traditional fixed ideas about engineering careers.

Engineering is multicultural

Cultural diversity is very real for the ALTEN Group, a genuine melting-pot of skills and employee profiles. Internal mobility, the Group's international growth, and the quality of recruitment underscore this diversity: skills know no boundaries! In France, for example, the Group's headcount is made up of over 68 nationalities.

Engineering careers are not reserved for men

Female secondary-school students, interns, apprentices, employees...throughout their career paths, ALTEN is committed to demonstrating to young women that engineering careers are not only for men. This commitment is evidenced at every stage, from hiring all throughout the hiring process and onboarding to loyalty-building.

ALTEN thus puts into place preferred partnerships with entities such as "Elles Bougent" («Women on the move»), «Pasc@line» or Syntec Numérique, in order to develop the scientific careers of secondary-school female students and motivate them to turn towards engineering careers.

Internally, ALTEN takes measures to promote gender equality, and hopes to build employee loyalty among its women employees. In 2015, regardless of function, 41% of women within the reporting scope under review attended at least one training session during the year. Their development is managed by HR committees and annual assessments, using the same criteria as for their male colleagues. On the Board of Directors, they account for 38% of members.

Furthermore, in 2013 the Group formed the "Elles d'ALTEN" internal network composed of women engineers from the Group. The objective is to enable cross-sector exchange between women colleagues, promote gender balance and female leadership within the Group, and to facilitate the development of the recruitment of women engineers. Coaching workshops have been organised to tackle the issue of self-image which differs between women and men, and the stereotypes that are still firmly in place concerning skill-sets being identified as either male or female. Since the autumn of 2014, the introduction of a dedicated bimonthly newsletter has been keeping ALTEN's women engineers fully informed of network news, key figures, portraits, events not to be missed and a series of selected articles. This network also forms a pool of potential female sponsors for the Group's actions with the "Elles Bougent" association.

Boosted by all these measures, the proportion of women in the Group's workforce in France has been increasingly steadily: 24% in 2015 and 2014, up from 23.2% in 2013 and 22.7% in 2012.

Engineering careers are compatible with disability

Both in France and abroad, ALTEN is tackling the problem of the shortage of disabled engineer candidates, confronted by a lack of infrastructure for higher education, and sometimes by preconceived ideas. The Group is gradually implementing a disability policy with pragmatic responses to the issues involved in hiring, job retention, and creating awareness regarding disability.

Since 2013, the Group's employees have had access to two e-learning courses intended to raise awareness and to facilitate integration of disabled people into the organisation. The objective of the first is to change views and attitudes regarding disability. It is an animated, entertaining and instructive film that describes the main challenges facing people with disabilities in a business. The second e-learning course, presented as a serious game, seeks to provide insight on incapacitating illnesses and to counter a number of common stereotypes.

To go a step further, ALTEN set up a disability working group in 2015, giving priority to:

- promoting relations with the sheltered sector;
- raising awareness and training ALTEN employees;
- retaining disabled employees in their jobs.

The stand-out actions during the year included a specific disability platform, which is accessible to all employees, to consolidate a large amount of awareness and training information in one place: e-books, e-learning modules, serious games and external videos. Moreover, a fully confidential disability help line, manned by a specialised outside contact person, answers employees' questions.

To mark the European Disability Employment Week in November 2015, ALTEN organised awareness-raising workshops in partnership with the Action Handicap France organisation for its employees at its Boulogne headquarters and in Toulouse. The participants tested their knowledge through a general interactive quiz on disability and also had the opportunity to test an electronic white cane.

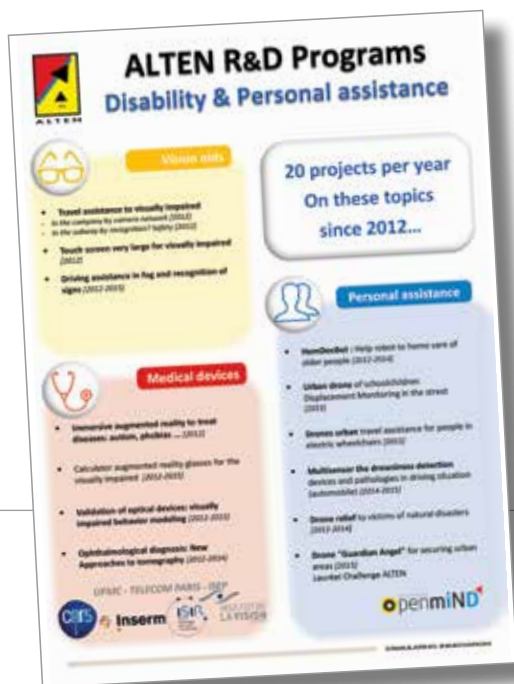
These pilot workshops were very popular amongst employees as nearly 200 attended them.

We also completed mapping of purchases from the sheltered sector in 2014 to identify and target new partnership opportunities in 2015.

See also section "17.5.3 Employment and integration of employees with disabilities" in the present report.

When ALTEN's R&D mobilises to help...

The R&D Department at ALTEN is working on many projects to promote and assist disabled persons. From specific sight aids and medical devices to assistance for business travel, it has dedicated about 20 projects each year to these issues since 2012.



Focus on Spain

In Spain, ALTEN Spain remains very committed to employment of the disabled, as its long-standing partnership with the Adecco Foundation attests.

«Eight years have passed since the beginning of the collaboration between ALTEN and the Adecco Foundation. We have travelled a long road together with a shared goal in mind: to develop talent and to facilitate entry to the employment market for people in difficulty. This is an ambition which cannot, however, be realised without two preconditions: recognition of the importance of managing diversity in companies; and efforts to raise awareness, both internally and in the communities where we operate.

For ALTEN, diversity is a value that is seen as a way to enrich relations with our stakeholders and promote the on-going development of our employees at work.

Diversity accelerates equality, the ability to adapt to change, innovation and talent management — all of which we want to embrace, since diversity and integration are core values for ALTEN.

We will pursue our objectives in 2016: defining a corporate strategy focused on social, professional, and personal development, while combating the stereotypes and cultural barriers that block people from reaching their potential.»
José Gómez, HR Business Partner

Examples of projects developed by ALTEN Spain in the framework of this partnership:

- **Disability-friendly sports clubs**

Since 2010, ALTEN Spain has continued to support disabled children through the assistance programme for disability-friendly sports clubs. The project is aimed at social inclusion and an improved quality of life for children. Seven schools were active in 2015, receiving more than 80 young students.

- **The "Programa Unidos"**

In partnership with six major Spanish universities and 20 or so businesses, ALTEN Spain and the Adecco Foundation have been part of the «Programa Unidos» project since September 2013. With this programme, firms support and guide disabled students throughout their schooling so that they may acquire the skills and aptitudes they need to further a successful career and their advancement in the business world.

- **Personalised integration**
 Specific training for an eight-month period offered to a young disabled woman to enable her to join the Human Resources team at ALTEN Spain and optimise her integration.
- **An International Day of People with Disabilities**
 To mark the International Day of People with Disabilities, on 3 December last ALTEN joined in the Adecco Foundation's #Reacciona. This event made it possible for the Group to affirm its commitment, to dialogue and to raise awareness internally about the clichés facing disabled persons.
- **Awareness-raising campaigns for the families**
 In 2015, various family campaigns engaged employees and raised awareness of disability. They included a drawing contest, «Sueños de Papel» («Paper Dreams»), to portray the reality of disability in original and playful drawings, and an awareness-raising calendar, created from all of the drawings from the «Sueños de Papel» contest.

Engineering has no age limits

While the average age of ALTEN employees is relatively low (in France, the average age is 31 and within the reporting scope under review, almost 70% of the Group's employees are younger than 35), the expertise of more experienced employees has helped to capitalise key knowledge and skills for the Group. The Group has a dedicated process for managing their career paths, comprising a "second half of career" interview and special access to training. At the same time, ALTEN ensures that their expertise is passed on to the Group's young graduates, interns and those on work-study placements.

The Group takes on many young people through internships, apprenticeships or work-study schemes, mostly in the support function areas that are better suited to this type of contract. Each young person is supervised by an ALTEN tutor, responsible for helping the new employee settle in and his or her satisfactory performance. The tutor passes on his or her knowledge to the student, ensuring that they gradually acquire new skills in accordance with the training programme and their future profession. At the end of the contract, a successful internship can lead to a permanent contract: for ALTEN, the integration of work-study students is a chance to train employees in the Group's occupations and identify the best potential future employees.

- Some figures in 2015:
- 196 internships completed

- 100 people hired on contracts of apprenticeship or vocational training

News of the partnership between ALTEN and Pôle Emploi for preparing young unemployed engineers for the developer profession

The shortage of developers in the job market today translates to over 10,000 engineers in France and the needs for occupational skills are growing.

Buoyed by a successful pilot scheme at one of its subsidiaries, in 2014 ALTEN launched a POE programme (Operational Planning for Employment) in partnership with "Pôle Emploi" to train young graduates who have no experience as a developer. Over the course of this first year, 26 young people thus received the following training, the prize being a permanent contract:

- NET and new technologies for digital markets and general consumer sites showing very high growth
- Network and security technologies
- Mainframe Technologies, still widely used these days

In 2015, this operation was continued, and nine young people were hired, having taken training modules in the following areas:

- Infrastructures
- Testing and quality assurance



1.4 Employee safety

The safety of our employees is a top priority. The Group is rolling out a comprehensive health and safety programme concerning its employees, with regard to the requirements of our customers, regulations and high standards set internally. This strategy is based on:

- **Risk prevention** consists in identifying all risks to which employees may be exposed, raising employee awareness of those risks and ways to reduce them, and dialogue and communication with the Health and Safety Committee. All the Group's subsidiaries reaching the relevant regulatory thresholds organise CHSCT meetings, convened as often as the law requires;
- **Training**, with a proactive approach to both regulatory and voluntary schemes. In 2015, more than 12,000 hours of training were dedicated to safety, and since 2011, 374 managers have attended stress management training sessions.
- **Awareness training** for employees regarding specific risks are regularly organised on site. The "Health, Safety & Environment" booklet, launched at the end of 2012 and circulated to all employees, is the reference document for awareness-raising;
- **The provision of dedicated equipment**, such as personal protective equipment. In addition, since 2012, all of ALTEN's sites have been equipped with defibrillators;
- **Monitoring regulations and standards** enabling ALTEN to respond to and anticipate safety regulations as early as possible.

Furthermore, ALTEN has had MASE (Manual for the Improvement of Company Safety) certification since 2008 and CEFRI (Certification for Working in Radioactive Sites) certification since 2007, bearing witness to the efforts made and the success achieved thanks to procedures and the manner in which the Health and Safety management system operates.

In 2015, 38, lost time accidents were reported in France (excluding commuting accidents), compared with 51 in 2014.

Rates of occurrence and severity stood at 2.56 and 0.05, respectively.

See also section "17.5.6 Health and safety" in this report.

Safety and the digital world:

In the era of digitisation of services, the ALTEN Group is digitising personal safety management. Following the introduction of an e-learning platform covering all of the security training tools, 2015 was the opportunity to digitise management of prevention, personal protective equipment (PPE) and HSE risk management plans linked to the business. In essence, all the relevant business functions can access crucial safety information on the MySafety platform to meet three priorities:

- Improving knowledge of employee safety risks by all of the internal stakeholders
- Increasing the level of control over HSE risks
- Building the platform on a collaborative basis, so that each person can be invested in the continuous improvement of safety management

Organisation of working time and absenteeism

In 2015, the part-time workforce represented 2% of employees in France.

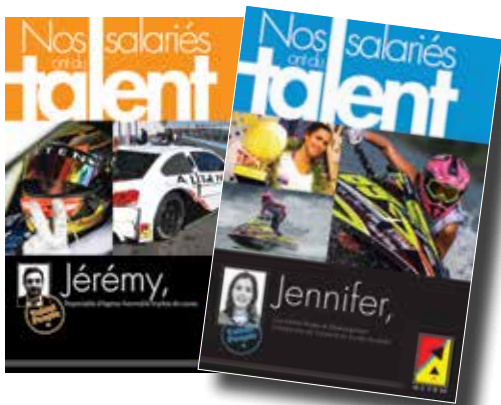
Levels of absenteeism reflect the aggregate of days of absence through sick leave and work or commuting accidents. In 2015 in France, it amounted to 1.67%, down slightly compared to the 2014 figure.

No occupational disease was reported within the ALTEN SA perimeter.

1.5 Quality of in the worplace

The ALTEN Group is committed to implementing concrete actions designed to promote the development of talent, quality of life at work and welfare in the workplace. As a result, a large number of recurring or one-off actions have been introduced in France and in the Group's subsidiaries abroad:

- Through the internal "Our personnel has talent" programme, for several years now ALTEN has sponsored various activities by employees outside of work, either their own favourite pastimes or personal initiatives in the fields of sport, humanitarian action, science or culture. ALTEN encourages and promotes young talents acknowledging their diverse nature. In 2015, the Group sponsored Jérémy, an agency manager and endurance rider competing on the international racing circuit. ALTEN also helped Henri, a business manager in Aerospace and Defence, to develop his Cocliclown non-profit organisation to provide services to sick or disadvantaged children; and Lucille, an engineering consultant, to handle the competitive season of her newly-named club, «ALTEN Handball»;



- For over 25 years, the Group's engineering consultants have supported their clients in projects involving technological challenges, in France and internationally. Because innovation and research into technical solutions are part of ALTEN's DNA, we are committed to promoting the talents that contribute to our success. In 2015, ALTEN launched the first round of the ALTEN AWARDS. Divided into seven categories, the competition rewards the achievements of engineering consultants:

- ALTEN Award for a Project Manager of a Structured Project;
- ALTEN Award for Innovation;
- ALTEN Award for Contribution to Corporate Development;
- ALTEN Award for Mobility;
- ALTEN Award for Most Promising Start;
- ALTEN Award for Site Manager of the Year;
- ALTEN Award for Sustainable Development.

The results of this new challenge will be announced during the awards presentation ceremony in March 2016.

- To promote the health and welfare of its employees, the ALTEN Group encourages and supports numerous adhoc actions all over the world. In France, weekly express massage sessions or yoga courses are offered to employees at the registered office. In Belgium, relaxation areas with babyfoot and PlayStation are provided for employees, in addition to the yoga classes that have been available for the past two years. The Group supports forming ALTEN-sponsored running teams for races in France (in particular the Soli'Run and the Parisienne), in Belgium (the Brussels 20km race and the spectacular survival race, «Battle of Thor»), in Spain (the inter-business challenge, «La Carrera de las Empresas»), in Germany (two events, in Munich and Coburg for ALTEN GmbH; marathons, triathlons, bicycle races and other competitive sports at ALTEN Technology), and in Sweden (trail races, foot races, and sailing races, between employees or with customers of the Group). In India, sports and team spirit are also to the fore, with regular company and inter-company cricket tournaments. There are regular awareness campaigns promoting a healthier lifestyle or incentives for people to opt for cycling over cars for commutes offered to employees of ALTEN GmbH in Germany.

- Lastly, the Group has set up an Intranet portal accessible to all personnel with an ideas box encouraging suggestions for improvements in areas such as wellness, business, processes, tools, activities, or any other subject that they feel strongly about. This ideas box constitutes an inexhaustible source of participative inspiration and innovation for the Group.



Feedback on the projects that received awards from the first special round for Sustainable Development, sponsored internally.

In late 2014, a special round, focused on sustainable development, was proposed for the first time to employees. Around ten consultants, support functions and even apprentices joined the challenge, thereby expressing their spirit of initiative, their creativity and their values. Among the possibilities selected, four were rewarded and supported, both internally and externally, during the course of the 2015 year.

The Tangara Workshops

Naim, an ALTEN consultant, is a member of the Colombbus Association. This association organises the Tangara workshops for 11 to 16 year-olds. These are a stepping-stone to the discovery of digital domains through a programming apprenticeship scheme. The goals of this association are manifold: to promote "active" use of computers, to raise awareness of digital domains, to promote success for all and equal opportunity, and to develop creativity and entrepreneurial spirit.

Equine Therapy

Julien, a member of the Versailles Riding Club, was particularly sensitive to the use of equine therapy developed by his equestrian centre, which provides therapeutic support to disabled persons.

PayeTaMontagne

Anthony is organising a one-week bike challenge from the Pyrenees to the Massif Central to collect donations to be used for holidays for children of the Toulouse Secours Populaire (a humanitarian organisation). This was a great sporting and humanitarian challenge for the engineer and his team.

Carnaval de Toulouse

For the past three years, Thomas has built a giant bike-drawn float for the Carnaval of Toulouse featuring effigies of animals threatened with extinction. After a toucan and a jaguar, he chose a gorilla in 2015.

Through this special edition dedicated to Sustainable Development, the ALTEN Group is reasserting its determination to support the sustainable commitments

and convictions of its employees. The award-winning projects were selected for their originality, their technical or voluntary nature, and the level of personal involvement from their promoters.

At the end of 2015, a new special round for Sustainable Development with in-house sponsorship was launched. Five projects will be supported and presented throughout 2016.



II. Stimulator of innovation

2.1 Promoting engineering professions

The Group shares its skills and experience and prepares today's talented young individuals to meet the challenges of tomorrow. ALTEN also highlights initiatives and projects led by outstanding engineers by offering two trophies.

Confédération Nationale des Junior-Entreprises

Premium Partner of the Confédération Nationale des Junior-Entreprises (CNJE) since 2011, ALTEN actively supports this movement of more than 17,000 students. The CNJE's mission is to coordinate, support and create exposure for 160 Junior Enterprises (JE), i.e. student associations located across France in Grandes Ecoles and universities.



A long-term venture, this partnership is based on a determination to promote and spread the entrepreneurial spirit among students through bridges to the business world. It also allows the Group to enjoy privileged ties with potential future candidates who show a distinct entrepreneurial leaning, people likely to be hired by the Group as business managers, in support functions or as high-potential project engineers.

In addition to financial support, ALTEN helps young entrepreneurs through skills-transfer sessions to develop their study subjects as a group and build their individual career plans. In 2015, the Group attended the two National Congresses (winter and spring) and fourteen Regional Congresses organised by the CNJE. Over 1,500 young entrepreneurs were trained by way of project management modules and intensive training in business prospection.

As a Premium Partner, ALTEN helps to evaluate the young entrepreneurs for the Excellence Prize which awards the best structure of the year. ESCadrille, the junior enterprise of Toulouse Business School won the prize in 2015. ALTEN also awarded the «Label Ingénieur» to ENVOL (a Junior Enterprise of Ecole Nationale de l'Aviation Civile). Lastly, the Challenge Junior Pérenne, in recognition of

the JE best placed to maintain and develop its level of performance, was awarded in November to Skema Conseil Lille.

Testimony: ALTEN Partnership – Centrale Lille Projets Pierre Bertrand, Chairman of Centrale Lille Projets

«ALTEN and Centrale Lille Projets will celebrate their four years of partnership this year. Four years of enjoyable meetings and dialogue with ALTEN group representatives.

ALTEN shares its expertise with us on problems that directly concern our development, especially in terms of Business Development. ALTEN's employees help us to overcome any difficulties there may be with selling an engineering school, and to hone our prospecting skills. Responding to criticism, creating a need, pitching an idea — all practises that enable us to transcend the school setting.

In addition to the training, we also share a number of engineering topics. We have much in common with ALTEN and its businesses. It should come as no surprise to find one or two members of Centrale Lille Projets as interns in an ALTEN branch every year.

The training is excellent and we share goals and values. We are very committed to this partnership, and hope to continue it in the long term.»

Pasc@line



ALTEN also gives its backing to initiatives from the Pasc@line association to promote professions in the digital sector to junior and high-school students. The objectives are to raise awareness among young people, especially girls, of the professional issues at stake with the digital revolution, to help educational institutions communicate more effectively on the opportunities and professions available to young people from all backgrounds, to adapt teaching programmes to better prepare young people for the needs of businesses in an international environment and reassure them over employment prospects, and to work on understanding and anticipating the evolution of digital professions. ALTEN's presence on the Board of Directors and the Communication Commission allows the Group to exchange and cooperate with teaching establishments and other professionals in order to develop the spread of digital culture to all levels of teaching and, beyond that, to corporate executives.

In 2015, ALTEN opted to become a Premium Partner of the Excellencia Trophy. The main objective of this initiative of Femmes du Numérique («Women in the Digital World») and Pasc@line is to promote the digital sector to young women, to break stereotypes, and to raise awareness of the opportunities for women in technology-related jobs.

The trophy is for female secondary-school students, women entrepreneurs and women invested in a social or humanitarian action, in connection with the digital world, in three categories:

- Trophy for «Creator of a Digital Business»: support for a business creation project in the digital sector, with four months of technical and marketing acceleration and personalised coaching;
- Trophy for «Scientific Student»: funding of the curriculum for two female students in one of the partner schools;
- Trophy for «Woman invested in social and humanitarian action»: support for the action in which a woman has voluntarily invested herself, who is working in a digital business.

This year, 79 applications were received, and 12 women were presented with their awards in person, in the presence of Axelle Lemaire, the French Secretary of State for Digital Affairs.



Interview with Stéphane Dahan, Director of Engineer Recruitment

Why commit to women in the digital world? What was it that motivated you in the Excellencia Trophy?

We employ engineers at ALTEN. Each year, we hire more than 2,500 engineers in France, and especially young people. It is important to recognise that women are under-represented, and we are very keen to increase the number of women in this area. We owe it to ourselves to support engineering schools in their capacities to accept female students and thus to be able to hire them. We need to show that careers in digital technology are not exclusively for men.

We support the Excellencia Trophy to motivate middle- and secondary-school students to begin training in digital technology. We will have a pool of potential employees and offer attractive salaries: the sector is hiring mainly on permanent contracts (95%) at salaries of approximately €30,000 to €34,000, and the unemployment rate is very low. At ALTEN, we realise that, as things stand, we cannot hire more women simply because there are not enough in our businesses. However, they are taking on more responsibilities and are invested for the long term. As a leading business and employer, it is our duty to have a presence with schools and colleges to provide support and enhance the image of these careers.

What actions are required to promote the representation of women in digital professions? Is the Excellencia Trophy a good example?

The Excellencia Trophy is a very good example, since the schools are reaching out to young women and offering a scholarship. The Pasc@line association also works on the ground every day, promoting the sector to secondary and college students and parents, who naturally influence their children's choice of studies. It is also important to reach educational institutions, teachers and guidance counsellors, who are often not adequately equipped to guide young people to the right field. We are doing a lot of videos on digital professions with the Association Pasc@line. There is also a volunteer effort with Syntec Numérique to create internships. Our aim is to organise 10 to 15,000 internships to offer secondary students an introduction to the industry, which is very rewarding and offers great careers in France and all over the world.

And yourself personally, why did you decide to be a member of the panel?

I am a man of action! First of all, we decided to become a partner of Excellencia Trophy because it is important to act, and not just to talk about things. I would like to get to know these young candidates who are my potential future employees. It's essential to be out in the field, to get out and meet young people. I also give presentations about careers in these fields. Beyond hiring and the advantages for business, I think that it is almost a civic duty, since we are in a country of innovation, with exceptional skills. We have a sector that is hiring, and it is important to do our part for the development of our country. Having personally lacked guidance, I would truly have appreciated meeting professionals to guide me. I was lucky in that I was able to make the right choices, but I think I was also a born engineer! I want to interest young people in the opportunities available in this sector. It is for all of these reasons that I decided to commit to the Excellencia Trophy and to be a part of the panel.

Elles Bougent



Too few young women choose to train in scientific or engineering subjects and they are still under-represented in engineering professions. With ALTEN's support since 2010, the "Elles Bougent" ("Women on the move") association sets great store in the value of meetings and testimonies from professionals to promote increased female take-up of high-level technical and scientific careers. Around 15 ALTEN women sponsors - managers and consultants - take part in events with the association to share how passionately they feel about their profession.

- In partnership with the Préfecture de Paris et d'Île de France, "Elles Bougent" and ALTEN attended the 3rd Forum of "Réseaux et Carrières au féminin", a unique gathering for all women students and young graduates preparing to join the employment market and eager to discover the professions of engineer and technician. The objective of the Forum is to provide them with the keys for a successful start to their careers. Accordingly, almost 300 students were welcomed throughout the day by 24 partner firms.
- In 2014, Simon Azoulay, Chairman and Chief Executive Officer of Alten, was the Honorary Chairman of «Elles Bougent», considerably strengthening ALTEN's commitment to the association. During the evening organised in early March 2015 to transfer the chairmanship, Simon Azoulay passed the torch on to Francois Viaud, Director of Human Resources of the Total group.
- In October 2014, ALTEN accompanied «Elles Bougent» at the Paris Motor Show. The association had officially launched its **game-contest, «La voiture 2050» (the car of 2050)**, with the goal of appealing to the creativity of young girls to imagine the car of the future, taking environmental and safety criteria into account. In late March, as a member of the panel, ALTEN awarded the second secondary-school prize for this contest to Anaëlle Muller, creator of the Anaeco. Her comprehensive treatment of the project, especially the safety and environmental

aspects, and her very emotional approach, drew particular praise: photovoltaic panels, a body and seat covers that change colour according to the weather and the whim of the driver. This contest highlighted the role of young women as a source of new ideas and their innovative approach to the automotive sector.

- In addition to the Group's presence alongside the major players in the Aeronautic sector, on 20 June 2015, 100 female secondary school students were invited to the Salon du Bourget by the "Elles Bougent" association, ALTEN's partner. Going to the Avion des Métiers (an organisation promoting professions in aircraft manufacturing), meetings with professionals on the chalets, etc., they had the opportunity to learn about an industry that is too often considered the preserve of men. Of the fifty or so sponsors, many ALTEN managers and consultants took part to ensure the visit went as well as possible.



Supporting student projects

On occasions, the ALTEN Group provides support for student associations or initiatives, whether in the fields of sport, technology, humanitarian action or culture. In 2015, of the 150 applications received in response to our project tender, twenty were shortlisted and enjoyed the benefit of financial, technical or material support from the Group. In addition, 14 Junior Enterprises were also sponsored by ALTEN.

Examples of some of the projects supported in 2015:

- **Supaéro Space Section:** The SCALAR (Supaéro CAnsat LAuncher) is an experimental rocket entirely developed by a team of students from ISAE-Supaéro, members of the Supaéro Space Section club. The project consists of carrying out the study, design, and assembly of the launcher. ALTEN decided to support this project in 2015, which is closely aligned with its engineer culture and the Group's Sustainable Development policy.
- **Kart'ECE:** ALTEN is a partner of Kart'ECE, an association of ECE Paris which offers its students the chance to experience the world of motor sports by combining competition, leisure and the opportunity to raise awareness of good, risk-free driving.
- **ISAT Eco Rallye:** The ISAT ECO RALLYE is a teaching project of ISAT, the Institut Supérieur de l'Automobile et des Transports, the objective of which is to design a green vehicle for the Monte-Carlo New Energies Rally, a green version of the legendary race. It was with pride that the Group sponsored the students involved in the project this year, where innovation and engineering are at the heart of the automotive challenges of tomorrow.
- **ISEP Voile:** for the 4th year in a row, ALTEN lent its support to the ISEP Voile association, whose ambition is to allow as many students as possible to discover sailing and the emotions that go with it; it is a sport often considered as being reserved for a small minority.

- **Ecurie EPSA:** for two years now, ALTEN has been associated with the EPSA racing team of Ecole Centrale Lyon. A partnership that makes perfect sense through a joint determination to promote automotive innovation and entrepreneurial spirit, while taking full account of society's latest environmental issues. Additionally, it promotes exchange between students and ALTEN engineers. This competition was the opportunity for ALTEN to deliver expertise via technical leadership and team coaching given by an ALTEN aeronautics engineer.



- **Formula Student:** in Germany, ALTEN GmbH partners the Formula Student project, a global student competition to enhance the design of racing cars that are more environmentally friendly and fitted with internal combustion or electric engines. Once again this year, four teams from well-known universities and schools were sponsored. In addition to financial support from the Group, ALTEN also helped to facilitate workshops and events related to the project.



2.2 Support of talented engineers

The Open Mind Challenge

The first round of the ALTEN Open Mind Challenge was held in 2014, under the auspices of the ALTEN Innovation Centre. The competition was organised in partnership with the National Confederation of Junior Enterprises (CNJE) and targets CNJE member schools through a call for projects aimed at students. Applicants submit to ALTEN, through a detailed technical file, a technology project that is both innovative and sustainable, and which can be conducted by a team of students during their final-year internship. ALTEN selects the winner from among the most realistic, creative and innovative proposals, in which the sustainable development aspect appears to offer significant added value. The winner selection comes after a rigorous selection process including the identification of finalists who present their project before a panel constituted by ALTEN.

The winner receives a prize and the chance for their team to complete the project as part of end-of-course internships at ALTEN, overseen by ALTEN experts. Ownership of the work is ultimately transferred to the winner, who can use it as he or she wishes, to support an NGO or to create a start-up for instance.

INSA Toulouse students won the second round of the OpenMind Challenge in 2015. Its team will join the ALTEN Innovation Centre in 2016 for a unique final-year internship. The objective is to develop their project with the support of ALTEN's resources and expertise. Their project, called «Infinite Structures» aims to build structures by assembling a series of small polyhedrons joined by magnetic force in a network. This network of geodes will transmit electrical energy and data, and can be used to create all sorts of temporary structures, such as bridges, sheds, tables and chairs. The key is foolproof adaptability and rational consumption of raw materials. ALTEN was convinced by the highly technological and very innovative character of this concept, its sustainable dimension, the multitude of possible applications, and the motivation shown by the project developers.

Feedback on the 2014 award recipient: the «Guardian Angel» Project, a security system drone in an urban environment

In 2014, Nicolas Delignières, then a student in the business school at KEDGE Bordeaux, won first round of Challenge OpenMind, with the support of his Junior Enterprise and of AEI, Junior Enterprise of ENSEIRB-MATMEC. His «Guardian Angel» project set out to develop a network of urban drones that could move about totally autonomously and provide assistance to citizens in response to a call from a smartphone. During his internship within the ALTEN Innovation Centre, Nicolas Delignières worked with a team of eight student engineers, and was able to develop his innovative concept further. He is currently working on the filing a number of patents and launching his own start-up!



Tu es étudiant ?
Tu rentres en dernière année ?
Tu as un projet technologique à développer ?



Participe au Challenge
ALTEN penmIND
Et réalise ton projet en stage
chez ALTEN

Pour en savoir plus :
contacte la Junior-Entreprise
de ton école

Junior-Entreprises
Initiateurs d'avenir d'entreprise



Trophies for the Engineers of Tomorrow

Since 2004, ALTEN has been a partner of the Engineers of the year Award launched by French magazine L'Usine Nouvelle. In 2015, this prize was renamed «Trophies for the Engineers of Tomorrow». Its purpose remains the same: to reward student engineers and young engineers and to showcase professions that do not have a sufficiently high profile among the general public. Ten prizes are awarded by a panel of professionals to honour the work of French engineers.

During the 2015 ceremony, Simon Azoulay, Chairman and Chief Executive Officer of ALTEN, presented the «Trophy for Engineering Innovation» to Nicolas Simon for his project, «Atalante». Atalante is a medical exoskeleton designed to help people with reduced mobility to walk again normally. The concept: a structure that supports the lower part of the body, using motors, and stabilised with the aid of a series of sensors. The idea is to offer the user a more fluid stride than that provided by existing models, notably, owing to an improved operating speed.

Women of Industry Trophy

For the fourth consecutive year, Usine Nouvelle has paid homage to female engineers, entrepreneurs, researchers and other women who make a mark on French industry. Last year, on the 22 September, ten prizes were awarded to exceptional women, in categories such as Women Entrepreneur, Women in R&D, Innovative Women, Woman of the Year, etc. Laurent Graciani, the Director of ALTEN's DCRI/DQP and a member of the panel for the Women of the Year Trophies, presented the prize for the Woman's Project of the Year to Odile Jubecourt, Director of Development of the AIRBUS A330 Néo.



The only woman at the head of a major development programme at the aircraft manufacturer, and the manager of a team of 1,700 people, she is spearheading the modernisation of the Airbus A330. She is actively involved in working for women's place in industry and is also a member of "Elles Bougent" and «Capital Filles». She is generous in sharing her advice with students in engineering schools and with secondary school students helping them to envision a technical career.

Engineer of the Future Award

For the second consecutive year, in October 2014, ALTEN also sat on the professional panel responsible for designating the Engineer of the Future Award at the 14th round of Meet. ING, organised by SYNTEC Ingénierie. This competition promotes the projects of engineering school and university students or apprentices who have developed scientific and technological solutions to address tomorrow's challenges.

Installed for the first time at the core of the World Efficiency salon, and COP21 accredited, this round put the emphasis on sustainable development. The creativity of the engineers of tomorrow shone out: facades covered with photovoltaic phosphorescent concrete, satellite production of solar energy, energy storage at the bottom of the ocean, etc: the students contributed innovative and concrete solutions to address climate change.

This year, the ELECTREE project, initiated by students of INSA Strasbourg, of the Camondo school and of ESDES, won the most votes for the Jury Prize. This audacious project provides for the use of battery resources of privately-owned electric vehicles – unused for most of the day – in order to feed into the grid. The purpose is to cut the use of fossil fuels while meeting peak demand for electricity.



2.3 R&D, a strategic activity

The ALTEN Group has made innovation its purpose, helping customers enhance their competitiveness by allowing them to benefit from best practice in terms of technology and development methodologies.

This passion is also a strategic challenge. The technological innovation capability of a company or a country is the foundation of its development.

The ALTEN Group has positioned itself as a stimulator of innovation alongside its customers, employees and society by developing innovative and sustainable solutions and supporting talented engineers.

ALTEN's R&D strategy

Since 2010, ALTEN has implemented a self-funded R&D approach. The work done has been for the purpose of helping to develop new products, services and skills that we can use in future projects.

Applied multi-technology programmes

Reflecting the innovation projects that our clients assign to us, ALTEN's approach to R&D is fundamentally application-oriented.

Guided by its R&D Division, ALTEN on its own initiative carries out projects to design disruptive solutions to technological, organisational or methodological challenges similar to those experienced by our clients. These projects are bundled into thematically related research programmes to maximise our ability to make technology transfers from one industry to another.

ALTEN's R&D programmes are designed to support sustainability. They seek to bring together environmental and societal dimensions, and highly technological, innovative projects.

An activity with strategic stakes

R&D activity is run collaboratively. Within the company, this means using human resources operating on specialised platforms (programme leaders, project managers, engineers, technical experts, etc.) as well as doctoral candidates funded by the Group on so-called CIFRE contracts (a French acronym for an industrial employment arrangement for training through research).

Outside the company, it means making use of numerous partnerships, both industrial (innovative SMEs and large

companies) and academic (government and private laboratories and university or engineering school laboratories).

As our R&D work is centred on the front end of the innovation cycle and unhitched from the Group's commercial activities, it is first and foremost a powerful way to build skills, accelerated and given structure by our industrial and academic partnerships.

The R&D division also has a mission to help develop our products and services, and to make them more competitive. It draws on the Group's technical departments to identify priority technology objectives, making the results of its work available to customer projects: presentation of demonstrators illustrating emerging expertise, references to new types of consultations, tighter control of the analysis of specifications, etc.

Lastly, enhancing R&D enhances the image of ALTEN. For clients, it shows that the Group can respond proactively to tech-heavy projects. For employees, it helps develop technical skills. For job candidates, it shows the Group's ability to get ahead of future technological issues.

Since 2010, ALTEN's R&D programmes have been based on four major interlocking themes:

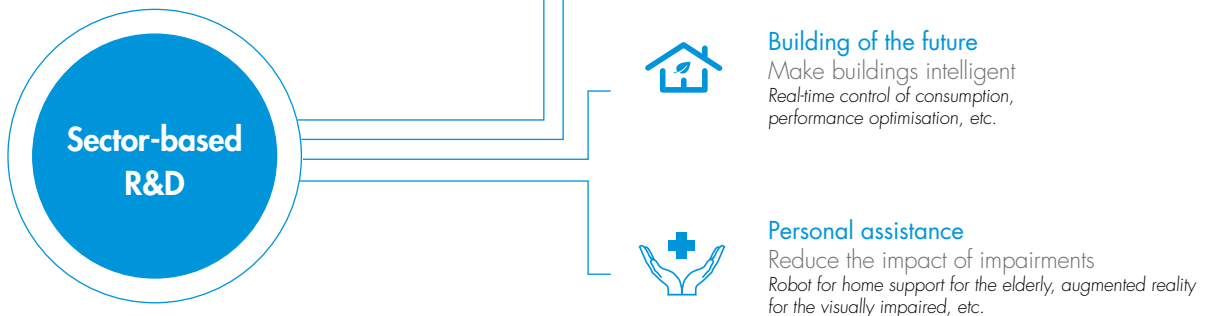
- global security and risk control;
- sustainable mobility;
- energy performance;
- quality of life and consumer services.



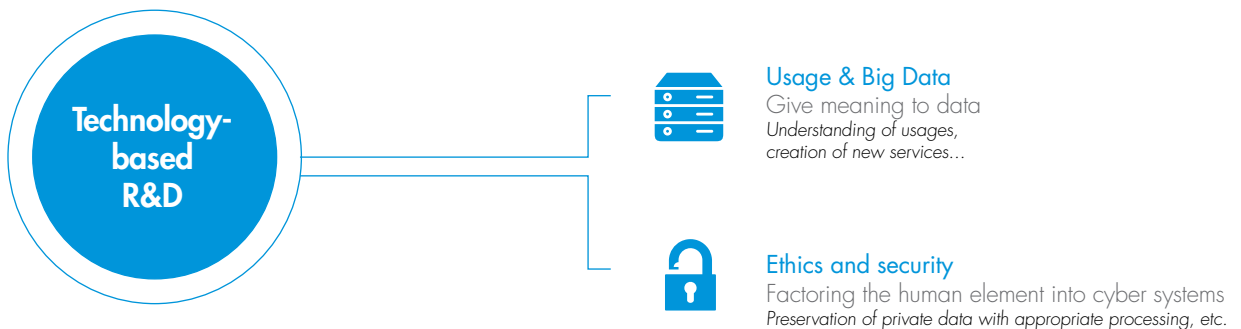
2015, an expanded R&D approach

Since 2014, the R&D approach has been structured around six major innovative and sustainable programmes, broken down into four sector-based programmes and two technological programmes. These programmes are broken down into sub-programmes, before being split into R&D technology projects.

Sector-based R&D programmes:



Technology-based R&D programmes:



These programmes give ALTEN the opportunity of developing its core business skills (systems engineering, embedded systems, artificial intelligence, mechatronics, signal and image processing, mechanics, information systems, telecoms, big data, cyber security, etc.).

Drone networks



The drone research programme was launched in 2012 in collaboration with an innovative SME in the field. This programme for the design of an unmanned fixed-wing aircraft intended to bring relief to victims of natural disasters, was boosted significantly in 2015 by extending to unmanned rotary-wing aircraft, intended to provide security for the travel of young students, or travel assistance to people with motor disabilities.

2015 also saw the continuation of research will launched in prior years, in particular, the development of functionalities for increasing the reliability of global-positioning systems through a redundant device, using image-processing techniques.

The R&D projects launched in 2015 involving drones addressed the problems of unmanned aircraft in urban environments. The Group started significant work on telemetric systems (Radar, Lidar, infrared, ultrasound, etc.) for the detection of obstacles, and, on autonomous systems for avoiding such obstacles (algorithmic and command control techniques).

Autonomous vehicles



Activity in 2015 consisted first of pursuing the «Drowsiness» programme begun in 2014, which was concerned with measuring driver alertness and consequently, driving ability, and the related risks, both for the automatic (supervised) and autonomous (unsupervised) driving. Substantial work was done on the behaviour of sensors, which can be fitted in the vehicle cabin.

Started in 2012, the «fog» programme to develop a solution to improve vision in fog by means of image processing open (focusing, obstacle detection and vision assistance for road signs) also continued in 2015.

Building of the future



This new programme initiated in 2014 is part of an R&D collaboration agreement signed in 2014 between ALTEN and Bouygues Energie et Service for the development of innovative solutions for the energy efficiency of buildings.

Two sub-programmes were also pursued in 2015:

- Telemetry: for the development of an innovative telemetry solution for utility network consumption (water, electricity, gas) adapted to existing buildings;
- Use measurement: for controlling a building's energy efficiency by factoring in the behaviour of its users.

Personal assistance



This programme was initiated in 2011 in partnership with renowned laboratories. Work continued on targeted projects in 2015.

Firstly, doctoral theses, focused on image processing for medical purposes and begun in 2012, are being continued. One of them was the subject of a thesis defence in 2015, on a new approach for predicting the performance of image-processing systems. New projects were begun in 2015 to fine-tune this approach.

Work on HomDocBot, home care assistants robot for the elderly, developed in conjunction with the Institut des Systèmes Intelligents et de Robotique (ISIR – Université Pierre et Marie Curie), continued in 2015, mainly on smart movement of the robot without inconveniencing the elderly person.

Usage & Big Data



This new programme aims to give ALTEN experience in the management of the contribution of Big Data in the modelling of user behaviour (in services).

The initial work started in 2014 around the Open Data initiative and associated architectural issues for the use of structured cloud data in innovative services proposed to users.

For the most part, work in 2015 dealt specifically with problems of «urban transportation and mobility» by modelling user behaviour (walking, vehicle use, including ride-sharing, bus, urban railway transportation) and recommending the most economic (time, distance...) or the most environmentally friendly solutions.

Ethics and security



This new programme aims to give ALTEN experience in the control of the “ethical” design principles of systems managing personal data.

The objective is to take into account, in the data storage and data processing architecture, and as such, in the resulting data stream, the strict “need to share”, with the aim of limiting as far as possible the exposure of the most sensitive data to the risk of theft and to prevent commercial or malicious use.

The application of the work conducted in 2015 concerned the problems of systems for the geolocation of people.

INNOVATION IS ALSO ORGANISATIONAL OR METHODOLOGICAL

AACFA (ALTEN Agile & Convergent Functional Analysis) resulted from one of our R&D projects. It has become an ALTEN solution for R&D project management using an agile and creative methodology for developing innovation. AACFA combines, in an original way, several approaches that had previously stood alone: a creativity technique, value analysis and a flexible approach. Deploying it on ALTEN’s R&D projects accelerates research on innovative solutions.

An approach driven by subsidiaries

Group subsidiaries also invest in Research & Development.

In Belgium, Innovation Labs, a Research & Development programme, has existed now for over two years. Its objective is to enable consultants to take part in innovative projects in parallel with their client work, and in that way to broaden their technical skills. Based on a voluntary commitment, the programme brings together consultants with varied skills: mechanics, electronics, software engineering, etc. Engineers meet in accordance with their availability, and a project manager organises weekly follow-up meetings. In 2015, 15 or so consultants were involved in this initiative, and worked on developing a 3D printer and a thermostatic probe, for example.

In Spain, the R&D division gives work to volunteer consultants, allowing them to extend their skills by becoming involved in ALTEN or customer projects (application improvement or development, deployment of pilot projects, research on new technologies, etc.). This high value-added programme will not only increase the overall knowledge of the Group’s engineers, but will also encourage their secondment to new customer projects and develop their employability. New projects are thus developed each year.

Lastly, in India, employees were encouraged to produce white papers. The best contributions may even be rewarded by the Group.

2.4 Innovative, sustainable and shared expertise

As a European leader in engineering and technology consulting, ALTEN ensures that it uses its expertise and knowledge to create sustainable innovation. The Group is therefore involved with customers on a daily basis to develop projects designed to reduce the environmental impact of the sectors in which they operate. Here are a few examples from France or ALTEN's subsidiaries abroad.

Mobility



The challenges of eco-mobility take centre stage as regulatory requirements promote the development of alternative means of transport. ALTEN and its engineers are increasingly approached by clients to develop innovative solutions in response to technological challenges, such as: the design and development of electric bicycles; the development of a charging solution for electric vehicles; the development of batteries and chargers for future hybrid vehicles, etc.

Mission focus

Development of a charging solution for electric vehicles

Place: France

- To develop a product offering for charging 100% electric vehicles
- Architecture specification followed by the development of the man-machine interface
- Definition and conducting of compatibility tests between the charging terminals and the vehicles on the market
- Qualification of the charging terminals with automotive manufacturers

Energy



Energy is critical and a priority across the globe, above and beyond purely environmental and climate concerns. It comes as no surprise that the Group is contributing its expertise to a great number of energy-related projects: development of offshore wind farms; design calculations and study of photovoltaic power plant projects; mechanical and electrotechnical studies for the design of wind farms, and oversight and commissioning of wind farms; industrialisation of tidal power generators; renovation and standardisation of hydropower plants; development of wind turbines; renovation of hydropower facilities; etc.

Mission focus

Development of offshore wind farms

Place: France

- Study of environmental impacts tied to the monopile driving for the installation of offshore wind farms
- Minimising disturbance to fauna and the marine environment
- Physical study of piles and extrapolation of sound levels

Development of wind-farm fleets

Place: Spain

- Mechanical and electrotechnical studies
- Involvement in the design of the wind farms
- Oversight and commissioning

Development of wind turbines

Place: Germany

- Design and dimensioning of foundations, the mast, and its equipment
- Design of the metallic parts of the nacelle
- Design of the blades and optimisation of the composite materials
- Analyses and simulations

Eco-design



In the aeronautics sector, industrial companies devote a significant portion of their development budgets to technologies that will be integrated into major civil aviation programmes. Among those are composite materials that facilitate a reduction in mass and optimise aeroplane dynamics.

Mission focus

Reduction in mass

Place: France

- To assist in large-scale production and ramp-up
- To demonstrate returns on investment of the developments
- Work on the composite structure

Information systems



Changing regulations, energy transition, new requirements on quality control, service, and traceability are having a profound impact on both operators and consumers. The development of IT solutions, at the heart of the network, is becoming crucial.

Mission focus

Development of a global information system for a green operator in the waste-recycling sector

Place: France

- Development of an institutional website to present the operator's activities
- Development of an external website as the interface between the latter and its stakeholders
- Internal management system of the activities of the customer and its partners
- Business intelligence system

Intelligent buildings



Integration into the landscape, energy consumption, materials and life cycle are some of the challenges and issues involved in designing the buildings of the future. The greening of buildings is the subject of research programmes and innovative pilot projects being conducted in-house and by our customers.

Mission focus

«Building of the future» research programme as part of the collaboration between the Innovation Division at BOUYGUES Energies et Services and ALTEN's R&D Department.

Place: France

- Remote measurement of network consumption of water, electricity, and gas in old buildings
- Creation of a device prototype
- Exploratory studies on control of building usage

Waste



With over 9 billion individuals in the world between now and 2050, the consumption of non-renewable natural resources and, downstream, waste production and management, regardless of its origins, are increasingly critical issues.

Mission focus

Elimination of paper and ink losses during printing, by developing a virtual printer driver

Place: India

- Integral design of the solution
- Software programming
- Development and delivery of the tool

Through its strategic R&D programme and the innovative projects developed in close and dedicated collaboration with customers, the Group continues to garner ever greater experience and expertise. ALTEN shares this knowledge with its stakeholders via the introduction of a knowledge management facility for employees, the transfer of best practices from one sector to another, the organisation of customer breakfasts and student conferences, and the drafting of white papers.

Thus, in 2015, ALTEN organised four technical conferences designed for customers in France, focusing on the following issues:

- Smart City: disruptive new development models
- Digital innovation: European industries' trump card?

More than a hundred customers took part in all these events. Furthermore, these two conferences were adapted for our consultants and for students.

Expert opinion



The role of engineers in mobilising in response to climate change, by Nicolas Jachiet, President of Syntec-Ingénierie

«Engineering is on the front line when it comes to confronting the challenges of climate change. We already work with local government and business in initiatives to reduce greenhouse gas emissions. We are also engaged in finding strategies to adapt to climate change: harnessing the expertise of engineering companies to promote sustainable development can be decisive in enhancing resilience. Engineering companies must continue to play special attention to biodiversity, which is particularly vulnerable to climate imbalances.

Mitigating climate change and adapting to its impacts are part of a long-term policy approach. Engineers have a crucial role to play. The profession must draw on its knowledge and

expertise and take the opportunity to focus on research and innovation.

French engineering enjoys an excellent reputation and exports well internationally, but we must pursue our efforts to increase our visibility, gain market share, especially in emerging economies countries where needs are growing at an exponential rate.»

Extract from Ingénierie & Projets – Construction et Industrie – Les Cahiers no. 93, April 2015 (magazine published by French engineering federation, Syntec-Ingénierie)

III. A responsible partner

Being a responsible partner means ensuring that the Group establishes relationships of trust with its stakeholders, founded upon principles of integrity and transparency, to meet their requirements and satisfy their expectations.

3.1 Information security

Customer satisfaction and risk management are major priorities for the ALTEN Group. The changing face of consultancy, international business development and growth of information criticality have prompted the Group to undertake an ISO 27001 certification process.

ALTEN has built the ISO 27001 requirements into its quality, security and sustainable development policy. This standard lays down the measures to be implemented to ensure the security of information within an organisation and the functioning of the management system governing this information security. Covering the entire company, the project has several objectives:

- ensuring service continuity;
- guaranteeing control of intellectual capital;
- preserving the trust of our stakeholders by defending the confidentiality of information;
- building this approach into the company's management system, ensuring that the entire workforce assumes ownership of it.

It was with this approach that ALTEN Spain received ISO 27001 certification in 2013. This certification is just reward for a strategy and work started several years ago.

The ISO 27001 certification process is now in place in various countries where ALTEN operates. Germany, India and France have started similar approaches and are aiming to obtain certification in the coming months. In particular, all of the scope concerned in France was pre-audited in 2015 by an outside company, in order to confirm smoothness of operations heading towards certification. This full-scale test confirmed the certification commitment for 2016.

In addition to ensuring compliance with the ISO 27001 requirements, at the end of 2013 the ALTEN Group in France developed an e-learning training programme on personal data and customer data security, which will gradually become mandatory for all its employees. Comprising role-play and assessments, the course aims to raise awareness of all the situations employees are liable to face. It also informs them about their rights and obligations. The Group has also set up an

intranet portal on issues relating to Information System security, which is accessible to all employees. On it, employees can consult the IT Charter and the security policy, or access dedicated e-learning modules, the company organisation, best practice, incident reporting, etc.

Technical conferences to raise awareness

Since 2013, technical conferences have been organised to make ALTEN employees more aware of the importance of Information System security. Expert speakers are invited to talk about their technological experiences and share their professional skills, enabling the Group's consultants to capitalise on their expertise.

IT security is a subject of major importance for the ALTEN Group. For each project, ALTEN undertakes to comply with the standards and laws in force as well as its customers' security requirements. Each employee is responsible for the security of information systems.

Employees are made aware of threats to the security of computers, files, and company information. Examples of attacks, their analyses, then solutions to be applied to counteract them, from a professional as well as from a personal point of view, are also presented.

Four sessions were scheduled over the course of the last three years.



In 2014, ALTEN also partnered with AKERVA, an expert in IT security, to create a joint venture to promote wide-scale IT security for its customers. This demonstrates the ALTEN Group's

determination to strengthen its operations in the IT and cyber security market.

What the experts say

Laurent Delaporte, Chairman of Akerva

Why has information security become such a crucial issue in our world today?

Examples of fraudulent uses of information systems, theft of trade secrets, spying, and other attempted intrusions abound. The exponential growth of connected objects in all aspects of everyday life and business and the inexorable growth of private data on the Internet, make clear the absolute necessity of increasing security evident.

In addition, we face the major challenges associated with controlling and securing the data hosted by third parties, and the transformation of infrastructures towards Cloud storage.

Information security has become not only a pressing concern, but an obligation. Companies are in a race against the clock to ensure the security of their information system.

How does AKERVA support its customers in this challenge, and help them to become more competitive?

To gain in competitiveness also means ensuring that patents are protected, that innovations are not vulnerable to cyberattacks, that the performance of information systems is protected from cybercriminals, that HR, commercial and industrial data do not find their way into the wrong hands, and that the reputation of the business is not exposed.

Many industrial or commercial businesses hesitate to launch the marketing of new products or services, because the risk of a cyberattack increases with each innovation. Connected objects are the best illustration. What are the risks for a business whose products might be misused by pirates? What automotive manufacturer can guarantee that its driverless vehicle systems are secure from outside interference?

Backed by its team of engineers expert in information system security, AKERVA provides assistance to customers to anticipate and respond to the most advanced threats.

AKERVA covers the majority of cybersecurity needs and offers effective, robust and recognised solutions to its customers. The high professional standards of the technical teams and their supervisors guarantee high value-added services, allowing customers to concentrate on their business, with the ability to anticipate all types of cyberattacks.

In your opinion, what is the greatest cybersecurity challenge of the future?

All businesses and administrations are exposed to cybercrime. Attacks continue to grow in sophistication as the means at the disposal of cybercriminals increase. Cybercrime, cyberespionage and cyberterrorism: the major challenge for business is the ability to anticipate and take the measures necessary to address these growing risks.

By rolling out processes and procedures on a large scale and pooling our ability to respond to attacks, AKERVA's experts help the majority of businesses to implement an effective, robust, recognised and accessible response to this immense challenge.

Could you describe your current synergies with ALTEN?

The synergies between ALTEN and AKERVA took shape in November 2014 with the formation of the joint venture advisory firm, ALTEN SIR GSS specialising in IT security.

We see this new company as the cybersecurity division of the ALTEN group. By combining the talents and the know-how of our two businesses, we share the ambition of becoming a European leader in cybersecurity.

This alliance has already resulted in a number of projects in 2015 with ALTEN'S largest customers.

3.2 Ethics and compliance

The ALTEN Group has built its growth on the fundamental principles of integrity and transparency implemented by its management and employees to create lasting relationships of trust with employees, shareholders, public and private sector customers, suppliers, competitors and all of its partners.

As such, the ALTEN Group complies with:

- The ten principles of the United Nations Global Compact;
- The United Nations Universal Declaration of Human Rights;
- The various conventions of the International Labour Organization;
- The OECD Guidelines for Multinational Enterprises.

The Group's obligations to exercise and develop its activities in strict compliance with national and international laws and regulations are formalised in three founding documents, circulated internally and externally: the Ethics & Compliance Code, the Sustainable Development Charter, and the Responsible Purchasing Charter.

In 2015, ALTEN reaffirmed this approach with an update of its Ethics & Compliance Code. The new edition aims, at Group level, to formalise new commitments and to strengthen or supplement the driving principles contained in the first version, notably in respect of the following issues: respect for the Group; requirements placed on suppliers and subcontractors; anti-corruption and conflicts of interest; preservation of the environment; protection of data and assets. The Ethics & Compliance Code of the ALTEN group is intended for all of its employees, in all countries where the Group is established.

In addition, a Group Ethics & Compliance Committee was established to back deployment of this Code. It is tasked with actively overseeing application of the Group's commitments and principles, as well as monitoring all ethics and compliance issues in the Group.

ALTEN is also committed to the implementation of responsible practices alongside SYNTEC Ingénierie. The Group participates in the work of the SYNTEC Ingénierie (SYNTEC Engineering) and SYNTEC Numérique (SYNTEC Digital) federations, particularly on the sector's advances in sustainable development.



Lastly, some ALTEN subsidiaries are especially proactive on the subject of ethics and Human Rights.

Italy, for example, has had its own code of ethics for many years now, which is distributed to all employees. Internal audit processes are designed to prevent corruption, particularly in the hiring process.

ALTEN Sweden has also adopted a specific code of ethics, consisting of three succinct chapters on alcohol and drugs, diversity and equality, and gifts and compensation.

In Germany, ALTEN GmbH started work on writing a new Code of Conduct in the second half of 2015. It focuses on its social and environmental commitment, information security, dialogue with stakeholders, ethics, corruption, and employee health and safety.

In India, these subjects are taken very seriously. From the outset, onboarding of new hires has included a compulsory session on integrity and ethics. Preventing sexual harassment also constitutes a major challenge. This is evident in awareness-raising programmes, and a special Committee formed to identify, receive and handle potential complaints filed by employees. Its legitimacy is strengthened by the presence of an outside member and a representative from an NGO. It vigorously supports awareness-raising programmes for employees.



Nicolas Guibout,
Head of Quality & Performance,
lead member of the Ethics
Committee

«The ALTEN group has always been alive to ethics and compliance matters in all its host countries. The processes, which are deployed, controlled and certified according to numerous local or international benchmarks (ISO 9001, ISO 14001, ISO 27001) respond to the most demanding challenges in business ethics.

With an objective of continuous improvement, and led by our Chief Executive Officer, the ALTEN group established an Ethics & Compliance Committee which met for the first time in late-January 2016. The committee's aim is to ensure compliance with ALTEN's ethical commitments, which underpin the Group's sustainable and profitable growth.

Its main missions are twofold:

- to map the Group's risks, to build and deploy initiatives for structuring and raising awareness; and
- to address any escalated red flags.

This committee, working directly with the Board of Directors and the Chief Executive Officer, will meet regularly several times a year.»

3.3 Responsible purchasing

ALTEN's Responsible Purchasing policy is a preferred means for the Group to promote its Sustainable Development requirements and the universal principles of the United Nations Global Pact and of the International Labour Organization in its sphere of influence.

ALTEN's Responsible Purchasing policy is a preferred means for the Group to promote its Sustainable Development requirements and the universal principles of the United Nations Global Pact and of the International Labour Organization in its sphere of influence.

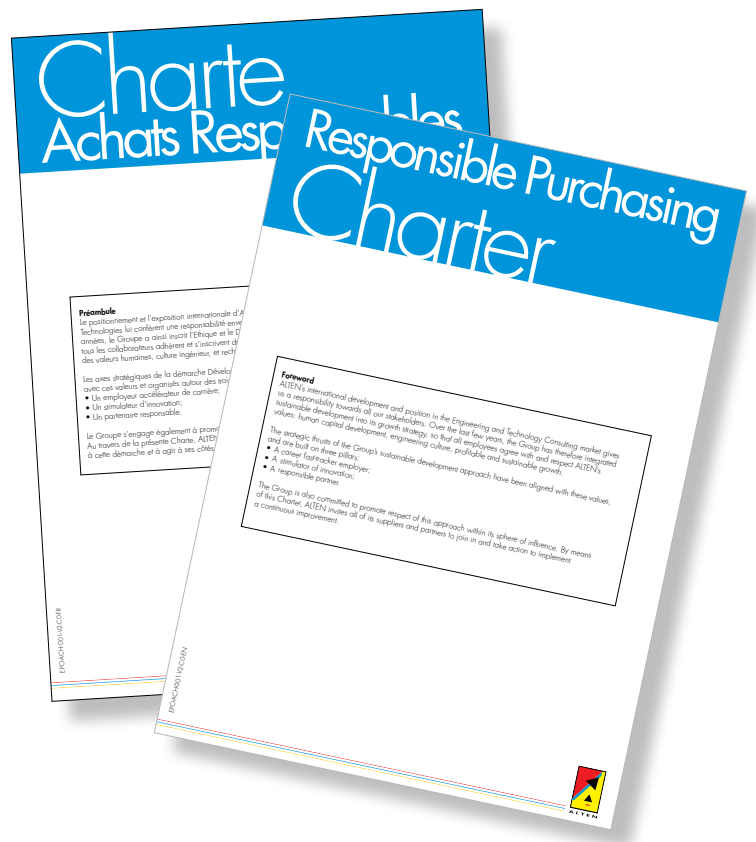
In 2011, ALTEN began this initiative with the creation of the first Responsible Purchasing Charter, systematically incorporated into the general purchasing terms, and communicated to all of the Group's suppliers in France. In 2015, ALTEN reaffirmed its convictions by updating of its Charter. This new version specifies the Group's commitments towards its suppliers and details its expectations and requirements. Moreover, ALTEN is a signatory to the Responsible Supplier Relations Charter, introduced in 2010 by Médiation Inter-entreprises and the CDAF, to provide incentive to businesses to adopt responsible purchasing practices vis-à-vis their suppliers.

CSR assessment and scoring is an essential part of the selection process of suppliers for the main invitations to tender, and is afforded the same degree of importance as the Quality, Cost and Lead-Time assessments. This score concerns both the supplier's internal Sustainable Development commitments and the social, societal, and environmental benefits of the services offered. This allows the cost of buying a product or service to be seen as a whole, across the entire length of the value chain and life-cycle of the product or service, while minimising the environmental risks and maximising the positive social and societal impacts. Also of note, buyers in France are regularly made aware of Responsible Purchasing.

In 2015, supplier risk mapping was undertaken in collaboration between the Purchasing and Sustainable Development Departments. A score based upon a multi-risk analysis can now be used to identify sensitive purchasing categories. For each one of the suppliers concerned, additional requirements are necessary: signature of the Responsible Purchasing Charter and the CSR evaluation. If necessary, ALTEN also reserves the option of carrying out purchaser audits. In 2015, 20 or so suppliers were subject to this new process.

Finally, with a view to regulatory compliance and vigilance, in 2015, the Group reinforced its supplier referencing policy, in particular by requiring additional documentation from new service providers who are making their employees available to the Group.

Some subsidiaries also act independently to promote responsible purchasing. In Sweden, for instance, environmental requirements are becoming increasingly common in purchasing procedures and the supplier assessment process. In Germany, the coffee and tea offered by ALTEN Technology in its machines comes only from fair trade. Furthermore, organic fruit baskets are also self-serve. Lastly, service providers for housekeeping, waste management, as well as furniture providers are selected based upon their commitment and their environmental performance.



3.4 Protection of environment

The ALTEN Group has, and encourages all of its entities worldwide to have, a proactive environmental management policy that is based on a recognised standard or benchmark. Day-to-day, the Quality and Performance department defines the Group's environmental policy and supports subsidiaries in the identification and implementation of concrete actions in the management of buildings, regulation of the carbon footprint and the sustainable utilisation of natural resources. Furthermore, and aware of the fact that its activities and the sectors in which it operates indirectly engage its environmental responsibility with respect to customers, ALTEN is committed to developing innovative sustainable solutions (see chapter «2.4 Innovative, sustainable and shared expertise»).

Management of the environment and raising awareness

Spurred on by the Group, many of its companies are also proactive in upgrading their environmental management policies to comply with the requirements of ISO 14001, based on the principle of continuous improvement of environmental performance through the control of impacts linked to the company's business. This was particularly the case of ALTEN Spain, ALTEN GmbH in Germany, ALTEN Sweden and ALTEN SA, ALTEN SO and ALTEN SIR in France, which have been certified over the course of the previous years. Within the scope of the present report, 35% of floor space was certified to ISO 14001 as of 31 December 2015.

In order to bring all employees on board for this process, emphasis is also placed on awareness and training regarding environmental impacts and, more broadly, the Group's corporate social responsibility. Throughout the year, ALTEN circulates the highlights of its sustainable development policy to employees, during Mobility Week, Sustainable Development week, and, specifically in 2015, COP 21 (Conference of the Parties). A dedicated page on the intranet, e-learning modules, articles in the in-house magazine and other once-off events make it possible for each employee to be informed and to participate in the Group's effort on a daily basis.

Awareness of sustainable development transcends frontiers. In Sweden, for example, sustainable development is everyone's business. Volunteer consultants chose to get involved by joining the think-tank launched by the Company aimed at defining an internal CSR strategy and a procedure for the identification and analysis of environmental risks. At ALTEN GmbH in Germany, an e-learning module on the Company's environmental management system is mandatory for all employees. They are also reminded about recommendations and eco-friendly behaviour on dedicated postings or their

intranet. ALTEN Spain employees are made aware and trained several times each year in the correct practises to be adopted, on different subject areas: reducing consumption, sorting waste, environmental management, etc. In India, on boarding of new hires includes a compulsory session on raising awareness on the environment and our 3R policy (Reduce, Recycle, Reuse).

To mark the 21st Conference of the Parties (COP 21), held in Paris from 30 November to 11 December last year, ALTEN sought to raise employee awareness of the challenges of climate change, and to demonstrate the essential role that engineers could play in promoting sustainable innovation.

Over the course of these two weeks, explanatory articles, examples of initiative by the Group, portraits of consultants hired, and contributions from experts, were also offered to the Group's employees through a number of internal and external communication channels.

Building management and energy efficiency

In the context of demand for an ever-increasing move towards services provided in the ALTEN offices, adapting the real estate assets in the very best conditions for employees is a major challenge. The Group elected to give preference, whenever possible, to eco-designed buildings having the highest environmental certifications.

The decision to use buildings that are energy efficient and environmentally-friendly is deployed in a large number of countries where the ALTEN Group operates. Since 2013, ALTEN has achieved its objective of close to 30% of its buildings certified to BBC (Low-consumption Building) and/or HQE («High Environmental Quality») in France. At ALTEN GmbH in Germany, the process began in 2002 with Passivhaus certification for the site at Ulm, awarded as soon as it opened. It should be noted that this site is one of the world's largest office buildings with Passivhaus certification. In Sweden, the Stockholm site obtained «Gold» LEED (Leadership in Energy and Environmental Design).

Although the quality and efficiency of infrastructures are essential factors with regard to energy efficiency, the Group's different entities are aware of the impact of human behaviour on achieving energy performance goals. As a

result, awareness campaigns, special events and training, in particular those developed within the framework of ISO 14001 certification programmes, are regularly organised in order to promote eco-behaviour and make it easier to adopt it. A "Life Charter" posted in all common areas and meeting rooms, along with a dedicated e-learning module, reminds people of good daily practices when it comes to respecting others and the environment.

In 2015, energy consumption by ALTEN sites within the reporting scope under review but excluding datacentres, came to 11,300 kWh , an average of 129 kWh per sq. m.

	Gross consumption - 2015	Consumption per sq.m. - 2015
France	6,500 MWh	147 kWh / m ²
International	4,800 MWh	110 kWh / m ²
TOTAL	11,300 MWh	129 kWh / m²

In France since the beginning of 2013, ALTEN has been meeting the security and performance requirements of its partners by upgrading its server infrastructure to a "Private Cloud Data Centre" solution. The data centres chosen by ALTEN have the most stringent certifications with regard to information security, quality system management, environmental performance and health and safety in the workplace. ALTEN can now consume computing power on demand, to suit its needs at any given moment. Resources are pooled, streamlined and optimised by these data centres, thus reducing ALTEN's environmental footprint whilst guaranteeing high-security systems that are available 24/7.

The Group promotes the use of renewable energies. At the end of 2015, ALTEN in France entered a contractual agreement for the supply of electricity from 100% renewable sources for the next three years for all of its sites where the subscribed power is greater than 36kVA, or greater than 80% of its consumption.

In Germany also, the use of electricity from a renewable energies is widespread at the main sites of ALTEN Technology and ALTEN GmbH. The latter is turning to geothermal power on its sites at Ulm and Nuremberg, and to solar energy at the Ulm facility. Moreover, since 2003, two photovoltaic complexes have been installed on roofs with power ratings of 15 and 135 kWp able to produce almost 140,000 kWh annually.



Business travel

ALTEN's employees travel many miles every day - mostly by car - to reach their place of work or visit customers' premises. According to the first Bilan Carbone® (carbon footprint assessment) conducted by the Group in 2014, these journeys account for 75% of ALTEN's greenhouse gas emissions. ALTEN is particularly watchful in this respect and proposes innovative alternatives to company teams.

Since 2011, ALTEN has deployed a solution in France to organise audio and web conferences from a computer, interacting with people via webcams whilst sharing documents, screenshots and files securely and interactively. For audio interactions, the international conference-call bridge infrastructure provided by the supplier guarantees each participant a local number and optimal sound quality. This application avoids employees having to travel to meetings with interlocutors located far away. This solution is deployed today for employees in eight countries: France, Belgium, Germany, Italy, Sweden, Spain, Romania and India. In 2015, 39,551 hours of audio, video or web conferencing were recorded within this scope, and 20,018 conferences organised.



Business travel made by Group employees in France is overseen by a new Travel Policy, which is also intended to be more responsible. It was updated in 2014. This document reminds employees that preference should be given to alternatives to travel, such as conference calls and videoconferencing. It spells out very precise rules for transport and lays down the conditions under which business journeys may be made: rail travel is compulsory for every journey of under two and a half hours; domestic and medium-haul flights are in economy class; preference is given to “green” taxis, etc.

Also since 2014, ALTEN has tightened its “Car Plan” requirements governing the characteristics of company cars which make up the Group’s vehicle fleet. Since 1 January 2015, the list of permitted vehicles has been restricted to 15 or so models with CO2 emissions of under 120 grammes per kilometre. Four hybrid vehicles are now also available. As of the end of December 2014, the average CO2 emission figure for the Group’s vehicle fleet was 110 grammes of CO2 per km (down for 125 in 2014), and 44% of vehicles were beneath the 110 grammes mark. In 2015, ALTEN replaced 60% of its diesel-consuming vehicle fleet by electric vehicles.

Furthermore, ALTEN is keen to raise employee awareness regarding best practices for safety and protection of the environment. Since the month of September 2014, all ALTEN employees have had access to an e-learning module that teaches the fundamentals of eco-driving. Under the new Car Plan, members are also required to take part in training for EcoDriving or the Prevention of Driving Risks within 12 months from joining the scheme.

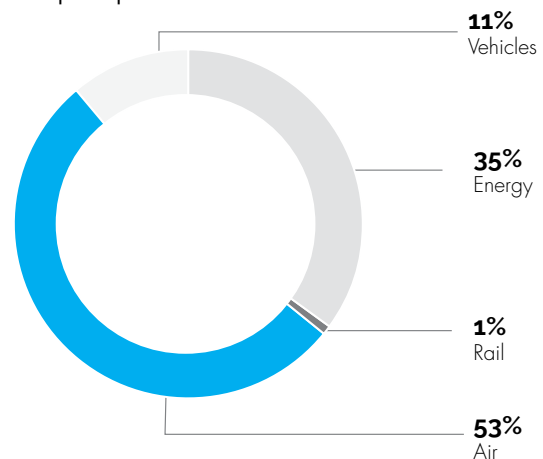
The same requirements also apply in the Group’s subsidiaries abroad. In Italy, for instance, 76% of ALTEN’s vehicle fleet have CO2 emissions of under 110 grammes per km (compared to 65% in 2014). In addition, over 98% of fleet vehicles comply with the European Euro V and Euro VI emissions standards. In Germany, Italy and France, measures are being taken to assume the cost - in full or in part - of public transport passes for employees. In India, awareness-raising sessions promote ride-sharing amongst employees. In every Group country,

a significant number of initiatives are being considered: company bikes, charging terminals for electric vehicles in car parks, etc.

Greenhouse gas emissions

In 2015 and within the scope of the present report, the Group’s CO2 emissions relating to energy consumption, business travel and mileage recorded by company cars broke down as follows:

Group Scope



Note: the data concern the scope of reporting considered, with the exception of travel by train and air travel (See note on methodology)

ALTEN’S most recent Bilan Carbone® was carried out in 2014 covering all the Group’s facilities in France. The Group’s commitment goes beyond the regulatory requirements to which it is bound and measures emissions relative to three scopes of greenhouse gas emissions defined by the GHG Protocol:

- Scope 1: direct emissions caused primarily by the use of combustibles on site, the leakage of refrigerant fluids and fuel combustion by the vehicle fleet;
- Scope 2: indirect emissions caused by the purchase or production of electricity and steam;

- Scope 3: all other indirect emissions, for example business travel, employee meals, procurement and services, and also fixed assets.

Total emissions for the Group came to 47,158 tonnes of CO₂. Two items are responsible for close to 75% of those emissions: commuter journeys and business travel by employees. Given that this ranking showed no change since the last assessment, in 2011 ALTEN was able to introduce a specific action plan to reduce these emissions at source. These endeavours have paid off because, per employee, the Group's emissions have fallen by 7% when compared with the previous Bilan Carbone®.

• Paper consumption and management



ALTEN uses paper essentially for purposes of office work and communication. In 2015, the Group's internal consumption in France and abroad came to 51 metric tonnes, i.e. an average of 11 kg per employee, a reduction of three points on 2014.

This improvement reflects the efforts made by ALTEN to reduce paper consumption and develop a paper-free environment. In 2015, three major projects were developed or pursued in that context.

- Deployment of the OPAD project: 2015 also saw us continue OPAD (Optimisation of Administrative Processes and Payroll), intended to automate and discontinue the use of paper in a number of paper-hungry processes. The main services affected by this project concern significant processes connected to the administration of employee consultants.
- Streamlining of printer inventory: at the end of 2015, a printer rationalisation programme was launched to reduce paper consumption by the Group using a badge system to eliminate unnecessary, mistaken or forgotten print jobs.

ALTEN consequently strives to consume not only less, but also more efficiently. When buying paper, the Group chooses either recycled or Ecolabel paper. In France, 77% of the paper used in 2015 was recycled and/or certified, compared with 72% in 2014. At ALTEN GmbH and ALTEN Technology in Germany and ALTEN Sweden, the rate is 100%. Additionally, most paper communication materials use recycled paper with a high level of environmental certification, whilst printing companies are selected wherever possible based on their willingness to reduce the environmental impact of their activities.

At the same time, the Group pays special attention to the resource's end-of-life, which accounts for 80% of waste. As a result, a sorting and recycling system has been introduced in France and in many of the Group's facilities, particularly in Germany, Sweden, Italy, Belgium and Spain, with 71% of sites covered over all of this scope.

- Paperless payslips: Since January, ALTEN has offered all its employees in France, the possibility of opting for an electronic payslip.

IT resources

The Group is also working on the continuous improvement of its IT equipment management. From May 2015 onwards, IT energy is being produced, inter alia, on so-called hyper-convergent hardware. This change has reduced the hardware installed in the branches and in Europe, by pooling and optimising needs in new-generation datacentres (Tier 4 + ISO 14001).

ALTEN also launched the «MPS» project in 2015 to supply a global, secured, centralised solution for the Group's printing in France. This project is part of our responsible approach and will also enhance information security and increase employee awareness, due to: optimisation of the number of printers, reduced by 58%; deployment of a printing system secured by the use of badges; provision of environmental impact information for each print job (CO₂, water, energy); configuration of the machines to print in black-and-white and recto-verso as the default. Management of equipment end-of-life is also a crucial component, and will be a priority project in 2016.

These processes of streamlining, optimisation and enhancement of IT hardware and consumables are ongoing at ALTEN in Germany, Sweden, Spain and Italy; Belgium completed a first stage in 2013 and will finalise the process in 2015.

With regard to IT equipment, ALTEN now focuses on optimised solutions that are more environmentally-friendly through the lower consumption of energy and materials as well as the recycling potential of their components. Seals of approval representing an environmental benefit concerning consumables and equipment, such as Energy Star are seen as essential. From a social and societal viewpoint, the equipment must also be user-friendly for disabled employees.



D3E management

Electric and electronic equipment waste (D3E), waste batteries and waste ink cartridges produced by the Group are very closely monitored. In 2015, almost 4.7 metric tonnes of waste from ALTEN and the Group's solutions in France were collected by a provider specialising in the processing of this type of waste.

Furthermore, in 2013, ALTEN created a department for aid to associations (D2A) to offer IT hardware and development tools free of charge to charitable or public interest associations. This process allows the recycling of all end-of-life computers used by the Group's employees nationwide in France. After remastering by D2A, these machines are given a second lease of life and put to use by various associations working to help children or people trying to return to the work environment or to help professional integration. Since the launching of the activity, more than 2,000 screens and computers, both desktops and laptops, were distributed to some 15 partner associations. The ALTEN Group thus commits to reducing its environmental footprint through the recycling of these waste materials while also lending its support to associations.

3.5 Patronage

In France and throughout the world, the Group and its subsidiaries develop philanthropy initiatives in their host regions.

During the festive season, ALTEN Spain employees came together to help children and donated 75 toys to children in need.

For its part, ALTEN GMBH contributed its support to the organisation «Aktion Deutschland Hilft», which, among its many initiatives, supports and cares for refugees in Germany. The German subsidiary of the Group is also committed to «Deutschlandstipendium», an organisation that sponsors talented and deserving students from diverse origins.

Also in Germany, ALTEN Technology makes an annual commitment to various charities. Employees have the opportunity of become personally involved in the process by choosing the beneficiary charities and making their own donations.

In India, ALTEN India employees mobilised to come to the aid of their colleagues, who were victims of the terrible flooding that struck Tamil Nadu at the end of the year and collected over €4,000.

Solidarity sponsorship at ALTEN GmbH

In Germany, ALTEN GmbH supported one of their employees, Alexej, who donated five weeks of his leave to donate his time and skills to the Hope Uganda Project NGO.

This African organisation, based in Uganda, has been active since 2012 in the education of young children in need, offering them hope for a better future. A school, and an aid and protection centre were built for orphans and vulnerable children from the region.

In addition to helping to coordinate the renovation of the school, Alexej also provided assistance in drawing up a business plan, developing a structured project management system and proposing a flexible data management solution.

Alexej's time and expertise and the financial and material support provided by ALTEN GmbH, helped to optimise the effectiveness and functioning of the NGO and to free up the time of the local teams to dedicate themselves to their strategy and to their operational actions.



Regarding this report

Map of stakeholders

As a leading Engineering and Technology Consulting company, ALTEN is committed to meeting its stakeholders' expectations and anticipating their requirements whilst ensuring that its activities reconcile performance with Sustainable Development.

The Group's stakeholders are in its social or economic sphere, its value chain, civil society or the regions in which it is established.

Level 1

Staff, consultants, or in-house employees,
ALTEN's true ambassadors

Customers,
Vectors of our search for innovation

Students and young graduates,
Future employees with a high added value

Schools and universities,
Partners to nurture careers

Level 2

Associations promoting scientific occupations,
Revealing tomorrow's potential

Shareholders,
Supporting our development

The media,
Vectors of the ALTEN brand image

Suppliers and subcontractors,
Partners in our success

Employee representatives,
Ensuring social dialogue

Rating agencies,
Witnesses to ALTEN's performance in non-financial areas

Level 3

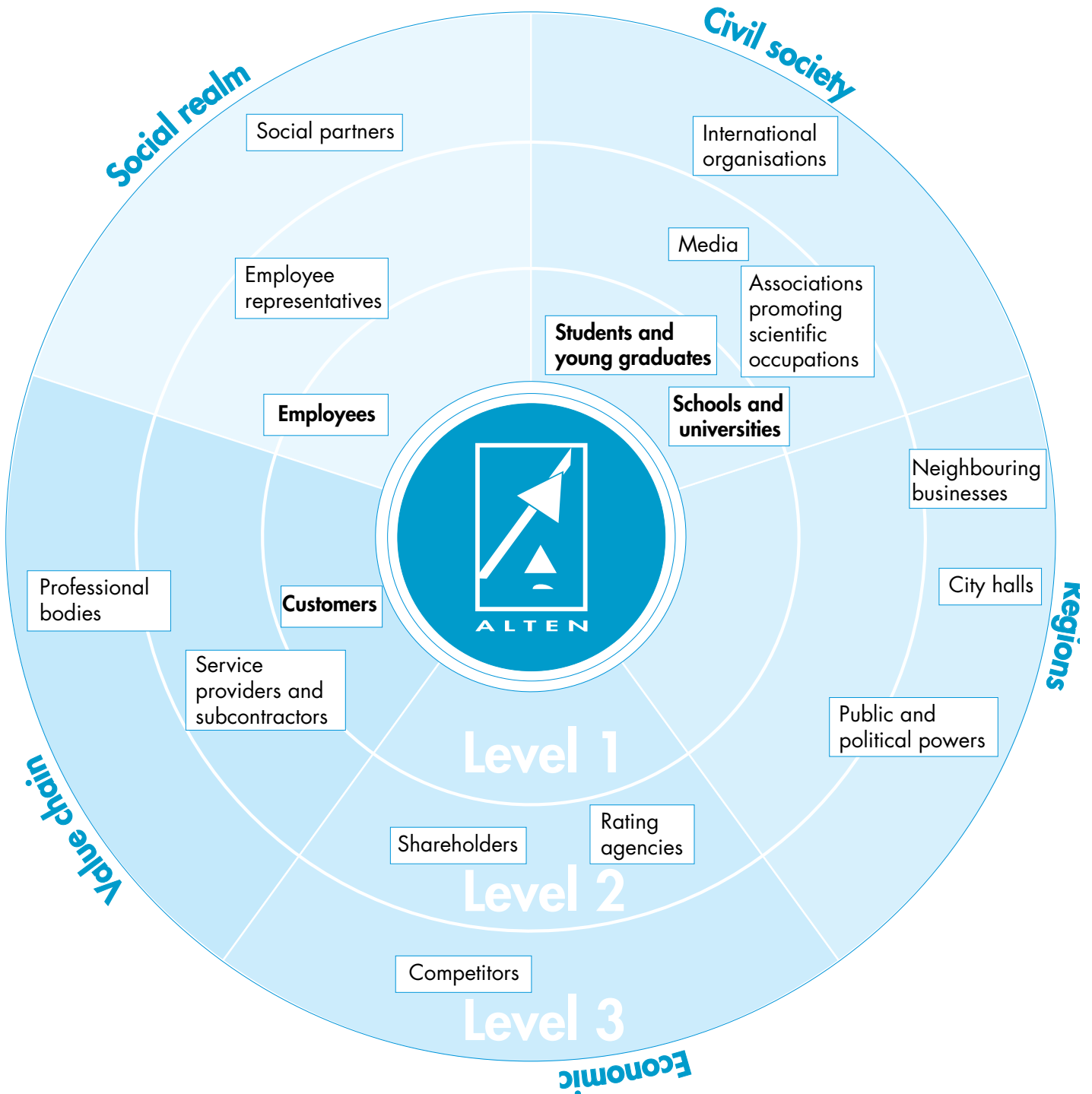
Professional bodies,
Defenders of the sector's interests

Public and political powers, city halls, neighbouring businesses,
Generators of a sustainable local dynamic

International organisations,
Guides towards a more responsible approach

Companies in the sector,
Competitors who drive us to surpass ourselves

Social partners,
Furthering the Sustainable Development approach



Materiality of the challenges

	CHALLENGES	ASSOCIATED COMMITMENTS	PURPOSE
1	To attract and retain talent	In France, the ALTEN Group provides HR assistance that enables the best talents to emerge and flourish thanks to career management processes and the strengthening of in-house training. Respect for diversity and combatting discrimination are principles integrated into the Group's operations and the Sustainable Development Charter.	<ul style="list-style-type: none"> - Keep the Top Employer status or equivalent, in France and in the Group's international entities - Increase the number of hires in 2016 - Intensify use of social networks to recruit the best talents - Forge closer partnerships with prominent schools and universities around the world, to encourage bridges between student life and the world of work
2	Develop innovative and sustainable solutions to serve our customers and society	ALTEN participates actively alongside its customers and within its R&D division to carry out projects related to CSR issues: energy efficiency in buildings, dependency of persons with reduced mobility, connected mobility, etc.	<ul style="list-style-type: none"> - Intensification of the pooling of Innovation and CSR best practices among entities - Accentuate the orientation of R&D projects towards programmes that respond to the major issues in civil society: put the skills of ALTEN's employees to work to serve the general interest - Participation in national R&D programmes, in France and throughout the world
3	Promote professions which are engineering-related	The ALTEN Group undertakes to promote engineering professions, particularly with students and young women, by developing preferred partnerships.	<ul style="list-style-type: none"> - Ensure that 75% of Group entities worldwide have partnered with at least one association to promote engineering professions - Reinforce partnerships with student and non-student associations that participate in promoting engineering professions
4	Promote talents and offer sustainable career paths	The ALTEN Group puts HR support into place, which makes it possible for the best talents to reveal themselves and to blossom, thanks to a process of career management and geographical and functional mobility	<ul style="list-style-type: none"> - Development of management indicators in internal mobility and the mapping of skills - Pooling of best practices among international entities regarding career management and compensation - Keeping the rate of employees benefiting from annual assessment interviews in France at over 90%
5	Promote diversity and equal opportunity	Respect for diversity and combatting discrimination are principles integrated into the Group's operations and its Sustainable Development strategy.	<ul style="list-style-type: none"> - Reinforce shared values and the development of each person through training, notably in the areas of ethics and diversity - Promote access to employment for disabled workers, and insertion into the workplace in general (dedicated job fairs, etc.) - Retain and promote ALTEN Group women engineers
6	Promote the development of technical knowledge through R&D	Thanks to its in-house R&D programmes, the Group is developing and reinforcing its experience and its expertise.	<ul style="list-style-type: none"> - Accentuate the orientation of R&D projects towards programmes that respond to the major issues in civil society: put the skills of ALTEN's employees to work to serve the general interest - Participation in national research and development programmes, in France and throughout the world
7	Promote the sharing of knowledge among our stakeholders	ALTEN shares its expertise and transfers knowledge and technology with its partners.	<ul style="list-style-type: none"> - Dissemination of the principles of the Responsible Purchasing Charter to all of the subsidiaries - Add to the projects of the Group's R&D division to help address social issues in a spirit of shared knowledge - Continue to facilitate conferences or events for employees, customers or candidates
8	Make safety in the workplace a priority	The Group is rolling out a comprehensive health and safety programme concerning its employees, with regard to the requirements of our customers, regulations and high standards set internally.	<ul style="list-style-type: none"> - Development of risk training courses (human risk, computer-related, environmental, ethical, and other risks) for every new employee in France, including for sales staff - Hold at least one discussion each month at customer sites
9	Place ethics at the core of our activities	ALTEN's development relies on the fundamental principles of integrity and transparency, implemented by its managers and employees.	<ul style="list-style-type: none"> - Have the Ethics Committee meet at least twice a year - Train 100% of managers in ethics
10	Be involved in long-term relationships with our partners	By creating the Responsible Purchasing Charter and adopting social, societal and environmental criteria in the Group's purchasing, ALTEN has created equitable, win-win relationships with its suppliers.	<ul style="list-style-type: none"> - Reinforcement of the Responsible Purchasing policy in all subsidiaries by the creation of CSR risk mapping, by purchasing category - Integrate the sheltered sector further in the purchasing process

	CHALLENGES	ASSOCIATED COMMITMENTS	PURPOSE
11	See to the well-being of employees in the workplace	ALTEN is committed to ensuring a high quality of life in the workplace, and recognising the value of all of its employees.	- To make internal sponsoring initiatives a regular feature, through the "Nos salariés ont du talent" ("Our employees have talent") programme - Synergy with employee representative bodies, to improve management of the balance between personal life/work life
12	Develop the skills of every person, and reinforce their employability	ALTEN adapts the skills of its employees to the needs of the market, and supports them in their occupational projects by intensifying in-house training.	- Reinforce shared values and the development of each person through training, notably in the areas of ethics and diversity
13	Maximise customer satisfaction	ALTEN is committed to the multidisciplinary nature of the skills of its engineers, its upscale, high value-added technological positioning, and diverse product offers as the means to providing customer satisfaction.	- Increase the rate of compliance with customer requirements - Maintain certifications of safety, quality, and sustainable development
14	Develop social dialogue	ALTEN pursues a policy of dialogue with its social partners in order to ensure work-related agreements and protection for employees.	- To continue covering 100% of employees by a collective agreement
15	To support strong and meaningful societal initiatives	In France and elsewhere, ALTEN supports the societal initiatives of its employees, students, or society, in line with the Group's values.	- Accentuate the orientation of R&D projects towards programmes that respond to the major issues in civil society: put the skills of ALTEN's employees to work to serve the general interest - Participation in national R&D programmes, in France and throughout the world
16	Have dialogues with stakeholders	ALTEN is committed to its stakeholders, to respond to their expectations and to anticipate their requirements.	- Reinforce partnerships with stakeholders - Make the network of CSR correspondents a vector of synergy and performance among ALTEN entities around the world
17	To develop internationally and to maintain growth in France	The ALTEN Group, as a world leader and benchmark technological partner of the biggest companies, is strongly committed to its development worldwide.	- Reinforce the positive impact of ALTEN in the localities and countries in which it is present: environment, local development, respect of populations, etc.
18	Ensure the security of information systems	Customer satisfaction and risk management are major priorities for the ALTEN Group, which is committed to integrating the requirements of ISO 27001 into its quality assurance, safety and sustainable development policy.	- Reinforcement of the steps for ISO 27001 certification
19	Support talented engineers	ALTEN encourages innovation by compensating talented engineers through numerous awards.	- Maintaining the presence of ALTEN in the awarding of prizes and trophies for innovation
20	Minimising the environmental impact of our facilities	Managing environmental performance is central to a continual improvement effort based on pragmatic solutions tailored to engineering work.	- Improving the management of environmental performance of activities, through the reinforcement of key indicators in place - Growing integration of buildings which have high environmental certifications in the real-estate holdings of the Group's international entities; encouraging employees to act in an environmentally responsible way - Reducing CO2 emissions associated with travel and paper usage for printing - Maintaining ISO 14001 certifications

Note on methodology

Temporal and geographic scopes

- The period used for the data comprising the different indicators was from 1 January 2015 to 31 December 2015. Exception: the environmental data of the ALTEN GMBH entity in Germany is for the 2014 fiscal year.
- The scope of this report covers ALTEN's legal entities and its solutions located in France: ALTEN SA, ALTEN SIR, Pégase SI, Aprova, Alten Sud-Ouest, MI-GSO, ELITYS, Anotech Energy, Avenir Conseil Formation, Atexis France, Id Apps, Aptech, Alten SIR GTS and GECl - as well as the international entities: ALTEN Spain, ALTEN Technology GmbH, ALTEN GmbH, ALTEN Digital GmbH, ALTEN Sweden, ALTEN Italia, ALTEN Belgium, Calsoft Labs and ALTEN India Private Limited.
- Except when specifically stated within the scope, the information presented herein and the words "ALTEN", "the Group" and "The ALTEN Group" refer to the legal entities of the ALTEN Group in France only.
- Entities acquired during the financial year are included in the reporting process at the latest after one full year of business within the Group, when revenues in 2015 are other than zero and when headcount is other than zero as of 31 December 2015.

Rate of coverage

- The performance indicators reported for France and internationally concern a workforce representing 80% of the Group's total headcount as of 31 December 2015, and 71% of revenues.
- More specifically, for the French entities, these indicators refer to the entire workforce of ALTEN Group entities in question (ALTEN and solutions), and to the entire floor space occupied by one or more ALTEN Group entities in France. For international entities, they refer to the number of employees and floor space occupied by each ALTEN entity in the country concerned.

Guidelines

- The performance indicators and the text of this report were prepared in compliance with the requirements of Article 225 of the French Commercial Code. The G4 Global Reporting Initiative guidelines and recommendations have also been taken into account.

- The guidelines for calculating and establishing performance indicators are available upon request by email: alten.csr@alten.fr

Exceptions and limitations

The reporting tools currently used within the Group have not enabled us to establish comparable elements meeting the requirements of the Grenelle 2 Law for the other legal entities of the ALTEN Group operating internationally and within the given timeframe. However, the ALTEN Group endeavours each year to expand the scope of its reporting activity by integrating new entities.

Origin and compilation of the data

Employee-related indicators

- The data relating to the workforce, nationalities represented in the Company, hiring and terminations, work-study placements, total payroll, compensation, employee turnover, work schedules, and frequency and severity of workplace accidents were taken from the employee-related reports and the payroll software of the ALTEN Group companies in France and the international entities reported. The data relating to annual performance reviews, training and internal mobility were taken from the reports from departments in charge of those matters in the Group's various entities.
- Note that the total number of training hours and the number of employees trained take account of training undertaken by apprentices and employees on vocational training contracts. The entities Alten Sir GTS and GECl are not included in the training indicators. The data for hours of training at ALTEN Spain represents the theoretical hours of training paid for employees by the firm.
- Turnover is calculated according to the following definition: $(\text{Departures}/(\text{Workforce N-1} + \text{Workforce N})/2)$. Departures taken into account exclude trial periods, mobility and other reasons.

Environmental indicators

- Data related to floor space is taken from the lease documents. Data is collected and then consolidated annually per building. It is then split according to the floor space occupied by each legal entity of the ALTEN Group in

France and for international entities within the scope of the report in the said buildings.

- Note that only the indicators for the consumption of paper and energy are consolidated for the Atexis leasehold buildings (four sites in France).
- Data relating to consumables and energy is taken from the invoices and statements provided by suppliers and service providers.
- In France, energy consumption indicators have been divided by the number of weighted square metres. For international entities, actual sq. m. are used as of 31 December 2015. In France and internationally, the indicators for consumables are divided by the number of employees present on site as of 31 December 2015. Note that paper consumption indicators exclude Sweden.
- Annual mileage recorded by company cars has been estimated on the basis of the average mileage per month or per year, according to data available from providers.
- Moreover, international data company cars exclude India (features of the fleet and distance travelled) and partially exclude Sweden (distance travelled).
- Data for train and a travel cover the following entities: ALTEN SA, ALTEN SIR, APTECH, PEGASE, ID.APPS, ALTEN SO, ALTEN LTD, ANOTECH, ALTEN Spain, ALTEN Technology GmbH and ALTEN GmbH in Germany and ALTEN Italia. India, Sweden and Belgium are excluded.
- The CO₂ emissions emitted by consumption of energy and travel were calculated from raw data (kWh, km) through the corresponding emission factors of the Bilan Carbone® V7.1 method. Exceptions: emissions relative to air travel in France and by air and rail for ALTEN GmbH and ALTEN Italia were supplied by the provider and used unmodified, given that the emission factors are consistent with those proposed by the Bilan Carbone® method.

For all the sites where data for energy, water and consumables is unavailable, extrapolations based on ratios per weighted square metre (energy) or per occupant (consumables) have been made in order to cover the full reporting scope under review.

- Data on waste do not cover Belgium and Sweden.

Social indicators

- The data relating to projects supported as part of the Group's promotion of the engineering professions comes from the partnerships for which financial support was given.

Our social performance indicators at 31 December 2015

ALTEN INDICATOR NO.	INDICATOR	UNITS	GROUP FRANCE 2015	GROUP FRANCE 2014	GROUP 2015
HEADCOUNT AND DIVERSITY					
SOC 1	Total workforce as of 31/12/2015	Actual number of employees	9,722	9,375	16,249
SOC 2	Breakdown of employees by gender	% men	76%	76%	76%
		% women	24%	24%	24%
SOC 3	breakdown of workforce by age grouping	% of employees under 25 years	11%	10%	8%
		% of employees between 25 and 35 years old	63%	64%	61%
		% of employees between 35 and 45 years old	20%	20%	23%
		% of employees over 45 years old	6%	6%	8%
		% of employees who are engineers	88%	87%	86%
SOC 5	Breakdown of headcount by type of job	% of employees who are managers	4%	4%	6%
		% of employees who are support staff	8%	9%	8%
SOC 6	Number of unique nationalities represented	Number of unique nationalities	68	71	nc
HIRES AND TERMINATIONS					
SOC 7	Total number of hires	Number of hires	3,492	2,838	6,195
	Employees recruited on permanent contracts	Number of hires	3,228	2,576	5,187
	incl. number of permanent hires under 25 years of age	Number of hires	1,091	933	1,264
	Employees recruited on fixed-term contracts	Number of hires	192	196	936
	Number of hires on apprenticeship or vocational training contracts	Number of hires	72	66	72
SOC 8	Total number of terminations	Number of terminations	3,035	2,743	5,116
	Number of departures from fixed-term contracts	Number of terminations	2,799	2,514	4,435
	of which resignations	Number of terminations	1,472	1,439	2,870
	of which redundancies	Number of terminations	348	432	538
	Number of departures from fixed-term contracts	Number of terminations	188	178	624
	Number of terminations on apprenticeship or vocational training contracts	Number of terminations	48	51	48
SOC 17	Net jobs created	Number of jobs created	457	95	1079
TYPE OF EMPLOYMENT CONTRACT					
SOC 18	Breakdown of headcount by type of contract	% of permanent employees	98%	98%	92%
		% of temporary employees	1%	1%	7%
		% of employees on apprenticeship or vocational training contracts	1%	1%	1%
REMUNERATION					
SOC 19	Average annual remuneration by position	in € managers	38,124	38,813	nc
		in € non-managers	25,739	25,358	nc
MANAGEMENT					
SOC 21	% of employees having had an annual performance appraisal	% of employees	92%	91%	75%
SOC 22	Average rate of absenteeism (for sickness, work- or commute-related accident)	%	1.67%	1.70%	nc
SOC 23	ALTEN employee turnover	%	19.06%	19.44%	nc
ORGANISATION OF WORKING TIME					
SOC 24	Percentage of employees working full-time	% of employees	98%	98%	98%
SOC 25	Percentage of employees working part-time	% of employees	2%	2%	2%
EMPLOYEE RELATIONS					
SOC 26	% of employees covered by a collective agreement	% of employees	100%	100%	nc
TRAINING					
SOC 27	Training expenditures	euros	8,857,009	8,347,546	10,194,124
SOC 28	Training expenditure as a % of payroll	%	2.53%	2.43%	nc
SOC 29	Training expenditure as a % of revenue	%	1.18%	1.16%	0.93%
SOC 30	Total number of training hours	hr	98,892	91,003	173,585
SOC 31.a	Percentage of people receiving training during the year, by gender	% of men having received training	31%	35%	38%
		% of women having received training	35%	39%	41%
SOC 31.b	Percentage of employees trained during the year	% of employees	32.9%	37.5%	43.5%
SOC 33	Number of e-learning courses taken	no.	3,644	4,372	22,567

ALTEN INDICATOR NO.	INDICATOR	UNITS	GROUP FRANCE 2015	GROUP FRANCE 2014	GROUP 2015
WORK AND SAFETY CONDITIONS					
SOC 34	Frequency rate of work-related accidents with time off	rate	2,56	3,60	nc
SOC 35	Severity rate of work-related accidents	rate	0,05	0,03	nc
SOC 36	Number of hours of safety training	h	12 153	10 927	nc
SOC 38	Number of work-related illnesses reported	no.	0	-	nc

Our societal performance indicators at 31 December 2015

ALTEN INDICATOR NO.	INDICATOR	UNITS	GROUP FRANCE 2015	GROUP FRANCE 2014	GROUP 2015
RELATIONS WITH STAKEHOLDERS					
Societal 1	Number of partnerships for the promotion of engineering occupations (CNJE; "Elles Bougent"; etc.)	Number of partnerships	42	23	178
Societal 5	Total number of partnerships forged with higher education institutions in the current year	no.	80	80	89
Societal 4	Total number of partnerships forged with NGOs or similar associations in the current year	no.	4	2	57
RELATIONS WITH STAKEHOLDERS					
Societal 3	Percentage of women on the Board of Directors	%	38%	38%	38%

Our environmental performance indicators at 31 December 2015

ALTEN INDICATOR NO.	INDICATOR	UNITS	GROUP FRANCE 2015	GROUP FRANCE 2014	GROUP 2015
CONSUMPTION OF NATURAL RESOURCES					
Enviro 4	Quantity of paper used per employee	kg/emp	14.6	15.1	12
	Total quantity of paper used	kg	36,964	40,590	49,562
Enviro 5	% of paper recycled or certified	%	77%	72%	74%
Enviro 6	Quantity of opaque and translucent drinking cups per on-site employee	number of cups/emp	423	357	nc
Enviro 7	% of drinks taken without a cup	%	17%	12%	nc
Enviro 8.a	Total energy consumption	kWh	6,506,029	5,799,140	11,285,762
Enviro 8.b	Total energy consumption per sq.m.	kWh/sq.m./year	147	146	129
Enviro 1	CO ₂ emissions linked to buildings' energy consumption.	kg CO ₂ eq.	312,289	278,359	3 126,501
BUSINESS TRAVEL					
Enviro 14	Number of kg of CO ₂ eq. for business travel by train per employee	kg CO ₂ eq./emp	1.99	1.98	5.00
Enviro 16	Number of kg of CO ₂ eq. for business travel by plane per employee	kg CO ₂ eq./emp	529	470	385
Enviro 17	Number of minutes of audio, video or web conferencing	min	Group datas	Group datas	39,551
Enviro 17.c	Number of videoconferences organised	no.	Group datas	Group datas	20,018
Enviro 21	Average CO ₂ emissions per km from company vehicle fleet	g CO ₂ /km	110	125	nc
Enviro 23.a	Number of kg CO ₂ eq. from kilometres driven by company vehicles	kg CO ₂ eq.	218,328	195,910	1,030,414
EXTERNAL CERTIFICATIONS AND ASSESSMENTS					
Enviro 10	% of occupied sq.m. that is certified (BBC, HQE)	%	23%	26%	15%
Enviro 18	EcoVadis score out of 100	score	Group datas	Group datas	74/100
WASTE					
Enviro 25	Total quantity of D3E removed by an external company	metric tons	4.7	4.4	8.7
Enviro 11	% of sites covered by a waste sorting scheme	%	91%	92%	71%

NB: The 2014 and 2015 indicators are not always comparable, due to changes in scope and the extrapolation in 2015 to all the Group's sites.

nc = not consolidated
nd = not requested

Compliance matrix

ARTICLE 225 - GRENELLE 2	PRINCIPLES OF THE GLOBAL COMPACT	GRI	ISO 26 000	CHAPTER 3 - 2015 REGISTRATION DOCUMENT
EMPLOYEE-RELATED INFORMATION				
EMPLOYMENT				
Total workforce and breakdown of employees by gender, age and geographical region		G4-9, G4-10, LA1, LA12	*6.4.4	1.1
Recruitments and redundancies		EC6, LA1		1.1
Remuneration and remuneration increases		G4-51, G4-52, G4-53, G4-55, EC1, EC5		1.1 Part of Annual Report - Chap. 17.3 and 17.5
WORK ORGANISATION				
Organisation of working time			*6.4.4	1.4
Absenteeism				1.4
EMPLOYEE RELATIONS				
Organisation of dialogue with employees, such as procedures for informing, consulting and negotiating with employees	3. Respect for freedom of association and recognition of the right to collective bargaining	LA4	*6.4.3 *6.4.5	1.1 Annual Report - Chap. 17.5
List of collective agreements				1.1 Annual Report - Chap. 17.4
HEALTH & SAFETY				
Occupational health and safety conditions		LA5		1.4
List of agreements signed with unions and staff representative bodies pertaining to occupational health and safety	4. Elimination of all forms of forced or compulsory labour	LA8	*6.4.6	1.4 Annual Report - Chap. 17.5
Work-related accidents, particularly their frequency and severity, together with occupational illnesses	5. Effective abolition of child labour	LA6/LA7		1.4
TRAINING				
Policies implemented regarding training		LA10, LA11		1.2
Number of training hours		LA9, HR2	*6.4.7	1.2
EQUAL TREATMENT				
Measures taken to promote gender equality		LA3, LA12, LA13		1.3
Measures taken to promote the employment and integration of disabled persons		LA12	*6.3.10 *6.3.7	1.3 Part of Annual Report - Chap. 17.5
The anti-discrimination policy		LA12, HR3		1.3
PROMOTION OF AND COMPLIANCE WITH THE STIPULATIONS OF THE CORE CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION ON				
Respect for freedom of association and the right to collective bargaining	3. Respect for freedom of association and recognition of the right to collective bargaining	HR5, LA13, LA14		3.2
the elimination of discrimination in respect of employment and occupation	6. Elimination of discrimination in respect of employment and occupation	HR3	*6.3.10 *6.3.7	1.3 3.2
the elimination of forced or compulsory labour	4. Elimination of all forms of forced or compulsory labour	HR6		3.2
effective abolition of child labour	5. Effective abolition of child labour	HR5		3.2
ENVIRONMENTAL INFORMATION				
GENERAL POLICY IN ENVIRONMENTAL MATTERS				
The company's organisational structure for taking into account environmental issues and, where applicable, environmental assessment and certification procedures		G4-1		3.4
Training and information for employees on environmental protection matters		G4-43		3.4
Resources devoted to preventing environmental hazards and pollution	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	EN30, EN31	*6.5.2.1 *6.5.2.2	ALTEN provides intellectual services. By their nature, these activities present little environmental risk and do not generate significant pollution.
The amount of accounting provisions and guarantees for environmental risks, provided that this information is not likely to cause the company serious prejudice in an ongoing lawsuit		EC2		ALTEN has no reserves or guarantees for environmental risks in France. The environmental management (ISO 14001 certified) that we apply to buildings does reduce environmental hazards.

ARTICLE 225 - GRENELLE 2	PRINCIPLES OF THE GLOBAL COMPACT	GRI	ISO 26 000	CHAPTER 3 - 2015 REGISTRATION DOCUMENT
POLLUTION AND WASTE MANAGEMENT				
Measures to prevent, reduce and compensate for emissions into the atmosphere, soil and water that severely affect the environment		EN10, EN20, EN21, EN22, EN24, EN26		ALTEN provides intellectual services. By their nature, these activities have little direct environmental impact and do not seriously affect it; emissions into the air are limited in normal situations to greenhouse gas emissions.
Measures to prevent, recycle and eliminate waste	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	EN 23, EN24, EN25, EN28	*6.5.3	3.4
Taking into account noise pollution and all other forms of pollution specific to an activity		EN 24		The ALTEN Group provides intellectual services. By nature, such activities have little impact on the environment, generate little pollution and do not cause noise pollution. However, measures are taken to ensure the smooth integration of buildings in residential areas into their neighbourhoods (BBC/HQE, ISO 14001, etc.)
SUSTAINABLE USE OF RESOURCES				
Consumption and supply of water in accordance with local constraints		EN8, EN9		Taking into account tertiary activities of ALTEN's Engineering and Technology Consulting, the Group's water consumption is not significant.
Consumption of raw materials and measures taken to use them more efficiently	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	EN1, EN2	*6.5.4	3.4
Energy consumption, measures taken to improve energy efficiency and use of renewable energy		EN3, EN4, EN6, EN7		3.4
Land use		EN11		Given ALTEN's services business of Engineering and Technology Consulting, the Group has no activity that involves land use.
CLIMATE CHANGE				
Greenhouse gas emissions				3.4
Adapting to the consequences of climate change	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	EN15, EN16, EN17, EN18, EN19,	*6.5.5	2.4 3.4
PROTECTION OF BIODIVERSITY: MEASURES TAKEN TO PRESERVE OR DEVELOP BIODIVERSITY				
		EN11 à 14, EN26	*6.5.6	3.4
INFORMATION PERTAINING TO SOCIETAL COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT				
LOCAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY'S ACTIVITY				
In terms of employment and regional development		EC6, EC7, EC8, EC9, SO1	*6.8.5 *6.8.7 *6.8.8	1.1
On neighbouring and local populations		EC6, EC7, EC8, EC9, HR8, SO1, SO2		ALTEN is present in employment hotspots and works closely with its customers. Its impact on neighbouring and local populations is thus limited and not significant.
RELATIONS WITH THE PEOPLE OR ORGANISATIONS RELATED TO OR AFFECTED BY THE COMPANY'S ACTIVITY, PARTICULARLY LABOUR-MARKET INCLUSION ASSOCIATIONS, EDUCATIONAL INSTITUTIONS, ENVIRONMENTAL PROTECTION ASSOCIATIONS, CONSUMER ASSOCIATIONS AND LOCAL POPULATIONS				
Conditions conducive to dialogue with such people or organisations		G4-26, G4-37	*5.3.3 *6.8.9	Values, strategy and challenges Mapping of stakeholders
Partnership and sponsorship initiatives		EC7		1.3 2.1 3.5
SUB-CONTRACTING AND SUPPLIERS				
Taking social and environmental issues into account in the purchasing policy	1. Promoting and respecting international human rights law protection in the sphere of influence 2. Guarding against complicity in human rights violations	LA14, LA15, EN33, HR5, HR9, HR11	*6.6.6	3.3
The importance of sub-contracting and taking their social and environmental responsibility into account in relations with suppliers and sub-contractors		LA14, LA15, G4-12, EN32, EN33, HR5, HR9, HR11, SO9, SO10		Part of Annual Report - Chap. 17.5.9
FAIR COMMERCIAL PRACTICES				
Actions undertaken to prevent corruption	10. Acting against corruption in all its forms, including extortion of funds and bribery	G4-56, G4-58, SO3, SO4, SO5	*6.6.3 *6.7.4	3.2
Measures taken to promote the health and safety of consumers		EN27, PR1, PR2, PR3, PR4, PR6, PR7, PR8, PR9		3.1
OTHER ACTIONS TAKEN TO PROMOTE HUMAN RIGHTS				
	Promoting and respecting international human rights law protection in the sphere of influence 2. Guarding against complicity in human rights violations	HR1, HR2, HR7, HR8, HR9, HR10, HR11, HR12	*6.3.10	3.2 3.3

Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated human resources, environmental and social information included in the management report

For the year ended December 31st 2015

Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated human resources, environmental and social information included in the management report

For the year ended December 31st 2015

To the Shareholders,

In our capacity as Statutory Auditor of ALTEN (the "Company"), appointed as independent third party and certified by COFRAC under number n° 3-1080¹, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31st 2015, included in the management report (hereinafter named «CSR Information»), pursuant to article L.225-102-1 of the French Commercial Code (Code de commerce).

Company's responsibility

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the procedures used by the Company (hereinafter the «Guidelines»), available on request from the company's head office and summarized in the methodological note presented in the chapter entitled «Operational excellence and sustainable development» of the management report.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (Code de déontologie) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Statutory Auditor's responsibility

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);

- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

Our work involved five persons and was conducted between December 2015 and March 2016 during approximately a four week intervention period. We were assisted in our work by our CSR experts.

We performed our work in accordance with the French professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000² concerning our conclusion on the fairness of CSR Information.

1. Attestation regarding the completeness of CSR Information

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note presented in the chapter

entitled «Operational excellence and sustainable development» of the management report.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Conclusion on the fairness of CSR Information

Nature and scope of our work

We conducted around fifteen interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important ³:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;

- at the level of a representative sample of countries selected by us on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents 80% of headcount and between 78% and 98% of quantitative environmental data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Paris, April 22th 2016

French original signed by one of the statutory auditors:

Grant Thornton
Membre français de Grant Thornton International

Vincent Frambourt
Partner

¹ whose scope is available at www.cofrac.fr

² ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

³ **Quantitative social information:** total workforce and breakdown by gender, age, geographical area and contract type; hiring and departures; average absenteeism rate; employee turnover; number of training hours.

Quantitative environmental information: energy consumption by floor space; paper consumption and proportion of recycled paper; total floor space of certified buildings (BBC/HQE); kilometers travelled by train, plane and company vehicle; CO2 emissions from the buildings' energy consumption and business trips; quantity of WEEE waste.

Qualitative information relating to ISO 27001 and data security; promotion of engineering occupations, career management; internal mobility and training; indirect impacts.

⁴ France; Spain; Italy; India.

Shareholder information

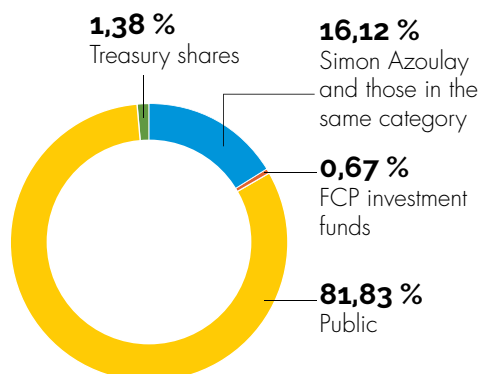
Investor information

Company name:	ALTEN
Activity:	Engineering and Technology Consulting
APE Code:	6202A
Trade and Companies Register number:	348 607 417 Nanterre
Registered office address:	40, avenue André Morizet 92513, Boulogne Billancourt 1988
Founding date:	1988
Nationality:	French
Share capital:	€34,217,865.26
Number of shares representing ALTEN's capital:	33,667,875 shares
Legal form:	A French public limited company with Board of Directors
Financial year:	1 January to 31 December
Market:	ALTEN is listed in Compartment A of Euronext Paris
Stock market indices including ALTEN shares:	SBF 120, SBF 250, IT CAC 50, CACMID 100
ISIN Code:	FR 0000071946

Financial analysts

Aurel BGC
Berenberg
Bryan Garnier
Cheuvreux Kepler
CIC Securities
Exane BNP Paribas
Gilbert Dupont
Natixis
Oddo Securities
Société Générale

Shareholder structure (at 30/03/2016)



Calendrier

28 January 2016	Revenue from 4th quarter 2015
24 February 2016	2015 annual results
28 April 2016	Revenue from 1st quarter 2016
24 May 2016	General Meeting of Shareholders
28 July 2016	Revenue from 1st half 2016
21 September 2016	Results from 1st half 2016
27 October 2016	Revenue from 3rd quarter 2016

Stock market performance

DATE	MONTHLY VOLUME	MONTHLY VOLUME IN EUROS	HIGH	LOW	AVERAGE PRICE	AVERAGE DAILY TRADING VOLUME	AVERAGE DAILY TRADING IN EUROS
Jan-15	489,502	17,509,486.5400 €	37.55 €	33.66 €	35.77	23,310	833,798.7000 €
Feb-15	618,387	23,610,015.6600 €	40.07 €	36.07 €	38.18	30,919	1,180,500.7830 €
March-15	2,481,434	104,096,156.3000 €	43.50 €	39.40 €	41.95	112,792	4,731,643.4682 €
Apr-15	916,934	40,482,636.1000 €	45.70 €	42.30 €	44.15	45,847	2,024,131.8050 €
May-15	504,472	21,989,934.4800 €	45.57 €	42.41 €	43.59	25,224	1,099,496.7240 €
June-15	1,063,821	44,457,079.5900 €	43.75 €	40.12 €	41.79	48,356	2,020,776.3450 €
Jul-15	850,535	37,083,326.0000 €	46.15 €	40.24 €	43.60	36,980	1,612,318.5217 €
Aug-15	551,839	23,993,959.7200 €	46.00 €	38.98 €	43.48	26,278	1,142,569.5105 €
Sept-15	969,209	43,071,647.9600 €	47.78 €	41.70 €	44.44	44,055	1,957,802.1800 €
Oct-15	826,035	39,261,443.5500 €	49.47 €	46.27 €	47.53	37,547	1,784,611.0705 €
Nov-15	1,028,173	50,318,786.6200 €	52.07 €	46.80 €	48.94	48,961	2,396,132.6962 €
Dec-15	1,311,663	70,292,020.1700 €	55.00 €	51.86 €	53.59	59,621	3,195,091.8259 €
Jan-16	1,404,380	72,662,621.2000 €	54.90 €	45.12 €	51.74	70,219	3,633,131.0600 €
Feb-16	1,140,136	54,612,514.4000 €	53.03 €	43.73 €	47.90	54,292	2,00,595.9238 €
March-16	810,468	43,133,106.9600 €	54.24 €	52.09 €	53.22	38,594	2,053,957.4743 €



2015
Registration
Document

Annual financial report

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PERSONS RESPONSIBLE

1.1 PERSON IN CHARGE OF THE REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

“After having taken all reasonable precautions, I declare that the information contained in this Registration Document is, to my knowledge, true and contains no omissions likely to affect its interpretation.

I declare, to the best of my knowledge, that the financial statements have been compiled in accordance with the applicable accounting standards and provide an accurate picture of the assets, financial situation and results of the Company and its subsidiaries, and that the management report (see cross-reference table on page 265) gives a fair reflection of the business trends, the results and the financial situation of the Company and its subsidiaries and describes the main risks and uncertainties that these companies currently face.

I have obtained an end-of-mission statement from the Statutory Auditors indicating that they have verified the information concerning the financial position and the financial statements presented in this Registration Document and have read this entire document. The Statutory Auditors' report on the Company financial statements for the year ended 31 December 2013, appearing in paragraph 20.4.2 of the 2013 Registration Document (No. D. 14-0408) contains one comment.”

Signed at Boulogne-Billancourt on 25 April 2016.

Simon Azoulay – Chairman and Chief Executive Officer

1.2 PERSON IN CHARGE OF FINANCIAL INFORMATION

Bruno Benoliel

Deputy Chief Executive Officer.

1

PERSONS RESPONSIBLE

STATUTORY AUDITORS

2.1 IDENTITY

2.1.1 PRINCIPAL STATUTORY AUDITORS

KPMG Audit IS

Represented by Jean-Pierre Valensi – Tour EQHO, 2 avenue Gambetta, CS 60055, 92066 Paris La Défense.

Initial appointment date: 18 June 2015.

Term of office expires on: Ordinary General Meeting to be held in 2021 called to approve the financial statements for the financial year ending 31 December 2020.

Grant Thornton

Represented by Vincent Frambourt – 100, rue de Courcelles, 75017 Paris.

Initial appointment date: 25 June 2003.

Renewal date: 23 June 2009 and 18 June 2015.

Term of office expires on: Ordinary General Meeting to be held in 2021 called to approve the financial statements for the financial year ending 31 December 2020.

2.1.2 ALTERNATE STATUTORY AUDITORS

Salustro Reydel – alternate Statutory Auditors for KPMG Audit IS

Represented by Bertrand Desbarrières – Tour EQHO, 2 avenue Gambetta, CS 60055, 92066 Paris La Défense.

Initial appointment date: 18 June 2015.

Term of office expires on: Ordinary General Meeting to be held in 2021 called to approve the financial statements for the financial year ending 31 December 2020.

IGEC – alternate Statutory Auditors for Grant Thornton

Represented by Vincent Papazian – 3, rue Léon-Jost, 75017 Paris.

Initial appointment date: 25 June 2003.

Renewal date: 23 June 2009 and 18 June 2015.

Term of office expires on: Ordinary General Meeting to be held in 2021 called to approve the financial statements for the financial year ending 31 December 2020.

2.2 STATUTORY AUDITORS' FEES

The table relating to Statutory Auditors' fees is shown in paragraph 20.3.1, Note 4.6 of this Registration Document.

2 STATUTORY AUDITORS

SELECTED FINANCIAL INFORMATION

3

3.1 HISTORICAL FINANCIAL INFORMATION

KEY FIGURES FOR THE PERIOD COVERING THE HISTORICAL FINANCIAL INFORMATION

<i>(In millions of euros)</i>	2015	2014	2013
Revenue	1,540.9	1,373.2	1,216.2
France	51.6%	55.5%	61.7%
International	48.4%	44.5%	38.3%
Operating profit on activity	152.5	132.2	117.6
Operating profit on activity <i>(as % of revenue)</i>	9.9%	9.6%	9.7%
Operating profit	147.1	117.5	110.8
Net income, Group share	106.3	79.5	73.8
Workforce	20,400	18,400	16,000

3

SELECTED FINANCIAL INFORMATION

RISK FACTORS

4

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4

RISK FACTORS

INTEREST RATE, FOREIGN EXCHANGE AND STOCK MARKET RISKS

The Group has reviewed the risks that could have a significant adverse effect on its business, its financial situation or its results (or its capacity to meet its targets) and considers that there are no significant risks other than those presented below:

4.1 INTEREST RATE, FOREIGN EXCHANGE AND STOCK MARKET RISKS

4.1.1 INTEREST RATE RISK

The Group's interest rate risk relates primarily to the Club Deal contract signed on 20 March 2015 which is indexed to the Euribor for the corresponding interest period. It therefore incurs an interest rate risk based on changes in the reference index.

Due to low debt levels and interest rate changes, the Group did not consider it necessary to arrange interest rate hedging, especially since its financing is short term. The Group's exposure remains limited. At 31 December 2015, financial debt at variable rate amounted to €33 million.

4.1.2 FOREIGN EXCHANGE RISK

Operating foreign exchange risk

Although the Group has broad international presence, the currency flows linked to its activity are limited to each subsidiary's internal market and primarily converted into local currencies.

transactions may have resulted in refinancing by the Group in foreign currencies but remain limited and are completely or partially covered by bank loans in foreign currencies.

See also section 20.3.1, Note 2.3 "Financial risk factors".

Foreign exchange risk

The financing needs of subsidiaries outside the eurozone and some of the Group's financing transactions expose certain entities to a foreign exchange risk (risk linked to the change in value of debts or receivables in currencies other than the operating currency of the lending or borrowing entity). In general, the Group's external financing is denominated in euros. However, certain external growth

Risk of translation change

Some of the Group's subsidiaries are located outside the eurozone, in particular the USA and Sweden. The financial statements of these subsidiaries are subject to certain volatility when translated into the consolidation currency linked to changes in the local currency compared to the euro. The risk of translation change constitutes the Group's main exposure to foreign exchange risk.

4.1.3 EQUITY RISK

There is little risk in respect of the trading price of its shares. Indeed, in addition to treasury shares held under the liquidity contract, ALTEN holds only 460,022 treasury shares, representing 1.37% of its share capital at 31 December 2015.

ALTEN also holds 426,149 ordinary shares in AUSY (listed on the NYSE Euronext, Compartment C) representing 8.70% of this company's share capital at 31 December 2015.

Securities giving future access to capital represent only 0.2% of ALTEN's share capital at 31 December 2015.

4.2 LIQUIDITY RISK

A prudent liquidity management plan involves keeping a sufficient level of liquid assets, having financial resources through appropriate credit facilities and being able to settle one's positions on the market. The Group ensures that it always has sufficient liquidity to meet its commitments, in particular to realise investment opportunities.

At 31 December 2015, the Group has:

- centralised cash management when local legislation so permits;
- internal procedures to optimise debt recovery;
- credit lines set up for €160 million as part of the Club Deal contract and short-term confirmed credit lines for €20.5 million, renewable annually.

At 31 December 2015, the ratios under the Club Deal contract signed on 20 March 2015 had been met, namely:

- ratio 1 – “Consolidated net financial debt/Consolidated operating profit on activity”. This ratio is less than 2.5;
- ratio 2 – “Consolidated net financial debt/increased equity”. This ratio is less than 0.7.

Additional information on the Club Deal contract is set out in section 20.3.1, Note 2.3 “Financial risk factors”.

The Company performed a specific review of its liquidity risk and considers that it is in a position to meet its future commitments.

4.3 CREDIT/COUNTERPARTY RISK

ALTEN's services are invoiced mainly on a time-spent basis. In reality, there are few risks related to fixed-price contracts (less than 10% of revenue). Internal procedures established by certain major account customers with regard to the issue of purchase orders and payment of invoices affect payment time frames. In light of these ever-growing difficulties, the Group had to strengthen its procedures to limit the increase in outstanding customer accounts and the risk of non-payment by customers.

The ALTEN Group derives 35.8% of its sales from approximately ten customers, with its largest customer representing 11.2% of Group sales within various entities in several countries.

MAJOR ACCOUNTS' SHARE

<i>(as % of revenue)</i>	2015	2014	2013
First	11.2	11.1	11.3
Top five	25.2	25.9	29.6
Top ten	35.8	37.1	42.1

The ALTEN Group has also established internal procedures to assess the risk of customer insolvency during the pre-sales process and subsequently to efficiently collect these receivables.

The ALTEN Group's customers are among the largest European accounts: close to 88% of revenue is generated by this type of customer thus limiting the risk of insolvency. Its credit risk is therefore limited. Customer account collection periods were 93.5 days in 2015 (98.5 days in 2014).

There is no identified risk of dependency with regard to a specific client. See also section 20.3.1, Note 2.3.

4

RISK FACTORS

RISKS CONNECTED WITH INTANGIBLE ASSETS

4.4 RISKS CONNECTED WITH INTANGIBLE ASSETS

Goodwill represents the difference between the purchase price and the fair value at the date of acquisition of identifiable assets and liabilities and contingent liabilities. Goodwill is not amortised. The Group has a period of 12 months from the date of acquisition to finalise the valuation of these assets and liabilities. Beyond this period, the effects are recognised directly under earnings.

Goodwill is allocated to cash generating units (CGU) or groups of cash generating units that could benefit from the consortium that generated the goodwill. The ALTEN Group performs impairment tests of goodwill as soon as an indication of impairment is identified and

at least once a year. Goodwill impairment losses are not reversible (see section 20.3.1, notes to the financial statements, section 2.2.5.3 and 2.2.5.6).

When the acquisition cost is less than the fair value of the share belonging to the Group in the net assets of the subsidiary acquired, the difference is recorded directly in the income statement over the vesting period, after verification of the process of identifying and evaluating various factors taken into account in its calculation.

See also section 20.3.1, Consolidated financial statements, Note 3.1.

4.5 LEGAL RISKS

Most of the services provided by the ALTEN Group are subject to an obligation of means.

However, services that are results-based (fixed-price contracts) may, in case of a delay in execution or incorrect execution, lead to the application of penalties, or result in ALTEN's liability being committed. The Group has developed specific methodological processes for the management of projects of this type. The Structured Projects Division, which deploys the methodologies and drives the delivery of the work packages, was certified CMMI[®] (1) level 3 in December 2015 for a new three-year period. All of these processes associated with a rigorous management of its contractual commitments enable ALTEN to control this risk.

In connection with its activities, the Group is involved in certain legal actions, mainly relating to former employees, commercial matters and taxes. A provision is posted when the Group has an obligation to a third party and it is certain or likely that it will lead to an outflow of resources for the benefit of said third party. Provisions are broken down by type, amount and expected maturity in the notes to the consolidated financial statements (see section 20.3.1, details of Consolidated financial statements, Note 3.9).

There is no other governmental, judicial or arbitration procedure, including all procedures known to the Company, that is pending or liable to occur and is likely to result or has resulted in a material impact on the financial situation or the profitability of the Company and/or the Group over the past 12 months.

(1) CMMI is registered in the US Patent and Trademark Office by Carnegie Mellon University.

4.6 RISKS CONNECTED TO ACQUISITIONS

The ALTEN Group has carried out, and may again be led to carry out, transactions involving the acquisition of assets or equity interests, and more generally, any transactions involving external growth.

Such transactions involving acquisitions primarily imply the following risks:

- the assumptions made by the Group for the valuation of the acquisition could not be verified, in particular with regard to the prices, costs, synergies and profitability expected;
- difficulties connected to the implementation of the integration of the businesses or of the companies acquired may occur;
- the Group may not be able to retain certain employees or key customers;
- the Group could worsen its debt with a view to financing such acquisitions, thereby limiting its financial flexibility and the possibilities of contracting for new outside funding.

Consequently, the benefits expected from future or now-realized acquisitions may not be able to be verified within the timeframes and

levels expected, which could have a negative impact on net financial income, the financial position, or the Group's outlook.

Within the framework of its development strategy, particularly abroad, the ALTEN Group completed a certain number of business combinations during the course of the last few financial years and is constantly looking at new opportunities.

These transactions targeted companies with between 50 and 200 consultants, in other words, of modest size in relation to that of the Group and therefore have a reduced exposure to the risks set forth above.

Upstream, a dedicated service which may be supplemented by outside consultants, selects and analyses the targets, presents and gives advice on investment options.

When an investment is decided upon, the Group develops an integration programme and puts into place the resources necessary for its implementation.

4.7 BUSINESS ACTIVITY RISKS

4.7.1 PROCEDURES AND REFERENCING POLICIES

The major accounts have implemented policies to rationalise their use of engineering and technology consultancy companies, the effect of which is to limit the number of listed partners in the context of a general policy aiming to increase productivity.

At end-2015, ALTEN was confirmed as a preferred supplier for all of its customers in the Aeronautical, Automotive, Energy, Telecoms and other sectors.

If ALTEN were to lose its preferred supplier status with a major account (two customers each representing more than 5% of revenue), its activity ratio and, as a result, its profitability could be affected.

In view of the rationalisation of supplier panels and changing demand among project owners, ALTEN assists its customers by implementing a work package offer that delivers productivity gains and which can be combined with a nearshore or offshore approach.

For some years now, customers' Purchasing Divisions have expressed interest in performing some of their research and development activities in "low-cost" countries. Accordingly, the ALTEN Group has established structures to meet this demand and thus keep up the customer relationship. In practice, the number of projects carried out in offshore or nearshore mode remains very limited.

ALTEN has nearshore and offshore organisations in Romania, Poland, India and Morocco.

The share of revenue generated by the ALTEN Group in offshore mode and nearshore mode is insignificant.

At this time, there are almost no relocation risks. This offshore/nearshore package, if it expands, should enable ALTEN to gain ground in new markets.

4

RISK FACTORS

INDUSTRIAL RISKS RELATED TO THE ENVIRONMENT

4.7.2 HUMAN RESOURCES MANAGEMENT

Close to 90% of ALTEN's employees are engineers whose profiles are much sought after in a very tight labour market.

With close to 5,000 new hires worldwide in 2015, 4,500 of them engineers and 30% of them young graduates, ALTEN has an active recruitment policy. The Group reaches out to prospective employees by attending some 100 recruitment fairs and forums each year, by

arranging networking events such as the ALTEN Job Tour, which visits 10 French cities, and by forming partnerships with engineering schools and with the French Confederation of Junior Enterprises.

In 2016, ALTEN received Top Employer certification in France for the fifth year running in recognition of the Group's investment in people and its training and talent development schemes.

4.8 INDUSTRIAL RISKS RELATED TO THE ENVIRONMENT

These risks are not material. The ALTEN Group provides intellectual services. Therefore, these activities have little environmental impact.

4.9 INSURANCE

The Group's insurance policy is linked to a strong initiative to prevent and protect against risk. All Group companies are insured through top ranking insurance companies for all major risks that could significantly impact its business, results or assets.

The main insured risks concern:

- indirect intangible damages;
- damage to property and business interruption;
- damage incurred by customers and third parties.

HISTORY AND DEVELOPMENT OF THE COMPANY

5

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5.1 HISTORY AND DEVELOPMENT OF THE COMPANY

5.1.1 COMPANY AND COMMERCIAL NAME OF THE ISSUER

Issuer's Company name: ALTEN.

Issuer's commercial name: ALTEN.

5.1.2 TRADE AND COMPANIES REGISTER

The Company has been registered in the Nanterre Trade and Companies Register under the number 348607417 since 16 November 1988.

5.1.3 DATE OF INCORPORATION AND TERM

The Company was formed on 28 October 1988.

The duration of the Company is 99 years as from its registration in the Trade and Companies Register, except in the case of premature winding up or extension of such duration.

5.1.4 REGISTERED OFFICE, LEGAL FORM, APPLICABLE LEGISLATION

Registered office and headquarters: 40, avenue André-Morizet, 92513 Boulogne-Billancourt Cedex. The telephone number of the registered office is +33 (0)1 46 08 72 00.

Sales Division: 221 bis, boulevard Jean-Jaurès, 92514 Boulogne-Billancourt Cedex. The telephone number of the Sales Division is +33 (0)1 46 08 70 00.

ALTEN is a French limited company (*Société Anonyme*) with a Board of Directors, subject to French law, especially the provisions of Book II of the Commercial Code.

5.1.5 HISTORY AND DEVELOPMENT OF THE GROUP STRUCTURE

Since its inception, ALTEN has developed in two strategic directions: geographical proximity to its customers (in France and abroad) and continued enhancement of its offer by developing new expertise

and services. ALTEN has quickly become a European leader in the engineering and technology consultancy sector.

1988

ALTEN is founded by three engineers, all graduates of prestigious French universities, who are at the Company's helm.

1989-2000

1989: ALTEN created its first subsidiaries in France: ALTEN Sud-Ouest, ALTEN Industrie (fixed-price integration in the railway industry), GIST and abroad: ALTEN Ltd (UK).

ALTEN continues to expand despite the recession. It doubles its workforce and generates a profit in every year from 1991 to 1994.

ALTEN broadens its range of services by setting up subsidiaries that specialise in network architecture, open systems, client-server applications, and object-oriented technologies.

ALTEN opens two offices in western and eastern France (ALTEN Ouest and ALTEN Est) as part of its regional expansion strategy.

1999: ALTEN SA is launched on the Second Marché of the Paris Stock Exchange on 1 February 1999. The Company continues to expand regionally with the opening of ALTEN PACA and ALTEN Nord. It spins off its operations in Belgium with the creation of ALTEN Benelux in late December.

2000: ALTEN continues to set up foreign operations. It creates Altek in Germany, ALTEN Spain, Axen in the Benelux region, and increases its stake in ALTEN Ltd. in the UK to 100%. The Group acquires Abilog, Anotech, Cogitel and the Techniques Avancées Group.

2001-2010

- 2001: ALTEN steps up its policy of growth through acquisition to sustain its rate of expansion in a less favourable economic climate and acquires three new companies, including one overseas: Eben Technologies, SD Partners and ETIC.
- 2002: ALTEN continues its growth and acquires another four companies (SBD Technologies and Siatcom in Spain, Orion in the Netherlands and Groupecyber in France).
- 2003: Reinforcement of its international position, which at end 2003 represents 20% of ALTEN Group revenue, particularly following implementation in Italy (acquisition of DEC Informatica) and Germany (acquisition of IMP GMBH). Acquisition of a company in France, the GSO Group, which specialises in research and development project management.
- 2004: ALTEN achieves significant organic growth in France and continues its international development. The Group records more than 25% of its revenue outside France. Acquisition of three new companies: Cronos in Spain, Syselog in France and Aerotec in Germany, allowing ALTEN to become a European leader in R&D project management.
- 2005: ALTEN exceeds its objective of 6,000 employees a year ahead of schedule (workforce of 6,540 at the end of 2005). The Group records more than 27% of its revenue outside France. ALTEN carries out diverse internal restructuring operations in 2005 and acquires Quaternove in France.
- 2006: ALTEN becomes the European leader in advanced technology consultancy and continues its expansion through organic growth and acquisitions. In response to the growing demand from customers for work package ⁽¹⁾ and offshore/nearshore services ⁽²⁾, ALTEN creates a special division dedicated to Structured Projects and acquires a company specialising in R&D engineering and work package design.
- The nearshore offer is expanded with an acquisition in Romania and now includes the Czech Republic, Slovakia, Poland, Romania and Vietnam.
- 2008: ALTEN confirms the almost comprehensive nature of its listings and partnerships in Europe, and is included among EADS' listed E2S service providers throughout the world (the top five engineering service providers for the EADS Group). Sustained organic growth (16.2%) is achieved mainly through the Energy, Rail, Aeronautics and Banking sectors. ALTEN thereby strengthens its position as a leader in the ETC market (source: PAC 2009 ⁽³⁾).
- 2009: The decline in economic activity affects most business sectors, mainly the Automotive industry. ALTEN's listings are confirmed and it continues its growth in other sectors such as Aeronautics, Energy and Banking/Finance. The ALTEN Group becomes the French leader in integrated projects.
- 2010: The ALTEN Group continues to redeploy its offer towards structured projects. This strategy leads it to strengthen and restructure its Technical Division and to start the CMMI certification process.

2011-2015

- 2011: ALTEN continues to gain market shares through sustained organic growth and external growth operations to speed up its development internationally.
- 2012-2014: ALTEN continues its strategy of organic growth and speeds up development through external growth in order to strengthen its market positions on the international stage.
- In 2012: ALTEN acquires 4 international companies: in Sweden (250 consultants), China (50 consultants), Germany (30 consultants) and Poland (40 consultants). In 2013, ALTEN acquires six new companies: one in France and five abroad in the USA, the UK, Germany and Belgium. In 2014, ALTEN continues its international expansion and acquires eight companies, seven of which are foreign concerns. ALTEN specifically reinforces its presence in Germany, with almost 2,000 employees.

2015

International business now represents 48.4% of total Group activity, owing in particular to the acquisition of six new foreign companies.

In the years to come, ALTEN will pursue a strategy based on dynamic external growth and its capacity for organic development, in line with its margin policy.

(1) Subcontracted services where technical resources are made available (premises, computers, business software).

(2) Services used in France and carried out abroad (either in close countries, i.e. nearshore, or in countries that are far or very far away, i.e. offshore).

(3) Study carried out by Pierre Audoin Conseil.

5.2 INVESTMENTS

5.2.1 PRINCIPAL INVESTMENTS DURING 2015

During 2015, ALTEN made the following principal investments:

- acquisitions of fittings and fixtures, furniture, equipment and IT infrastructure for an amount of €2,965 million, as well as intangible assets for €2,167 million;

- net financial assets, equity investments and earn-outs paid for an amount of €25,796 million.

These investments were self-financed.

5.2.2 PRINCIPAL INVESTMENTS MADE OR COMMITTED SINCE THE YEAR END

Apart from the acquisitions mentioned in paragraphs 9.1.1.1 and 9.1.1.2 of this document, no financial or equity investments have been made or committed since year-end.

5.2.3 PRINCIPAL FUTURE INVESTMENTS

No investment planned in the future has given rise to a firm commitment by the Company's management bodies, with the exception of earn-out clauses relating to acquired subsidiaries, whose amounts

were duly posted in the Group's consolidated financial statements. The corresponding debt, estimated at €27.5 million at 31 December 2015, is posted in other current and non-current liabilities.

OVERVIEW OF THE BUSINESS AND STRATEGY

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6

OVERVIEW OF THE BUSINESS AND STRATEGY

MAIN ACTIVITIES

6.1 MAIN ACTIVITIES

6.1.1 OPERATIONS AND MAIN ACTIVITIES

The ALTEN Group's main activities are described in the Chapters of the business report entitled "ALTEN, technology partner" and "Our customers". The tables below supplement this information.

Breakdown of consolidated revenue by main business sector for the period covered by the historical financial information:

	2015	2014	2013
Aerospace	17.1%	17.5%	18.5%
Defence & Security	4.9%	5.3%	5.8%
Automotive	19.1%	17.8%	14.5%
Rail & Naval	3.1%	3.9%	4.5%
Multimedia & Electronics	6.0%	5.3%	5.9%
Telecoms	8.9%	10.4%	12.5%
Finance & Services	16.1%	15.0%	14.5%
Energy & Life Sciences	19.9%	20.5%	20.2%
Other industries	4.9%	4.3%	3.6%

Breakdown of consolidated revenue and engineer workforce by main geographical regions for the period covered by the historical financial information:

		2015	2014	2013
France	Revenue	€795.3 million	€761.5 million	€751 million
	<i>Proportion of consolidated revenue</i>	51.6%	55.5%	61.7%
	Engineers	8,917	8,228	7,917
Germany	Revenue	€160.2 million	€145.2 million	€108.6 million
	<i>Proportion of consolidated revenue</i>	10.4%	10.6%	8.9%
	Engineers	1,632	1,580	1,128
Scandinavia	Revenue	€121.6 million	€114.8 million	€101.7 million
	<i>Proportion of consolidated revenue</i>	7.9%	8.4%	8.4%
	Engineers	1,257	1,217	894
North America	Revenue	€109.6 million	€54.2 million	€25.3 million
	<i>Proportion of consolidated revenue</i>	7.1%	3.9%	2.1%
	Engineers	414	291	139
UK	Revenue	€86.1 million	€73.2 million	€47.3 million
	<i>Proportion of consolidated revenue</i>	5.6%	5.3%	3.9%
	Engineers	573	564	446
Spain	Revenue	€69.8 million	€60.6 million	€57.6 million
	<i>Proportion of consolidated revenue</i>	4.5%	4.4%	4.7%
	Engineers	1,509	1,296	1,124
Italy	Revenue	€56.9 million	€47.4 million	€32.2 million
	<i>Proportion of consolidated revenue</i>	3.7%	3.4%	2.6%
	Engineers	812	710	479
Belgium	Revenue	€52.9 million	€46.5 million	€37.0 million
	<i>Proportion of consolidated revenue</i>	3.4%	3.4%	3.0%
	Engineers	536	421	341
The Netherlands	Revenue	€51.8 million	€37.1 million	€33.7 million
	<i>Proportion of consolidated revenue</i>	3.4%	2.7%	2.8%
	Engineers	516	413	398
Other	Revenue	€36.6 million	€32.8 million	€21.8 million
	<i>Proportion of consolidated revenue</i>	2.4%	2.4%	1.8%
	Engineers	1,827	1,526	1,238

6.1.2 NEW OFFERS

The ALTEN Group's range of services is described in the Chapter entitled "ALTEN, TECHNOLOGY PARTNER" in the "Range of service" section of the business report.

6

OVERVIEW OF THE BUSINESS AND STRATEGY MAIN MARKETS

6.2 MAIN MARKETS

A presentation of the ALTEN Group's principal markets is given in the Chapter of the business report entitled "Our customers".

6.3 EXCEPTIONAL EVENTS

None.

6.4 ISSUER'S DEPENDENCY ON PATENTS OR LICENCES, INDUSTRIAL, COMMERCIAL OR FINANCIAL AGREEMENTS, OR NEW MANUFACTURING METHODS

See Chapter 4 "Risk factors".

6.5 COMPETITIVE POSITION

ALTEN has been the number one provider in the engineering and technology consulting market for several years. ALTEN is N°2 in the European market, in which it is reinforcing its front-running position. The engineering and technology consulting market is fragmented.

In France, around ten players have revenue in excess of €150 million and jointly represent nearly 40% of activity.

The market, excluding France, remains highly fragmented.

Only six market players in the engineering and technology consulting field have a European presence; they are all French.

(Source: Pierre Audoin Consultants 2015).

ORGANISATION CHART

7

7.1 BRIEF DESCRIPTION OF THE GROUP

ALTEN SA is the parent company of the ALTEN Group. ALTEN SA conducts both operational activities and operational holding activities for the Group. It conducts the following activities as part of its parent-subsidiary relationship with the Group's, mainly French, subsidiaries:

- legal (company law, contracts, dispute resolution, labour law, claims, mergers and acquisitions, etc.);
- finance (accounting, management oversight, cash management, etc.);
- administration and human resource management (career management, payroll, employee relations, etc.);
- support services (logistics, care and maintenance, etc.);
- computing (Information Systems and Networks/Telecommunications);
- internal development (recruitment and training of sales managers, etc.);

- communication and marketing;
- management and strategy consultancy.

The subsidiaries are billed for these services in line with the transfer pricing policy implemented within the Group.

ALTEN SA has formed a central corporate treasury within the Group through its wholly-owned subsidiary, ALTEN Cash Management SARL.

ALTEN SA also allows some of its subsidiaries to benefit from major account referrals.

At 31 December 2015, the ALTEN Group was composed of 110 subsidiaries located in Europe, North America, India and Asia.

7.2 LIST OF MAJOR SUBSIDIARIES

The list of major subsidiaries is given in Note 2.4 to the consolidated financial statements, "Scope of consolidation", in paragraph 20.3.1 of this Registration Document.

7

ORGANISATION CHART

REAL ESTATE, FACTORIES AND EQUIPMENT

8

8.1 SIGNIFICANT PROPERTY, PLANT AND EQUIPMENT

None.

8.2 ENVIRONMENTAL ISSUES THAT MAY AFFECT THE USE OF PROPERTY, PLANT AND EQUIPMENT

None.

8

REAL ESTATE, FACTORIES AND EQUIPMENT

REVIEW OF THE FINANCIAL POSITION AND RESULT

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All subsidiaries of ALTEN (hereafter the “Company” or “ALTEN”) are consolidated into the Group financial statements in accordance with the methods described in the notes to the consolidated financial statements.

9.1 FINANCIAL POSITION

9.1.1 ACTIVITY OF THE GROUP AND ALTEN SA OVER THE LAST FINANCIAL YEAR

9.1.1.1 Activity of the Group

ALTEN, the European leader in Engineering and Technology Consulting (ETC), carries out design and research projects for the technical and information systems divisions of major industrial, telecoms and service-provider customers.

The market encompasses the full range of ETC services, specifically:

- Scientific and Technical Research;
- Network and IT System Architecture.

The ALTEN Group continued to expand internationally (+21.9), which now accounts for 48.4% of the Group’s total activity.

The operating margin was up significantly to 9.9% of revenue (9.6% in 2014). It stood at 8.8% in the first half of 2015 and jumped to 11% in the second half. The consolidation of companies recently acquired in 2014 and 2015 continued to weigh on our operating margin; The latter, which are less profitable, are in the consolidation phase, and weigh primarily on the profitability of foreign businesses. Their profitability is progressively improving, as a result of efforts undertaken.

Excluding the 2014 and 2015 acquisitions, the operating margin would have been more than 10%.

At the end of December, ALTEN had 20,400 employees, 88% of them are engineers.

The breakdown by location and by activity is presented in Chapter 6 of this Registration Document.

ALTEN made a number of acquisitions during the last financial year:

- LINCOLN (revenue €23 million; 230 consultants)

acquisition by ALTEN SA, on 12 February 2015, of a 100% shareholding in Abilène, Lincoln’s holding company incorporated under French law and specialising in data science and more specifically decision-support information and clinical studies in France.

- ECLIPSE IT (revenue €14 million; 95 consultants)

acquisition by ALTEN Nederland BV, on 26 January 2015, of a 100% shareholding in 4 Dutch companies specialising in Software Testing and Business Intelligence.

- EXPERCO (revenue €8 million; 30 consultants)

acquisition by ALTEN Canada Inc., on 13 March 2015, of a 100% shareholding in the Canadian firm Experco, specialising in IT consulting.

- AIXIAL (revenue €17 million; 160 consultants)

acquisition by ALTEN SA, on 1 July 2015, of a group of companies in France specialising in Life Sciences and BI.

- CORALIUS (revenue €9 million; 70 consultants)

acquisition by ALTEN Belgium, on 31 July 2015, of a company specialising in software testing and software quality-assurance service.

- CREATIVE DATA (revenue €12.5 million; 100 consultants)

acquisition by ALTEN Europe, on 8 October 2015 of Creative Data AG in Germany and its subsidiaries specialising in Infotainment.

- BEONE (revenue €12 million; 50 consultants)

acquisition by ALTEN Europe sarl, on 27 October 2015 of BeOne Group in Germany and its Swiss subsidiary, specialising in technology consulting and engineering, along with securities in companies in Germany.

- HOTSWAP (Revenue: €7 million; 50 consultants)

acquisition by ALTEN Sweden on 5 November 2015, of the Hotswap Group specialising in Life Sciences.

Moreover, on 20 March 2015, ALTEN SA signed a Club Deal credit agreement of up to €160,000,000 for a maximum term of seven years in order to secure the financial resources necessary for the ALTEN Group to fund its operating requirements, investments and external growth.

Events after year end

The Group concluded several acquisitions during the 1st quarter of 2016:

- The acquisition of a company specialising in software engineering in Italy (revenue of €8 million, 60 consultants);
- The acquisition of a company specialising in the automotive industry in the United States (revenue of €6 million, 70 consultants);
- The acquisition of a company specialising in the healthcare market in the United States (revenue €16 million; 150 consultants)
- The acquisition of the business of a company operating in several countries – in India, the United States and Singapore (revenue €18 million; 750 consultants)
- The acquisition of a company in Germany in the technology engineering and consultancy market (revenue: €10 million; 70 consultants).

9.1.1.2 Activity of ALTEN SA

ALTEN SA carries out research and design projects for the technical and information systems divisions of major customers in the industrial, telecommunications and service sectors.

ALTEN works with its customers through various types of contracts:

- consulting;
- “workpackage” method;
- workpackages include several levels of responsibility and risk-sharing, and may be carried out on the client’s premises or may be partially or completely outsourced to an ALTEN facility. These services are generally provided by committing resources, with corresponding invoicing on a time-spent basis. The share in the work package product offer of fixed-price projects with commitments in terms of results, for a fixed fee, represents less than 10% of ALTEN SAs total activity.

Business in 2015 was overall satisfactory, even though it was marked by price pressures from the main customers. The latter continue to be always seeking gains in productivity.

Among the main significant events to note, the Automotive and equipment sector was marked by a strong upswing for the second

consecutive year. In contrast, the Telecommunications sector in France continued its decline in 2015.

The Aeronautics sector experienced strong growth in the manufacturing and engineering businesses, and in space activity.

The Life Sciences sector is posting significant growth, primarily in the pharmacy area.

Lastly, 2015 was marked by a clear slow-down in the Oil and Gas field and difficulties in the Nuclear sector, even though ALTEN SA remained fairly unexposed.

Key events

Besides external growth operations carried out by ALTEN SA as described in paragraph 9.1.1.1, on 20 March 2015 ALTEN signed a Club Deal credit agreement for up to €160,000,000 for a maximum term of seven years, in order to secure the financial resources necessary for the ALTEN Group to fund its operating requirements, investments and external growth acquisitions;

Events after year end

None.

9.1.2 REVENUE GROWTH

9.1.2.1 ALTEN Group

The ALTEN Group’s consolidated revenue comes to €1,540.9 million, up 12.2% from 2014. International markets now account for 48.4% of revenue (compared to 44.5% in 2014) reflecting consistent growth.

Like-for-like, business was up by 3.43% in 2015 (2.5% in France; 4.6% outside of France).

Business growth in France was more sluggish during the last quarter, but accelerated all throughout the year internationally.

The acquisitions, mainly made abroad, accounted for close to 8% of the business growth, primarily internationally. In France, growth was 4.5%. Outside of France, business grew by 21.9%.

9.1.2.2 ALTEN SA

ALTEN SA posted revenue of €465.3 million, up by 7% on the previous year (€434.8 million).

98% of the Company’s revenue is generated in France, and 2% outside of France, from projects carried out for French customers.

This includes direct invoicing for services rendered by some Group subsidiaries to customers with whom ALTEN SA is a listed supplier, together with related services consisting of fees billed back to subsidiaries, the rebilling of shared services, etc.

Consequently, operating revenue (not including ongoing management income) from services carried out by ALTEN SA for its customers amounted to €374.1 million in 2015, up by 5% over 2014 (€352.4 million).

Other external purchases and costs totalled €160.5 million, versus €146.8 million as at 31 December 2014, an increase of 9.3% owing mainly to a rise in sub-contracting costs and business-related travel expenses, in rental and training costs and expenses.

Employee expenses stood at €264.4 million, versus €256.1 million in 2014, an increase of 3.2% owing to the growth in headcount consistent with higher business activity.

9.1.3 EARNINGS TRENDS

9.1.3.1 ALTEN Group

At 31 December 2015, operating profit from activity amounted to €152.5 million and 9.9% of revenue (€132.2 million or 9.6% of revenue in 2014), up 15.3% from 31 December 2014. The improvement in business operating margin is due to the increase in profitability of the subsidiaries acquired in 2014 (even if their profitability remains below the Group’s average), and the increase in profitability at constant scope.

Non-recurring loss came to €5.5 million at 31 December 2015 (versus a loss of €15.5 million at 31 December 2014). It is composed mainly of restructuring and acquisition costs for companies acquired in 2014 and 2015.

After taking these factors into account, operating profit amounted to €147.1 million, or 9.5% of revenue, up 25.2% on the previous year. In 2014, the operating profit was €117.5 million, and represented 8.6% of revenue.

Net financial income was €4.9 million. It is composed mainly of net gains from foreign exchange, reversals of provisions and net discounted income, a capital gain from the sale of non-consolidated securities, and from financing costs connected to borrowings.

Income tax expenses came to -€47.6 million and earnings of equity-accounted companies came to €2.4 million.

Net income, Group share amounted to €106.3 million and 6.9% of revenue, up 33.7% from 2014.

The ALTEN Group's consolidated results are presented in the following table:

	2015		2014		Change
	(In millions of euros)	%	(In millions of euros)	%	%
Revenue	1,540.9		1,373.2		+12.2
Operating profit on activity	152.5	9.9	132.2	9.6	+15.3
Cost of stock options	0.1		0		
Non-recurring profit	(5.5)		(15.5)		
Impairment of goodwill	0		0		
Profit/loss from divestment	0		0.8		
Operating profit	147.1	9.5	117.5	8.6	+25.2
Net financial income	4.9		3.9		
Taxes	(47.6)		(42.2)		
Equity-accounted companies	1.9		0.4		
Net income, Group share	106.3	6.9	79.5	5.8	+33.7

9.1.3.2 ALTEN SA

Operating profit stood at €27.9 million (6% of revenue) versus €24.1 million as at 31 December 2014 (5.5% of revenue).

Net financial income stood at €8.4 million in 2015, versus €8 million in 2014. This is primarily made up of dividends paid by Alten subsidiaries (€35.5 million) less depreciation/impairment expenses (-€26 million).

Non-recurring profit amounted to €2.7 million in 2014, compared to €0.95 million as at 31 December 2014. This is primarily the result of capital gains from the disposal of securities.

After taking employee profit-sharing of €1.8 million and income tax of €2.9 million into account, net profit came to €34.3 million, or 7.4% of revenue.

On the balance sheet:

Non-current financial assets of €201.9 million mainly consist of investment securities.

As at 31 December 2015, ALTEN SA's net cash position (including financial current accounts) was positive at €37.5 million (€6.3 million as at 31 December 2014).

9.2 OPERATING PROFIT

9.2.1 SIGNIFICANT FACTORS

The factors that affected business and operating profit are set out in Chapter 9.1. An analysis by business sector is also available in the “Our customers” chapter of the business report.

9.2.2 MATERIAL CHANGES

None.

9.2.3 EXTERNAL EVENTS

None.

9.3 ALLOCATION OF EARNINGS

The General Meeting of Shareholders will be asked to approve the financial statements for the year ended 31 December 2015, which closed with a profit of €34,312,722.50.

Source:

• Profit for the financial year:	€34,312,722.50;
• Retained earnings:	€132,992,723.47;
• Earnings to be allocated:	€167,305,445.97.

Allocation:

• Legal reserve:	€6,048.14;
• Dividends: 33,678,875 shares at €1	€33,678,875.00;
• Other reserves:	€12,000,000.00;
• Retained earnings:	€121,620,522.83.

The dividend payment date is set for 31 May 2016.

The ex-dividend date is set for 27 May 2016.

9.4 NON-DEDUCTIBLE CHARGES

The amount of sumptuary expenses and other non-deductible charges referred to in Article 39-4 of the French General Tax Code came to €78,449 for the 2015 financial year.

9.5 DUE DATES FOR PAYMENT

Pursuant to Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, at 31 December 2015, the balance of trade payables was €42,106 thousand.

<i>(In thousands of euros)</i>	Total trade payables		Due payables on closure		Total debt not yet due		Including due dates less than 30 days		Including due dates between 30 and 60 days		Including due dates more than 60 days	
	31/12/15	31/12/14	31/12/15	31/12/14	31/12/15	31/12/14	31/12/15	31/12/14	31/12/15	31/12/14	31/12/15	31/12/14
Trade payables												
Operating suppliers	10,843	5,732	2,313	2,084	8,530	3,648	7,106	2,948	1,423	700	1	0
Group suppliers	19,065	18,159	42	278	19,024	17,881	9,273	8,057	9,750	9,823	0	0
Total workforce suppliers	29,908	23,891	2,354	2,362	27,554	21,529	16,380	11,005	11,173	10,523	1	0
Accounts payable not received	12,198	7,585										
TOTAL TRADE PAYABLES	42,106	31,476										

9.6 TABLE OF RESULTS FOR THE PAST FIVE FINANCIAL YEARS

Financial table <i>(In thousands of euros)</i>	31/12/2015	31/12/2014	31/12/2013	31/12/2012	31/12/2011
Share capital	34,215	34,140	33,618	32,953	32,801
Number of ordinary shares	33,662,625	33,589,610	33,075,301	32,421,753	32,271,677
Maximum number of future shares to be created:					
• by convertible bonds	-	-	-	-	-
• by exercising subscription rights	57,472	170,687	694,606	1,425,534	1,154,700
Revenue (net of tax)	465,268	434,762	442,091	452,616	433,257
EBITDA	68,652	38,410	64,842	43,756	46,340
Income tax	2,924	616	2,164	7,053	7,465
Employee profit-sharing	1,768	61	229	3,262	1,889
Net earnings	34,313	32,327	70,615	27,725	35,511
Distributed earnings	33,160	33,013	32,262	31,823	34,996
Earnings per share after tax and before depreciation and provisions	1.90	1.12	1.89	1.03	1.15
Earnings per share after tax, depreciation and provisions	1.02	0.96	2.13	0.86	1.10
Dividend per share	1.00	1.00	1.00	1.00	1.10
Average workforce during the financial year	4,940	4,738	4,812	4,895	4,673
Total payroll	183,678	176,462	179,523	180,661	172,672
Total payroll and employee benefits	80,619	79,532	86,093	88,562	86,638

CASH FLOW AND CAPITAL RESOURCES

10

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10.1 INFORMATION ON CAPITAL

Information regarding capital is presented in Note 3.5.9 of the Separate financial statements under section 20.3.2.

10.2 CASH FLOW

The ALTEN Group generated gross cash flow of €160.4 million, or 10.4% of revenue, up 21.5% from 2014 (€132.0 million or 9.6% of revenue).

Net cash flow from operating activities stood at €105.1 million. It represented 6.8% of revenue (€48.4 million, or 3.5% in 2014). Its very strong increase is due to adjustments, despite organic growth of 3.4%, which took place in 2015, some late payments in 2014, as well as a notable improvement in DSO, brought down from 98.5 days in 2014 to 93.5 days in 2015.

Investments amounting to €64.5 million corresponded for the most part to the acquisition of subsidiaries for €58.6 million and operating investments of €11.8 million.

Net cash flow from financing activities amounted to -€19.0 million, made up mostly of dividends of -€33.2 million paid to shareholders, capital increases of €1.4 million and changes in financial liabilities of €15.8 million.

Including the debt of companies acquired, and in neutralising the change in financial liabilities, the net change in cash was -€8.5 million.

At the end of 2015, the ALTEN Group thus had a net cash position of €17.4 million as against €25.9 million at the end of 2014.

The cash flow tables are to be found in section 20.3.1 of the consolidated financial statements in Chapter 20.3.1 on page 195.

10.3 LENDING CONDITIONS AND FINANCING STRUCTURE

Lending conditions and financing structure are presented in Chapter 4.2 of the Registration Document.

10.3.1 FINANCING OF RECEIVABLES

The Company mostly finances its trade receivables with shareholders' equity or occasionally uses credit lines as part of the Club Deal and/or lines of credit (see Chapter 4.2).

10.3.2 FINANCING OF INVESTMENTS

See Chapter 5.2.

10.4 RESTRICTIONS ON USE OF CAPITAL

None.

10.5 SOURCES OF FINANCING

The ALTEN Group has sources of financing needed for the investments referred to in 5.2.3 "Major future investments" of this Registration Document.

10 CASH FLOW AND CAPITAL RESOURCES

RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

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ALTEN and some of its subsidiaries have a portfolio of brand names, filed on their own behalf, mainly with the INPI and the OHMI.

Moreover, ALTEN participates in research and development projects for its clients and also carries out research and development on its own behalf. ALTEN pursues an equity-financed research and development policy.

11.1 EQUITY-FINANCED RESEARCH AND DEVELOPMENT

11.1.1 AIM

Significant efforts are devoted to equity-financed research and innovation to reinforce the ALTEN Group's position:

- by developing qualitative and quantitative expertise; and
- by promoting the Group's image to existing and prospective clients and to existing and prospective employees.

11.1.2 APPROACH

This activity is structured around four major themes:

- global security and risk control;
- sustainable mobility;
- energy performance;
- quality of life and services to consumers.

11.1.3 STRUCTURE

These themes guide ALTEN's investment in major R&D programmes that combine innovative and sustainable development to design modern and effective solutions to present and future problems.

Research and development is divided along four business lines: Drone networks/Autonomous vehicles/Building of the future/Personal assistance as well as along two technological lines: Data Usage & Big Data, Ethics & Security.

More detailed information on the programmes carried out is presented in the Chapter "ALTEN, technology partner" of the business report. Whenever possible, R&D programmes are carried out with academic partners, such as research foundations or big laboratories, and/or industrial partners, such as start-ups or multinationals, in order to accelerate the development of ALTEN's expertise.

11.1.4 METHODOLOGY

R&D programmes are broken down into technology projects with the dual objective of developing an innovative solution (modelling) and testing it through experimentation (prototyping). ALTEN's know-how in innovative development has enabled it to perfect this methodology

by combining applied research and experimental development to increase the scope of development of its expertise (applied research) and ground the skills thus developed in areas of interest to its clients (experimental testing prototyping).

11.1.5 OVERSIGHT

The management of innovative development also rests on dedicated methods and tools elaborated by ALTEN to stimulate the emergence of new and effective concepts. These methods integrate, among other things, an “agile” approach that lays stress on the thoroughness

and flexibility needed to manage R&D projects. These R&D methods have been included in the Group’s CMMI Services level 3 guidelines since 2014.

11.2 PUBLICATIONS

The research and development work realised, drawing upon equity, was the subject of publications in 2015:

- C. Miloudi, F. Rossant, I. Bloch, C. Chaumette, A. Leseigneur, J-A. Sahel, S. Meimon, S. Mrejen and M. Paques. *The negative cone mosaic: a new manifestation of the optical Stiles-Crawford effect*. Submitted at IOVS, accepted (28 Sept. 2015).
- C. Miloudi, L. Mugnie, J-A. Sahel, I. Bloch, F. Rossant and M. Pacques, *Adaptive optics photoreceptor mapping: Integration of photoreceptor scintillation by image fusion*, ARVO conference, poster board number 4940 - B0068 (2015).

11

RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

INFORMATION ON TRENDS

12

12.1 MAIN TRENDS

In an ever uncertain economic context, ALTEN will pursue a strategy based on dynamic external growth and its capacity for organic development, in line with its margin policy.

ALTEN, indeed, remains a preferred supplier for all of its existing customers in France and abroad. Consequently, as in 2015, Alten should see positive organic growth in 2016.

Likewise, ALTEN benefits from a sound financial structure which enables it to continue to finance its development, through organic and external growth.

12.2 ELEMENTS LIABLE TO HAVE A SIGNIFICANT IMPACT ON PROSPECTS

None.

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INFORMATION ON TRENDS

EARNINGS FORECASTS AND ESTIMATES

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None.

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EARNINGS FORECASTS AND ESTIMATES

ADMINISTRATIVE AND MANAGEMENT BODIES

14

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14.1 INFORMATION ABOUT OFFICERS

14.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

The composition of the Board of Directors is presented in paragraph 16.4.1 of this Registration Document, in the report by the

Chairman of the Board related to corporate governance, as well as internal audit and risk management procedures implemented by ALTEN.

14.1.2 EXPERTISE AND EXPERIENCE OF MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

Simon Azoulay is a graduate of Supélec. After having managed the R&D laboratory at Thalès, he founded ALTEN in 1988 with two associates who are also engineers. He is currently Chairman and Chief Executive Officer.

Gérald Attia (a Hartford MBA graduate) became a founding partner in 1993. He is currently a Director and Deputy Chief Executive Officer in charge of Business Development, Integrated Projects and International Markets (Zone 2).

Bruno Benolie (ESC Reims 1985) joined the ALTEN Group in 1997; he has been a Director since 22 June 2011 and is currently Deputy Chief Executive Officer in charge of the Finance, Information Systems and Legal divisions.

Pierre Marcel joined the ALTEN Group in April 2000. He has occupied various Operational Director functions within the Group. He is currently Deputy Chief Executive Officer in charge of ALTEN France and the subsidiaries of the Solutions Division. Pierre Marcel is not a member of the Board of Directors.

Emily Azoulay worked for the ALTEN Group since ALTEN SA was formed in 1988. Among other positions, she was Sales Manager and Head of Administration and Finance. Her involvement with the ALTEN Group no longer extends beyond her capacity as a Director.

Marc Eisenberg began his career as a management consultant. In 1986, he formed a cost-reduction consultancy in France which

has since become a European leader in its field and of which he was Operating Manager until 2012. He remains a major shareholder to this day. He also sat on the Nanterre Employment Tribunal from 1995 to 1999 and on the Bobigny Commercial Court from 2000 to 2001.

Jane Seroussi is a businesswoman with her own successful brand. She has been her company's Managing and Financial Director since its inception. The company is expanding in France and abroad through an exclusive network of branded boutiques.

Anaëlle Azoulay is the daughter of Simon Azoulay, ALTEN's Chairman and Chief Executive Officer. She graduated from Paris Dauphine with a Master's in Economics and Finance. She acquired a solid international experience at Regent's Business School London and the Havas Group in New York.

Jérôme Valat has worked for ALTEN SA since June 1999 and is a Director representing the Company's employees. He joined ALTEN after a nine-year stint in software development and network & telecoms administration when the fixed-line Internet was taking shape. In his 11 years as an ALTEN consultant, he worked with the R&D Division of a telecoms equipment manufacturer on the design of 2G and 3G mobile internet before managing successive projects at the three French telecoms operators. In 2010, he became Project Manager in the Technical Telecoms Unit of the Integrated Projects Division where he oversaw major service contracts for telecoms operators.

14.1.3 OFFICES AND POSITIONS HELD BY CORPORATE OFFICERS

SIMON AZOULAY

Chairman and Chief Executive Officer and Board member

Date of first appointment: 19 February 1997 (Board member) – 22 September 1998 (Chairman and Chief Executive Officer)

Date appointment last renewed: 19 June 2013 (Board member and Chairman and Chief Executive Officer)

Expiry of terms of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year (Board member, Chairman and Chief Executive Officer)

Born on 29 May 1956 in Rabat (Morocco), French national

Main position held within the Group: Chairman and Chief Executive Officer

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

- Permanent representative of ALTEN SA, a legal entity; Chairman of:
 - ALTEN SIR SAS (since 2002)
- Permanent representative of ALTEN Europe SARL, a legal entity; Secretary (UK) of:
 - Anotech Energy Ltd (since 2006)
- Manager of:
 - ALTEN Training Center SARL (since 1996)
 - ALTEN Europe SARL (since 2004)
- Permanent representative of SGTI SAS, legal entity, *Consejero* (Spain) of:
 - ALTEN Soluciones Productos Auditoría e Ingeniería (2013)
- Chairman of the Supervisory Board (Germany) of:
 - Creative Data AG (2015)

Expired mandates:

- Director of:
 - Avenir Conseil Formation SA (2010-2011)
 - ALTEN Ltd (1989-2013)

- Manager of:
 - ALTEN Cash Management SARL (2004-2011)
- *Consejero* (Spain) of:
 - ALTEN Soluciones Productos Auditoría e Ingeniería (2009-2013)
- *Consejero Delegado* (Spain) of:
 - ALTEN Soluciones Productos Auditoría e Ingeniería (2010-2013)
- Permanent representative of ALTEN SA, legal entity; Chairman of:
 - ALTEN Sud Ouest SAS (from 2002-2014)
- Permanent representative of SGTI SAS, a legal entity; Director (UK) of:
 - ALTEN Ltd (2013)

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

- Manager of:
 - Avenir Montmorency SCI
 - Cakciv SC
 - SEV 56 SC
- Chairman of:
 - SGTI SAS (since 1998)
 - SGTI 2 SAS (since 2012)

Expired mandates:

- Director of Des Systèmes et des Hommes SA
- Manager of ALT1 SC
- Manager of Simalep SC

GÉRALD ATTIA*Deputy Chief Executive Officer and Board member*

Date of first appointment: 23 January 1998 (Board member) – 21 December 1998 (Deputy Chief Executive Officer)

Date appointment last renewed: 18 June 2014 (Board member) – 19 June 2013 (Deputy Chief Executive Officer)

Expiry of terms of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year (Deputy Chief Executive Officer) and the General Meeting to be held in 2018 to approve the financial statements for the last financial year (Board member)

Born on 6 April 1962 in Livry-Gargan (France), French national

Main position held within the Group: Deputy Chief Executive Officer

Positions held within the Group (excluding ALTEN SA) during the past five financial years**Current mandates:**

- Chairman of:
 - Avenir Conseil Formation SAS (since 2010)
 - ID APPS SAS (since 2011)
 - APTECH SAS (since 2011)
 - APTECH OP2 SAS (since 2014)
- *Consejero del consejo de Administración* (Spain) of:
 - ALTEN Soluciones, Productos, Auditoría e Ingeniería SAU (since 2009)
- *Administrator* (Spain) of:
 - AVENIR CONSEIL FORMATION ESPANA SL
- *Consejero – Vocal* (Spain) of:
 - ALTEN Soluciones, Productos, Auditoría e Ingeniería SAU (since 2013)
- Director (Sweden) of:
 - ALTEN Sverige AB (Publ) (since 2009)
 - Recoverrest AB (since 2009)
- Director (India) of:
 - ALTEN India Private Ltd (since 2010)
 - ALTEN Calsoft Labs (India) Private Ltd (since 2011)
 - Sesame Consulting Private Ltd (since 2013)
- Chairman and member of the Management Board (Poland) of:
 - Itekna Polska SP ZOO (since 2013)
- Member of the Management Board (Poland) of:
 - IMP Engineering Poland SP ZOO (since 2014)
- Manager (Romania) of:
 - Alten SI Techno Romania SRL (since 2012)
 - GECl Engineering Services SRL (since 2014)
- Sole Director (Canada) of:
 - ALTEN Canada Inc. (since 2012)
- Secretary (Canada) of:
 - ALTEN Canada Inc. (since 2012)
- Director (USA) of:
 - Calsoft Labs Inc. (since 2011)
 - ALTEN USA Inc. (since 2013)

- ALTEN Technology USA Inc. (since 2013)
- Cprime (since 2014)
- Chief Executive Officer (China) of:
 - ALTEN China Ltd (since 2014)
- Manager (UK) of:
 - Calsoft Labs UK private Ltd (since 2014)
- President (USA) of:
 - ALTEN USA Inc. (since 2013)
 - ALTEN Technology USA Inc. (since 2013)
- Chairman of the Board of Directors (USA) of:
 - Calsoft Labs Inc. (since 2011)
 - ALTEN USA Inc. (since 2013)
 - Cprime (since 2014)
 - ALTEN Technology USA Inc. (since 2013)
- Sole Director (China/Hong Kong) of:
 - Sesame Beijing Co. Ltd. (since 2014)
 - Sesame Group Ltd (since 2014)
- Director (China/Hong Kong) of:
 - HINS Hong Kong Co. Ltd. (since 2014)

Expired mandates:

- Director of:
 - ALTEN SIR GTS SAS (2010-2015)
- Director (Sweden) of:
 - HRH Consulting AB (2009-2013)
 - XDIN Francisco AB (2009-2013)
 - XDIN Systems AB (2009-2013)
- Director (UK) of:
 - SD Partners Ltd (2001-2014)
- Director (UK) of:
 - SD Partners Ltd (2001-2014)
- Board member and Chairman (Canada) of:
 - Experco Inc (2015)

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years**Current mandates:**

- Permanent representative of ALTEN SA, member of the Supervisory Board of:
 - X Ange Capital SA
- Manager of:
 - ASA SC
 - GMA SC

Expired mandates:

- Manager of:
 - Proxym SARL
- Permanent representative of ALTEN SA, Director of:
 - Smart Trade Technologies SA
 - X Ange Capital 2 SA

BRUNO BENOLIEL

Deputy Chief Executive Officer and Board member

Date of first appointment: 22 June 2011 (Board member) – 27 September 2011 (Deputy Chief Executive Officer)

Date appointment last renewed: 18 June 2015 (Board member) – 19 June 2013 (Deputy Chief Executive Officer)

Expiry of terms of office: General Meeting to be held in 2019 and to approve the financial statements for the past financial year (Board member) and General Meeting to be held in 2017 and to approve the financial statements for the past financial year (Deputy Chief Executive Officer).

Born on 13 May 1964 in Paris (17th arrondissement) (France), French national

Main position held within the Group: Deputy Chief Executive Officer

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

- Manager of:
 - ALTEN Cash Management SARL (since 2011)
- Director of:
 - ALTEN SIR Global Security Services SAS (since 2014)
- *Consejero del consejo de Administración* (Spain) of:
 - ALTEN Soluciones, Productos, Auditoría e Ingeniería SAU (since 2009)
- *Consigliere* (Italy) of:
 - ALTEN Italia SPA (since 2012)
- Vice President (Italy) of:
 - ALTEN Italia SPA (since 2012)
- Director (the Netherlands) of:
 - ALTEN Nederland BV (since 2005)
 - ALTEN DDA BV (since 2006)
 - ORION Engineering BV (since 2012)
 - EclipseIT BIS BV (since 2015)
 - EclipseIT MN BV (since 2015)
 - EclipseIT Services BV (since 2015)
 - EclipseIT TS BV (since 2015)
- Director (Sweden) of:
 - ALTEN Sverige AB (Publ) (since 2009)
 - Recoverrest AB (since 2009)
 - Hot Swap Norden AB (since 2015)
- Director (Finland) of:
 - ALTE OY (since 2014)
 - ALTE VISETEC OY (since 2014)
 - TRSS GROUP OY (since 2014)
- President of the Management Board (Poland) of:
 - IMP Engineering Poland SP ZOO (since 2004)
- Member of the Management Board (Poland) of:
 - Itekna Polska SP ZOO (since 2013)
- Director (India) of:
 - ALTE India Private Ltd (since 2012)

- ALTEN Calsoft Labs (India) Private Ltd (since 2012)
- Sesame Consulting Private Ltd (since 2013)
- Director (UK) of:
 - ALTEN Ltd (previously ALTEN Technology Ltd) (since 2013)
 - XDIN Consulting LTD (since 2013)
- Director (USA) of:
 - Calsoft Labs Inc. (since 2011)
 - ALTEN USA Inc. (since 2013)
 - ALTEN Technology USA Inc. (since 2013)
 - Anotech Energy USA Inc. (since 2013)
 - Cprime Inc. (since 2014)
- Director (China/Hong Kong) of:
 - HINS Hong Kong Co. Ltd. (since 2014)
- Manager (Singapore) of:
 - Anotech Energy Singapore Pte Ltd. (since 2015)

Expired mandates:

- Director of:
 - Avenir Conseil Formation SA (2006-2011)
 - Cisia Ingénierie SA (2006-2010)
- Managing Director (Poland) of:
 - IMP Poland SP ZOO (2004-2011)
- *Consigliere* (Italy) of:
 - Onion SPA (2009-2011)
- Sole Director (Romania) of:
 - ALTEN SI Techno Romania SRL (2009-2012)
- Permanent representative of the Idestyle Group, a legal entity; Chairman of:
 - Idestyle Technologies SAS (from 2009-2013)
- Director (Sweden) of:
 - HRH Consulting AB (2009-2013)
 - XDIN Francisco AB (2009-2013)
 - XDIN Systems AB (2009-2013)
- Sole Director (Romania) of:
 - B2I Ingénierie et Technologies SRL (2012-2014)
- Director (UK) of:
 - ALTEN 2 Ltd (previously ALTEN Ltd) (2014)
- Director (Canada) of:
 - Experco Inc (2015)

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

- Manager of:
 - Balantine SC
 - Balantino SC
 - Balantina SC
 - SEV 56 SC

EMILY AZOULAY*Board member*

Date of first appointment: 22 June 2011

Date appointment last renewed: 18 June 2015

Expiry of term of office: General Meeting to be held in 2019 to approve the financial statements for the last financial year.

Born on 20 July 1948 in Rabat (Morocco), French national

Main position held within the Group: N/A

Positions held within the Group (excluding ALTEN SA) during the past five financial years**Current mandates:**

None

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years**Current mandates:**

- Manager of:
 - Sicogex SC

PIERRE MARCEL*Deputy Chief Executive Officer*

Date of first appointment: 28 January 2013 (Deputy Chief Executive Officer)

Date appointment last renewed: 19 June 2013 (Deputy Chief Executive Officer)

Expiry of term of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year (Deputy Chief Executive Officer)

Born on 5 June 1961 in Carcassonne (France), French national

Main position held within the Group: Deputy Chief Executive Officer

Positions held within the Group (excluding ALTEN SA) during the past five financial years**Current mandates:**

- Chairman of:
 - Elitys Consulting SAS (since 2009)
 - Atexis France SAS (since 2010)
 - Anotech Energy SAS (since 2014)
 - ALTEN Sud-Ouest SAS (since 2014)
- Director (UK) of:
 - Anotech Energy Ltd (since 2006)
 - ALTEN Ltd (previously ALTEN Technology Ltd) (since 2013)
- Director (Nigeria) of:
 - Anotech Energy Nigeria Ltd (since 2011)
- General Director (Congo) of:
 - Anotech Energy Congo SA (since 2015)
- Director (United States) of:
 - Anotech Energy USA Inc. (since 2013)
- Chairman of the Board of Directors (USA) of:
 - Anotech Energy USA Inc. (since 2013)
- President (Chief Executive Officer) (USA) of:
 - Anotech Energy USA Inc. (since 2014)
- *Administrador Único* (Spain) of:
 - Geci Ingenieria SL (since 2014)

- Manager (Singapore) of:
 - Anotech Energy Singapore Pve Ltd. (since 2015)

Expired mandates:

- Permanent representative of ALTEN SA, legal entity, Chairman of:
 - Anotech Energy SAS (2008-2014)
- Chairman of:
 - Assistance Générale Ingénierie Réalisation (AGIR) SAS (2014)
 - Géci Systèmes SASU (2014)
 - Géci Services SAS (2014)
- Manager of:
 - HPA SARL
- Director (Germany) of:
 - Aerotec Engineering (2011-2012)
- *Administrator Unic* (Romania) of:
 - GECl Engineering Services SRL (2014)
- Manager (Switzerland) of:
 - ALTEN Switzerland SARL (2008-2013)
 - ALTEN Consulting SARL (2011-2013)
- Director (Switzerland) of:
 - Elitys SA (2011-2013)
- Director (UK) of:
 - ALTEN 2 Ltd (previously ALTEN Ltd) (2014)
- Chairman (Norway) of:
 - Anotech Energy Norge AS (2013-2015)

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years**Current mandates:**

- Manager of:
 - Amarcis SC
 - Lomaris SC

ANAËLLE AZOULAY

Board member

Date of first appointment: 18 June 2014 (Board member)

Date appointment last renewed: N/A

Expiry of term of office: General Meeting to be held in 2018 to approve the financial statements for the last financial year.

Born on 31 October 1990 in Paris, French national

Main position held within the Group: N/A

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

None

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

None

JANE SEROUSSI

Board member

Date of first appointment: 18 June 2014 (Board member)

Date appointment last renewed: N/A

Expiry of term of office: General Meeting to be held in 2018 to approve the financial statements for the last financial year.

Born on 5 February 1966 in Paris, French national

Main position held within the Group: N/A

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

None

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

- Manager of Cécile et Jeanne SARL
- Manager of SIAM I SARL

MARC EISENBERG

Independent Director

Date of first appointment: 18 June 2014 (Board member)

Date appointment last renewed: N/A

Expiry of term of office: General Meeting to be held in 2018 to approve the financial statements for the last financial year.

Born on 9 April 1955 in Paris, French national

Main position held within the Group: N/A

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

None

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

- Manager of:
 - Almanagers SC
 - Almalabar SC
 - Alice SC
 - Société Civile Allifond SC
 - La Bruyère - Pigalle - Trinité SC

Expired mandates:

- Chairman de Almarkup SAS

JÉRÔME VALAT

*Director representing employees***Date of first appointment:** 23 October 2014 (Board member)**Date appointment last renewed:** N/A**Expiry of the term of office:** 22 October 2018

Born on 19 June 1969 in Rodez, French national

Main position held within the Group: Project Manager

Positions held within the Group (excluding ALTEN SA) during the past five financial years

Current mandates:

None

Other positions held in any other company (excluding the ALTEN Group) during the past five financial years

Current mandates:

None

To the Company's knowledge, the corporate officers of ALTEN SA do not hold office in any other listed companies.

14.1.4 DECLARATIONS PERTAINING TO MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

To the Company's knowledge, at the time this document was prepared and during the last five (5) years: (i) no conviction for fraud has been pronounced against a member of the Board or the General Management, (ii) no member of the Board or General Management has been disqualified by a court from acting as a member of an administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of an issuer, (iii)

no conviction and/or official public sanction has been imposed on a member of the Board or the General Management by statutory or regulatory authorities, and (iv) no member of the Board of Directors or General Management has been involved in a bankruptcy, receivership or liquidation.

14.1.5 SPECIFIC INFORMATION REGARDING CORPORATE OFFICERS

Emily Azoulay, Anaëlle Azoulay and Jane Seroussi have family ties with Simon Azoulay.

There are no other related family members among the Company's corporate officers.

For the purpose of their corporate mandates, the Members of the Board of Directors and General Management are domiciled at the Company's head office.

Transactions in the Company's securities by Executive Officers during the 2015 financial year

Summary statement of transactions referred to under Article L. 621-18-2 of the French Monetary and Financial Code conducted during the past financial year (transactions involving the shares of Executive Officers):

Name of executive Officer and/or the person cited in Article L. 621-18-2 of the French Monetary and Financial Code	Duties performed at ALTEN	Type of transaction	Total number of instruments	Total amount of transactions (in euros)
Individuals connected to Bruno Benoliel	None	Disposal	15,000	€588,450
		Disposal	15,000	€588,450
		Disposal	15,000	€777,255
		Disposal	15,000	€777,255
Olivier Granger	Senior manager	Exercise of stock options	10,000	€511,233
		Exercise of stock options	10,000	€511,200
Individuals connected to Pierre Marcel	None	Disposal	4,028	€160,736
		Disposal	4,027	€160,696
		Disposal	1,821	€73,974
		Disposal	16,879	€685,995
		Disposal	16,879	€685,995
		Disposal	1,821	€73,974
SGTI (a legal entity connected to Simon Azoulay, CEO)	None	Disposal	750,000	€29,607,225
		Disposal	65,000	€2,641,825
SGTI 2 (a legal entity connected to Simon Azoulay, CEO)	None	Disposal	600,000	€24,135,510
		Disposal	56,000	€2,317,016
		Disposal	250,000	€10,300,125
		Disposal	10,000	€426,238
		Disposal	67,000	€2,841,747
		Disposal	20,000	€850,978
Pierre Bonhomme	Senior manager	Exercise of stock options	10,000	€223,650
		Disposal	9,971	€429,892

14.2 CONFLICTS OF INTEREST

To the Company's knowledge and at the date on which this document was prepared, no conflicts of interests have been identified between the duties of each of the members of the Board of Directors and General Management in relation to their capacity as corporate officers and their private interests or other duties.

To the Company's knowledge and at the date on which this document was prepared, there are no pacts or agreements concluded with the

main shareholders, customers or suppliers under which a member of the Board of Directors or General Management has been designated as such.

To the Company's knowledge and at the date on which this document was prepared, no restriction has been agreed to by the members of the Board of Directors and the other members of management concerning the sale of their interests in the Company's share capital.

REMUNERATIONS AND BENEFITS

15

**15.1 REMUNERATIONS PAID AND BENEFITS
IN KIND** **160**

**15.2 PROVISIONS FOR PENSIONS
AND RETIREMENT** **164**

15.1 REMUNERATIONS PAID AND BENEFITS IN KIND

TABLE 1: REMUNERATION PAID AND OPTIONS AND SHARES AWARDED TO EACH CORPORATE OFFICER

<i>Simon Azoulay</i> <i>Chairman and Chief Executive Officer</i>	2015	2014
Remuneration due for the financial year	€125,811	€125,811
Value of options awarded during the financial year	None	None
Value of multi-year variable remuneration awarded during the financial year	None	None
Value of performance-based shares awarded during the financial year	None	None
TOTAL	€125,811	€125,811
<i>Gérald Attia</i> <i>Deputy Chief Executive Officer</i>	2015	2014
Remuneration due for the financial year	€266,372	€266,097
Value of options awarded during the financial year	None	None
Value of multi-year variable remuneration awarded during the financial year	None	None
Value of performance-based shares awarded during the financial year	None	None
TOTAL	€266,372	€266,097
<i>Bruno Benoliel</i> <i>Deputy Chief Executive Officer</i>	2015	2014
Remuneration due for the financial year	€249,157	€249,141
Value of options awarded during the financial year	None	None
Value of multi-year variable remuneration awarded during the financial year	None	None
Value of performance-based shares awarded during the financial year	None	None
TOTAL	€249,157	€249,141
<i>Pierre Marcel</i> <i>Deputy Chief Executive Officer</i>	2015	2014
Remuneration due for the financial year	€328,979	€350,979
Value of options awarded during the financial year	None	None
Value of multi-year variable remuneration awarded during the financial year	None	None
Value of performance-based shares awarded during the financial year	None	None
TOTAL	€328,979	€350,979

TABLE 2: REMUNERATION PAID TO EACH CORPORATE OFFICER

	2015		2014	
	Amount paid	Amount due	Amount paid	Amount due
Simon Azoulay				
Fixed remuneration	€120,000	€120,000	€120,000	€120,000
Variable remuneration	None	None	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Directors' fees	None ⁽³⁾	None	None ⁽¹⁾	None
Benefits in kind	€5,811 ⁽²⁾	€5,811	€5,811 ⁽²⁾	€5,811
TOTAL	€125,811	€125,811	€125,811	€125,811

(1) SGTI 2, of which Simon Azoulay is Chairman and sole shareholder, received €150,000 from ALTEN SPAIN SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in Directors' fees for 2014 for its role as Consejero. SGTI 2 received €150,000 from Atexis Spain SLU, the wholly-owned Spanish subsidiary of ALTEN Spain SAU, in Directors' fees for 2014 for its role as Administrador único.

(2) Company car.

(3) SGTI 2, of which Simon Azoulay is Chairman and sole shareholder, received €150,000, of which €75,000 from ALTEN SPAIN SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in Directors' fees for 2015 for its role as Consejero. SGTI 2 also should receive €75,000 from Atexis Spain SLU, the wholly-owned Spanish subsidiary of ALTEN Spain SAU, in Directors' fees for 2015 for its role as Administrador único.

	2015		2014	
	Amount paid	Amount due	Amount paid	Amount due
Gérald Attia				
Fixed remuneration	€178,224	€178,224	€178,224	€178,224
Variable remuneration	None	None	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Directors' fees	€84,000 ⁽¹⁾	€84,000 ⁽²⁾	€0	€84,000 ⁽¹⁾
Benefits in kind	€4,148 ⁽³⁾	€3,873	€3,873	€3,873
TOTAL	€266,372	€266,097	€182,097	€266,097

(1) Gérald Attia received €84,000 in January 2015 from ALTEN Spain SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in Directors' fees for 2014 for his position as Consejero.

(2) Gérald Attia received €84,000 in January 2016 from ALTEN Spain SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in Directors' fees for 2015 for his position as Consejero.

(3) Company car. Because of a change in vehicle on 1 June 2015, Attia received, in 2015, €275 over what had been authorized to him by the Board of Directors.

	2015		2014	
	Amount paid	Amount due	Amount paid	Amount due
Bruno Benoliel				
Fixed remuneration	€249,157	€249,157	€249,141	€249,141
Variable remuneration	None	None	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Directors' fees	None	None	None	None
Benefits in kind	None	None	None	None
TOTAL	€249,157	€249,157	€249,141	€249,141

	2015		2014	
	Amount paid	Amount due	Amount paid	Amount due
Pierre Marcel				
Fixed remuneration	€324,006	€324,006	€346,006	€346,006
Variable remuneration	None	None	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Directors' fees	None	None	None	None
Benefits in kind	€4,973 ⁽¹⁾	€4,973 ⁽¹⁾	€4,973 ⁽¹⁾	€4,973 ⁽¹⁾
TOTAL	€328,979	€328,979	€350,979	€350,979

(1) Company car.

TABLE 3: DIRECTORS' FEES AND OTHER REMUNERATION PAID TO NON-EXECUTIVE CORPORATE OFFICERS

None.

TABLE 4: SHARE SUBSCRIPTION OR PURCHASE OPTIONS AWARDED DURING THE PERIOD TO EACH EXECUTIVE CORPORATE OFFICER

None.

TABLE 5: SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE PERIOD BY EACH EXECUTIVE CORPORATE OFFICER

None.

TABLE 6: PERFORMANCE-BASED SHARES AWARDED TO EACH CORPORATE OFFICER

None.

TABLE 7: PERFORMANCE-BASED SHARES MADE AVAILABLE DURING THE PERIOD TO EACH CORPORATE OFFICER

None.

TABLE 11: SUMMARY OF EXECUTIVE CORPORATE OFFICERS' EMPLOY CONTRACTS, COMPENSATION AND/OR BENEFITS OWED OR LIKELY TO BE OWED DUE TO TERMINATION OR CHANGE IN THEIR DUTIES OR OTHERWISE

Executive corporate officers	Employment contract	Supplementary pension plan	Compensation or benefits owed or likely to be owed due to termination or change in duties	Compensation related to a non-competition provision
Simon Azoulay Chairman and Chief Executive Officer Date appointment last renewed: 19/06/2013 Expiry of term of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year	None	None	None	None
Gérald Attia Deputy Chief Executive Officer Date appointment last renewed: 19/06/2013 Expiry of term of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year	None	None	None	None
Bruno Benoliel Deputy Chief Executive Officer Date appointment last renewed: 19/06/2013 Expiry of term of office: General Meeting to be held in 2017, to approve the financial statements for the last financial year	Yes ⁽¹⁾	None	None	None
Pierre Marcel Deputy Chief Executive Officer Date appointment last renewed: 19/06/2013 Expiry of term of office: General Meeting to be held in 2017 to approve the financial statements for the last financial year	Yes ⁽²⁾	None	None	None

(1) Bruno Benoliel's employment contract, prior to his appointment as Board member and Deputy Chief Executive Officer, is for performing the duties of Director in charge of the Finance, Legal and Information Systems Divisions, a position he has occupied within the ALTEN Group since 29 September 1997. Benoliel also has an employment contract that links him to a Group subsidiary.

(2) Pierre Marcel's employment contract with ALTEN Sud Ouest, a wholly-owned subsidiary of ALTEN SA, before his appointment as Deputy Chief Executive Officer, relates to his role as Manager at ALTEN Sud Ouest since 1 April 1996. Marcel also has an employment contract binding him to one of the Group's subsidiaries.

SHARE OPTIONS

No share options were allocated during the last financial year.

TABLE 9: OPTIONS TO SUBSCRIBE TO OR PURCHASE SHARES GRANTED TO THE TEN EMPLOYEES (OTHER THAN CORPORATE OFFICERS) WITH THE HIGHEST NUMBER OF OPTIONS, AND OPTIONS EXERCISED BY THESE BENEFICIARIES

Options to subscribe to or purchase shares granted to the ten employees (other than corporate officers) with the highest number of options, and options exercised by these beneficiaries	Total number of options awarded/ shares subscribed to or purchased	Weighted average price (in euros)	Plan date
Options granted during the financial year by ALTEN and any company within its Group granting options, to the ten employees of the issuer and all companies included in the group which grant options, with the highest number of options granted. (Comprehensive information)	n/d	n/d	n/d
Options for ALTEN and other aforementioned companies previously exercised during the financial year by the ten employees of the issuer and such other companies, with the highest number of options thus purchased or subscribed. (Comprehensive information)	69,950	47.29	19/10/2010

TABLE 8: RECORD OF PAST STOCK OPTION GRANTS AS AT 31 DECEMBER 2015

Date awarded by the Board	Date of Meeting	Number of beneficiaries	First possible exercise date	Plan maturity date	Number of options granted	Exercise price (in euros)	Number of options waived	Number of options exercised	Number of options voided	Number of options which may be exercised
18/02/2008	27/06/2006	794	18/02/2012	18/02/2016	622,790	19,130	30,000	280,080	299,360	13,350
07/09/2009	23/06/2009	689	07/09/2013	07/09/2017	574,330	15,210	0	286,573	263,435	24,122
19/10/2010	23/06/2009	6	19/10/2014	19/10/2018	120,000	22,365	70,000	30,000	0	20,000
TOTAL					1,317,120		100,000	596,653	562,795	57,472

HISTORY OF PAST AWARDS OF SHARE WARRANTS

As of this date, there is no plan for share warrants in progress.

The Board of Directors of ALTEN had granted, on 7 September 2009, following the delegation granted by the Combined General Meeting of 23 June 2009, 487,000 share warrants to seven beneficiaries, four of whom were Executive Corporate Officers.

The warrants were exercisable between 7 September 2013 to 7 September 2017, at a price of €15.85. All of these share warrants were exercised during the 2014 financial year.

SHARE WARRANTS GRANTED TO THE TOP TEN NON-CORPORATE OFFICER EMPLOYEES AND THE SHARE WARRANTS THEY HAVE EXERCISED

None.

TABLE 10: HISTORY OF FREE SHARE ALLOCATIONS

At this date, there is no free share allocation plan in progress.

On 11 April 2008, the Board of Directors of ALTEN awarded 105,600 free shares to two employee beneficiaries. Vesting and holding periods in this plan have ended.

15.2 PROVISIONS FOR PENSIONS AND RETIREMENT

None.

OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

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16.1 EXPIRY DATE OF TERMS OF OFFICE	166	16.4 COMPLIANCE WITH CORPORATE GOVERNANCE RULES	166
16.2 SERVICE-LEVEL AGREEMENTS BINDING MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES	166	16.4.1 Chairman's report on corporate governance and internal control and risk management procedures adopted by ALTEN	166
16.3 INFORMATION ON COMMITTEES	166	16.4.2 Statutory Auditors' report, presented in application of Article L. 225-235 of the French Commercial Code, concerning the report drawn up by the Chairman of the Board of Directors of ALTEN	175

16.1 EXPIRY DATE OF TERMS OF OFFICE

See Chapter 14, paragraph 14.1.3.

16.2 SERVICE-LEVEL AGREEMENTS BINDING MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

There are no service level agreements binding members of administrative bodies, management or supervisory bodies with ALTEN or any of its subsidiaries or stipulating the granting of advantages under such a contract.

16.3 INFORMATION ON COMMITTEES

At its meeting on 28 January 2015, the Board of Directors decided that it was capable of effectively performing the duties assigned to the Audit Committee and that there was no need to form an audit committee distinct from the Board of Directors in 2015. All of the duties assigned to the Audit Committee will thus continue to be performed by ALTEN SA's Board of Directors in the presence of Bruno Benoliel, Deputy Chief Executive Officer and Chief Financial Officer, as allowed by Articles L. 823-19 et seq. of the French Commercial Code.

The Board of Directors also relies on the work of the Executive Committee and the Management Committee - France.

For more details, see paragraph 16.4.1, "Chairman's report on corporate governance and internal control and risk management procedures adopted by ALTEN".

16.4 COMPLIANCE WITH CORPORATE GOVERNANCE RULES

16.4.1 CHAIRMAN'S REPORT ON CORPORATE GOVERNANCE AND INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES ADOPTED BY ALTEN

This report by the Chairman of the Board, approved by the Board of Directors at its meeting on 11 April 2016, in accordance with the requirements of Article L. 225-37 of the French Commercial Code, gives an account of the composition of the Company's Board of Directors and in particular the application of the principle of balanced representation of men and women on the Board, the conditions in which the Board's work is prepared and organised, any restrictions on the powers of the CEO and the Deputy CEOs, references to a code

of corporate governance, specific procedures relating to shareholder participation at Shareholders' Meetings, and internal control and risk management procedures implemented by the Company.

This report also specifies the principles and rules for determining remuneration and benefits of any kind granted to the Company's corporate officers, and items likely to have an impact in the event of a public offering.

While writing this report, the Chairman held several meetings with the heads of the Financial and Legal divisions, as well as the head of the Information Systems Division and the heads of other divisions that are involved with internal audit.

A report by the Statutory Auditors, attached to the general report describing the completion of their mission, presents their comments on this.

I. Corporate governance

At the meeting of its Board of Directors on 1 February 2010, ALTEN (hereinafter referred to as the "Company") decided to operate in accordance with the Middelnext Code of Corporate Governance

ALTEN complies with all the recommendations of the Reference Code with the exception of recommendation N°8.

Reference code recommendations disregarded	Company explanations
Recommendation 8 - The board is composed of at least 2 independent members	Because Ms Seroussi is no longer considered an independent director, the Board now has only one independent director, Mr Eisenberg. In order to comply with the recommendations of the Middelnext Code, the Board of Directors has already identified two candidates who meet all the independence criteria used by the Company and described below. Their appointment as directors of ALTEN will be proposed to the Ordinary General Meeting on 24 May 2016.

1. Conditions for preparing and organising the work of the Board of Directors

On 20 January 2004, in addition to the Company's legal, regulatory and statutory provisions, the Board of Directors adopted a set of Internal Rules whose purpose is to specify the manner in which the Board is organised and operates, along with rules applicable to securities transactions involving corporate officers and their families.

These Internal Rules were amended by the meeting of the Board of Directors on 6 March 2007 in order to comply with the new provisions set forth in the AMF general regulations related to securities transactions by Company management.

In addition, the Internal Rules were enhanced in March 2008 by information specifically referring to corporate governance.

Finally, given the adoption of the new Middelnext Reference Code by the Board of Directors, the Board's Internal Rules were subject to certain changes at the meeting of the Board of Directors held on 1 February 2010.

The Board of Directors' Internal Rules comply with the sixth Recommendation of the Reference Code concerning publication of the Internal Rules. It is available on the Company's website (<http://www.alten.fr/wp-content/uploads/2013/11/Reglement-conseil-dadministration.pdf>).

1.1 Rules of operation and organisation

1.1.1 Composition of the Board of Directors

Article 16 of the Company's Articles of Association provides that the Board of Directors is composed of no fewer than three and no more than 18 members.

The appointment of each Director is the subject of a separate resolution in accordance with the ninth Recommendation of the Reference Code.

(hereinafter referred to as the "Reference Code") as part of the implementation of its governance. The Board of Directors renewed ALTEN's adherence to the Reference Code at its meeting of 28 January 2015.

The Middelnext Code is available on the Middelnext website at www.middelnext.com.

The Company's Board of Directors took note of the key areas for vigilance set out in the Reference Code at its meetings on 10 May 2010 and 28 January 2015.

The Reference Code contains fifteen recommendations that specifically concern executive corporate officers and the Board of Directors.

The Board of Directors is composed of:

- Simon Azoulay, who also serves as Chairman and Chief Executive Officer;
- Gérald Attia, who also serves as Deputy Chief Executive Officer;
- Bruno Benoliel, who also serves as Deputy Chief Executive Officer;
- Emily Azoulay;
- Anaëlle Azoulay;
- Jane Seroussi;
- Marc Eisenberg, independent Director;
- Jérôme Valat, Director representing employees.

Simon Azoulay, a French national, was born on 29 May 1956 in Rabat (Morocco). He is a graduate of Supélec. At 31 December 2015, he held 5,430,667 ALTEN shares in his own name and via SGTI and SGTI 2, which he controls 100%, i.e. 16.13% of the Company's capital as of today at this time.

Gérald Attia, a French national, was born on 6 April 1962 in Livry-Gargan and holds an MBA from Hartford. At 31 December 2015, he held 279,477 ALTEN shares in his own name and via GMA, which he controls, i.e. 0.83% of the Company's capital.

Bruno Benoliel, a French national, was born on 13 May 1964 in Paris and is a graduate of ESC Reims. At 31 December 2015, he held 52,800 ALTEN shares, i.e. 0.16% of the Company's capital.

Emily Azoulay, a French national, was born on 20 July 1948 in Rabat (Morocco); at 31 December 2015, she held 3,000 ALTEN shares, i.e. 0.01% of the Company's capital.

Anaëlle Azoulay, a French national, was born on 31 October 1990 in Paris; at 31 December 2015, she held no shares in the Company.

Jane Seroussi, a French national, was born on 5 February 1966 in Paris; at 31 December 2015, she held no shares in the Company.

Marc Eisenberg, a French national, was born on 9 April 1955 in Paris; at 31 December 2015, he held no shares in the Company.

Jérôme Valat, a French national, was born on 19 June 1969 in Rodez; at 31 December 2015 he held no shares in the Company.

Since Jane Seroussi has family ties with Simon Azoulay, only Marc Eisenberg is considered independent at this time.

The independence criteria in the Reference Code are set forth below:

- the Director is not an employee or an Executive Corporate Officer of the Company or of a company within the Group and has not held such position during the past three years;
- the Director is not a significant customer, supplier or banker of the Company or its Group, or for which the Company or its Group represents a significant part of its business;
- the Director is not a leading shareholder of the Company;
- the Director does not have a close family relationship with a Corporate Officer or a leading shareholder;
- the Director has not been a Company Auditor during the past three years.

In addition to the directors currently in office, during the Ordinary General Meeting to be held on 24 May 2016, the Board of Directors will propose the appointment of two new directors for terms of 4 years, Ms Evelyne Feldman and Mr Philippe Tribaudeau. They have already agreed that their appointment be proposed to the shareholders.

Both candidates for appointment as director meet the independence criteria set forth above.

Ms Evelyne Feldman will bring her considerable expertise in human resource management to ALTEN. Before taking her current management position at Pôle Emploi, she founded and developed a human resources consulting firm. She has significant expertise in HR (recruitment, career and skills management, compensation policy, etc.) which will be especially useful to ALTEN.

Mr Philippe Tribaudeau has a solid background in finance. With more than 25 years of experience in the banking industry. He is authorised by the Financial Services Authority in the United Kingdom. He spent several years at Merrill Lynch – Bank of America in the UK, first as an analyst then later as First Vice President. He will offer ALTEN the benefit of his expertise in finance.

Their appointment by the next Ordinary General Meeting of ALTEN will return ALTEN to compliance with the recommendations of the Middenext Code, as the Board will have 3 independent directors out of 10, and will make it possible to establish separate committees within the Board of Directors, specifically an audit committee and a compensation committee. The candidates for appointment as independent directors offer their respective expertise in the fields of human resources and finance.

Conflicts of interest

To the Company's knowledge there is currently no conflict of interest between the duties of any member of the Board of Directors with regard to the Company and their private interests.

As regards prevention of conflicts of interest, the Internal Rules of the Board of Directors state that, in a situation generating or which might generate a conflict between the Company interest and the direct or indirect personal interest of a Director or the interest of the shareholder or group of shareholders represented by the Director, said Director will inform the Board and abstain from voting on the corresponding matter.

1.1.2 Representation of men and women on the Board of Directors

The French Warsmann law of 27 January 2011 introduced rules promoting professional equality between men and women, particularly in terms of achieving a gender balance on company Boards. With the appointments of Jane Seroussi and Anaëlle Azoulay, the Company's Board of Directors comprises three women out of eight members in total.

If the proposed appointment of two new Directors is adopted by the Combined General Meeting of 24 May 2016, the Board of Directors will have four women out of the ten members in total, it being specified that the Director representing personnel is not counted in the calculation of the number of women on the Board.

In accordance with the provisions of the Act of 27 January 2011, the Board of Directors meets every year to consider recent developments regarding gender equality in the workplace and equal pay. The Board of Directors thus noted developments which took place over the course of the 2015 financial year at its meeting of 28 January 2016.

1.1.3 Duration and plurality of offices

The term of office for members of the Board of Directors is set in the Internal Rules at four years. This term complies with the suggestions in the tenth Recommendation of the Reference Code.

Note that the Directors' terms of office are staggered.

The list of offices held by members of the Board of Directors during the 2015 financial year can be found in paragraph 14.1.3 of the present registration document (it being specified that members of the ALTEN SA Board of Directors do not hold office in any listed company other than ALTEN SA).

1.1.4 Convening meetings of the Board of Directors

In accordance with the law and the Internal Rules, Directors are convened by ordinary letter, fax, e-mail or orally. Board meetings were convened ten days in advance in 2015.

Representatives to the Works Council (one management and two non-management representatives) (supervisors and employees) were invited to all meetings of the Board of Directors by e-mail and by registered letter with acknowledgement of receipt.

In order to allow the Company's Statutory Auditors to carry out their duties to the best of their abilities, and in accordance with the provisions of Article L. 823-17 of the French Commercial Code, they were invited to all meetings of the Board of Directors convened in 2015, in particular those held to review or approve the interim or annual financial statements, and to the annual Ordinary General Meeting of Shareholders.

1.1.5 Directors information

To enable members of the Board of Directors to effectively prepare for meetings, the Chairman gives the Directors all information within a reasonable and adequate period of time as required to make decisions and, more generally to carry out their duties in an independent manner. Each Director is able to obtain additional information necessary to perform his or her duties.

The Directors deemed that the information provided was clear and precise and gave them an opportunity to constructively discuss issues and help articulate the Company's acquisition and growth strategy.

Directors are regularly informed between meetings of the Board, whenever Company news so warrants, in accordance with the eleventh Recommendation of the Reference Code.

The representatives from the Works Council received the same information within the same time frame as the members of the Board of Directors.

Minutes of Board Meetings are drafted following each meeting and are subject to approval by the Board of Directors at its next meeting.

1.1.6 Representation of Directors

Directors may be represented at meetings of the Board of Directors by another Director. The proxy must be given in writing. One Director exercised this right during the 2015 financial year. It was officially recorded during the meeting of the Board of Directors of 28 January 2016 that every Director who was not able to be present at the meetings of the Board must systematically arrange to be represented by another Director, under the conditions of Article 7 of the Internal Rules of the Board of Directors.

1.1.7 Use of videoconferences and telecommunications

The Company's Articles of Association and the Internal Rules of the Board of Directors allow the Directors to take part in the Board's deliberations *via* videoconference or telecommunication. Directors who take part in Board deliberations using this method are deemed to be present when calculating the quorum and the majority, except when taking decisions where such methods are forbidden by law or regulation.

This option was exercised once during the course of the 2015 financial year, at the Board meeting of 27 October 2015.

1.1.8 Chairmanship of meetings

Simon Azoula, the Chairman, presided over seven of the eight meetings of the Board of Directors that were held in 2015.

Pursuant to the Articles of Association and provisions of Article L. 225-50 of the French Commercial Code, the Board of Directors, at its meeting on 27 October 2015, appointed a Director to act as Board Chairman on an exceptional basis and for that meeting only.

1.1.9 Guests invited to Board meetings

During the 2015 financial year, the Group's Chief Legal Officer, Arnaud Flandé, attended all Board meetings. He also carried out the role of Board Secretary.

1.1.10 Board meetings in Audit Committee form

The Board of Directors meets in the form of an Audit Committee.

Pursuant to Articles L. 823-19 et seq. of the French Commercial Code, the Board of Directors, in the presence of Bruno Benoliel, Deputy Chief Executive Officer in charge of Finance, met in Audit Committee form on 24 February, 9 April and 21 September 2015 in order to review:

- the process by which financial information is compiled;
- the efficiency of internal audit and risk management procedures;
- the audit required by law of the separate financial statements and the consolidated financial statements by the Statutory Auditors;
- the independence of the Statutory Auditors.

When the conditions for the creation of an Audit Committee, separate from the Board of Directors, are met, namely, the appointment of independent members to the Board, with both the expertise and availability necessary in financial matters, the Board will meet in order to rule on the creation of such a committee.

1.1.11 Evaluation of the Board

In accordance with the provisions of the fifteenth recommendation of the Reference Code, the Board of Directors regularly discusses subjects such as the composition of the Board of Directors, its work, its delegations of powers and its decisions. These deliberations are transcribed in minutes. In particular, the Board discussed the subjects and work completed during the 2015 financial year when it met on 28 January 2016.

In these deliberations, members of the Board review the organisation of the Board and its mode of operation. They examine in particular documents provided to the Directors, to the representatives of the Works Council and the Statutory Auditors. Board members also verify that the most important issues have been sufficiently prepared, in particular using the expertise of the Deputy Chief Executive Officer in charge of Finance, Legal and Information Systems when the agenda contains a question relating to the activity of the Group, the separate or consolidated financial statements or the Company's financial communications.

During its meeting on 31 January 2014, the Board of Directors approved the balance of the governance bodies and, in particular, considered that it was necessary for the governance of ALTEN for the same person to hold the positions of Chairman and Chief Executive Officer given the operational duties performed by Simon Azoulay, essential duties within the framework of managing and growing the Company.

1.2 Frequency of meetings and Directors' average attendance rate

The Board of Directors met eight times during financial year 2015, at the registered office, with an average attendance rate of 61%, thus complying with the thirteenth recommendation of the Reference Code. This rate, however, should still be improved, by, for example, systematically having the Members of the Board participate by means of a teleconference.

1.3 Primary duties

The Board of Directors' primary duty is to determine the direction of the Company's business, define its strategy and monitor its implementation.

It operates in areas which relate to its own areas of competence such as approval of financial statements (annual and interim financial

statements), convocation of General Meetings of shareholders, regulated agreements (within the meaning of Article L. 225-38 of the French Commercial Code) and determining remuneration for corporate officers.

In addition, the following transactions are subject to prior approval by the Board of Directors: (i) acquisitions, (ii) disposals, (iii) creation of jointly-held companies with third parties, (iv) issue of bonds, guarantees and securities.

In 2015, the Board of Directors prepared the separate financial statements for 2014, the interim statement at 30 June 2015 and management forecasts, examined and authorised financial press releases, approved the remuneration payable to corporate officers, examined and authorised all acquisition proposals, delegated authority to the Chairman and Chief Executive Officer to issue bonds, guarantees and securities subject to certain conditions and limits.

1.4 Limitation of the powers of Senior Management

On 28 June 2002, the Company's Board of Directors combined the duties of Chairman of the Board of Directors and Chief Executive Officer. Since that time, Simon Azoulay has been responsible for the General Management of the Company.

At its meeting on 19 June 2013, the Board of Directors resolved to combine the offices of Chairman and Chief Executive Officer and therefore reappointed Simon Azoulay as Chairman and Chief Executive Officer.

Simon Azoulay is the founding partner of ALTEN. He still has a key operational role in the Company's management and development. Thus, at its meeting of 31 January 2014, the Board of Directors considered it necessary for the governance of ALTEN that the same person hold the positions of Chairman and Chief Executive Officer.

The Chief Executive Officer and the Deputy Chief Executive Officers are vested with the broadest possible powers to act on behalf of the Company in all circumstances. They exercise their powers within the limit of the Company object and subject to those which the law expressly allocates to meetings of shareholders and of the Board of Directors. They represent the Company in its relations with third parties and before the courts.

The Board's Internal Rules also impose limitations on the powers of the General Management. The following transactions are subject to prior approval by the Board of Directors: (i) acquisitions (companies or business assets), (ii) disposals (corporate securities or business assets), (iii) creation of jointly-held companies with third parties, (iv) issue of bonds, guarantees and securities.

1.5 Remuneration policy for corporate officers

1.5.1 Remuneration paid by ALTEN SA

Fixed remuneration

The Board decides at the beginning of the year on the amount to be allocated to the Chairman and Chief Executive Officer and Deputy Chief Executive Officers for the current financial year for the performance of their corporate offices.

The Chairman and Chief Executive Officer and Deputy Chief Executive Officers receive remuneration generally consisting of fixed remuneration and, where appropriate, variable remuneration paid by ALTEN SA.

The Board of Directors upheld Bruno Benoliel's employment contract on his appointment as Deputy Chief Executive Officer on 27 September 2011 on the grounds that it predates his appointment as a corporate officer and that his corporate office corresponds to his salaried functions as Head of the Finance, Legal and Information Systems divisions which he has fulfilled since 1997, observing in this the first recommendation of the Reference Code.

The Board of Directors also upheld Pierre Marcel's employment contract with ALTEN SUD OUEST, a wholly-owned subsidiary of ALTEN SA, on his appointment as Deputy Chief Executive Officer on 28 January 2013 on the grounds that it predates his appointment as a corporate Officer and that his corporate office corresponds to his salaried function as a Manager at ALTEN SUD OUEST which he has fulfilled since 1 April 1996.

The total gross fixed remuneration paid to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers of ALTEN SA is set out in paragraph 15.1 of the present registration document.

Variable remuneration

Variable remuneration may also be paid to certain corporate officers subject to the achievement of performance criteria linked to the results of ALTEN SA and set previously by the Board.

The Chairman and Chief Executive Officer and the Deputy Chief Executive Officers did not receive variable remuneration during the 2015 financial year.

Benefits in kind

Certain executive corporate officers have a company car at their disposal (see paragraph 15.1 of the present registration document).

Extraordinary remuneration

No extraordinary remuneration was paid to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers during the 2015 financial year.

Directors' fees

Company Directors received no Directors' fees from ALTEN SA for the 2015 financial year. However, certain executive corporate officers received Directors' fees from companies within the Group (see paragraph 15.1 of the present registration document).

Deferred remuneration, severance pay or pension obligations

To date, the corporate officers of ALTEN SA have not received any deferred remuneration, termination benefits or retirement benefits, under the third and fourth Recommendations of the Reference Code.

ALTEN SA shareholders will be called upon to voice their opinion, in an advisory capacity, on remuneration allocated or due to the General Manager and to Deputy General Managers for the 2015 financial year at the ALTEN SA Ordinary Shareholders' Meeting held on 24 May 2016.

To the remuneration as defined above may be added the allocation of share options or stock, performance shares or share warrants.

Share subscription or purchase options

No share options were awarded during the 2015 financial year.

Performance-based shares

No performance-based shares were awarded during the 2015 financial year.

Share warrants

No share warrants were awarded during the 2015 financial year.

1.5.2 Remuneration paid by companies controlled by ALTEN SA (within the meaning of Article L. 233-16 of the French Commercial Code)

Directors' fees may be paid to executive corporate officers of ALTEN SA as remuneration for the positions they hold in companies controlled by ALTEN SA.

Chapter 15 of the Registration Document details the amounts paid to the Chairman and Chief Executive Officer and a Deputy Chief Executive Officer of ALTEN SA during the 2015 financial year.

The principles adopted by the Board of Directors to determine the remuneration and benefits of any kind awarded to corporate officers and the remuneration paid during the year are detailed in a comprehensive, reasoned, coherent, readable and transparent manner in line with the second and third recommendations of the Reference Code.

1.6 Shares owned and securities transactions

The Board of Directors' Internal Rules include certain provisions governing Company securities transactions that are carried out by members of the Board of Directors, including:

- members of the Board of Directors will declare to the *Autorité des marchés financiers* (AMF) and the Company (according to procedures set forth by law, the AMF's general regulations, currently defined in the AMF instruction dated 3 February 2006) all transactions (transfer, purchase, sale, pledge, etc.) involving Company shares, within the statutory period (currently five stock market trading days from the transaction date, which will be three stock market trading days starting on 3 July 2016);
- it should be recalled that it is recommended that securities held by the Members of the Board of Directors should be in registered form (either directly or through an intermediary). In accordance with the legislation in force, Directors are no longer obliged to hold Company shares;
- like any shareholder, members of the Board of Directors must inform the AMF when they cross any legal or ownership thresholds related to capital and/or voting rights, whether upwards or downwards. These declarations must be submitted to the AMF within four stock market trading days from the transaction date. Board members shall also provide the Company's Legal Division with a copy of the declaration submitted to the AMF;
- with regard to exceeding the thresholds specified in the Articles of Association, Article 9 of said Articles of Association specifies that all natural persons or legal entities acting individually or in concert holding shares exceeding 3% of the share capital or voting rights, must inform the Company of the total number of shares and voting

rights that they hold by registered letter with acknowledgement of receipt, no later than 15 days with effect from the date on which the 3% threshold was exceeded. This information must be provided within the same time frame if the shareholding or voting rights fall below the 3% threshold.

1.7 The Executive Committee and the Management Committee - France

1.7.1 Executive Committee

The Executive Committee, which meets at least once a month, is made up of the Chief Executive Officer, General and Deputy General Managers, Executive Managers of ALTEN Technology France, as well as the Manager of Structured Projects.

This Committee defines development strategy and defines objectives. It also analyses sales and financial performance and the implementation of operational measures needed to achieve the development plan.

It meets once a month and discusses the implementation of synergies between France and the Group's international companies.

1.7.2 Management Committee - France

The Management Committee for France is made up of members of the Executive Committee and Managers in charge of support services. It is chaired by the Chairman and Chief Executive Officer.

1.8 Statutory Auditors

The separate and consolidated financial statements are jointly certified by Grant Thornton, represented by Vincent Frambourt, and by KPMG AUDIT IS, represented by Jean-Pierre Valensi.

2. Terms of participation of shareholders at the General Meeting

The right to take part in General Meetings is subject to the registration of shares in the books under the shareholder's or the agent's name by no later than midnight, Paris time, on the second banking day preceding the General Meeting, either (i) in individual accounts managed by the Company or (ii) in bearer accounts managed by an authorised agent.

Registration of bearer shares is recorded through a shareholding certificate issued by the authorised agent.

If unable to attend the meeting in person, the shareholder may select one of the following three options: (i) give a proxy to a natural person or legal entity of his choice in accordance with the conditions of Article L. 225-106 of the French Commercial Code; (ii) send a proxy to the Company without identifying an agent; or (iii) vote by post.

Requests by shareholders to submit draft resolutions or items for the agenda must be sent to the head office by registered letter with acknowledgement of receipt or by electronic telecommunication and be received no later than 25 days before the General Meeting. They may not be sent more than 20 days after the publication of the convening notice in the BALO.

3. Elements liable to influence a public offer

All information on the elements likely to influence a public offer should one take place is described in paragraph 18.2 of the present registration document.

II. Internal audit and risk management procedures

The reference framework used to prepare the internal audit and risk management section of this report is the subject of an AMF recommendation dated 22 July 2010.

1. Definition and objectives of internal audit and risk management – Scope

Internal audit is defined by the ALTEN Group as a process implemented by management and staff to give reasonable assurance on the accomplishment of the following objectives:

- compliance with laws and regulations;
- implementation of instructions and strategies established by General Management;
- optimisation of operational activities;
- proper application of the Company's internal procedures, especially those related to protection of its assets and internal audit;
- the reliability and the quality of information used within the Company and distributed outside the Company; and
- generally, the control of its activities, efficiency of its operations and effective use of its resources.

Internal audit procedures are applied throughout the ALTEN Group, which is defined as ALTEN SA as well as all companies fully consolidated according to the global integration method.

The Group relies on its past experience and well-established documentary and information systems. Some of these resources are available to all employees, while others are only intended for certain divisions (Finance, Human Resources, Legal and Operational Directors).

However, this audit system cannot provide an absolute guarantee that objectives will be achieved or that the risks, whose likelihood of occurrence and potential impact it seeks to reduce, will be eliminated.

A think-tank on the mechanisms for risk management and internal control, together with the Statutory Auditors of the Company, took place in 2015.

The conclusion thereof is that the monitoring of the process for the preparation of financial information is rigorous, and that the internal control and risk management systems put into place within the Group are effective.

Certain areas for improvement were nonetheless noted, in particular (i) the formalised retranscription of the mechanism for risk detection, (ii) the putting into place of a dedicated structure for control and internal audit; and (iii) the formalised supervision of the mechanism for management, by the constitution of an Audit Committee which is separate from the Board of Directors.

2. References and components of ALTEN's internal audit system

Internal audit within the Group is officially set forth in a series of procedures that ensure both the financial and legal security of the various aspects of the Company's business.

The Financial Division is responsible for internal audit procedures related to the preparation and presentation of financial information. The production and analysis of financial information relies on the

Accounting, Consolidation and Management Control Departments as well as on the Financial Divisions of the various Group subsidiaries.

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Items of particular significance for the Company are prepared centrally; the Group Finance Division is thus responsible for testing Company assets for impairment and reporting on mergers and acquisitions and investments.

Consolidated financial statements are prepared using software that provides all necessary functions for traceability, accuracy and security of data and processing. Subsidiaries submit separate financial statements for consolidation at Group level, with no intermediate consolidation level.

All Group companies issue monthly reports on their operations and finances, including management and operational guidance indicators, which are approved by the Management Control Department. Each quarterly report is subject to meticulous examination.

In the case of foreign entities, which do not come under central Group services, additional financial audits are performed annually in accordance with procedures established by the Finance Division based on risk exposure. International Management Control also has a role in implementing and developing finance/management structures at foreign subsidiaries (processes/tools/recruitment) to support their development and ensure the accuracy of financial and operational information. Monthly and even weekly financial, sales and technical reviews based on quarterly reports are carried out.

Furthermore, the specific rules established by the ALTEN Group's various functional divisions are set forth below:

Recruitment

The hiring of staff members follows a process that is set out and regularly updated by the Group Human Resources Division (procedures to be followed, standard employment contracts, etc.). Once hired, information on new employees is promptly recorded in the Group's IT Systems. The payroll functions for 99% of all employees in France are handled centrally.

Sales

Any new customer account in France is subject to scoring to ensure that the customer is solvent. All customer accounts are scored and are subject to collection proceedings differentiated according to scoring levels.

For this purpose, ALTEN uses a software application in all its subsidiaries equipped with an ERP to manage customer accounts and collections. This application operates at various levels beginning with invoicing: identification of late payments, reminders, dispute identification and centralisation, collections, etc.

Strict internal guidelines specify how sales are recognised, depending on the nature of the projects (mainly time/materials, work packages and fixed price).

These guidelines are disseminated and uniformly applied by all Group subsidiaries, in France and abroad.

Invoices are issued by the administrative departments of the relevant entities.

The Group benefits from strengthened General Conditions of Sale, which are always incorporated in responses to invitations to tender.

ALTEN has established a specific process to manage integrated projects. Upon receipt of an invitation to tender, the Business Manager and the Technical Manager examine the commercial risks and the technical risks before deciding how to follow up the ITT, with the Director of Operations acting as an arbitrator.

The process continues, if applicable, with the design, the development of financial and technical proposals, then a review of the tender with the participation of the Technical Director, the Department Director, Management Control and the Director of Operations.

The Legal Division is always included in this process.

Because of the nature of its customers, the Group has little exposure to foreign exchange risks and credit risks.

Purchasing

All purchases are subject to independent verifications:

- the internal originator must issue a statement of requirement;
- purchase of equipment or services by the Group Purchasing Division in conjunction with the relevant department (General Resources, IT, etc.);
- validation and receipt of the service and/or delivery by the relevant department;
- validation of the authorisation for payment and of the invoice by the person responsible for the budget, with respect to the various documents.

Invoice settlement, arranged by the Accounting Division, is validated by an independent third party who ensures that the previous procedures have been followed and who verifies, through sampling, the information which enables validation of the invoices.

The Group has strong General Purchasing Conditions which now integrate Corporate Social Responsibility and Information System Security clauses.

Legal

Legal procedures are in place at Group level to involve the Legal Division in the various levels of pre-existing processes.

Legal audits of Group subsidiaries are carried out on a regular basis, based on a preliminary self-assessment questionnaire.

Acquisitions

The identification of targets and their preliminary approval are first handled by a special department or Operations Managers, and then validated by General Management, the Financial Division and the Operational Division of the relevant Division.

Proposed acquisitions are submitted to the Board of Directors for approval following an operational, financial, HR, tax and legal audit designed to ascertain that the entities fit the business model, that they are financially sound and that potential risks have been identified.

Once the project is approved, finalisation of the transaction is managed by the Legal Division, which drafts the supporting documentation.

Acquired entities are immediately integrated into the Group's operational reporting system and management process. Depending on the entity's size, the Group's information systems may be used to ensure the reliability of the data. They are reassessed on an annual basis.

Real estate

The request for new premises is prepared by the Operational Manager, confirmed by the Director of Operations and sent to Group General

Ressources to be processed and for a business case to be made. Review of the project and approval of selected premises falls within the purview of General Management.

The Legal, Purchasing and General Means divisions are also involved in the various stages of lease negotiations, overseeing them with the General Services Department. A property committee meets regularly to maintain a constant flow of information between the Legal Division, General Resources and Management Control so as to update data on current property and analyse ongoing and future projects.

Financial communications

The ALTEN Group uses all available resources to provide regular, reliable, clear and transparent information both to its shareholders and to financial analysts.

Information is provided via press releases distributed to the press, quarterly publications of the Group's sales figures, and biannual and annual publications of its earnings.

The Group organises semi-annual analysts' meetings at the time it publishes its earnings, and four times a year it organises teleconferences when quarterly results are published.

Delegations of authority

The existing system for delegating authority has a threefold purpose:

- raising awareness among Operational Directors about their responsibilities for health and safety;
- establishing the ALTEN Group's power of representation for the benefit of the Operational Directors;
- establishing a precise framework in which the Operational Directors exercise their authority (including the right of further delegation).

Delegations of authority primarily concern matters that are directly related to operations (hiring consultants or sales managers, signing customer contracts, dispute management, etc.).

Bank signing authority is only partially delegated in France and abroad for limited amounts.

Information systems

The Group has implemented its Information Systems with a threefold objective:

- to achieve productivity gains;
- to secure the flow of financial information; and
- to oversee operations carried out by the various Group companies and have pertinent operational information enabling responsive management of the business.

The main application software currently in use is:

- Customer Relationship Management (CRM);
- Human Resources, employee management;
- payroll;
- purchasing;
- sales management and invoicing;
- employee management and time management (in conjunction with employee and project management);

- cost management and oversight (in conjunction with time and project management);
- general and analytic accounting, management control and financial management;
- consolidation;
- cash management.

Interfaces have been established between various software applications in order to provide access to dependable and consistent information at all stages of data processing.

Work completed in 2014 – Projects for 2015-2016

In line with the Group's strategy to upgrade its Information System, the Agresso 5.6 ERP suite was implemented across Ataxis group companies in Europe in full integration with the project management solution ChangePoint and across Anotech Energy group companies. Agresso 5.6, the new version of which goes by the name of Milestone 5, will continue to be implemented in Spain 2015 and in other international subsidiaries in 2016, 2017 and 2018.

Agresso's international implementation on a core model basis are progressively providing the ALTEN Group with an integrated homogeneous and coherent Information System to drive its business processes and technology solutions, and thus optimise its management and growth.

In France, continual improvements are being made to pursue the optimization of management processes and the non-stop adaptation of SAP ERP to the evolving business environment. The incorporation of digital technology lies at the core of this optimization process.

With regard to front-office CRM (Customer Relationship Management), the implementation of a dedicated project has provided commercial managers with an innovative and integrated solution to search for consultant profiles based on a semantic search engine and automatic CV processing. It improves search results and more effectively matches customer projects with available skills.

Lastly, the roll-out of institutional and intranet sites based on Sharepoint technology available with mobile applications was conducted in 2015.

The ongoing consolidation of the Group's IT infrastructure at the European data centre in Paris will ensure the security and resilience of the Group's data and Information Systems.

Additionally, the renovation of supervision tools for all infrastructures will provide the Group with totally effective resources.

The implementation of hybridation between ALTEN's private cloud service and Microsoft's public cloud service has paved the way for the use of Office365 across the Group. Engineers in France will now have the benefit of these mobile solutions, followed shortly by the rest of the Group for global convergence on mobile office system solutions.

Lastly, in 2016 a project has been launched for the migration of CRM France to a new platform that should in time be deployed right across the Group.

Cash flow

The Group's centralised cash management department manages the cash of all French subsidiaries. Since 2009, all cash flows have been protected by the SWIFT NET network and high-performance ERP software. A study of the evolution of cash management tools will be commissioned in 2016.

Cash pooling covers the full scope of France and was partially implemented in other countries in 2014 and 2015. The roll-out will continue in 2016 and 2017.

The Treasury Division would thereby have efficient means of cash management for subsidiaries and to support the Group's growth financially.

3. Risk management

Identified risks and the means in place to manage them appear in Chapter 5 of the management report.

4. Conclusion – Outlook

The continuous improvement of the ALTEN internal audit procedures initiated by the Group several years ago will continue in 2016.

11 April 2016

Chairman of the Board of Directors

Simon Azoulay

16.4.2 STATUTORY AUDITORS' REPORT, PRESENTED IN APPLICATION OF ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE, CONCERNING THE REPORT DRAWN UP BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF ALTEN

To the Shareholders,

As Statutory Auditors of ALTEN S.A. and pursuant to the provisions of Article L. 225-235 of the French Commercial Code, we hereby present you with our report on the report drawn up by the Chairman of your Company pursuant to the provisions of Article L. 225-37 of the French Commercial Code in respect of the financial year ended 31 December 2015.

The Chairman shall write and submit to the Board of Directors for its approval a report setting out the internal control and risk management procedures put in place within the Company and providing the other information required by Article L. 225-37 of the French Commercial Code concerning in particular the arrangements made with regard to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to certify that the report includes all other information required by Article L. 225-37 of the French Commercial Code, it being specified that it is not within our remit to verify the veracity of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information procedures.

Professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management

procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed enabling the preparation of this information and existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on the company's internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board's report, prepared pursuant to Article L. 225-37 of the French Commercial Code.

Other information

We hereby certify that the report of the Chairman of the Board of Directors includes the other information required by Article L. 225-37 of the French Commercial Code.

The Statutory Auditors

Paris, 22 April 2016
Grant Thornton
French member of Grant Thornton International
Vincent Frambourt
Partner

Paris La Défense, 22 April 2016
KPMG AUDIT IS
Jean-Pierre Valensi
Partner

EMPLOYEES

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EMPLOYEES WORKFORCE BREAKDOWN

17.1 WORKFORCE BREAKDOWN

ALTEN GROUP WORKFORCE, YEAR-END

	31/12/2015	31/12/2014	31/12/2013
Consultants ⁽¹⁾	18,000	16,200	14,100
Internal staff ⁽²⁾	2,400	2,200	1,900
TOTAL	20,400	18,400	16,000

(1) Salaried employee performing technical projects on customer premises, services billed to customers.

(2) Internal operating staff; not billed to clients.

See also Chapter 6, paragraph 6.1 of this Registration Document.

17.2 PROFIT-SHARING AND STOCK OPTIONS

See Chapters 15.1 and 18.1.

17.3 AGREEMENT ON EMPLOYEE PROFIT-SHARING

17.3.1 DISCRETIONARY PROFIT-SHARING PLAN

ALTEN has not implemented any discretionary employee profit-sharing plans.

17.3.2 MANDATORY PROFIT-SHARING PLAN

With regard to mandatory employee profit-sharing plans, Group companies with more than 50 employees and which record a profit have implemented profit-sharing plans as required by law.

Companies	Date of agreement	Date of most recent amendment
ALTEN SA	27/05/1992	Amendment No. 9 dated 30/06/2016
ALTEN SIR	12/02/2009	Amendment No. 2 dated 25/10/2011
ALTEN Sud-Ouest	15/12/2001	Amendment No. 2 dated 28/02/2007
Anotech Energy	06/12/2007	Amendment No. 1 dated 01/03/2010
MI-GSO	15/11/2006	Amendment No. 4 dated 19/11/2014
Avenir Conseil Formation	20/01/2009	Amendment No. 4 dated 18/03/2010
Atexis France	14/12/2009	-
Elitys Consulting	11/03/2011	-

In addition, all companies benefit from the Multipar Sécurité and Multipar Solidaire Dynamique FCPs.

Employee profit sharing can be allocated to a company savings plan (PEE) and used to acquire FCPE shares.

For a majority of Group companies, the FCPEs available under the company savings plan (PEE) are:

- FCP ALTEN;
- FCPE Multipar Sécurité;
- FCPE Multipar Diversifié Modéré – Part I;
- FCPE Multipar Équilibre Socialement Responsable – Part C;
- FCPE Multipar Solidaire Dynamique Socialement Responsable – Part C;

All of these funds have been approved by the AMF.

AMOUNTS PAID TO EMPLOYEES UNDER EMPLOYEE PROFIT-SHARING PLANS OVER THE PAST THREE YEARS

ALTEN SA	2015	2014	2013
Employee profit-sharing (<i>in thousands of euros</i>)	1,768	61	226

17.4 COLLECTIVE AGREEMENTS

At ALTEN SA:

- the signing, on 5 May 2015, of the agreement pertaining to Health and the Quality of Life in the Workplace;
- the signing, on 30 June 2015, by agreement with the Works Council, of Amendment No. 9 to the employee profit-sharing agreement pertaining to the special profit-sharing reserve.

At ALTEN SIR:

No agreement was signed at ALTEN SIR in 2015.

At ALTEN Sud-Ouest:

- the signing, on 27 February 2015, of the agreement pertaining to the Obligatory Annual Negotiation;
- the signing, on 30 July 2015, of the agreement pertaining to the extension of the terms of office of the Employee Delegates and of members of the Works Council.

At MI-GSO:

- the signing, on 9 April 2015, of the agreement pertaining to the Obligatory Annual Negotiation for 2015;
- the signing, on 21 October 2015, of Amendment No. 1 to the agreement on organisation of working time of 10 December 2009 at MI-GSO.

17.5 EMPLOYEE-RELATED AND ENVIRONMENTAL CONSEQUENCES OF ALTEN SA'S ACTIVITY

17.5.1 EMPLOYMENT WITHIN ALTEN SA

	Workforce	
Total workforce as of 31/12/2015	5,139	
Employees recruited on permanent contracts	1,696	
Employees recruited on fixed-term contracts	94	
Employees recruited on vocational training and internship contracts	44	
Total departures	1,558	%
Resignations	861	55.26%
Redundancies	190	12.20%
End of trial period	306	19.64%
End of fixed-term employment contract	80	5.13%
End of vocational training and internship contract	41	2.63%
Other (including transfers)	80	5.13%

17.5.2 EMPLOYMENT AND RECRUITMENT OF FOREIGN EMPLOYEES

At 31 December 2015, there were 340 employees of foreign nationality, including 198 from outside the European Union, in ALTEN's workforce.

	Workforce
French employees	4,799
Foreign employees	340
EU	142
Non-EU	198

17.5.3 EMPLOYMENT AND INTEGRATION OF EMPLOYEES WITH DISABILITIES

In 2015, 32 of its employees were stated as having a disability.

The Company pursued its initiatives for raising of awareness, intended for all employees. A communication unit for disability was put into place. It is open to any employee wishing to obtain information on the subject, and makes it possible to have an appointment, in full confidentiality, with a person who is specialised in the area of disability.

Parallel to that, the ALTEN Company is pursuing its partnerships with businesses in the sheltered sector, by entering into contracts with them for the provision of subcontracting and services.

ALTEN SA paid a contribution of €1,377,646 to the French disability agency AGEFIPH in 2015.

17.5.4 WORKING TIME

	Number	
Full-time employees	5,084	
Part-time employees	55	
> 20 hours	51	
< 20 hours	4	
Overtime worked	7,852.03	
Absenteeism	Number (days)	%
Sabbaticals, paternity leave, family events	8,977	17.88%
Maternity leave	13,491	26.88%
Sick leave	18,650.85	37.16%
Work accident	271	0.54%
Commuting accidents	375	0.75%
Other causes (unpaid leave)	8,428.50	16.79%
		10.02 days absence on average per
Total Absenteeism	50,193.35	employee absence

17.5.5 EMPLOYEE RELATIONS

Companies within the Group actively pursue dialogue with their labour relations partners. At ALTEN, the signing of the agreement pertaining to Health and to Quality of Life in the Workplace marked the conclusion of a negotiation carried out over previous years. Negotiations on the subject of constraints were held all throughout 2015 and led to the signing of an agreement in early 2016.

ALTEN SA met with the Works Council 15 times and with employee representatives 12 times during 2015.

The representatives from the Works Council to the Board of Administration of ALTEN, as well as the "employee Board member", elected in 2014, were invited to 2015 meetings of the Board of Directors.

17.5.6 HEALTH AND SAFETY

ALTEN SA's Health and Safety Committee met eight times in 2015. The Health and Safety Committees of Group subsidiaries that have reached regulatory thresholds meet at legally-mandated intervals.

Given ALTEN's business activities, and out of principle, its employees are not subject to difficult working conditions or the performance of repetitive tasks such as assembly line work.

The majority of consultants work on customer premises, in laboratories or offices. Other employees working on Company premises provide functional services.

17.5.7 REMUNERATION, MANDATORY AND DISCRETIONARY PROFIT-SHARING AND SAVINGS PLANS

At 31 December 2015, payroll taxes amounted to €80,619,000.

Most of the Group companies - those with more than 50 employees - have implemented mandatory profit-sharing plans and company savings plans with the possibility of voluntary payments. Employees

may choose to invest in the ALTEN FCPE or in mutual funds with specific profiles (money market – conservative – growth).

Profit-sharing amounted to €1,768,000 for ALTEN SA as at 31 December 2015.

17.5.8 CHARITABLE AND CULTURAL WORKS

The budget allocated to welfare benefits represented 0.8% of the total payroll.

17.5.9 SUBCONTRACTING AND TEMPORARY STAFF

ALTEN SA mainly uses subcontractors from within the Group. For 2015, subcontracting costs came to €92,447 thousand.

The ALTEN Group ensures that its subsidiaries comply with the fundamental provisions of national and international labour laws in their relations with subcontractors.

In particular, ALTEN ensures that its subcontractors and affiliates comply with a code of ethics, especially the provisions of the ILO,

given that most engineers are from European Union member countries that have adopted the ILO's fundamental principles.

The use of temporary workers cost ALTEN SA €84 thousand in 2015.

The social and environmental consequences of the ALTEN Group's activity are presented in chapter 3 of the business report, "Operational Excellence & Continuous Improvement".

MAIN SHAREHOLDERS

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18.1 SHAREHOLDING STRUCTURE

18.1.1 SHAREHOLDING STRUCTURE

18.1.1.1 Position as of 31 March 2016

	Number of shares	% of capital	Theoretical voting rights	% theoretical voting rights	Voting rights in OGM and EGM	% of voting rights in OGM and EGM
Public	20,774,846	61.67%	20,815,296	54.56%	20,815,296	55.23%
SGTI ⁽¹⁾	2,630,775	7.81%	5,261,550	13.79%	5,261,550	13.96%
SGTI 2 ⁽¹⁾	868,187	2.58%	868,187	2.28%	868,187	2.30%
Simon Azoulay ⁽²⁾	1,931,705	5.74%	3,666,755	9.61%	3,666,755	9.73%
SUBTOTAL (SIMON AZOULAY AND RELATED PARTIES)	5,430,667	16.13%	9,796,492	25.68%	9,796,492	25.99%
International Value Advisers LLC	3,354,402	9.96%	3,354,402	8.79%	3,354,402	8.90%
FMR LLC (Fidelity International Ltd)	1,928,430	5.73%	1,928,430	5.05%	1,928,430	5.12%
Harris Associates Ltd	1,148,231	3.41%	1,148,231	3.01%	1,148,231	3.05%
Treasury shares	466,387	1.38%	466,387	1.22%	-	-
Gérald Attia ⁽³⁾	279,477	0.83%	291,167	0.76%	291,167	0.77%
ALTEN FCOPE	226,855	0.67%	226,855	0.59%	233,795	0.60%
Bruno Benoliel	52,800	0.16%	105,600	0.28%	105,600	0.28%
Pierre Marcel	14,000	0.04%	14,000	0.04%	14,000	0.04%
Emily Azoulay	3,000	0.02%	6,000	0.02%	6,000	0.02%
TOTAL	33,678,875	100%	38,152,860	100%	37,686,473	100%

(1) Companies controlled at the highest level by Simon Azoulay.

(2) Including 1,133,550 ALTEN shares held in bare-ownership and similar shares, under of Article L. 233-9-1-6 of the French Commercial Code, and for which usufruct was given by Simon Azoulay to ENIO within the framework of a temporary gift of usufruct (see AMF decision No. 214C-1-6) as well as 150,000 ALTEN shares held in bare-ownership and similar shares, under paragraph 6 part I of Article L. 233-9-1-6 of the French Commercial Code, and for which usufruct was given by Simon Azoulay to the FJF within the framework of a temporary gift of usufruct.

(3) Including 192,858 ALTEN shares held by GMA, a company controlled at the highest level by Gérald Attia.

There have been no significant changes in the position of capital and voting rights since 31 March 2016.

To the Company's knowledge, no other shareholder holds, directly or indirectly, individually or in concert, more than 3%⁽¹⁾ of the Company's capital or voting rights.

Cash management shares

As of 31 December 2015, no ALTEN subsidiary held any ALTEN shares.

(1) Internal threshold detailed in Article 9 of the Articles of Association.

18.1.1.2 Position as of 31 December 2015

Persons who, as of 31 December 2015, directly or indirectly held more than 3%, 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% or 95% of the Company's share capital or voting rights at General Meetings are named below.

	Number of shares	% of capital	Theoretical voting rights	% theoretical voting rights	Voting rights in OGM and EGM	% of voting rights in OGM and EGM
Public	20,750,426	61.65%	20,790,860	54.52%	20,790,860	55.20%
SGTI ⁽¹⁾	2,630,775	7.81%	5,261,550	13.79%	5,261,550	13.97%
Simon Azoulay ⁽²⁾	1,931,705	5.74%	3,666,755	9.61%	3,666,755	9.73%
SGTI 2 ⁽¹⁾	868,187	2.58%	868,187	2.28%	868,187	2.30%
SUBTOTAL (SIMON AZOULAY AND RELATED PARTIES)	5,430,667	16.13%	9,796,492	25.68%	9,796,492	26%
International Value Advisers LLC	3,354,402	9.96%	3,354,402	8.80%	3,354,402	8.90%
FMR LLC (Fidelity International Ltd)	1,928,430	5.73%	1,928,430	5.06%	1,928,430	5.12%
Harris Associates Ltd	1,148,231	3.41%	1,148,231	3.01%	1,148,231	3.05%
Treasury shares	467,397	1.39%	467,397	1.22%	-	-
Gérald Attia ⁽³⁾	279,477	0.83%	291,167	0.76%	291,167	0.77%
ALTEN FCPE	233,795	0.69%	233,795	0.61%	233,795	0.62%
Bruno Benoliel	52,800	0.16%	105,600	0.28%	105,600	0.28%
Pierre Marcel	14,000	0.04%	14,000	0.04%	14,000	0.04%
Emily Azoulay	3,000	0.01%	6,000	0.02%	6,000	0.02%
TOTAL	33,662,625	100%	38,136,374	100%	37,668,977	100%

(1) Companies controlled at the highest level by Simon Azoulay.

(2) Including 1,133,550 ALTEN shares held in bare-ownership and similar shares, under of Article L. 233-9 of the French Commercial Code, and for which usufruct was given by Simon Azoulay to ENIO within the framework of a temporary gift of usufruct (see AMF decision No. 214C1116) as well as 150,000 ALTEN shares held in bare-ownership and similar shares, under of Article L. 233-9 of the French Commercial Code, and for which usufruct was given by Simon Azoulay to the FJF within the framework of a temporary gift of usufruct.

(3) Including 192,858 ALTEN shares held by GMA, a company controlled at the highest level by Gérald Attia.

To the Company's knowledge, no other shareholders directly or indirectly, individually or in concert, hold 3% or more of the Company's share capital and voting rights.

18.1.2 CHANGE IN SHAREHOLDING STRUCTURE

18.1.2.1 Changes to the capital structure over the past three years

	Position as of 31 December 2015			Position as of 31 December 2014			Position as of 31 December 2013		
	Number of shares	% of capital	% of actual voting rights	Number of shares	% of capital	% of actual voting rights	Number of shares	% of capital	% of actual voting rights
Public	20,750,426	61.65%	55.20%	18,655,586	55.54%	48.68%	19,205,041	58.05%	50.20%
Simon Azoulay*	5,430,667	16.13%	26%	7,417,481	22.08%	32.79%	7,771,195	23.50%	35.10%
International Value Advisers LLC	3,354,402	9.96%	8.90%	3,354,402	9.99%	8.73%	1,673,322	5.06%	4.36%
FMR LLC (Fidelity International Ltd)	1,928,430	5.73%	5.12%	1,935,852	5.76%	5.04%	1,943,459	5.88%	5.07%
Harris Associates Ltd	1,148,231	3.41%	3.05%	1,166,043	3.47%	3.04%	1,591,707	4.81%	4.15%
Treasury shares	467,397	1.39%	-	467,749	1.39%	-	474,970	1.44%	-
Gérald Attia	279,477	0.83%	0.77%	204,477	0.61%	0.56%	88,477	0.27%	0.26%
ALTEN FCPE	233,795	0.69%	0.62%	257,620	0.77%	0.67%	270,000	0.82%	0.70%
Bruno Benoliel	52,800	0.16%	0.28%	112,800	0.34%	0.43%	52,800	0.16%	0.14%
Pierre Marcel	14,000	0.04%	0.04%	14,000	0.04%	0.04%	-	-	-
Emily Azoulay	3,000	0.01%	0.02%	3,600	0.01%	0.02%	4,330	0.01%	0.02%
TOTAL	33,662,625	100%	100%	33,589,610	100%	100%	33,075,301	100%	100%

* Simon Azoulay and those in a similar category (including SGT1 and SGT1 2, which he controls, and the shares whose usufruct was temporarily given to ENIO and to the FJF).

18.1.2.2 Public purchase or exchange offer

No public purchase or exchange offers were launched by third parties on the Company's shares.

In addition, the Company has launched no public exchange offer on the shares of another company on a regulated market.

18.1.2.3 Shareholders' agreements

To the best of the Company's knowledge, there are currently no shareholders' agreements in effect.

18.1.3 NOTIFIABLE INTERESTS

To the Company's knowledge, the only reporting thresholds breached during the 2015 financial year were the following:

Declarant's name	Transaction date	AMF Reference	Type of threshold breach
BNP Paribas Investment Partners	20/02/2015	-	Falling below the 3% voting rights threshold ⁽¹⁾
Simon Azoulay and SGTI	06/03/2015	215C0301	Falling below the following thresholds by SGTI: the 10% capital threshold, the 20% voting rights threshold for the Ordinary General Meeting, and the 15% voting rights threshold for the Extraordinary General Meeting Falling below the following thresholds by Simon Azoulay, directly and indirectly: the 20% capital threshold, and the 30% voting rights threshold
SGTI 2	13/03/2015	215C0331	Falling below the 5% capital threshold and the 5% voting rights threshold ⁽²⁾
FMR LLC	07/07/2014	215C0338	Falling below the 5% voting rights threshold ⁽³⁾
BNP Paribas Investment Partners	26/03/2015	-	Falling below the 3% capital threshold ⁽¹⁾
Harris Associates L.P.	30/03/2015	-	Exceeding the 3% voting rights threshold ⁽¹⁾
Oakmark International Small Cap Fund	31/03/2015	-	Falling below the 3% capital threshold ⁽¹⁾
FMR LLC	08/04/2015	215C0623	Exceeding the 5% voting rights threshold ⁽³⁾
Simon Azoulay and SGTI	30/06/2015	215C0968	Exceeding the 5% capital threshold by Simon Azoulay Falling below the 15% voting rights threshold by SGTI ⁽⁴⁾

(1) Internal threshold detailed in Article 9 of the Articles of Association.

(2) Simon Azoulay did not breach any threshold on this occasion.

(3) Declaration made for adjustment purposes.

(4) Upon this occasion, Simon Azoulay did not cross, either directly or indirectly, any threshold.

No thresholds were breached since the close of the 2015 financial year.

18.2 ELEMENTS LIABLE TO INFLUENCE A PUBLIC OFFER

ALTEN's capital structure and the Company's known direct and indirect equity interests and all other information on this matter, set forth in paragraph 18.1, show that the major shareholders (Simon Azoulay and parties of a similar category, including SGTI and SGTI 2, and including the shares whose usufruct was temporarily given to ENIO and to the FJF by Simon Azoulay) together hold 25.99% of actual voting rights at 31 March 2016.

There are no statutory restrictions on transferring the shares.

There are no statutory restrictions on the exercising of voting rights, except for the removal of voting rights from shares which were not the subject of a statutory threshold breach declaration which can be requested by one or more shareholders holding at least 3% of the share capital (Article 9 of the Articles of Association).

There are no shares giving special control rights other than those conferring double voting rights.

Moreover, Article 14 of ALTEN's Articles of Association stipulates that "all fully paid-up shares which have been registered in the same name for a continuous period of at least four years are assigned double voting rights. In the event of an increase in capital by the incorporation of reserves, profits or issue premiums, this double voting right is also conferred from the time of issue to new shares awarded free of charge to a shareholder by virtue of former shares for which the shareholder had already been granted this right".

The rules governing the appointment and dismissal of members of the Board of Directors and rules governing amendment of the Articles of Association are governed by common law.

There are no specific agreements stipulating the payment of compensation should a Board member cease to be in office or should

an employee cease to be in office due to resignation or redundancy without real or serious grounds or due to loss of employment due to a public offering.

Delegations and authorisations granted by the Board of Directors which are currently in effect are described in paragraph 21.1.1.

ALTEN is also duly informed of any significant investments (direct or indirect) in its share capital:

- in implementation of Articles L. 233-7 and L. 233-12 of the French Commercial Code;
- pursuant to Article 9 of the Company's Articles of Association which provides that "any natural person or legal entity acting individually or in concert that crosses the threshold (upwards or downwards) of 3% of the share capital or voting rights must inform the Company of the total number of shares and voting rights owned by registered letter with acknowledgement of receipt within 15 days from the date on which such 3% threshold was crossed".

To the Company's knowledge, there are no shareholders' agreements.

The Club Deal contract concluded by the ALTEN Group on 20 March 2015 contains a change of control clause according to which the lenders may request, under certain conditions, the compulsory repayment of the advances granted and/or refuse to grant further advances.

Voting rights attached to ALTEN shares held by employees through ALTEN FCPE shares are exercised by a representative appointed by the FCPE Supervisory Board to represent it at the General Meeting.

18.3 DIRECT OR INDIRECT CONTROL

The Company is not controlled (see chapter 18.1).

18.4 AGREEMENTS WHICH, WHEN IMPLEMENTED, COULD CAUSE A CHANGE IN CONTROL

None.

TRANSACTIONS WITH RELATED PARTIES

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19.1 AGREEMENTS GOVERNED BY ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE

19.1.1 NEW AGREEMENTS ENTERED INTO DURING THE PAST FINANCIAL YEAR

No new agreements were concluded during the past financial year.

19.1.2 AGREEMENTS ENTERED INTO DURING A PREVIOUS FINANCIAL YEAR BUT THE EFFECTS OF WHICH CONTINUED DURING THE PAST FINANCIAL YEAR

It will be recalled that the agreements were the subject of a review by the Board of Directors during its meeting of 11 April 2016. The Board considered that the renewal of said agreements in 2016 was in the interest of ALTEN.

19.1.2.1 Service provision

SGTI and ALTEN entered into a service provision agreement on 3 July 2009. Under this agreement, ALTEN performs administrative services for SGTI. This agreement was approved at the Combined General Meeting of 19 June 2012 in accordance with Article L. 225-42 of the French Commercial Code. ALTEN invoiced a flat-fee sum of €15,000 in respect of the 2015 financial year.

SGTI 2 and ALTEN entered into a service provision agreement on 25 September 2013 under which ALTEN will perform administrative

services for SGTI 2. This agreement was approved at the Combined General Meeting of 18 June 2014 in accordance with Article L. 225-42 of the French Commercial Code. ALTEN invoiced a flat-fee sum of €10,000 in respect of the 2015 financial year.

19.1.2.2 Tax consolidation

At its meeting of 24 February 2015, ALTEN's Board of Directors noted that under the revised Article L. 225-39 of the French Commercial Code, the agreements concluded between ALTEN SA and its wholly-owned subsidiaries, held both directly and indirectly, are no longer governed by Article L. 225-38 of the French Commercial Code. It was therefore decided to decommission the said agreements with the exception of the agreement that does not meet decommissioning conditions.

Companies	Date the Board of Directors authorised the agreement	Signed date of the agreement	Effective date	Common executive corporate officers	Holds more than 10% of voting rights
Avenir Conseil Formation	06/05/2008	07/05/2008	01/01/2008	Gérald Attia	Yes

19.1.2.3 Signing of a commercial lease by ALTEN SA and SIMALEP

Signing by ALTEN SA of a commercial lease with SIMALEP, a company under civil law, with share capital of €1,524.49, whose registered office is situated at 221, Boulevard Jean-Jaurès, 92100 Boulogne-Billancourt, registered with the Trade and Companies Register of Nanterre under the number 329 341 101, for office space at an annual total rent of €96,000 net of taxes, adjustable every year depending on the benchmark index, but without exceeding the quarterly change in the construction cost index published by INSEE.

SIMALEP is 55% owned by Mr Azoulay, also Manager of SIMALEP. Ms Emily Azoulay, a Director of ALTEN SA, also holds a 25% stake in SIMALEP.

This lease was approved by the ALTEN SA Board of Directors at its meeting on 28 July 2011.

In 2015, the amount billed to ALTEN SA for this lease came to €157,461.71

19.1.3 AGREEMENTS CONCLUDED BETWEEN A CORPORATE OFFICER OR A SHAREHOLDER HOLDING MORE THAN 10% OF SHARE CAPITAL AND A SUBSIDIARY

None.

19.2 SPECIAL REPORT OF THE STATUTORY AUDITORS ON REGULATED AGREEMENTS AND COMMITMENTS (GENERAL MEETING CALLED TO APPROVE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015)

To the shareholders,

In our capacity as Statutory Auditors of your Company, we hereby present to you our report on regulated agreements and commitments.

It is our responsibility to communicate to you, based on information provided to us, the principal terms and conditions and the basis for the company's interest of those agreements and commitments indicated to us or those we may have discovered during the course of our audit, without expressing an opinion on their utility and appropriateness or identifying such other agreements, if any. It is your responsibility, in compliance with Article R. 225-31 of the French Commercial Code, to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Moreover, it is our responsibility, where necessary, to forward you the information specified in Article L. 225-31 of the French Commercial Code relating to executing the agreements and commitments during the past financial year, already approved by the General Meeting.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source document.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

Agreements and commitments authorised during the period

We hereby inform you that we have not been advised of any agreements or commitments authorised during the year to be submitted for the approval by the General Meeting pursuant to Article L. 225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements and commitments authorised during previous years and continuing to be in place during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements previously authorised by the General Meeting in previous financial years were still in effect during the period.

Service agreement with SGTI

Directors and shareholders involved: Mr Simon Azoulay and SGTI.

Under an agreement signed on 3 July 2009, ALTEN provides SGTI with general and administrative services.

For the year ended 31 December 2015, the amount of this service fee was €15,000 (excluding taxes).

This agreement was approved by the General Meeting on 19 June 2012.

Service agreement with SGTI 2

Directors and shareholders involved: Mr Simon Azoulay and SGTI 2.

Under an agreement signed on 25 September 2013, ALTEN provides SGTI 2 with administrative, accounting and financial services.

For the year ended 31 December 2015, the amount of this service fee was €10,000 (excluding taxes).

This agreement received the prior authorisation of the ALTEN Board of Directors during its meeting on 24 September 2013, and was approved by the General Meeting on 18 June 2014.

Tax consolidation agreement with AVENIR CONSEIL FORMATION

Directors and shareholders involved: Mr Simon Azoulay, Mr G rald Attia and Mr Bruno Benoliel.

A tax consolidation agreement was signed on 7 May 2008 between your company and AVENIR CONSEIL FORMATION. It took effect as from 1 January 2008.

This agreement had no impact on your company's financial statements for the year ended 31 December 2015 in the absence of tax losses of AVENIR CONSEIL FORMATION.

This agreement received the prior authorisation of the ALTEN Board of Directors during its meeting on 6 May 2008, and was approved by the General Meeting on 23 June 2009.

Signing of a commercial lease with SIMALEP

Directors and shareholders involved: Mr Simon Azoulay, Chairman, and Ms Emily Luna, Director.

A commercial lease was signed on 28 July 2011 with SIMALEP, a non-trading company (Société Civile) registered with the Nanterre Trade and Companies register under No. 329 341 101, for premises at 119-121 Grand Rue, Sèvres, France. The premises cover a total of approximately 444 sq.m. and nine parking spaces, for an annual rent totalling €96,000 excluding tax, to be revised every three years in line with the rental value of the premises leased but without exceeding the change in the quarterly construction costs index published by INSEE.

Paris, 22 April 2016
Grant Thornton
French member of Grant Thornton International
Vincent Frambourt
Partner

The expense recorded during the financial year was €157,461.71 including fees and taxes.

This agreement received the prior authorisation of the ALTEN Board of Directors during its meeting on 28 July 2011, and was approved by the General Meeting on 19 June 2012.

Paris La Défense, 22 April 2016
KPMG AUDIT IS
Jean-Pierre Valensi
Partner

FINANCIAL INFORMATION

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20.1 HISTORICAL FINANCIAL INFORMATION

Pursuant to Article 28 of European Regulation 809/2004, the following information is incorporated by reference in this Registration Document:

- the separate and consolidated financial statements at 31 December 2014, and our Statutory Auditors' reports, found on pages 193 to 250 of the Registration Document No. D.15-0409 filed with the AMF on 27 April 2015;
- the separate and consolidated financial statements at 31 December 2013, and our Statutory Auditors' reports, found on pages 171 to 230 of the Registration Document No. D.14-0408 filed with the AMF on 25 April 2014.

20.2 *PRO FORMA* FINANCIAL INFORMATION

None.

20.3 FINANCIAL STATEMENTS

20.3.1 2015 CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

1.1 Consolidated financial situation

ASSETS

<i>(In thousands of euros)</i>	Notes	31/12/2015	12/31/2014 ⁽¹⁾
Goodwills	3.1	331,617	276,259
Intangible assets		10,286	9,122
Property, plant and equipment	3.2	36,273	18,145
Investments in associates	3.3	7,598	3,644
Non-current financial assets	3.4	81,311	67,920
Deferred tax assets	3.18	13,317	12,791
NON-CURRENT ASSETS		480,402	387,881
Trade receivables	3.5	499,378	462,256
Other current assets	3.5	44,159	32,999
Current tax assets		46,797	35,697
Cash and cash equivalents	3.6	91,918	70,467
CURRENT ASSETS		682,253	601,418
TOTAL ASSETS		1,162,655	989,299

LIABILITIES

<i>(In thousands of euros)</i>	Notes	31/12/2015	12/31/2014 ⁽¹⁾
Share capital		34,215	34,140
Additional paid-in capital		46,272	44,981
Consolidated reserves		461,286	402,466
Consolidated earnings		106,262	79,363
Equity (group share)		648,034	560,950
Non-controlling interests		1,777	1,281
TOTAL EQUITY		649,811	562,231
Provisions and employee benefits	3.9	20,514	18,673
Non-current financial liabilities	3.7	18,735	6,194
Other non-current liabilities	3.8	8,173	14,300
Deferred tax liabilities	3.8	1,995	1,129
NON-CURRENT LIABILITIES		49,417	40,296
Provisions and employee benefits	3.9	6,860	6,482
Current financial liabilities	3.7	56,181	38,814
Trade payables		55,904	47,972
Other current liabilities	3.8	339,757	285,945
Current tax liabilities		4,725	7,558
CURRENT LIABILITIES		463,427	386,771
TOTAL LIABILITIES		1,162,655	989,299

(1) The consolidated balance sheet of the period closed at 31 December 2014 was restated in comparison to that presented in the consolidated financial statements as at 31 December 2014, published in April 2015 in order to take into account the impact connected to the new interpretation of IFRIC 21 - Levies (see Note 2.2.1).

1.2 Consolidated income statement

<i>(In thousands of euros)</i>	Notes	31/12/2015	31/12/2014 ⁽¹⁾
REVENUE	3.19	1,540,906	1,373,166
Purchases consumed	3.10	(126,811)	(105,783)
Payroll expenses	3.11	(1,091,738)	(979,669)
External charges	3.12	(148,944)	(136,880)
Taxes other than on income	3.13	(8,255)	(9,283)
Depreciation and amortisation		(11,326)	(9,781)
Other operating expenses	3.14	(6,327)	(4,635)
Other operating income	3.14	4,981	4,878
OPERATING PROFIT ON ACTIVITY		152,486	132,013
Share-based payments	3.15	74	(19)
PROFIT FROM ORDINARY ACTIVITIES		152,560	131,994
Non-current operating expenses	3.16	(8,117)	(15,892)
Non-current operating income	3.16	2,626	440
Income from asset disposals		0	805
OPERATING PROFIT		147,068	117,348
Net borrowing costs	3.17	(1,099)	(746)
Other financial expenses	3.17	(10,934)	(7,655)
Other financial income	3.17	16,927	12,300
Income tax expense	3.18	(47,592)	(42,107)
EARNINGS OF CONSOLIDATED ENTITIES		104,370	79,140
Share of earnings from associates	3.3	2,374	443
NET OVERALL EARNINGS		106,744	79,582
Including:			
• Non-controlling interests		482	220
• Attributable to owners of the Company		106,262	79,363
Earnings per share in euros (Group share)	3.20	3.21	2.41
Diluted earnings per share in euros (Group share)	3.20	3.20	2.41

(1) The consolidated income statement of the period closed at 31 December 2014 was restated in comparison to that presented in the consolidated financial statements at 31 December 2014 published in April 2015, in order to take into account the impact connected with the new interpretation of IFRIC 21 - Levies (see Note 2.2.1).

1.3 Consolidated statement of comprehensive income

<i>(In thousands of euros)</i>	Notes	31/12/2015	31/12/2014 ⁽¹⁾
Net income, Group share		106,262	79,363
Net income, Non-controlling interests' share		482	220
CONSOLIDATED NET EARNINGS		106,744	79,582
Change in the fair value of assets available for sale (net of income tax)	3.4	8,547	4,527
Translation adjustments		3,645	648
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY AND TRANSFERABLE TO PROFIT OR LOSS		12,191	5,175
Actuarial differences on employee benefits (net of income tax)		1,466	(1,167)
ITEMS RECOGNISED DIRECTLY IN EQUITY AND NOT TRANSFERABLE TO PROFIT OR LOSS		1,466	(1,167)
TOTAL INCOME FOR THE PERIOD		120,401	83,591
Including:			
• Attributable to owners of the Company		119,908	83,375
• Non-controlling interests		493	215

(1) The consolidated balance sheet of the period closed at 31 December 2014 was restated in comparison to that presented in the consolidated financial statements at 31 December 2014 published in April 2015, in order to take into account the impact connected with the new IFRIC 21 interpretation - Levies (see Note 2.2.1).

1.4 Consolidated statement of cash flows

<i>(In thousands of euros)</i>	Notes	31/12/2015	31/12/2014 ⁽¹⁾
Consolidated net earnings		106,744	79,582
Earnings from associates	3.3	(2,374)	(443)
Depreciation, provisions and other calculated expenses	3.22	11,481	12,261
Share-based payments	3.15	(74)	19
Income tax expense	3.18	47,592	42,107
Capital gains or losses from disposals		(1,556)	(292)
Net borrowing costs	3.17	1,099	746
Financial cost on update and provisions	3.17	(2,557)	(2,146)
Gross cash flow before borrowing costs and tax		160,356	131,834
Taxes paid	3.22	(50,715)	(40,651)
Change in working capital requirements	3.22	(4,525)	(42,868)
NET CASH FLOW FROM OPERATING ACTIVITIES		105,116	48,316
Acquisition of tangible and intangible assets		(11,911)	(7,433)
Acquisition of financial assets		(2,445)	(3,436)
Impact of changes in scope and earn-outs	3.22	(58,645)	(40,283)
Disposals of tangible and intangible assets		155	79
Reductions in financial assets		8,297	3,953
NET CASH FLOW FROM INVESTMENT ACTIVITIES		(64,549)	(47,121)
Net financial interest paid		(2,857)	(1,155)
Dividends paid to shareholders		(33,160)	(33,013)
Capital increase	3.22	1,366	8,553
Acquisitions and disposals of treasury shares		(132)	223
Repayment of long-term financial debt		(302)	(6,095)
Change in current financial liabilities		16,056	3,080
NET CASH FLOW FROM FINANCING ACTIVITIES		(19,029)	(28,408)
Impact of exchange rate movements on cash		(87)	728
CHANGE IN CASH POSITION		21,451	(26,485)
Cash at beginning of period	3.6	70,467	96,952
Cash at end of period	3.6	91,918	70,467
Change		21,451	(26,485)

(1) The consolidated balance sheet of the period closed at 31 December 2014 was restated in comparison to that presented in the consolidated financial statements at 31 December 2014 published in April 2015, in order to take into account the impact connected to the new interpretation of IFRIC 21 - Levies (see Note 2.2.1)

In accordance with IAS 7 identifying bank borrowings and loans with financing activities, the table above shows the change in positive cash flow items.

The Group's net cash position breaks down as follows:

<i>(In thousands of euros)</i>	Note	31/12/2015	12/31/2014
Cash at end of period	3.6	91,918	70,467
Bank borrowings	3.7	(23,695)	(3,507)
Bank loans	3.7	(50,834)	(41,052)
Net cash position		17,390	25,908

1.5 Variation in consolidated equity capital

VARIATION IN CONSOLIDATED EQUITY CAPITAL, GROUP SHARE

<i>(In thousands of euros)</i>	Number of shares in circulation	Number of shares issued	Capital	Additional paid-in capital	Reserves	Treasury shares	Translation reserve	Earnings (Group share)	Shareholders' equity
AT 31 DECEMBER 2013 (PUBLISHED)	32,600,331	33,075,301	33,617	36,951	366,279	(9,194)	(224)	73,780	501,212
Change of IFRIC 21 method					971			51	1,022
AT 31 DECEMBER 2013 (RESTATED)	32,600,331	33,075,301	33,617	36,951	367,251	(9,194)	(224)	73,831	502,233
2013 allocation of earnings					73,831			(73,831)	0
Capital increase	514,309	514,309	523	8,030					8,552
Dividends paid to shareholders					(33,013)				(33,013)
Other variations					(439)				(439)
Treasury shares	7,221					223			223
Share-based payments					19				19
Transactions with shareholders	33,121,861	33,589,610	34,140	44,981	407,647	(8,971)	(224)	0	477,574
Total income for the period					3,360		652	79,363	83,375
AT 31 DECEMBER 2014 (RESTATED)	33,121,861	33,589,610	34,140	44,981	411,008	(8,971)	428	79,363	560,950
<i>Including change in IFRIC 21 method</i>					1,022			(124)	898
2014 allocation of earnings					79,363			(79,363)	0
Capital increase ⁽¹⁾	73,015	73,015	74	1,291					1,365
Dividends paid to shareholders					(33,160)				(33,160)
Other variations					(829)				(829)
Treasury shares	38,370					(132)			(132)
Share-based payments					(74)				(74)
Transactions with shareholders	33,233,246	33,662,625	34,214	46,272	456,308	(9,102)	428	0	528,121
Total income for the period					10,000		3,651	106,262	119,913
AT 31 DECEMBER 2015	33,233,246	33,662,625	34,214	46,272	466,308	(9,102)	4,079	106,262	648,034
<i>Including change of IFRIC 21 method</i>					898			(108)	790

(1) Capital increases associated with the exercise of stock options.

(2) Minority shareholder transactions (partial buyback of Aptech and Itkena put option).

VARIATION IN EQUITY CAPITAL, NON-CONTROLLING INTERESTS

<i>(In thousands of euros)</i>	Reserves	Translation reserve	Earnings	Shareholders' equity
AT 31 DECEMBER 2013 (PUBLISHED)	857	1	278	1,136
Change of IFRIC 21 method	1		3	4
AT 31 DECEMBER 2013 (RESTATED)	858	1	281	1,140
2013 allocation of earnings	281		(281)	0
Change in scope	(75)			(75)
Capital increase				0
Total income for the period	0	(4)	219	215
AT 31 DECEMBER 2014 (RESTATED)	1,064	(3)	219	1,281
<i>Including change in IFRIC 21 method</i>	4		1	5
2014 allocation of earnings	219		(219)	0
Change in scope	8			8
Capital increase				0
Total income for the period	12	(6)	482	488
AT 31 DECEMBER 2015	1,304	(9)	482	1,777
<i>Including change of IFRIC 21 method</i>	5		(3)	2

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2 NOTES TO THE FINANCIAL STATEMENTS

2.1 Significant events for the financial year

2.1.1 Change in the scope of consolidation

The main changes to the scope of consolidation resulted from acquisitions during the financial year:

LINCOLN (Revenue €23 million; 230 consultants)

On 12 February 2015, ALTEN SA acquired all securities of the company Abilène, the holding company of Lincoln, a French company that specialises in data science and in business intelligence and clinical studies in France.

ECLIPSE IT (Revenue €14 million; 95 consultants)

On 26 January 2015, ALTEN Nederland acquired all securities of four Dutch companies that specialises in software testing and business intelligence.

EXPERCO (Revenue €8 million; 30 consultants)

On 23 February 2015, ALTEN Canada acquired all securities of the Experco, a Canadian company that specialises in IT consulting.

AIXIAL (Revenue €17 million; 160 consultants)

On 1 July 2015, ALTEN SA acquired a group of companies that specialise in life sciences and business intelligence;

CORALIUS (Revenue €9 million; 70 consultants)

On 31 July 2015, ALTEN Belgium acquired a company that specialises in software testing and software quality-assurance services.

CREATIVE DATA (Revenue €12.5 million; 100 consultants)

On 8 October 2015, ALTEN Europe acquired, in Germany, Creative Data AG and its subsidiaries, specialising in infotainment.

BEONE (Revenue €12 million; 50 consultants)

On 27 October 2015, ALTEN Europe acquired the BeOne Group and its Swiss subsidiary, which specialises in technology consulting, as well as shares of companies in Germany.

HOTSWAP (Revenue €7 million; 50 consultants)

On 5 November 2015, ALTEN Sweden acquired the Hotswap Group in Sweden, which specialises in life sciences.

The revenue of the acquired companies, indicated above, are the latest known corporate figures presented on an annual basis. None of the acquisitions made during the year, taken individually or as a whole, affected the Group's balance sheet, revenue or operating profit by more than 25%.

2.1.2 Dividends paid

During the first half of the year, €33.2 million of dividends were paid to ALTEN SA shareholders for the 2014 financial year.

2.1.3 Other information

On 20 March 2015, ALTEN SA signed a new "Club Deal" credit agreement to replace the agreement which ended on 31 December 2015. This agreement sets out more favourable conditions and establishes a credit line for €160 million for a maximum of seven years.

2.1.4 Post-closing events

The Group completed several acquisitions during the first quarter of 2016:

- acquisition of an Italian software engineering company (Revenue: €8 million; 60 consultants);
- acquisition of an automotive company in the United States (Revenue: €6 million; 70 consultants);
- acquisition of a company specialised in the healthcare market in the United States, (Revenue: €16 million; 150 consultants);
- acquisition of the operations of a company in several countries, including India, the United States, and Singapore (Revenue: €18 million; 750 consultants);
- acquisition of a German engineering and technology consulting company (Revenue: €10 million; 70 consultants).

2.2 The Group's accounting standards

ALTEN SA is a French public limited company (*Société Anonyme*) with a Board of Directors and registered office at 40 avenue André Morizet in Boulogne-Billancourt.

ALTEN SA's consolidated financial statements include:

- the financial statements for ALTEN SA;
- the financial statements for companies controlled by ALTEN SA and fully consolidated either directly or indirectly;
- investments in associates and joint ventures, consolidated using the equity-accounted method.

The economic unit is referred to as the "ALTEN Group".

The ALTEN Group is the European leader in the engineering and technology consulting (ETC) market. ALTEN carries out design and research projects for the Technical and Information Systems Divisions of major customers in the industrial, telecommunications and service sectors. The business consists of three operating segments: Engineering and Technology Consulting (77% of revenue), Networks and Telecommunications (15% of revenue) and IT, Finance and Services (8% of revenue).

The consolidated financial statements presented in this document were approved by the Board of Directors on 7 April 2016 and will be submitted for the approval of the General Meeting of 24 May 2016. They are presented in thousands of euros, unless otherwise indicated.

The consolidated financial statements of ALTEN SA included in the Registration Document are also available on its website page dedicated to financial statements: <http://www.alten.com/investors>.

2.2.1 Standards applied

In accordance with European Regulation No. 1606/2002 of 19 July 2002, ALTEN SA's consolidated financial statements at 31 December 2015 are prepared in compliance with international accounting standards as published by the IASB and approved by the European Union on the date these financial statements were prepared. These international standards include IAS (International Accounting Standards), IFRS (International Financial Reporting Standards) and interpretations (SIC and IFRIC).

The accounting principles and rules used to prepare the consolidated financial statements for the year ended 31 December 2015 are

identical to those used for the financial year ended 31 December 2014, with the exception of the new standards, amendments, and interpretations mandatory as of 1 January 2015, applied by the Group.

This is the first time the Group is applying *the interpretation "IFRIC 21 – Levies"*, which redefines the operative factor for the recognition of liabilities associated with taxes. The Group's review and analysis of its various taxes led to a change in the recognition of the *Contribution Sociale de Solidarité des Sociétés (C3S)* (Corporate Social Solidarity Tax) in France from a retrospective standpoint and resulted in the modification of the summary comparison statements presented above.

The C3S liability was originally recognised progressively throughout the financial year depending on revenue but is now, in accordance with the provisions of IFRIC 21, fully recorded on 1 January of the following financial year. The impact of this change in accounting on the earnings was as follows: The profit from ordinary activities was reduced by €0.2 million at 31 December 2015 (the same as at 31 December 2014). The Group's shareholders' equity increased by €0.9 million at 31 December 2014.

The other standards, amendments or interpretations published or applicable at 1 January 2015 did not result in any changes in the consolidated financial statements at 31 December 2015. Moreover, the Group did not apply in advance the latest standards, amendments or interpretations published by the IASB and adopted at European level but whose application was not mandatory at 1 January 2015. The Group believes that these should not have any significant impact on the consolidated financial statements.

In late May 2014, the IASB published IFRS 15 standard, "Revenue from contracts with customers", pertaining to the recognition of revenue. The entry into force of this standard, not yet accepted by the European Union, is planned for financial years beginning on or after 1 January 2018. While the Group is aware of this standard, it is too early to estimate the qualitative and quantitative impacts on future financial statements.

2.2.2 Basis of preparation

The preparation of financial statements in accordance with IFRS standards requires that certain estimates and assumptions be made which may affect the amounts shown in these financial statements. These estimates and assessments are continuously made on the basis of past experience and other factors considered reasonable.

The main estimates made by the Management when preparing the consolidated financial position concerned measurement of goodwill (Note 3.1), securities held for sale (Note 3.4), deferred taxes (Note 3.18), earn-outs (Note 3.8), employee benefits and provisions (Note 3.9) and research tax credits (Note 2.2.5.19).

In the current fast-changing economic environment, it is harder to define the Group's business outlook and the random nature of some estimates can be accentuated, especially where profits and cash flow are concerned. As a result, it is possible that the amounts included in the Group's future financial statements differ to the currently estimated values.

2.2.3 Restatement of financial information for previous years

See 2.2.1

2.2.4 Financial indicators

The Group mainly relies on the following financial indicators:

- revenue;
- "Operating profit on activity", i.e., operating profit before accounting for the cost of stock options (which never results in cash outflows), gains or losses on the disposal of assets, impairment of goodwill and other unusual or non-recurring items not directly related to the Company's business activity;
- "Operating profit", i.e., profit from ordinary activities after accounting for gains or losses on the disposal of assets, impairment of goodwill and other unusual or non-recurring items and those not directly related to the Company's business activity;
- the operating profit on activity ratio, which is the ratio between operating profit on activity and revenue. This ratio measures the performance of operating activities excluding non-recurring items and those not directly related to the Company's business activity;
- the gearing corresponding to the ratio of net financial debt (or net cash in the event of a cash surplus) on the consolidated shareholders' equity.

2.2.5 Summary of the main accounting and evaluation methods

2.2.5.1 Operating segments

According to IFRS 8 "Operating Segments", segment information reflects the internal information system used by the Group management to assist the decision-making process. Group activity is presented by geographic region, distinguishing between France and overseas (see Note 3.19).

2.2.5.2 Translation of foreign currency accounts

The items included in the financial statements of each of the Group's entities are valued according to the currency of the main economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in euros, the parent company's functional currency.

The financial statements of foreign entities located outside the euro zone are prepared using the entity's functional currency and translated according to the following principles:

- balance sheet items (with the exception of equity) are translated at closing rates;
- equity is translated at the historical rate;
- the income statement is translated using the average rate for the financial year;
- translation variances are directly recognised under equity in the "Translation reserve".

2.2.5.3 Goodwill

Goodwill is initially recognised during a business combination according to the method of acquisition:

- the cost of an acquisition is measured at the fair value of the consideration transferred, including any earn-out as of the date of the takeover.

If the Group owes conditional payments to the transferring party and earn-outs in particular, these are included in the restructuring costs. These debts are valued at their fair value based on non-measurable data (level 3). Any change in the fair value of these

debts after the allocation period (one-year period as from the date of acquisition) is reported in earnings in accordance with IFRS 3.

- The goodwill recognised under assets in the statement of financial position corresponds to the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities assumed as of the takeover date.

The adjustments to the fair value of identifiable assets acquired and of liabilities assumed, recorded on a provisional basis (due to audit processes and additional reviews still in progress at the reporting date), are recognised as retrospective goodwill adjustments if they take place during the allocation period, and if they are the result of existing factors and circumstances at the date of acquisition. Beyond this period, the effects are recognised directly under earnings.

Goodwill is allocated to Cash Generating Units (CGUs) or Groups of Cash Generating Units, that could benefit from the consortium that generated the goodwill. The ALTEN Group performs impairment tests of goodwill as soon as an indication of impairment is identified and at least once a year. Goodwill impairment losses are not reversible (see Note 2.2.5.6).

When the acquisition cost is less than the fair value of the share belonging to the Group in the net assets of the subsidiary acquired, the difference is recorded directly in the income statement over the vesting period, after verification of the process of identifying and evaluating various factors taken into account in its calculation.

2.2.5.4 Intangible assets

According to IAS 38 "Intangible Assets", development costs are considered intangible assets if the Company is able to demonstrate:

- the technical feasibility necessary to complete the development project in anticipation of its placement into service or sale;
- its intention and technical and financial ability to complete the development project;
- that the future economic benefits to be derived from these development expenses are likely to go to the Company;
- and that the cost of the asset can be measured reliably.

All expenses directly attributable to the creation, production and preparation of the asset in view of its planned use are fixed.

These expenses are amortised on a straight-line basis according to the applicable asset's probable useful life.

Information systems are amortised over six to ten years.

The anticipated lifespans are reviewed at least annually and adjusted accordingly if they differ significantly from previous estimates.

2.2.5.5 Property, plant and equipment

Gross value

According to IAS 16 "Property, Plant and Equipment", the gross value of property, plant and equipment corresponds to their acquisition cost. They are not subject to any revaluation.

The anticipated lifespans are reviewed at least annually and adjusted accordingly if they differ significantly from previous estimates.

Depreciation

The depreciation period is based on the estimated useful lives of each of the different categories of assets, depreciated on a straight-line basis:

- computer equipment 2 to 5 years;
- transport equipment 3 to 5 years;
- office equipment 3 to 5 years;
- fixtures and fittings 3 to 10 years;
- buildings 25 years.

2.2.5.6 Impairment of assets

According to IAS 36, "Impairment of Assets", the useful value of intangible assets and property, plant and equipment with a fixed lifespan is tested as soon as an indication of loss of value is noted and reviewed at each reporting date. For goodwill, which has an indefinite lifespan, impairment tests are conducted at least annually.

For the purpose of this test, property, plant and equipment are grouped into Cash Generating Units (CGU).

CGUs are homogeneous groups of assets that generate cash inflows through continuous use which are largely independent of the cash inflows from other assets or groups of assets. CGUs mainly correspond to legal entities in France and to groups of legal entities overseas.

The going concern value of these units is the present value of discounted future net cash flows.

When this value is less than the net carrying amount of the CGU, the difference is recorded under operating profit; any impairment is first allocated to goodwill.

Whether such impairment loss is recognised is determined on the basis of the discounted *cash flow*, for which the Group expects to obtain flows from the cash generating unit. This projection is based on the following assumptions (see Note 3.1):

- a four-year financial budget prepared by the entity and validated by the Group's Finance Division, updated when the year-end budget is prepared. The cash flow beyond the four-year period is extrapolated, taking the growth rate to infinity into consideration;
- growth rate to infinity: this growth rate does not exceed the long-term average growth rate for the business sector;
- discount rate: this rate corresponds to the weighted average cost of capital, derived from risk-free interest rates, country and market risk premium, beta coefficient and the cost of indebtedness;

The discount rates used to discount cash flows after taxes are net of taxes.

2.2.5.7 Leases

Any agreements for the lease of property, plant and equipment and intangible assets under which the ALTEN Group incurs almost all risks and advantages related to the ownership of the property in question are considered lease-financing agreements. A lease agreement is appraised on the basis of criteria stipulated under IAS 17 "Leases".

Assets and liabilities are recognised for an amount corresponding to the value of the underlying asset; later on, the liability is reduced, as payments are made, and a financial cost allocated to liabilities is recognised.

Operating leases are recognised as financial commitments (Note 4.5).

2.2.5.8 Investments in associates

Application of IAS 28, "Investments in Associates", requires that investments in associates are recognised using the equity method and are presented separately under non-current assets. Profit from these investments attributable to owners of the Company is recognised separately in the income statement.

Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to account for the share attributable to owners of the Company in the results of the company held after the acquisition date.

2.2.5.9 Financial assets

Financial assets include loans and receivables, sometimes not related to investments, financial assets available for sale and financial assets held to maturity (deposits and guarantees, etc.), and trade receivables.

ALTEN owns minority interests in certain entities over which it does not exercise notable influence or control. These unconsolidated investment securities are treated as securities held for sale and are thus valued at their fair value at each year-end closure. They are included in non-current assets unless the Group has to sell within twelve months following the closing date. The fair value is determined by reference to the last quoted share price for listed securities. In the absence of an active market, they are kept in the balance sheet at the amount which the Group believes represents their fair value, which is determined based on criteria such as equity share, the net revalued asset and/or forecasts. Fair value variations are recorded under equity or profit/loss when impairment is deemed to be irreversible.

Trade receivables are assessed initially at fair value, then at the amortised cost.

2.2.5.10 Deferred taxes

In accordance with IAS 12 "Income Taxes", deferred taxes are recognised whenever there is a temporary difference between the carrying amount of assets and liabilities and their taxation values, and on any recoverable tax losses, according to the variable carry-forward method. Differences are considered temporary when they must be reversed in the relatively near future.

Tax loss carry-forwards are the object of a deferred tax asset in the balance sheet when they are likely to be recovered. Recoverability of these taxes is calculated according to the entity's budgets and the applicable tax regulations in the country.

Deferred taxes are valued at the known tax rate applicable at the date of issue of the financial statements.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

2.2.5.11 Cash and cash equivalents

Cash includes bank balances, investments in money market funds and marketable, short-term debt securities (initial maturity of less than three months) and present no material risk in terms of loss of value should interest rates fluctuate. In accordance with IAS 7, bank borrowings are treated like financing items in the cash flow statement.

2.2.5.12 Treasury shares

All treasury shares held by the Group are deducted at acquisition cost from equity.

Any gains on the disposal of treasury shares directly increase equity and therefore, any gains/losses on disposals do not affect year-end earnings.

2.2.5.13 Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognised whenever the Group has an obligation towards a third party and it is probable or certain to result in an outflow of resources for the benefit of such a third party. The Group's Legal Department assesses the probability of the risks being realised and estimates the provisions to make.

Provisions are discounted when their maturity is estimated to be over one year and when their amount represents a significant factor for the Group.

A restructuring provision is recognised when the Group has approved a formal restructuring plan and has either begun to put it into effect or made it public.

A provision for loss-making contracts is recognised whenever the economic benefits expected to flow from a contract are less than the direct costs of meeting the contracted commitments.

2.2.5.14 Employee benefits

The Group offers certain benefits in the form of defined contribution pension plans. With regard to these plans, the Group's only other commitment is the payment of premiums carried as a charge on the income statement for the financial year.

The Group has not established employee benefits as part of defined benefit plans. Its commitment is limited to retirement obligations which, pursuant to IAS 19 (revised) "Employee Benefits", are valued by an independent actuary according to the projected unit credit method.

According to this method, each period of service results in an additional right to benefits and each of these units is valued separately in order to determine the final obligation.

This final obligation is then discounted. These calculations incorporate two types of assumptions (see Note 3.9):

Financial assumptions:

- a financial discount rate;
- an inflation rate;
- a salary revaluation rate;
- an employer contribution rate.

Demographic assumptions:

- the assumption of a retirement age of 65, the age at which a French employee will have reached the number of years of contributions entitling the employee to the full pension amount granted under the national pension plan;
- INSEE mortality tables;
- average staff turnover rates, by age and employment category;

- age of first employment;
- number of retiring employees.

These estimates take place every year.

Expenses are recognised:

- under Operating Profit for the part relating to cost of services;
- under Net Financial Income for the part relating to discounts.

Actuarial gains and losses (actuarial differences) are recognised directly in Other Items of Comprehensive Income.

2.2.5.15 Financial liabilities

Financial liabilities concern borrowings, long-term financial debt and bank overdrafts. Such financial liabilities are initially assessed at fair value, and then at the amortised cost.

Current and non-current financial liabilities are broken down based on whether the items constituting these sections mature in under one year or over one year.

2.2.5.16 Other liabilities

Other liabilities include social security, tax, other debt and unearned income and earn-outs.

Non-current liabilities mainly include time savings accounts and debts owed to former shareholders of certain subsidiaries acquired during prior years (earn-out clause). At the date on which the debt is recognised, the fair value corresponds to the value of future outflows discounted at the market rate if such amount is material.

The distribution between other current and non-current liabilities is based on the short-term and long-term maturity of the items in question.

2.2.5.17 Revenue recognition

Group revenue is recognised over the period in which services are rendered and made up of invoiced services (issued or to be issued):

- on a time-worked basis: income is equal to time spent multiplied by an hourly, daily or monthly rate;
- on a fixed-rate basis: income is recognised according to the percentage of completion method, proportionally to the expenses incurred. Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance. Services for which a fixed price is charged account for less than 10% of revenue;
- “workpackage” *method*: recognition of revenue varies according to the nature of the resource commitment. When the *workpackage* is part of a global cost-based scheme, income is equal to time spent multiplied by an hourly, daily or monthly sales rate; when it is part of an outsourced platform for which billing is on a monthly or quarterly fixed-price basis, income is recognised on a monthly basis according to the amount of the agreement, independent of the actual time spent by the consultants; lastly, when it is part of a service commitment package (*workpackage*), revenue is recognised as and when deliverables and/or performance indicators (work units) are received/validated by the customer and for which the price has been fixed in the *workpackage* contract.

2.2.5.18 Subsidies, tax credit and CVAE

Operating subsidies and tax credits are recorded as deductions under the expenses they are intended to offset (mainly employee costs for research tax credits and the tax credit for encouraging competitiveness and jobs (CICE)).

In France, value added tax (CVAE) is recognised under income tax expense.

2.2.5.19 Stock option plans

Stock options are granted to certain Group employees. In accordance with IFRS 2 “Share-based Payments”, options are valued by an independent expert as of their award date. To value stock options, the Group uses the Black and Scholes model.

Changes in value after the date on which they are awarded have no impact on this initial valuation.

The value of options is based on their anticipated lifespan which the Group deems to correspond to at least the holding period. This value is recorded in payroll expenses, on a straight-line basis over the vesting period of the rights, with a direct adjustment made to shareholders’ equity.

2.2.5.20 Other non-current income and expenses

Significant non-recurring transactions that may distort comparisons of recurring operating performance are classified as “Other non-current operating income and expenses” in accordance with the ANC (French accounting standards authority) recommendation of 7 November 2013.

They include:

- capital gains or losses on sales or significant and unusual impairment of property, plant and equipment or intangible assets;
- restructuring costs resulting from plans of an unusual nature and size that might distort comparisons of profit on ordinary activities from year to year;
- very large provisions and other costs, notably expenses related to security acquisitions;
- non-recurring transactions.

2.2.5.21 Net financial income

Net financial income comprises net borrowing costs and other financial income and expenses.

Net borrowing costs

This includes:

- income from cash and cash equivalents (interest income, income from the disposal of cash equivalents);
- the gross cost of financial debt (interest charges on financing transactions).

Other financial income and expenses

Other financial income and expenses includes financial income and expenses not included in net borrowing costs:

- financial income (dividends, profits on the disposal of unconsolidated shares, interest income and income from the disposal of other financial assets (excluding cash and cash equivalents), translation gains, discounted financial income, increase in the fair value of financial assets and liabilities measured at fair value through profit or loss, other financial income);

- financial expenses (impairment of unconsolidated securities, losses on disposals of unconsolidated securities, impairment and losses on the disposal of other financial assets (excluding cash and cash equivalents), translation losses, discounted financial expenses, decrease in the fair value of financial assets and liabilities measured at fair value through profit or loss, other financial expenses).

2.2.5.22 Information on net earnings per share and diluted earnings per share

Earnings per share are the ratio of net earnings as compared with the weighted average number of ordinary shares in circulation during the financial year, excluding treasury shares.

Diluted earnings per share are the ratio of net earnings as compared with the potential weighted average number of shares adjusted to take into account the effects of any potentially diluting events (share warrants, options, free shares). The dilution effect is obtained by the number of potential shares which would result from the diluted instruments, less the number of shares which could be bought back at market rates using the funds gained from exercising the instruments concerned. The market price retained is that of the average share price during the financial year. The dilutive effect of the equity instrument is taken into account when the exercise price is less than the average price of the ordinary share market.

2.3 Financial risk factors

Liquidity risk

Identification of the risk

A prudent liquidity management plan involves keeping a sufficient level of liquid assets and having financial resources through appropriate credit facilities. The Group ensures that it always has sufficient liquidity to meet its commitments, in particular to realise investment opportunities.

Managing risk/exposure

The Group has:

- centralised cash management when local legislation permits;
- internal procedures to optimise debt recovery;
- credit lines set up for €160 million, as part of the “Club Deal” for a maximum seven-year term, and short-term lines of credit for €20.5 million, renewable annually.

This club deal requires the following ratios to be met for each six-month and 12-month period while the contract is in force and an advance is outstanding:

- Ratio 1 – “Consolidated net financial debt/Consolidated operating profit on activity”. This ratio must be less than 2.5;
- Ratio 2 – “Consolidated net financial debt/Consolidated equity”. This ratio must be less than 0.7.

At 31 December 2015, these ratios had been met.

The Company performed a specific review of its liquidity risk and considers that it is in a position to meet its future commitments.

Interest rate risk

Identification of the risk

The Group’s interest rate risk relates to the “Club Deal” agreed in December 2015 and indexed to the Euribor for the corresponding period. It therefore incurs an interest rate risk based on changes in the reference index.

Managing risk/exposure

Due to low debt levels and interest rate changes, the Group did not consider it necessary to arrange interest rate hedging, especially since its financing is short term. The Group’s exposure remains limited. At 31 December 2015, financial debt at variable rate amounted to €33 million.

An average increase of 100 basis points in the reference variable rate over a year would increase the cost of the Group’s financial debt by €0.3 million.

Customer credit risk

Identification of the risk

Credit risk represents the risk of financial loss in the event that a client does not fulfil its contractual obligations.

Managing risk/exposure

The Group’s customers are among the largest European accounts: Close to 88% of revenue is generated by this type of customer thus limiting the risk of insolvency. See Note 3.5 Current assets - breakdown of the portfolio of trade receivables by age of the account. Customer account collection periods were 93.5 days (98.5 days in 2014).

The Group has also established internal procedures to assess the risk of customer insolvency during the pre-sales process and subsequently to efficiently collect these receivables.

The ALTEN Group derives 35.8% of its sales from approximately ten customers, with its largest customer representing 11.2% of Group sales within various entities in several countries. There is no identified risk of dependency with regard to a specific client.

Foreign exchange risk

Identification of the risk

Operational foreign exchange risk: Although the Group has broad international presence, the currency flows linked to its activity are limited to each subsidiary’s internal market and primarily converted into local currencies.

Foreign exchange risk: The financing needs of subsidiaries outside the euro zone and some of the Group’s financing transactions expose certain entities to a foreign exchange risk (risk linked to the change in value of debts or receivables in currencies other than the operating currency of the lending or borrowing entity). In general, the Group’s external financing is denominated in euros. However, certain external growth transactions may have resulted in refinancing by the Group in foreign currencies but remain limited and are completely or partially covered by bank loans in foreign currencies.

Risk of translation change: The Group’s subsidiaries are located in the USA and Sweden in particular. The financial statements of these subsidiaries, when translated into the consolidation currency, are subject to changes in exchange rates.

Managing risk/exposure

The Group's exposure to operational and financial foreign exchange risk is limited. The risk of translation change constitutes the Group's main exposure to foreign exchange risk:

BALANCE SHEET EXPOSURE

<i>(In millions of euros)</i>	2015			
	SEK	USD	GBP	Other currencies
Trade receivables	32.3	23.0	6.8	15.7
Trade payables	5.0	5.9	0.2	7.3
Cash and cash equivalents	3.2	6.2	3.4	11.3
Bank overdrafts	0.0	0.1	0.0	0.0
Bank loans	0.0	0.5	1.8	2.3

REVENUE EXPOSURE

<i>(In millions of euros)</i>	2015	
	Amount	% of revenue
Revenue denominated in SEK	94.3	6.1%
Revenue denominated in \$US	97.3	6.3%
Revenue denominated in £ sterling	26.8	1.7%
Revenue denominated in other currencies	48.8	3.2%
REVENUE EXPOSURE	267.2	17.3%
Total consolidated revenue	1,540.9	100%

Risk with shares**Treasury shares and transferable securities**

The risk relating to stock market price is low. In addition to treasury shares held under the liquidity contract, ALTEN SA holds 460,022 own shares representing 1.37% of company capital as at 31 December 2015. Transferable securities giving future access to capital represents only 0.2% of company capital, as at 31 December 2015.

Interest held in AUSY

ALTEN SA holds 426,149 ordinary shares in AUSY (a NYSE Euronext listed company) representing 8.70% of capital as at 31 December 2015.

2.4 Scope of consolidation

The percentages of interests and control mentioned below include the firm or conditional commitments for the disposal of interests attached to non-controlling holdings, even if the said disposals have not yet occurred, in compliance with standard IFRS 10.

The two tables show the scope of consolidation respectively for France and abroad:

Company name	SIRET NO.	31/12/2015			31/12/2014		
		Basis of consolidation*	% interest	% control	Basis of consolidation*	% interest	% control
ALTEN SA	34860741700055	FC	-	-	FC	-	-
ALTEN SIR	40035788500021	FC	100.00	100.00	FC	100.00	100.00
ALTEN TRAINING CENTER	35390354500062	FC	99.70	99.70	FC	99.70	99.70
ALTEN SUD-OUEST	40419144700048	FC	100.00	100.00	FC	100.00	100.00
MI-GSO SAS	38054561600050	FC	100.00	100.00	FC	100.00	100.00
ALTEN CASH MANAGEMENT	48011617700019	FC	100.00	100.00	FC	100.00	100.00
ALTEN EUROPE	48016830100012	FC	100.00	100.00	FC	100.00	100.00
ELITYS CONSULTING	48420799800010	FC	100.00	100.00	FC	100.00	100.00
PEGASE SI	48484024400012	FC	88.00	88.00	FC	100.00	100.00
ATEXIS FRANCE	43904555000019	FC	100.00	100.00	FC	100.00	100.00
ALTEN AEROSPACE	48761023100019	FC	100.00	100.00	FC	100.00	100.00
AVENIR CONSEIL FORMATION	40246017400038	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY France	49304667600018	FC	100.00	100.00	FC	100.00	100.00
HPTI	49967035400012	FC	100.00	100.00	FC	100.00	100.00
ALTEN SIR GTS	52190314600012	FC	100.00	100.00	FC	100.00	100.00
ID.APPS	52910153700015	FC	100.00	100.00	FC	100.00	100.00
APTECH SAS	53296422800011	FC	83.20	83.20	FC	80.00	80.00
APROVA (previously ADDS SAS)	40252087800024	FC	100.00	100.00	FC	100.00	100.00
HOREX	79890660800012	EM	37.50	37.50	EM	37.50	37.50
G-FIT SAS	41865181600054	-	-	-	FC	100.00	100.00
PCUBED SAS	43868487000050	-	-	-	FC	100.00	100.00
GECI SYSTEMES SAS	43921653200077	-	-	-	FC	100.00	100.00
LINCOLN	37934230600063	FC	100.00	100.00	-	-	-
ABILENE	40421019700020	FC	100.00	100.00	-	-	-
AIXIAL	75210813400020	FC	100.00	100.00	-	-	-
AIXIALIS	50523721400034	FC	100.00	100.00	-	-	-
AIXIAL BI	51232626500034	FC	100.00	100.00	-	-	-
AIXIAL PHARMA	51232623200034	FC	100.00	100.00	-	-	-
AIXIAL R&D	51972189800020	FC	100.00	100.00	-	-	-
AIXIAL RC	51232624000037	FC	100.00	100.00	-	-	-
AIXIAL MANAGEMENT	51228502400034	FC	100.00	100.00	-	-	-
HPA	80160860500011	FC	100.00	100.00	-	-	-
ALT02	80405155500014	FC	100.00	100.00	-	-	-
ALT03	80405212400018	FC	100.00	100.00	-	-	-
ALT04	80863080000015	FC	100.00	100.00	-	-	-
ALT05	80863082600010	FC	100.00	100.00	-	-	-
ALTEN SIR GSS	80863758100014	FC	51.00	51.00	-	-	-
APTECH OP2	80946486000018	FC	100.00	100.00	-	-	-

* FC = Full consolidation/EM = Equity method.

Company name	Country of operation	31/12/2015			31/12/2014		
		Basis of consolidation*	% interest	% control	Basis of consolidation*	% interest	% control
MI-GSO GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
ALTEN TECHNOLOGY GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
ATEXIS GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
ALTEN GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
BARDENHEUER GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
INVENTIVE ENGINEERING GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
Program Planning Professionals GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
GECI GMBH	Germany	-	-	-	FC	100.00	100.00
DO PROFESSIONAL SERVICES GMBH	Germany	FC	100.00	100.00	FC	100.00	100.00
ALTEN SW GMBH (previously AVENTON GMBH)	Germany	FC	100.00	100.00	FC	100.00	100.00
AVENTON TECHNOLOGY GMBH (previously ICT)	Germany	FC	100.00	100.00	FC	100.00	100.00
WOTECH	Germany	FC	100.00	100.00	FC	100.00	100.00
CREATIVE DATA AG	Germany	FC	100.00	100.00	-	-	-
CREATIVE DATA PROJECTS	Germany	FC	100.00	100.00	-	-	-
BEONE GROUP GMBH	Germany	FC	100.00	100.00	-	-	-
BEONE STUTTGART	Germany	EM	59.00	59.00	-	-	-
Program Planning Professionals PTY LTD	Australia	FC	100.00	100.00	FC	100.00	100.00
ALTEN BELGIUM	Belgium	FC	100.00	100.00	FC	100.00	100.00
APROVA	Belgium	FC	100.00	100.00	FC	100.00	100.00
QUASUS NV	Belgium	FC	100.00	100.00	FC	100.00	100.00
AIXIAL BELGIUM	Belgium	FC	100.00	100.00	-	-	-
CORALIUS	Belgium	FC	100.00	100.00	-	-	-
ANOTECH DO BRASIL	Brazil	FC	100.00	100.00	FC	100.00	100.00
ALTEN CANADA	Canada	FC	100.00	100.00	FC	100.00	100.00
PCUBED CANADA INC	Canada	FC	100.00	100.00	FC	100.00	100.00
EXPERCO	Canada	FC	100.00	100.00	-	-	-
SESAME GROUP BEIJING	China	FC	100.00	100.00	FC	100.00	100.00
ALTEN SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
ATEXIS SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
MI GSO EMP SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
ACF SPAIN	Spain	FC	100.00	100.00	-	-	-
ALTEN USA	United States	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY USA	United States	FC	100.00	100.00	FC	100.00	100.00
ALTEN TECHNOLOGY USA	United States	FC	100.00	100.00	FC	100.00	100.00
X-DIN INC	United States	FC	100.00	100.00	FC	100.00	100.00
X-DIN TECHNOLOGY INC	United States	FC	100.00	100.00	FC	100.00	100.00
CALSOFT LABS INC. (USA)	United States	FC	100.00	100.00	FC	100.00	100.00
Program Planning Professionals INC	United States	FC	100.00	100.00	FC	100.00	100.00
SACC Inc	United States	FC	100.00	100.00	FC	100.00	100.00
C PRIME	United States	FC	100.00	100.00	FC	100.00	100.00
ALTE OY	Finland	FC	100.00	100.00	FC	100.00	100.00
ALTE VISETEC OY	Finland	FC	100.00	100.00	FC	100.00	100.00
TSS GROUP OY	Finland	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY UK	Great Britain	FC	100.00	100.00	FC	100.00	100.00
ALTEN LTD	Great Britain	-	-	-	FC	100.00	100.00
MI-GSO LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00

* FC = Full consolidation/EM = Equity-accounted method.

Company name	Country of operation	31/12/2015			31/12/2014		
		Basis of consolidation*	% interest	% control	Basis of consolidation*	% interest	% control
ALTEN UK LTD (previously ALTEN TECHNOLOGY LTD)	Great Britain	FC	70.00	70.00	FC	70.00	70.00
Program Planning Professionals LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
Calsoft Labs UK	Great Britain	-	-	-	FC	100.00	100.00
SESAME GROUP LIMITED	Hong Kong	FC	100.00	100.00	FC	100.00	100.00
HINS HONG KONG CO LTD	Hong Kong	FC	100.00	100.00	-	-	-
ALTEN INDIA	India	FC	100.00	100.00	FC	100.00	100.00
CALSOFT LABS INDIA	India	FC	100.00	100.00	FC	100.00	100.00
SESAME INDIA	India	-	-	-	FC	100.00	100.00
ADDS LTD	Israel	-	-	-	FC	100.00	100.00
ALTEN ITALIA	Italy	FC	100.00	100.00	FC	100.00	100.00
POSITECH SRL	Italy	FC	100.00	100.00	FC	100.00	100.00
CTL Participations	Luxembourg	EM	30.00	30.00	EM	30.00	30.00
G-FIT MAROC SARL	Morocco	FC	100.00	100.00	FC	100.00	100.00
ANOTECH NIGERIA	Nigeria	FC	100.00	100.00	FC	100.00	100.00
ALTEN NORWAY	Norway	-	-	-	FC	100.00	100.00
ANOTECH NORGE AS	Norway	-	-	-	FC	80.00	80.00
ALTEN NEDERLAND	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ALTEN DDA	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ORION	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
QUASUS BV	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ECCLIPSE IT BIS BV	The Netherlands	FC	100.00	100.00	-	-	-
ECCLIPSE IT MN BV	The Netherlands	FC	100.00	100.00	-	-	-
ECCLIPSE IT SERVICES BV	The Netherlands	FC	100.00	100.00	-	-	-
ECCLIPSE IT TS BV	The Netherlands	FC	100.00	100.00	-	-	-
IMP POLAND	Poland	FC	100.00	100.00	FC	100.00	100.00
ITEKNA POLSKA	Poland	FC	65.00	65.00	FC	65.00	65.00
ALTEN SI TECHNO ROMANIA	Romania	FC	100.00	100.00	FC	100.00	100.00
ATEXIS SRL	Romania	FC	100.00	100.00	FC	100.00	100.00
GECI ENGINEERING SERVICES SRL	Romania	FC	100.00	100.00	FC	100.00	100.00
Program Planning Professionals PTE LTD	Singapore	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY SINGAPORE	Singapore	FC	70.00	70.00	-	-	-
ADDS SRO	Czech Republic	FC	100.00	100.00	FC	100.00	100.00
ALTEN SWEDEN (Previously ALTEN Sverige AB)	Sweden	FC	100.00	100.00	FC	100.00	100.00
ALTEN SWITZERLAND SARL	Switzerland	FC	100.00	100.00	FC	100.00	100.00
BEONE SCHWEIZ	Switzerland	FC	100.00	100.00	-	-	-

* FC = Full consolidation/EM = Equity-accounted method.

3. DETAILS OF THE CONSOLIDATED FINANCIAL STATEMENTS

3.1 Goodwill

Goodwills, allocated by country, are broken down as follows:

<i>(In thousands of euros)</i>	France	UK	Belgium	The Netherlands	Spain	Germany
31/12/2013	100,547	1,235	8,426	12,824	19,991	22,477
Acquisitions	10,552					22,112
Disposals/withdrawals	(18,974)					
Earn-out adjustments	(475)		86			
Translation adjustments		57				
Other	(1,623)	(1,738)				234
Reclassifications	2,082	4,682				625
Impairments						
31/12/2014	92,109	4,236	8,512	12,824	19,991	45,448
Acquisitions	20,034		4,178	8,273		12,989
Disposals/withdrawals	(117)					
Earn-out adjustments						(425)
Translation adjustments						
Other						(341)
Reclassifications						
Impairments						
31/12/2015	112,026	4,236	12,690	21,097	19,991	57,671

During the 2015 financial year, the increase in the amount of goodwill can be mainly explained by the following:

- acquisitions carried out by the Group, described in Note 2.1.1, with the exception of the acquisition of Hotswap which, in the absence of reliable financial information available with respect to it, will be consolidated as of 1 January 2016. It should also be noted that the allocation of the acquisition prices of BeOne Group and of Creative Data will be finalised during the 2016 financial year;
- the adjustment of earn-outs and net positions as a result of previous acquisitions (included under "Other") within the allocation period;
- translation adjustments on goodwill denominated in foreign currency.

The Group performed impairment testing on all the assets of its Cash-Generating Units (CGUs) at 31 December 2015. These tests show that the recoverable values of the CGUs' assets are greater than their carrying amounts. As a result, no impairment representing a loss in value was recorded at 31 December 2015.

The table below presents the main actuarial assumptions and structural operating assumptions used for the impairment tests performed during the year for the main countries. Note that the CGUs correspond to legal entities (and hardly ever to a combination of legal entities) and that they are, for the purpose of simplification and clarity of such note, grouped by country.

Assumptions of average growth and the weighted average cost of capital used to value the Cash-Generating Units were revised in light of general market data.

Italy	Scandinavia	North America	Offshore and Asia	Nearshore	Other	Total
7,183	27,275	21,636	4,344	2,348	0	228,286
5,766	13,228	16,370		1,663		69,690
				(113)		(18,974)
		495	(3)		(5)	(502)
		164	74		101	545
		(9,084)	1,622		73	(2,787)
						0
						0
12,949	40,503	29,582	6,038	3,898	169	276,259
		3,201				48,675
			(23)			(139)
		5,347				4,922
		2,015				2,015
		226				(115)
						0
						0
12,949	40,503	40,371	6,015	3,898	169	331,617

Country	2015				2014			
	Goodwill	Average annual growth rate 2016-2020	Perpetual growth rate	Weighted average cost of capital (WACC)	Goodwill	Average annual growth rate 2015-2019	Perpetual growth rate	Weighted average cost of capital (WACC)
France	112,026	3%	2%	8.85%	92,109	3%	2%	8.73%
Germany	57,671	5%	2%	8.23%	45,448	5%	2%	8.12%
Scandinavia	40,503	5%	2%	8.32% to 8.34%	40,503	6%	2%	8.20% to 8.22%
North America	40,370	9%	2%	8.19% to 8.28%	29,582	8%	2%	8.02% to 8.15%
The Netherlands	21,097	5%	2%	8.29%	12,824	5%	2%	8.17%
Spain	19,991	5%	2%	10.76%	19,991	6%	2%	10.61%
Italy	12,949	7%	2%	10.33%	12,949	7%	2%	9.91%
Belgium	12,690	3%	2%	9.18%	8,512	5%	2%	9.07%

The main operating assumptions used to build the budget are in line with the historical data seen for each UGT.

The Group presents analyses of sensitivity to key assumptions for WACC, the open-ended growth rate and normative EBIT. The results of these analyses in terms of depreciation of goodwills are summarized in the table below.

Country	2015				
	Goodwill	Test margin ⁽¹⁾	WACC +1 point ⁽²⁾	Zero growth rate ⁽²⁾	Normative operating profit on activity -1 point ⁽²⁾
France	112,026	308,697	(3,993)	(2,846)	(2,461)
Germany	57,671	114,271	(240)	(51)	(299)
Spain	19,991	14,400	-	-	-
The Netherlands	21,097	66,980	-	-	-
Belgium	12,690	43,896	-	-	-
Italy	12,949	62,682	-	-	-
Scandinavia	40,503	125,691	-	-	-
North America	40,370	60,054	(682)	(361)	(605)
UK	4,236	125,338	-	-	-
Nearshore	3,898	32,024	-	-	-
Offshore + Asia	6,015	1,229	(729)	(550)	(413)
Other	169	-	-	-	-
TOTAL	331,616	955,262	(5,644)	(3,808)	(3,778)

Country	2014				
	Goodwill	Test margin ⁽¹⁾	WACC +1 point ⁽²⁾	Zero growth rate ⁽²⁾	Normative operating profit on activity -1 point ⁽²⁾
France	92,109	293,673	-	-	-
Germany	45,448	128,721	(336)	(55)	(225)
Spain	19,991	10,367	-	-	-
The Netherlands	12,824	38,493	-	-	-
Belgium	8,512	38,902	-	-	-
Italy	12,949	37,695	-	-	-
Scandinavia	40,503	153,317	-	-	-
North America	29,581	24,235	-	-	-
UK	4,236	129,865	-	-	-
Nearshore	3,898	29,758	-	-	-
Offshore + Asia	6,038	2,617	-	-	-
Other	169	420	-	-	-
TOTAL	276,259	888,063	(336)	(55)	(225)

(1) Test margin = Value in use - total value of assets to be tested (including goodwill) for all CGUs included in the country.

(2) Impairment amount of the CGU or CGUs included in the country. Other constant parameters.

3.2 Fixed Assets and Depreciation

The increase in tangible assets over the period is primarily the result of the purchase of real estate (€16 million) as part of the acquisition of a company in France.

3.3 Equity interests in associates

<i>(In thousands of euros)</i>	Total	Horex	CTL Participations	BeOne Stuttgart
INVESTMENTS IN ASSOCIATES AT 31 DECEMBER 2013	38	38		
Earnings from associates	443	2,230	(1,787)	
Change in scope	3,164		3,164	
INVESTMENTS IN ASSOCIATES AT 31 DECEMBER 2014	3,644	2,268	1,377	
Earnings from associates	2,374	1,698	676	
Change in scope	1,579			1,579
INVESTMENTS IN ASSOCIATES AT 31 DECEMBER 2015	7,598	3,966	2,052	1,579
Financial data of associates for 2015				
Revenue		53,237	59,402	10,025
Operating profit		7,431	4,350	935
Total assets		52,385	<i>nd</i>	4,711
Shareholders' equity		8,116	6,780	2,677

* Data expressed in local or approximated GAAP.

The company BeOne Stuttgart was acquired as part of the pooling operation with the BeOne Group at the end of 2015.

3.4 Financial assets

<i>(In thousands of euros)</i>	Note	Carrying amount according to IAS 39			31/12/2015	31/12/2014	Hierarchisation of the fair value of financial assets		
		Amortised cost	Fair value through shareholders' equity	Fair value through earnings			Level 1	Level 2	Level 3
Assets									
NON-CURRENT FINANCIAL ASSETS:		41,116	40,195		81,311	67,920	25,542	0	14,653
Securities held for sale			40,195		40,195	25,848	25,542		14,653
Deposits and guarantees		7,584			7,584	6,677			
Other long-term assets (loans and receivables)		33,532			33,532	35,394			
Trade receivables	3.5	499,378			499,378	462,256			
OTHER CURRENT ASSETS*	3.5	6,057			6,057	3,390			
Cash and cash equivalents	3.6			91,918	91,918	70,467	91,918		

* Excluding tax and social security receivables and prepaid expenses.

The fair value of other assets is the same as the net book value.

Securities up for sale include the following interests:

Entity	% Interest	Fair value at opening	Acquisition (disposal)	Change in fair value	Fair value at closing	Fair value hierarchical level	Data used
AUSY	8.70%	13,026	99	9,547	22,672	1	Share price
FCP XANGE		2,663	208		2,871	2	Net asset value
SMART TRADE ⁽¹⁾	0.00%	1,285	(285)	(1,000)	0		
PHINERGY LTD ⁽²⁾	12.83%	8,391			8,391	3	
OTHER ⁽³⁾		483	5,779		6,262	3	
TOTAL		25,848	5,800	8,547	40,195		

1) Please see net financial income 3.17.

2) An investor took a share in the capital of PHINERGY at the start of the 2016 financial year, on the basis of a valuation that supported the value of the PHINERGY shares held by the Group. Since the Company was still in the research and development phase no securities were revalued at 31 December 2015.

3) The increase over the period primarily comes from companies that were not consolidated on the last acquisitions of the year carried out by the Group (including the acquisition of Hotswap).

3.5 Current assets

(In thousands of euros)	31/12/2015	31/12/2014
TRADE RECEIVABLES		
Gross value	503,979	467,243
Impairments	(4,600)	(4,988)
TOTAL	499,378	462,256
OTHER CURRENT ASSETS		
Inventory	147	133
Social security receivables	3,192	3,843
Tax receivables ⁽¹⁾	25,014	18,782
Other receivables	6,555	3,867
Impairment of other receivables	(644)	(610)
Prepaid expenses	9,896	6,983
TOTAL	44,159	32,999

(1) The increase in tax receivables as at 31 December 31 2015 relates primarily to the increase in tax credits for research.

The following table shows the breakdown of the portfolio of trade receivables based on age:

(In thousands of euros)	31/12/2015					31/12/2014				
	Unmatured	Less than 6 months	6 months to one year	More than one year	Balance	Unmatured	Less than 6 months	6 months to one year	More than one year	Balance
TRADE RECEIVABLES										
Gross value	419,225	76,056	4,566	4,131	503,979	362,110	92,029	9,864	3,240	467,244
Provisions		(375)	(468)	(3,756)	(4,600)		(312)	(597)	(4,079)	(4,988)
NET VALUES	419,225	75,681	4,098	375	499,378	362,110	91,717	9,267	(839)	462,256

Based on experience and considering its policy for recovering trade receivables, the Group feels that the level of depreciation for the financial year is appropriate to the risks involved.

3.6 Cash and cash equivalents

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Marketable securities	1,282	4,527
Cash and equivalents	90,636	65,940
TOTAL	91,918	70,467

Marketable securities are given at their fair value. They comprise money market funds (SICAV) and negotiable securities with maturity of less than 3 months.

3.7 Current and non-current financial liabilities

<i>(In thousands of euros)</i>	31/12/2014	Inc	Repayment	Change in scope	Translation adjustments	31/12/2015	Current	Non-current
Bank loans	40,159	2,920	(7,580)	2,804	(42)	38,261	30,822	7,438
Other loans and related debt	893	1,114	(937)	11,502	1	12,573	1,439	11,134
Bank borrowings	3,507	20,098		74	15	23,694	23,694	
Deposits and guarantees received	226	8	(212)	138	2	162		162
Employee profit-sharing	223	30	(27)			226	226	
TOTAL	45,008	24,170	(8,756)	14,518	(24)	74,916	56,181	18,735

Bank Loans

The amount of bank loans stood at €38.3 million as at 31 December 2015.

<i>(In thousands of euros)</i>	31/12/2015	EUR	USD	GBP	CAD	Fixed rate	Variable rate
Bank loans	38,261	33,683	458	1,813	2,307	5,287	32,974

At 31 December 2015, this item primarily comprised:

- the drawdown of the new "Club Deal" for €29 million (short-term variable-rate financing) on a line opened for €160 million. The drawdown on the former "Club Deal" of €30 million in late December 2014 was repaid over the financial year;
- a loan for €5 million subscribed at the end of December 2013 repayable over three years (three-month Euribor variable rate +0.5%). The remaining capital owed stood at €1.7 million at 31 December 2015 following a repayment of €3.3 million during the course of the financial year;
- a senior debt in the amount of €2.4 million at 31 December 2015 arising from the purchase of a company in France (Fixed rate, final maturity date of 30/06/2018);

- other medium- and long-term borrowings for €5.2 million, including €2.3 million denominated in CAD, €1.8 million denominated in GBP, and €0.5 million denominated in USD.

The repayment over the period of a line of credit subscribed in November 2014 and denominated in USD for an amount of €2.5 million at 31 December 2014 must also be noted.

Other financial liabilities

At 31 December 2015, the other financial liabilities consisted of the liability on the property lease of €10.3 million acquired during the purchase of a company in France.

3.8 Other current and non-current financial liabilities

<i>(In thousands of euros)</i>	31/12/2014	Change	Change in scope	Translation adjustments	31/12/2015	Current	Non-current
Earn-outs ⁽¹⁾	18,438	7,652	667	728	27,485	23,254	4,231
Social security debt	146,529	6,017	6,878	829	160,253	156,311	3,941 ⁽²⁾
Tax liabilities	84,457	7,545	5,842	97	97,941	97,941	
Deferred income	22,414	2,915	1,575	26	26,929	26,929	
Other liabilities	28,407	(6,242)	13,927	(770)	35,321	35,321	
TOTAL	300,245	17,887	28,889	1,680	347,930	339,757	8,173

(1) Earn-outs relative to companies acquired in return for goodwill. Fair value is determined based on observable market data (level 3).

(2) Debts relative to time-saving accounts.

3.9 Employee provisions and benefits

<i>(In thousands of euros)</i>	Corporate disputes ⁽³⁾	Commercial disputes ⁽²⁾	Miscellaneous risks	Retirement benefits ⁽¹⁾	Total
AT 31/12/2013	4,316	695	5,943	10,804	21,758
Change in scope	(133)		(1,975)	424	(1,684)
Reclassifications and actuarial differences	(257)	4	79	1,851	1,677
Exchange rate variations	0		(12)		(12)
Provisions for the financial year	2,438	0	3,668	2,238	8,344
Reversals (provisions used)	(1,110)	(119)	(1,333)	(161)	(2,722)
Reversals (provisions not used)	(648)	(14)	(1,543)		(2,205)
AT 31/12/2014	4,606	566	4,828	15,155	25,155
Change in scope			102	1,267	1,368
Reclassifications and actuarial differences	19		171	(1,798)	(1,607)
Exchange rate variations	1		12		14
Provisions for the financial year	1,876	43	3,944	3,004	8,866
Reversals (provisions used)	(1,149)		(1,416)	(28)	(2,594)
Reversals (provisions not used)	(1,222)	(549)	(2,057)		(3,828)
AT 31/12/2015	4,131	60	5,584	17,600	27,374

(1) The provision for end-of-career compensation shows a rise of €2.6 million, of which €1.3 million is explained by the scope being extended to French companies acquired over the year (Lincoln, Abilène, Aixial).

(2) The drop in the provision for business disputes results essentially basically from a market risk provision for a specific project.

(3) Employee disputes involve sums that taken individually are insignificant.

NON-CURRENT PROVISIONS

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Corporate disputes	1,776	2,296
Commercial disputes	0	549
Miscellaneous risks	1,138	672
Retirement benefits	17,600	15,155
TOTAL	20,514	18,673

CURRENT PROVISIONS

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Corporate disputes	2,354	2,310
Commercial disputes	60	17
Miscellaneous risks	4,446	4,155
Retirement benefits	0	0
TOTAL	6,860	6,482

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Total non-current provisions	20,514	18,673
Total current provisions	6,860	6,482
TOTAL PROVISIONS FOR RISKS AND EXPENSES	27,374	25,155

End-of-career commitments

The Group has no assets to cover commitments for retirement benefits.

CHARGE POSTED IN THE INCOME STATEMENT

	31/12/2015	31/12/2014
Operating profit (Note 3.11)	(2,461)	(1,619)
Net financial income (Note 3.17)	(515)	(458)
CHARGE POSTED IN THE INCOME STATEMENT	(2,976)	(2,077)

The change in the provision on the balance sheet is as follows:

	31/12/2015	31/12/2014
Balance at beginning of period	19,507	15,155
Impact on the balance sheet		
Changes in scope and reclassifications	1,267	529
Impact on the balance sheet	1,267	529
Impact on earnings		
Cost of services provided	2,461	1,619
Financial cost over the period	515	458
Actuarial differences (Other items in comprehensive income in 2015)	(2,198)	1,745
Charge posted in comprehensive income	778	3,822
BALANCE AT END OF PERIOD	21,551	19,507

	31/12/2015	31/12/2014
Discount rate	2.40%	2.10%*
Turnover rate (historical data recorded)	According to curve	According to curve
Revaluation rate for employees		
• Managerial staff	1.50%	1.50%
• Non-managerial staff	2.50%	2.50%
Employer contribution rate		
• Managerial staff	44.80 to 48%	44.80 to 48%
• Non-managerial staff	43.73 to 47.50%	42.73 to 47.50%
Mortality table		
• Women	TPGH05	TV 2004-2006
• Men	TPGF05	TD 2004-2006
Age of retirement	65 years	65-67 years

* The Group used a rate curve to discount its commitment as at 31 December 2014. The maximum discount rate was 2.65% with an average rate for the Group of around 2.10% for its commitment as at 31 December 2014.

The rate of personnel turnover is taken company by company geared to observed historical data. In France, the variation in discount rate for the calculation of retirement benefits is given below:

(In thousands of euros)	Discount rate -0.5%	Middle values	Discount rate +0.5%
Provisions for retirement benefits	18,222	17,600	14,715

3.10 Purchases consumed

(In thousands of euros)	31/12/2015	31/12/2014
Purchasing and subcontracting business	(117,056)	(95,541)
Non-stock purchases	(9,755)	(10,243)
TOTAL	(126,811)	(105,783)

3.11 Employee expenses

(In thousands of euros)	31/12/2015	31/12/2014
Salaries and benefits	(1,063,183)	(964,019)
Corporate disputes	495	(916)
Retirement benefits	(2,461)	(1,619)
Taxes levied on wages ⁽¹⁾	(21,529)	(11,574)
Employee profit sharing	(5,061)	(1,541)
TOTAL	(1,091,738)	(979,669)

(1) Training costs are now given under the heading "Tax levied on salaries". In 2014, they were included under "External expenses".

The heading "Salaries and benefits" is given after deduction of research tax credits and employment competitiveness tax credits.

Benefits under the defined contribution systems amounted to €224.1 million in 2015 (versus €211.2 million in 2014).

3.12 External charges

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Rentals, maintenance	(44,762)	(39,252)
External personnel, fees	(22,936)	(21,967)
Transportation and travel	(58,368)	(52,520)
Other external charges	(22,879)	(23,141)
TOTAL	(148,944)	(136,880)

3.13 Other taxes and levies

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Business tax and similar	(1,348)	(1,255)
Property tax ⁽¹⁾	(98)	(1,241)
Other taxes and levies	(6,810)	(6,786)
TOTAL	(8,255)	(9,283)

(1) €1.1 million of property tax for real estate rental presented in 2014 under the heading "Property Tax" has been posted under the heading "Rental, Maintenance" in 2015, given that this sum concerns rental expenses.

3.14 Other operating income and expenses

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Expenses		
Provisions for impairment	(1,243)	(1,027)
Losses on unrecoverable receivables	(803)	(874)
Provisions for long-term contingencies	(3,673)	(2,295)
Book value of fixed assets sold	(302)	(361)
Other expenses	(306)	(78)
TOTAL EXPENSES	(6,327)	(4,635)
Income		
Reversal of provisions for receivables	1,732	1,779
Reversals of provisions for long-term contingencies	2,779	2,696
Proceeds from sale of fixed assets	155	79
Other income	316	324
TOTAL INCOME	4,981	4,878

3.15 Share-based payments

The table below gives details of stock option plans:

Plan	1	2	3	4	5	6	Total
Date of grant by the Board	06/01/2004	24/03/2005	23/10/2006	18/02/2008	07/09/2009	19/10/2010	
Number of beneficiaries	259	356	598	794	689	6	
NUMBER OF OPTIONS GRANTED	318,970	496,500	1,189,780	622,790	574,330	120,000	3,322,370
including number of options granted to employees	318,970	496,500	1,173,780	622,790	574,330	120,000	3,306,370
including number of options granted to corporate officers			16,000				16,000
Exercise price	10.7	17.9	24.1	19.1	15.2	22.4	
Fair value of the option in euros	7.13	6.83	10.58	7.86	3.12	4.09	
First possible exercise date	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	19/10/2014	
Last possible exercise date	06/01/2012	29/03/2013	23/10/2014	18/02/2016	07/09/2017	19/10/2018	
Date of first possible disposal	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	19/10/2014	
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 1 JANUARY 2014	0	0	55,040	40,375	103,191	90,000	288,606
Number of options granted							
Number of options exercised at 31 December 2014			45,630	16,425	46,254		108,309
Number of options expired/waived at 31 December 2014			9,410	350	(150)		9,610
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 31 DECEMBER 2014	0	0	0	23,600	57,087	90,000	170,687
<i>2014 annual charge</i>			<i>100</i>	<i>0</i>	<i>(0)</i>	<i>(118)</i>	<i>(19)</i>
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 1 JANUARY 2015	0	0	0	23,600	57,087	90,000	170,687
Number of options granted							
Number of options exercised at 31 December 2015				10,250	32,765	30,000	73,015
Number of options expired/waived at 31 December 2015					200	40,000	40,200
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 31 DECEMBER 2015	0	0	0	13,350	24,122	20,000	57,472
<i>2015 annual charge</i>						<i>74</i>	<i>74</i>

3.16 Other non-current income and expenses

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Restructuring costs	(5,754)	(3,070)
Costs associated with the acquisition of new companies	(1,549)	(1,664)
Social security and tax adjustments	477	(9,773)
Other	1,335	(944)
TOTAL NON-CURRENT OPERATING INCOME	(5,491)	(15,451)
Including non-current operating expenses	(8,117)	(15,892)
Including non-current operating income	2,626	440

Restructuring costs relate to costs linked to specific measures taken to offset the deterioration of the economic environment (partial unemployment, reduction in headcount, site mergers, etc.) and the re-organisation of recently acquired companies. In 2015, this item related in particular to additional costs incurred for GECL following the acquisition (€2.6 million; €2.0 million in Germany and €0.6 million in France), costs provisioned on recently-acquired German entities (€1.3 million) and a restructuring in Sweden (€1.0 million).

The costs of social security and tax adjustments correspond primarily to reversals of unused provisions on the provisions recorded on 2014 following notifications from social security authorities (Ursaaf in France) of several of the Group entities.

The "Other" item essentially relates to changes in debts on earn-outs (€1.3 million) under the application of IFRS 3.

3.17 Net financial income

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Bank interest charges	(869)	(1,283)
Interest on lease-financing agreements	(427)	(50)
GROSS BORROWING COSTS	(1,296)	(1,333)
Income from loans and receivables	195	588
Proceeds from the disposal of marketable securities	1	0
NET BORROWING COSTS	(1,099)	(746)
Foreign exchange losses	(9,178)	(6,340)
Other financial expenses	(1,220)	(857)
Discounted financial expenses	(515)	(458)
Financial provisions	(22)	0
Other financial expenses	(10,934)	(7,655)
Foreign exchange gains	11,013	9,258
Other financial income	3,336	2,223
Financial income as a result of discount	316	676
Reversal of financial provisions	2,263	142
Other financial income	16,927	12,300
OTHER NET FINANCIAL INCOME AND EXPENSES	5,993	4,645
NET FINANCIAL INCOME (EXPENSES)	4,894	3,899

Over the period, the Group cleared a capital gain of €1.9 million on the disposal of a minority interest held in Smart Trade Technologies.

Note should also be made of a reversal of provision for financial claims of €2.2 million.

3.18 Income tax

Breakdown of income tax expenses

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Net earnings: Group and minority interests	106,744	79,582
Earnings of equity-accounted companies	(2,374)	(443)
Impairment of goodwill	0	0
Stock options	(74)	19
Income tax expense	47,592	42,107
PRE-TAX EARNINGS	151,889	121,266
Tax rate of the consolidating company	34.43%	34.43%
Theoretical income tax expense	52,300	41,756
Special 3% tax on dividends paid	1,790	990
Additional contribution 10.7% (5% in 2012)	897	1,145
Difference in tax rate versus foreign companies	(5,355)	(3,674)
Miscellaneous tax credits*	(10,196)	(10,713)
Unactivated deferred tax assets	775	1,520
CVAE (value added tax) reclass	6,718	6,487
Other permanent differences	664	4,595
TAX EXPENSE RECOGNISED	47,592	42,107
EFFECTIVE INCOME TAX RATE	31.33%	34.72%
Income tax distribution:		
Deferred taxes	(2,087)	(728)
Income tax payable	49,679	42,835
TOTAL	47,592	42,107

* Non-taxable income.

Deferred taxes

Deferred tax receivables and liabilities consist of:

<i>(In thousands of euros)</i>	31/12/2015	12/31/2014
Employee profit-sharing	1,697	514
Retirement benefits	5,451	4,836
Other timing differences	389	2,451
Tax-loss carry-forwards	3,785	3,860
TOTAL DEFERRED TAXES	11,322	11,662
Including:		
DEFERRED TAX ASSETS	13,317	12,791
DEFERRED TAX LIABILITIES	(1,995)	(1,129)

The variation in deferred taxes is broken down as follows:

<i>(In thousands of euros)</i>	31/12/2015	12/31/2014
Deferred taxes at start of year	11,662	8,545
Impact on comprehensive earnings IAS 19/IFRIC 19	(742)	128
Change in scope	(1,197)	2,215
Exchange rate variations	(488)	108
Expenses (or income) for the period	2,087	666
DEFERRED TAXES AT YEAR-END	11,322	11,662

The amount of non-capitalised deferred taxes relating to tax-loss carry-forwards amounted to €2.4 million (€7.9 million basis) at 31 December 2015.

3.19 Operating segments

In compliance with standard IFRS 8 – Operational Sectors -, the financial information published hereinafter is the information used by the main operational decision-maker (the CEO) to assess the performance of business segments.

<i>(In thousands of euros)</i>	31/12/2015			31/12/2014		
	France	International	Total	France	International	Total
Net revenue	795,312	745,594	1,540,906	761,451	611,715	1,373,166
Operating profit on activity	83,203	69,283	152,486	78,574	53,624	132,198
Rate of operating profit on activity/revenue for the segment	10.5%	9.3%	9.9%	10.3%	8.8%	9.6%
Profit from ordinary activities	83,277	69,283	152,560	78,555	53,624	132,179
Operating profit	82,644	64,425	147,068	66,972	50,561	117,533
Net financial income	4,394	500	4,894	782	3,117	3,899
Income tax expense	(28,654)	(18,938)	(47,592)	(22,608)	(19,561)	(42,169)
Earnings of consolidated entities	58,384	45,986	104,370	45,146	34,118	79,263
NET OVERALL EARNINGS	60,758	45,986	106,744	45,588	34,118	79,706

<i>(In thousands of euros)</i>	31/12/2015			31/12/2014		
	France	International	Total	France	International	Total
Goodwill	112,027	219,590	331,617	92,109	184,150	276,259
Impairment over the financial year			0			0
Investments in associates	6,018	1,579	7,598	3,644		3,644
Workforce at Year End	10,145	10,255	20,400	9,370	9,030	18,400
Cash at end of period	37,185	54,733	91,918	28,442	42,025	70,467
Financial liabilities	67,989	6,927	74,916	41,227	3,781	45,008
NET INVESTMENTS FOR THE PERIOD	20,025	44,524	64,549	19,845	27,276	47,121

The contribution to revenue in 2015 from companies acquired in 2015 came to €57,847K (France and abroad)

3.20 Earnings per share

<i>(In euros)</i>	31/12/2015	31/12/2014
Net income, Group share	106,261,919	79,487,416
Weighted average number of shares	33,151,373	32,879,540
Earnings per share	3.21	2.42

<i>(In euros)</i>	31/12/2015	31/12/2014
Earnings	106,261,919	79,487,416
Dilutive effect of warrants	0	0
Diluted earnings	106,261,919	79,487,416
Weighted average number of shares	33,151,373	32,879,540
Effect of dilutions	11,622	48,390
Weighted average number of shares after potential dilution	33,162,995	32,927,930
Diluted earnings per share	3.20	2.41

3.21 Dividends per share

	2016*	2015	2014
Date dividends paid on the profit from the previous financial year	nd	25 June 2015	25 June 2014
Date of the General Meeting deciding on the dividend distribution proposal	24 May 2016	18 June 2015	18 June 2014
Total distribution amount <i>(in thousands of euros)</i> on the profit from the previous financial year	33,190	33,160	33,013
Dividend per share on the profit from the previous financial year <i>(in euros and per share)</i>	1.00	1.00	1.00

* Subject to approval by the next General Meeting, and according to the number of shares in circulation as of that date.

3.22. Statement of cash flows

CHANGES IN DEPRECIATION, PROVISIONS AND OTHER INCOME/EXPENSES CALCULATED

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Amortisation of intangible assets	2,427	2,408
Depreciation of property, plant and equipment	7,882	6,437
Impairment of goodwill	0	0
Provisions for risks and expenses	2,444	3,416
Other income and calculated expenses	(1,272)	0
TOTAL	11,481	12,261

BREAKDOWN OF TAXES PAID

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Repayments received	3,117	3,455
Payments made	(53,798)	(44,106)
TOTAL	(50,680)	(40,651)

BREAKDOWN OF CASH FLOWS ON WORKING CAPITAL REQUIREMENTS

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Changes in net WCR - customers	2,899	(40,705)
Changes in net WCR - suppliers	(3,475)	(6,278)
Changes in net WCR – other receivables and operating payables	(3,949)	3,931
TOTAL	(4,525)	(43,052)

IMPACT OF CHANGES IN SCOPE AND EARN-OUTS

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Acquisitions of consolidated subsidiaries	(72,682)	(43,176)
Cash from new consolidated subsidiaries	14,048	5,498
Cash from deconsolidated subsidiaries	(11)	(2,605)
TOTAL	(58,645)	(40,283)

CAPITAL INCREASE

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Share options exercised	1,366	1,801
Exercise of share warrants	0	6,751
TOTAL	1,366	8,553

4. OTHER INFORMATION

4.1. Related-party transactions

Remuneration and benefits granted to directors

In the Company, in controlled companies and in the controlling company ⁽¹⁾

	2015		2014	
	Amount paid	Amount due	Amount paid	Amount due
Simon AZOULAY ⁽²⁾				
• fixed remuneration	€120,000	€120,000	€120,000	€120,000
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• directors' fees	None	None	None	None
• benefits in kind	€5,811	€5,811	€5,811	€5,811
TOTAL	€125,811	€125,811	€125,811	€125,811
Gérald ATTIA ⁽³⁾				
• fixed remuneration	€178,224	€178,224	€178,224	€178,224
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• directors' fees	€84,000	€84,000	None	€84,000
• benefits in kind	€4,148	€3,873	€3,873	€3,873
TOTAL	€266,372	€266,097	€182,097	€266,097
Bruno BENOLIEL				
• fixed remuneration	€249,157	€249,157	€249,141	€249,141
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• directors' fees	None	None	None	None
• benefits in kind	None	None	None	None
TOTAL	€249,157	€249,157	€249,141	€249,141
Pierre MARCEL				
• fixed remuneration	€324,006	€324,006	€346,006	€346,006
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• directors' fees	None	None	None	None
• benefits in kind	€4,973	€4,973	€4,973	€4,973
TOTAL	€328,979	€328,979	€350,979	€350,979

(1) Amounts are expressed in gross values.

(2) SGTI 2, of which Mr Simon Azoulay is Chairman and sole shareholder, received €75,000 from ALTEN SPAIN SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in Directors' fees for 2015 for its role as Consejero. Also, in January 2016, SGTI 2 received €75,000 from the Spanish subsidiary ALTEN Spain SAU, for the 2015 financial year. SGTI 2 also should receive €75,000 from Atexis Spain SLU, the wholly-owned Spanish subsidiary of ALTEN Spain SAU, in directors' fees for 2015 for its role as Administrador único.

(3) Mr Gérald Attia received €84,000 in January 2015 from ALTEN Spain SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in directors' fees for 2014 for his position as Consejero. In January 2016, Mr Gérald Attia received €84,000 from ALTEN Spain SAU, the wholly-owned Spanish subsidiary of ALTEN Europe, in directors' fees, for his position as Consejero in 2015. Benefits in kind consist of a company-provided car.

No other employee benefits were granted to Corporate Officers, other than those shown in the tables above.

The employee-director received no remuneration for his/her role as director during the financial year.

Information concerning defined-contribution schemes for Corporate Officers

Social contributions for managers for the 2015 financial year amounted to €475 thousand (€446 thousand in 2014).

Transactions with non-consolidated companies

Non-consolidated subsidiaries, Group associates or companies controlled directly by the Group's directors.

In the income statement

	31/12/2015	31/12/2014
Revenue	0	115
Other operating income (expenses)	(3,596)	(2,837)
Financial income (expenses)	995	506
TOTAL	(2,600)	(2,216)

In the balance sheet

	31/12/2015	31/12/2014
Long-term financial assets ⁽¹⁾	33,509	38,084
Trade receivables	24	118
Current account	8	83
Other receivables	46	0
ASSETS	33,587	38,285
Trade payables	1,252	706
LIABILITIES	1,252	706

(1) The decrease over the financial year primarily came from the repayment of a loan to associates.

4.2 Contingent assets and liabilities

Contingent assets

A dispute over adjustments made by URSSAF (for €14.8 million) was initiated by Group companies. No assets have been recognised in the financial statements in respect of these disputes pending court decisions.

Contingent liabilities

The Group has an ongoing dispute with a minority ex-associate of one of its subsidiaries. The total amount of the plaintiff's claim, disputed by ALTEN, is approximately €2 million. The maturity date is undefined.

4.3 Share capital

Number of shares (nominal value €1.016)	Shares issued	Treasury shares	Shares in circulation
At 31 December 2014	33,589,610	(467,749)	33,121,861
Exercise of options/warrants	73,015		73,015
Other capital increases			
Treasury shares			
Purchasing			
Sales			
Transfers			
Liquidity contract transactions		352	352
AT 31 DECEMBER 2015	33,662,625	(467,397)	33,195,228

4.4 Treasury shares

In the framework of a treasury-share buyback programme, the Company proceeded, during the financial year, with the various purchase and sale operations, indicated below:

	31/12/2015	31/12/2014
UNALLOCATED SHARES		
Shares held at start of year	460,022	460,022
Shares purchased		
Shares sold		
Reclassifications		
Shares held at closing	460,022	460,022
LIQUIDITY CONTRACT		
Shares held at start of year	7,727	14,948
Shares purchased	186,337	204,256
Shares sold	(186,689)	(211,477)
Reclassifications		
Shares held at closing	7,375	7,727

i.e. a total of 467,397 treasury shares with a value of €9,102K eliminated by equity capital at 31 December 2015.

4.5 Financial commitments

COMMITMENTS RELATED TO THE GROUP SCOPE

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Pledges and guarantees given		
ALTEN SA ⁽¹⁾	10,000	10,000
Bank guarantees given		
ALTEN Italia	139	122
ALTEN Nederland	75	
ALTEN Spain	2,044	1,839
Anotech Energy France	56	
Anotech Energy Nigeria	14	
G-Fit Mariox	11	
TSS Group OY	360	
Visitec Oy	1,199	
TOTAL	13,898	11,961
Pledges, sureties and guarantees received		
<i>(collateral guarantees of liabilities)</i>		
ALTEN Belgium	500	
ALTEN Canada	183	
ALTEN Europe	950	750
ALTEN Gmbh	1,100	1,000
ALTEN Nederland	1,500	
ALTEN SA	2,000	
ALTEN SIR	200	400
ALTEN Sweden	411	
Casoft Labs USA	732	
(other)		
HPTI ⁽²⁾	22,000	24,000
TOTAL	29,576	26,150

(1) A guarantee of €10 million for a bank loan taken out by the associate company Horex.

(2) Pledge for securities held by the associate company CTL Participations to guarantee a loan granted by the Group.

COMMITMENTS LINKED TO GROUP FINANCING

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Unused credit lines	151,533	141,500

COMMITMENTS RELATED TO OPERATING ACTIVITIES

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Operating leases ⁽¹⁾	94,943	58,217
Financial leases ⁽²⁾	12,600	797

(1) Including property rentals: €83,539 thousand (including €17,419 thousand under one year, €48,066 thousand from 2 to 5 years, and €18,054 thousand over 5 years).

(2) Royalties unpaid at 31 December 2015 are as follows:

Type of fixed assets <i>(In thousands of euros)</i>	Royalties unpaid		Total	Including share < one year	Including share > one year
	Capital	Interest			
Intangible assets	0	0	0	0	0
Property, plant and equipment	11,169	1,431	12,600	1,771	10,829
TOTAL	11,169	1,431	12,600	1,771	10,829

Assets pledged	Amount <i>(In thousands of euros)</i>	Type of asset
Lease-financing transactions (see Note 3.2)	13,790	Fixed assets

Minority interests purchase options

- ITEKNA: Under the terms of the purchase MOU at end-2012, the parties signed promises to buy out/sell the non-controlling shareholder's 35% stake. The sale option was exercised by the minority shareholder in February 2016.
- ALTEN SI GSS: Under the terms of an agreement signed on 26 November 2014, the parties signed promises to buy out/sell the non-controlling shareholder's 49% stake.

At the end of the financial year, except for the commitments set forth above, management does not believe that there are other commitments which will materially impact the Group's financial position.

4.6 Audit fees

The table below presents the fees of ALTEN SA's Statutory Auditors (KPMG and Grant Thornton) of the Group and also those of the previous Statutory Auditors (Dauge et Associés) in order to have a comparable annual base of fees:

	DAUGE ET ASSOCIÉS				KPMG				GRANT THORNTON			
	Amount excluding tax		%		Amount excluding tax		%		Amount excluding tax		%	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<i>(In thousands of euros)</i>												
AUDIT												
Statutory audit, certification, review of accounts:												
• Issuer	0	195	0%	62%	190		81%		201	218	20%	24%
• Fully consolidated subsidiaries	74	96	72%	30%	13		6%		596	477	58%	53%
Other duties and services directly related to the Statutory Auditors' assignment:												
• Issuer	29	0	28%	0%	0		0%		82	98	8%	11%
• Fully consolidated subsidiaries	0	24	0%	8%	0		0%		132	108	13%	12%
SUBTOTAL	103	315	100%	100%	203		87%		1,011	901	98%	99%
Other services												
Legal, tax, corporate												
• Issuer												
• Fully consolidated subsidiaries					31		13%		0		0%	
Other												
• Issuer									0	5	0%	0%
• Fully consolidated subsidiaries									17	2	2%	0%
SUBTOTAL					31		13%		17	6	2%	1%
TOTAL	103	333	100%	100%	234		100%		1,028	907	100%	100%

20.3.2 2015 SEPARATE FINANCIAL STATEMENTS

1. BALANCE SHEET

1.1 Balance sheet assets

<i>(In thousands of euros)</i>	Gross	Depreciation Provisions	31/12/2015	31/12/2014
Intangible assets	52,931	15,076	37,855	37,092
Property, plant and equipment	25,028	19,494	5,534	5,554
Financial assets	227,206	25,265	201,940	201,100
CAPITALISED ASSETS	305,165	59,835	245,329	243,746
Trade receivables	124,900	1,748	123,151	142,789
Other receivables	118,483	133	118,350	89,353
Marketable securities	400		400	267
Cash and equivalents	5,495		5,495	3,423
Prepaid expenses	4,787		4,787	2,250
CURRENT ASSETS	254,064	1,882	252,182	238,083
Translation adjustment	1,249		1,249	285
TOTAL	560,477	61,717	498,760	482,113

1.2 Equity and liabilities

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Capital	34,215	34,140
Paid-in capital	46,272	44,981
Reserves and Retained Earnings	163,555	164,388
Profit for the year	34,313	32,327
SHAREHOLDERS' EQUITY	278,354	275,836
PROVISIONS FOR RISKS AND EXPENSES	11,392	11,047
Other loans and related debt	627	4,999
Miscellaneous financial borrowings and liabilities	57,935	60,406
Trade payables	42,106	31,579
Taxes and social security charges payable	87,479	80,884
Other debt	17,360	14,650
Deferred income	2,571	2,562
DEBT	208,079	195,080
Translation adjustment	935	150
TOTAL	498,760	482,113

2 INCOME STATEMENT

2.1 Income statement

<i>(In thousands of euros)</i>	2015	2014
NET REVENUE	465,268	434,762
Reversal of depreciation, amortisation and provisions, transfers of expenses	2,277	7,057
Other income	9,660	8,122
Operating revenue	477,206	449,940
Other external purchases and costs	160,464	146,788
Taxes other than on income	16,760	13,695
Payroll expenses	264,402	256,090
Charges to depreciation, amortisation and provisions	6,508	7,656
Other operating expenses	1,173	1,651
Operating expenses	449,308	425,880
OPERATING PROFIT	27,898	24,060
NET FINANCIAL INCOME	8,437	7,997
PROFIT (LOSS) BEFORE TAX	36,335	32,057
NON-RECURRING PROFIT	2,670	948
Employee profit-sharing	1,768	61
Income tax	2,924	616
PROFIT FOR THE YEAR	34,313	32,327

Detailed contents of the notes to the financial statements

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3. APPENDIX

3.1. General information on ALTEN SA

Founded in 1988, ALTEN is the European leader in the engineering and technology consulting (ETC) market.

ALTEN SA carries out design and research projects for the technical and information systems divisions of major customers in the industrial, telecommunications and service sectors.

ALTEN works with its customers through various types of contracts:

- consulting;
- workpackage or “global platforms”. These services are generally provided by committing resources and billed on a time-spent basis, or in work units;
- fixed-price projects under which ALTEN is bound by an obligation to achieve results at a fixed price. This business represents less than 10% of activity.

ALTEN SA has been ISO-certified since 1998 and has been certified CMMI level 3.

The scope of ALTEN SA's business covers all outsourced engineering and technology consulting services.

3.2 Key events

3.2.1 Business activity

Business in 2015 was overall satisfactory, even though its key customers continue to pursue productivity gains.

Among the key events to note, the Automotive sector was marked by a strong upswing for the second consecutive year. In contrast, the Telecommunications sector in France continued its decline.

The Aeronautics sector experienced strong growth in the manufacturing and engineering businesses, and in space activity.

The Life Sciences sector posted significant growth, mainly in pharmaceuticals.

Finally, 2015 was marked by a sharp slowdown in the Oil and Gas sector and difficulties in the Nuclear sector, even though ALTEN SA remains fairly unexposed to this business sector.

3.2.2 Other information

- During the first half of 2015, €33,160 thousand in dividends were paid to shareholders in respect of financial year 2014.
- The tax audit for the 2010 to 2012 financial years, which was the subject of a proposed correction for which provisions were already made in the 2014 financial statements, was settled during the 2015 financial year; another tax audit for the 2013 and 2014 tax years began at the beginning of the 2015 financial year and was still being carried out at the close.
- On 12 February 2015, ALTEN SA acquired the ABILENE SA company which holds the LINCOLN company and its French subsidiaries, which specialise in decision-making information and clinical studies.
- On 1 July 2015, ALTEN SA acquired the AIXIAL group of companies, specialised in life sciences and business intelligence.

3.3 Post-balance sheet events

None.

3.4 Accounting principles and methods

The accounting principles and methods applied by ALTEN SA are consistent with France's generally accepted accounting standards (Plan Comptable Général), pursuant to regulation ANC 2014-03.

General accounting conventions have been applied, in accordance with the principle of prudence and the fundamental accounting concepts of:

- going concern;
- the same accounting methods used from one year to the next;
- independence between years.

These accounting conventions are also applied in accordance with the general rules for preparing and presenting financial statements.

The main accounting methods used are as follows:

3.4.1 Change in accounting methods

None.

3.4.2 Fixed assets

Intangible assets and property, plant and equipment are valued at acquisition or production cost.

Amortisation is calculated on a straight-line/declining-balance basis over the following estimated useful lives:

- development costs 1 10 years SL;
- concessions-patents-IT licences 1 to 10 years SL;
- transport equipment 5 years/SL;
- office and computer equipment 1 to 5 years;
- office equipment 5 to 10 years/SL;
- fixtures and fittings 3 to 10 years/SL;
- technical facilities, tools and equipment 1 to 10 years/SL.

Development costs are obligatorily capitalised as intangible assets and all expenses directly attributable to the creation, production and preparation of the asset in view of its planned use are capitalised.

Information systems are amortised over six to ten years.

Residual value and anticipated lifespan are reviewed at least annually and adjusted accordingly if they differ significantly from previous estimates.

All depreciation and amortisation charges are recognised under operating expenses.

3.4.3 Business assets

Business assets are valued at their acquisition cost. They are not amortised but are tested for value if, because of events or circumstances occurring during the year, their recoverable value appears to be permanently lower than their net book value. The recoverable value is based on the discounted future cash flows generated by the

continued use of the assets tested. The discounting is applied at a rate corresponding to the weighted average cost of capital.

The main criteria chosen for the application of the valuation method according to the *Discounted Cash Flows* are described under the heading "Investment securities".

3.4.4 Investment securities

The gross value of investment securities is recorded on the balance sheet at acquisition cost. The acquisition cost of investment securities comprises a fixed portion paid at the time an interest is acquired and any variable earn-outs based on the acquired entity's future revenues and earnings. These earn-outs are recognised under investment securities against debt on non-current assets.

Whenever general business conditions and/or material adverse developments cause a subsidiary to post revenue and earnings significantly below expectations at the time of acquisition, an additional one-time impairment loss on the investment securities is calculated.

Required depreciation is determined through the *Discounted Cash Flow* method. This is only done for acquired companies and applies the following assumptions:

- a four-year financial budget prepared by the entity and validated by the Group's Finance Division, updated when the year-end budget is prepared. The cash flow beyond the four-year period is extrapolated, taking the growth rate to infinity into consideration;
- low growth rate (2%): this growth rate does not exceed the long-term average growth rate for the business sector. The average annual growth rate of revenue for 2016-2020 increases by 3% and 9% depending on geographic region;
- weighted average cost of capital falls range from 8.19% to 10.76% depending on geographic region, and the risk premium corresponding to the applicable entities;
- net indebtedness (except for goodwill).

Benefits payable to retiring employees are calculated on the basis of the current headcount at reporting date. It is based on the following items:

Presentation of actuarial assumptions	31/12/2015	12/31/2014
Discount rate ⁽¹⁾	2.40%	2.10%
Revaluation rate for employees		
Managerial staff	1.50%	1.50%
Non-managerial staff	2.50%	2.50%
Employer contribution rate		
Managerial staff	46.89%	46.89%
Non-managerial staff	46.49%	46.49%
Mortality table		
For women	TPGF05	TV 2004-2006
For men	TPGH05	TD 2004-2006
Age of retirement	65	65-67

(1) The Group used a rate curve for the discounting of its commitment at 31 December 2014. The maximum discount rate of the curve was 2.65%, with an average rate for the Group of around 2.10% with respect to the commitment at 31 December 2014.

In the current fast-changing economic environment, it is harder to define the business outlook and the random nature of some estimates can be accentuated, especially where profits and cash flow are concerned.

3.4.5 Treasury shares

All treasury shares held by ALTEN SA are recorded at their acquisition cost under "other fixed financial assets".

3.4.6 Trade receivables

Trade receivables are valued at nominal value. They are individually valued and, where applicable, depreciated to account for any difficulties in collecting certain amounts.

Any such impairment is recognised once there is an indication of the Group's inability to recover the full amount, such as bankruptcy procedures or non-payment by the due date. Impairment is recognised under other income and operating expenses.

For any trade receivables that are not subject to individual impairment, the depreciation method applied is a statistical one.

3.4.7 Marketable securities

Securities (money market fund) recognised in the balance sheet are valued at the lower of either their historical cost or market value.

3.4.8 Provisions for risks and expenses

Provisions for risks and expenses are recorded at year-end whenever the Company has an obligation towards a third party which is likely or certain to result in an outflow of resources for the benefit of such a third party, with no anticipated consideration of at least equal value.

The estimate of the amount recorded under the provisions is the expense the Company is likely to incur to discharge the obligation.

Among these provisions are retirement obligations as estimated by an independent actuarial firm, in compliance with the ANC (French accounting standards authority) Recommendation 2013-R.02.

3.4.9 Revenue recognition

Revenue is recognised over the period in which services are rendered and made up of invoiced services (issued or to be issued):

- on a time-worked basis: income is equal to time spent multiplied by an hourly, daily or monthly rate;
- on a fixed-rate basis: income is recognised according to the percentage of completion method, proportionally to the expenses incurred. Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance. Services for which a fixed price is charged account for less than 10% of revenue;
- “workpackage” method: recognition of revenue varies according to the nature of the resource commitment. When the *workpackage* is part of a global cost-based scheme, income is equal to time spent multiplied by an hourly, daily or monthly sales rate; when it is part of an outsourced platform for which billing is on a monthly or quarterly fixed-price basis, income is recognised on a monthly basis according to the amount of the agreement, independent of the actual time spent by the consultants; lastly, when it is part of a service commitment package (*workpackage*), revenue is recognised as and when deliverables and/or performance indicators (work units) are received/validated by the customer and for which the price has been fixed in the “*workpackage contract*”.

3.4.10 Tax credit for encouraging competitiveness and jobs (CICE)

In accordance with the recommendations of the ANC, the CICE is credited against employee expenses as the corresponding remuneration expenses are incurred.

ALTEN SA declares the remuneration concerned on its employer contributions forms in accordance with the conditions of eligibility

for the scheme. The CICE is used in accordance with its intended purpose and finances neither a share of distributed earnings, nor an increase in remuneration of employees in management positions.

ALTEN SA received total CICE of €7,815 thousand for 2015.

3.4.11 Tax consolidation

ALTEN SA follows a tax consolidation regime in which it is the Group's holding company.

Under this agreement, ALTEN SA is solely liable for payment of corporation tax on behalf of subsidiaries, which are responsible for indemnifying ALTEN SA for this expense. In the event a subsidiary records a loss, this is also transferred to ALTEN SA. This loss is not repaid to the subsidiary in the event of exclusion from the tax consolidation scope.

3.4.12 Employee benefits

Pursuant to opinion 2008-17 of the *Conseil National de la Comptabilité* (CNC) dated 6 November 2008, shares allotted to stock option plans are not subjected to impairment based on market value because of the commitment to award them to employees and the provision recognised under liabilities.

3.4.13 Translation adjustments of assets and liabilities in foreign currency

Costs and income in foreign currency are recorded at their exchange value on the transaction date.

Receivables and debts in foreign currency are recorded in the balance sheet at their exchange value on the year-end date. The difference resulting from the discounting of debts and receivables in foreign currency at year end is recorded under asset or liability translation adjustment and provisioned for foreign exchange risk.

3.5 Balance sheet notes

3.5.1 Fixed assets, gross value

(In thousands of euros)	31/12/2014	Acquisitions creation/transfers	Reductions through disposals	31/12/2015
Intangible assets ⁽¹⁾	51,571	2,167	807	52,931
Property, plant and equipment	22,799	2,965	736	25,028
Financial assets	201,409	29,606	3,810	227,206
TOTAL	275,779	34,738	5,353	305,165

(1) Intangible assets comprise goodwill from full asset and liability transfers for €32,882 thousand at 31 December 2015, and development costs relating to integrated management software introduced on 1 January 2009.

3.5.2 Depreciation – impairments – net values

(In thousands of euros)	Depreciation, amortisation and impairment			Net values		
	31/12/2014	Increases Provisions	Decreases Reversals	31/12/2015	31/12/2015	31/12/2014
Intangible assets ⁽¹⁾	14,479	1,404	807	15,076	37,855	37,092
Property, plant and equipment	17,245	2,960	711	19,494	5,534	5,554
Financial assets	309	24,975	19	25,265	201,940	201,100
TOTAL	32,033	29,339	1,536	59,835	245,329	243,746

(1) No impairment was recorded for goodwill during the year.

3.5.3 Breakdown of financial assets

<i>(In thousands of euros)</i>	31/12/2014	Transfers between items	Acquisitions creation/ transfers	Decreases through disposals	31/12/2015
Investment securities ⁽¹⁾	182,535	(1,738)	27,955	904	207,848
Other equity interests	285	1,738	508	285	2,245
Treasury shares	8,713				8,713
Security deposits	2,912		984	871	3,025
Loans	6,964		160	1,750	5,374
TOTAL	201,409	0	29,606	3,810	227,206

(1) Increases concern the acquisition of ABILENE, the acquisition of AIXIAL group, the buyback of shares from minority shareholders, and the investment in the X Ange 2 fund. Decreases primarily include the disposal of APROVA's shares, the capital decrease of XANGE, and the partial repayment of a loan granted to an associate.

3.5.4 Provisions for risks and expenses

<i>(In thousands of euros)</i>	31/12/2014	Increases Provisions	Decreases Reversals ⁽¹⁾	31/12/2015
Provisions for arbitration and corporate risk	2,449	850	1,071	2,228
Provisions for miscellaneous risks	968	1,336	746	1,558
Provisions for charges	917	0	917	0
Retirement provisions	6,712	893		7,605
PROV. FOR RISKS AND EXPENSES	11,047	3,079	2,734	11,392

(1) Including reversal of provisions: €1,238 thousand used in 2015 and €1,496 thousand not used in 2015.

<i>(In thousands of euros)</i>	31/12/2014	Increases Provisions ⁽¹⁾	Decreases Reversals	31/12/2015
Provisions for intangible assets	206			206
Provisions for financial assets	309	24,975	19	25,265
Provisions for receivables	1,812	150	214	1,748
Other impairments	88	76	30	133
PROVISIONS FOR IMPAIRMENT	2,415	25,200	263	27,353
TOTAL PROVISIONS	13,462	28,279	2,997	38,745

(1) Including provisions for impairment of the PROGRAMME PLANNING PROFESSIONALS INC securities, in the amount of €20,375 thousand and €4,500 thousand in provisions for impairment of the ATEXIS France securities.

Including	Provisions	Reversals
Operating	2,143	2,006
Financial	26,136	73
Extraordinary	0	917
TOTAL	28,279	2,997

3.5.5 Statement of maturity dates of receivables and payables

STATEMENT OF PAYABLES

<i>(In thousands of euros)</i>	Gross amounts 2015	At 31/12/2015	
		Up to one year	Over one year
Fixed assets			
Receivables from equity interests			
Loans ⁽¹⁾	5,374	13	5,362
Other fixed financial assets ⁽²⁾	11,738	0	11,738
	17,112	13	17,099
Current assets			
Uncertain clients	1,945	1,945	
Other trade receivables	122,954	122,954	
Personnel and related accounts	274	274	
Social security and other social agencies	149	149	
Income tax	38,415	38,415	
Value added tax	5,658	5,658	
Other receivables	12	12	
Groups and associates	67,245	67,245	
Miscellaneous receivables	6,729	6,729	
	243,383	243,383	0
Prepaid expenses ⁽³⁾	4,787	4,787	
TOTAL	265,282	248,182	17,099

STATEMENT OF PAYABLES

<i>(In thousands of euros)</i>	Gross amounts 2015	At 31/12/2015		
		Up to one year	Between one and five years at maximum	Over five years
Bank borrowings maturing in less than one year	627	627		
Bank overdrafts				
Miscellaneous financial borrowings and debts	32,491	917	31,573	
Trade payables	42,106	42,106		
Personnel and social security debts	51,897	51,897		
Tax liabilities	35,582	35,582		
Debt related to fixed assets and related accounts	1,500	1,500		
Groups and associates	25,445	25,445		
Other debt	15,860	13,397	2,179	284
Deferred income	2,571	2,571		
TOTAL	208,079	174,043	33,753	284

(1) Including €5,000 thousand corresponding to a loan granted to an associate.

(2) Including €8,713 thousand corresponding to treasury shares.

(3) Including €1,041 thousand in maintenance.

3.5.6 Outstanding charges

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Trade payables	12,198	7,585
Taxes and social security charges payable	42,070	39,077
Debt related to fixed assets and related accounts	1,500	0
Current interest	364	188
Other debt	12,751	12,731
TOTAL	68,883	59,580

3.5.7 Revenue accruals

<i>(In thousands of euros)</i>	31/12/2015	31/12/2014
Trade receivables	21,157	20,612
Government related receivables	1,158	1,037
Other receivables	5,408	1,568
TOTAL	27,723	23,218

3.5.8 Cash and equivalents and marketable securities

These mainly consist of money market funds and term deposits. The underlying surplus was immaterial at 31 December 2015.

3.5.9 Change in Shareholders' Equity

<i>(In thousands of euros)</i>	Number of shares	Capital	Additional paid-in capital	Reserves Legal	Other Reserves	Reserves and retained earnings	Earnings (Group share)	Shareholders' Equity
AT 31 DECEMBER 2013	33,075,301	33,618	36,951	3,302	27,145	96,339	70,615	267,970
2013 allocation of earnings				71		70,544	(70,615)	0
Dividends paid for 2014						(33,013)		(33,013)
Capital increase ⁽¹⁾	514,309	523	8,030					8,553
Capital decrease								0
Profit/loss at 31 December 2014							32,327	32,327
AT 31 DECEMBER 2014	33,589,610	34,140	44,981	3,373	27,145	133,870	32,327	275,836
2014 allocation of earnings				44		32,283	(32,327)	0
Dividends paid for 2015						(33,160)		(33,160)
Capital increase ⁽²⁾	73,015	74	1,291					1,365
Capital decrease								0
Profit/loss at 31 December 2015							34,313	34,313
AT 31 DECEMBER 2015	33,662,625	34,215	46,272	3,417	27,145	132,993	34,313	278,354

(1) The number of shares issued in 2014 corresponds to the issue of shares following the exercise of stock options (108,309 shares) and the exercise of stock warrants (406,000 shares).

(2) The number of shares issued corresponds in 2015 to the issue of shares following the exercise of stock options (73,015 shares).
At 31 December 2015, the nominal value of one share was €1.016.

3.5.10 Information regarding capital

Under the delegation of authority given by the Combined General Meeting dated 18 June 2014, no free shares were awarded by the Board.

In total, 57,472 options awarded have yet to be exercised, i.e. 0.17% of the share capital as at 31 December 2015.

3.5.11 Share option plan

Plan	1	2	3	4	5	6	Total
Date of grant by the Board	06/01/2004	24/03/2005	23/10/2006	18/02/2008	07/09/2009	19/10/2010	
Number of beneficiaries	259	356	598	794	689	6	
NUMBER OF OPTIONS GRANTED	318,970	496,500	1,189,780	622,790	574,330	120,000	3,322,370
including number of options granted to employees	318,970	496,500	1,173,780	622,790	574,330	120,000	3,306,370
including number of options granted to corporate officers			16,000				16,000
Exercise price	10.7	17.9	24.1	19.1	15.2	22.4	
Weighted average exercise price in 2011	10.7	17.9	24.1				
Fair value of the option in euros	7.13	6.83	10.58	7.86	3.12	4.09	
First possible exercise date	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	19/10/2014	
Last possible exercise date	06/01/2012	29/03/2013	23/10/2014	18/02/2016	07/09/2017	19/10/2018	
Date of first possible disposal	06/01/2008	29/03/2009	23/10/2010	18/02/2012	07/09/2013	19/10/2014	
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 1 JANUARY 2014	0	0	55,040	40,375	103,191	90,000	288,606
Number of options granted							
Number of options exercised at 31 December 2014			45,630	16,425	46,254		108,309
Number of options expired/waived at 31 December 2014			9,410	350	(150)		9,610
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 31 DECEMBER 2014	0	0	0	23,600	57,087	90,000	170,687
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 1 JANUARY 2015	0	0	0	23,600	57,087	90,000	170,687
Number of options granted							
Number of options exercised at 31 December 2015				10,250	32,765	30,000	73,015
Number of options expired/waived at 31 December 2015					200	40,000	40,200
NUMBER OF OPTIONS WHICH MAY BE EXERCISED AT 31 DECEMBER 2015	0	0	0	13,350	24,122	20,000	57,472

3.5.12 Information on financial liabilities

ALTEN SA and its subsidiary, ALTEN CASH MANAGEMENT, assume the financing of the Group, by having non-confirmed short-term lines of credit, renewable annually, and open lines of credit in the amount of €160,000 thousand. The new "Club Deal" agreement was recently renewed in March 2015, in replacement of the former contract, for a maximum period of seven years. Upon the closure of the financial year, this line of credit was used in the amount of €29,000 thousand, drawn down by ALTEN CASH MANAGEMENT. This "Club Deal" requires the following ratios to be met for each 6-month and 12-month period while the contract is in force and an advance is outstanding:

- ratio 1 – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio must be less than 2.5;

- ratio 2 – "Consolidated net financial debt/Increased equity". This ratio must be less than 0.7.

At 31 December 2015, these ratios had been met.

3.6 Notes to the income statement**3.6.1 Revenue**

ALTEN SA's revenue in 2015 was €465,268 thousand, up 7.02% on the previous year (€434,762 thousand).

98% of ALTEN SA's revenue is generated in France and 2% outside France, from assignments carried out for French customers.

3.6.2 Breakdown of revenue by geographic region

(In thousands of euros)	2015	2014
France	456,302	429,720
Abroad	8,966	5,042
TOTAL ⁽¹⁾	465,268	434,762

(1) Of which revenue from operations = €437,688 thousands compared with €408,362 thousands in 2014.
Revenue management fees = €27,580 thousands compared with €26,400 thousands in 2014.

3.6.3 Transfer of expenses

The balance of the transfer of expenses account was €270,000 (€5,287,000 in 2014). It was composed, for the most part, of rebilled payroll expenses. The sharp change between 2015 and 2014 is tied to the change in the accounting of rebilled expenses, which since the 2015 financial year have been recognised under “other income”.

It reflected the following:

<i>(In thousands of euros)</i>	2015	2014
Dividends and income from subsidiaries	35,530	21,561
Provisions/net reversals on non-current financial assets ⁽¹⁾	(26,063)	427
Other net financial income (expenses) ⁽²⁾	(1,029)	(13,991)
TOTAL	8,437	7,997

(1) In 2015, impairment primarily concerned PROGRAMME PLANNING PROFESSIONALS INC shares and ATEXIS France shares.

(2) In 2014, this concerned the capital loss incurred as part of the disposal of Geci Systemes shares.

3.6.4 Net financial income

Net financial income was €8,437,000 compared with €7,997,000 in 2014.

3.6.5 Non-recurring profit

<i>(In thousands of euros)</i>	2015	2014
Gains and losses on assets sold	1,935	1,019
Other	(182)	(125)
Provisions/net extraordinary reversals on provisions	917	54
TOTAL	2,670	948

3.6.6 Related parties

BALANCE SHEET

<i>(In thousands of euros)</i>	2015	2014
Receivables on assets ⁽¹⁾	5,379	6,969
Group customers	14,929	13,456
Group suppliers	29,033	21,807
Other Group receivables	72,687	55,551
Group financial liabilities	31,573	45,607
Other Group liabilities	26,823	16,228

INCOME STATEMENT

<i>(In thousands of euros)</i>	2015	2014
Group operating income	54,928	52,431
Group operating expenses	84,203	76,147
Group financial income	367	367
Other financial income ⁽²⁾	35,530	21,500
Group financial expenses	298	27

(1) Including €5,000 thousand in loans granted to an associate.

(2) This line item concerns only dividends, which amounted to €35,530 thousand in 2015, compared with €21,500 thousand in 2014.

3.6.7 Information on taxable income and tax rates

Income tax	2015	2014
Net Earnings	34,313	32,327
Income tax expense	2,924	616
Pre-tax earnings	37,237	32,944
Tax rate	33.33%	33.33%
Theoretical income tax expense	12,412	10,981
Social security contributions 3.3%	251	186
Additional contribution of 10.70% to corporation tax (common law)	897	684
3% tax on dividend distribution	995	990
Temporary and permanent differences ⁽¹⁾	(11,632)	(12,226)
Tax expense recognised	2,924	616

(1) Temporary and permanent differences	2015	2014
Dividends	(11,669)	(6,828)
Impairment of securities	8,325	(188)
Long-term capital gain/loss (net)	0	3,693
Long-term capital gain (net)	(335)	(338)
Long-term capital loss (net)	0	258
Income from tax savings resulting from tax consolidation	(811)	(1,024)
Gifts	(625)	(662)
Employee profit sharing	590	(56)
Tax credits	(5,549)	(5,192)
Other temporary and permanent differences*	(1,559)	(1,889)
TOTAL	(11,632)	(12,226)

* Primarily concerns the tax credit for encouraging competitiveness and jobs (CICE).

Breakdown of tax on current and non-recurring profit	2015	2014
Current profit	2,272	327
Non-recurring profit	652	290
TOTAL TAX	2,924	616

Increase and decrease in future tax liabilities	2015	2014
Increase	0	0
Decrease		
Provisions and expenses not deductible during the year of their recognition:		
Acquisition fees	561	340
Employee profit sharing	1,771	61
Tax on Turnover	716	669
Retirement benefits	893	6,712
Translation adjustments	1,219	154
Contract losses	0	136
Uncertain clients	31	304
TOTAL PROVISIONS AND NON-DEDUCTIBLE EXPENSES	5,192	8,377
DECREASE IN FUTURE TAX EXPENSE	1,968	3,171

3.7 Other information

3.7.1 Workforce

Average headcount by category	31/12/2015	31/12/2014
Managerial staff	4,436	4,198
Non-managerial staff	504	539
TOTAL	4,940	4,738

3.7.2 Remuneration of Corporate Officers

The Board of Directors has eight members, including the Chairman and founder. ALTEN SA has three Deputy Chief Executive Officers.

In 2015, the amount of gross remuneration and benefits in kind paid to corporate officers by ALTEN SA totalled €467 thousand. This remuneration is paid to Corporate Officers who are employees of ALTEN SA.

In accordance with the legislation in force, no advances or credits were granted to the Company Executives or Corporate Officers.

3.7.3 Tax consolidation

ALTEN SA is the head Company of the tax consolidation Group, which includes several subsidiaries.

The tax payable by this group amounted to €18,722 thousand. The net tax saving to which ALTEN SA is entitled is €811 thousand.

Other commitments

Given or mutual commitments	2015	2014
Bonds, pledges and guarantees provided ⁽¹⁾	10,000	10,000
Receivables in favour of financial institutions	20,079	0

⁽¹⁾ The surety in the amount of €10,000,000 is a guarantee for a bank loan taken out by an associate.

Guarantees received	2015
Bank guarantees in respect of debt guarantees ⁽¹⁾	2,000

⁽¹⁾ The bank guarantees received as debt guarantees concern the acquisitions completed during the year.

ALTEN SA granted a first-demand guarantee to the banks as part of the *Club Deal*. This guarantee covers €170 million until December 2015

The amount of tax for ALTEN SA was €2,924 thousand.

3.7.4 Contingent liabilities

ALTEN SA has an ongoing dispute with a non-controlling ex-shareholder in a subsidiary. Total claims by the plaintiff, disputed by ALTEN SA, total approximately €2 million.

3.7.5 Off-balance sheet commitments

Minority interests purchase options

Under the terms of the *Joint Venture* Protocol signed on 26 November 2014, a unilateral and irrevocable sale promise, which covered 49% of the joint company ALTEN SIR GLOBAL SECURITY SERVICES, was granted to ALTEN SA.

and will be replaced by a new guarantee of €180 million, valid until 2022 at the latest, as part of the new *Club Deal*.

3.7.6 Treasury shares

3.7.6.1 Under the liquidity contract

Within the framework of the share buyback programme adopted by the Combined General Meetings of 27 June 2008 and 23 June 2009, the Company purchased and sold the following shares under its liquidity contract during the past financial year:

	2015
Shares held at start of year	7,727
Shares purchased	186,337
Shares sold	(186,689)
Shares held at closing	7,375

3.7.6.2 Shares intended for award to employees

In 2015, no treasury shares were allocated for share awards to employees.

Execution date	2015		
	Value date	Quantity	Share price
Treasury shares at 31 December 2014		460,022	
TOTAL TREASURY SHARES		460,022	

Treasury shares are recognised under non-current financial assets in the amount of €8,713,000 for a total of 460,022 shares purchased.

Treasury shares are not revalued in the annual financial statements. Based on the average from the last 20 days of the trading month, treasury shares are estimated at €24,474,000.

3.7.6.3 Summary of transactions during the year

	2015
Shares held at start of year	467,749
Shares purchased	186,337
Shares sold	(186,689)
Shares held at closing	467,397

3.8 Table of subsidiaries and associates

	ALTEN SA Closing on 12/31/2015									
	Capital	Shareholders' Equity other than capital	Share of capital owned, in %	Book value of securities held		Loans and advances made by the Company and not yet repaid	Guarantees and bonds given by the Company	Earnings in the last financial year (excl. tax)	Net income for the year ended 12/31/2015	Dividends paid to the Group by the Company during the financial year
				Gross	Net					
Subsidiaries more than 50% directly held <i>(in thousands of euros)</i>										
Alten SIR	20,003	16,419	100.00	26,221	26,221	0	124,523	4,353	8,000	
Alten Training Center	16	(817)	99.80	68	0	0	1,106	(89)		
Alten Sud-Ouest	15,061	7,455	100.00	15,939	15,939	0	126,728	10,992	8,000	
MI-GSO	1,000	8,753	100.00	11,941	11,941	0	61,921	6,491	3,000	
Alten Cash Management	850	(1,054)	100.00	1,493	1,493	18,255	0	(2,916)		
Alten Europe	57,120	71,092	100.00	58,072	58,072	15,321	0	26,114		
Elitys Consulting	60	1,100	100.00	1,750	1,750	0	7,029	437		
Pegase SI	100	(985)	88.00	310	0	0	3,837	(67)		
Atexis France	1,307	1,924	100.00	9,435	4,935	0	17,808	(1,197)		
Alten Aerospace	37	2,262	100.00	37	37	0	26,275	2,591	2,000	
Avenir Conseil Formation	50	7,869	99.96	533	533	0	19,569	2,267		
Alten SI Techno Romania	1	1,100	100.00	0	0	0	6,156	704		
Anotech Energy France	100	9,815	100.00	621	621	0	73,457	1,078	2,000	
HPTI	40	13,382	100.00	40	40	0	0	379		
Alten SIR GTS	200	346	100.00	612	612	0	2,835	561		
ID.APPS	100	(186)	100.00	100	100	0	4,195	110		
APTECH SAS	100	2,432	80.00	231	231	0	28,735	972		
PPP USA INC	3	1,589	100.00	29,830	9,455	0	15,927	1,166	12,508	
PPP LTD UK	0	14,785	100.00	14,082	14,082	0	20,898	(2,729)		
ABILENE	2,567	162	100.00	12,055	12,055	1,458	3,170	3,461		
HPA	100	(2)	100.00	100	100	0	0	(2)		
ALT 02	1	(1)	100.00	1	1	0	0	(2)		
ALT 03	1	(1)	100.00	1	1	0	0	(2)		
ALT 04	1	(1)	100.00	1	1	0	0	(2)		
ALT 05	1	(1)	100.00	1	1	0	0	(2)		
APTECH OP2	100	0	100.00	100	100	0	0	(20)		
Alten SIR GSS	150	0	51.00	77	77	0	540	(123)		
AIXIAL	7,601	2,251	100.00	15,650	15,650	0	592	(512)		
TOTAL SECURITIES				199,300	174,047					
General information on other securities										
French subsidiaries				0	0					
Foreign subsidiaries				3,202	3,202					22
Interests in French companies				7,592	7,592					
TOTAL OTHER SECURITIES				10,794	10,794					22

20.4 AUDIT OF COMPANY HISTORICAL FINANCIAL INFORMATION

20.4.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended 31 December 2015 on:

- the audit of the accompanying consolidated financial statements of ALTEN S.A.;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

1 Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Paris, 22 April 2016
Grant Thornton
French member of Grant Thornton International
Vincent Frambourt
Partner

2 Justification of our assessments

In application of the provisions of Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby inform you of the following information:

- Goodwill is valued on the basis of its value-in-use in accordance with the procedure described in Notes 2.2.5.3 "Goodwill" and 2.2.5.6 "Impairment of property, plant and equipment" of the consolidated financial statements. Based on the information provided to us, we assessed the data provided by management for the values-in-use and specifically reviewed the expected discounted cash flows for each Cash Generating Unit (CGU), checked the consistency of assumptions with the forecast data and verified that the notes to the financial statements provide adequate information.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 Specific verification

As required by French law, in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense, 22 April 2016
KPMG AUDIT IS
Jean-Pierre Valensi
Partner

20.4.2 STATUTORY AUDITORS' REPORT ON THE SEPARATE FINANCIAL STATEMENTS

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended 31 December 2015 on:

- the audit of the accompanying financial statements of ALTEN S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by your Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

1 Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ALTEN SA at 31 December 2014, and the results of its operations and its financial position for the year then ended, in conformity with French generally accepted accounting principles.

2 Justification of our assessments

In application of the provisions of Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby inform you of the following information:

- Business assets are subject to value testing and is assessed in accordance with the procedure described in Note 3.4.3 "Business

Assets" of the notes to the financial statements. Investment securities are valued in accordance with the procedure described in Note 3.4.4 "Investment securities". The necessity to record an impairment of these assets is assessed in reference to the value of the updated future cash flow determined in accordance with the procedures set forth in the notes above. Our work consisted of: assessing the information provided by the management which was used as a basis for these estimates; reviewing the updating of the expected future cash flow; checking the consistency of the assumptions made with the forecast data and ensuring that the notes to the financial statements provide appropriate information.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 Verifications and specific information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to shareholders with respect to the financial position and the financial statements.

With regard to the information provided pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code concerning the compensation and benefits paid to the Corporate Officers as well as the commitments made in their favour, we have verified their consistency with the financial statements or with the data used to prepare these financial statements and, where necessary, with the information collected by your Company from the companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Paris, 22 April 2016
Grant Thornton
French member of Grant Thornton International
Vincent Frambourt
Partner

Paris La Défense, 22 April 2016
KPMG AUDIT IS

Jean-Pierre Valensi
Partner

20.5 DATE OF LATEST FINANCIAL INFORMATION

The last financial year for which financial information was audited was the year ended 31 December 2015.

20.6 INTERIM FINANCIAL AND OTHER INFORMATION

None.

20.7 DIVIDEND DISTRIBUTION POLICY

Over the last three years, ALTEN SA has paid the following gross dividends per share:

<i>(In euros per share)</i>	2015 (in respect of the 2014 financial year)	2014 (in respect of the 2013 financial year)	2013 (in respect of the 2012 financial year)
Gross dividend	1.00	1.00	1.00

Future gross dividends will depend on the Company's ability to generate profits, its financial position, its development strategy and all other factors that the Board of Director's consider relevant.

20.8 LEGAL AND ARBITRATION PROCEEDINGS

Other than as mentioned in paragraph 4.5 of this Registration Document, there are no other governmental, judicial or arbitration procedures, including all procedures known to the Company, that are pending or liable to occur and likely to result or which have resulted in

a material impact on the financial position or profitability of the issuer and/or the Group over the past 12 months (see paragraphs 4.5 and 20.3.1, note 3.11).

20.9 MATERIAL CHANGE IN FINANCIAL OR COMMERCIAL POSITION

There were no material changes in the financial or commercial position of the ALTEN Group during the year since the end of the last year for which audited financial statements have been published.

ADDITIONAL INFORMATION

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21.1 SHARE CAPITAL

21.1.1 SUBSCRIBED AND AUTHORISED CAPITAL

At 31 December 2015, subscribed share capital amounted to €34,214,663.60, divided into 33,662,625 shares, as noted by the Company's Board of Directors at its meeting of 28 January 2016. These 33,662,625 shares represent 38,136,374 theoretical voting rights and 37,668,977 actual voting rights.

At 11 April 2016, subscribed share capital amounted to €34,231,180.12 divided into 33,678,875 ordinary shares, fully subscribed and paid up, all of the same class. As of 11 April 2016, these 33,678,875 shares represent 38,152,860 theoretical voting rights and 37,686,473 actual voting rights.

The difference between the number of shares and the number of voting rights is due to the existence of shares with a double voting right.

The difference between the number of theoretical votes and the number of actual votes corresponds to the number of treasury shares.

Shares are freely transferable; they are either registered shares or bearer shares as decided by the shareholder.

TABLE OF DELEGATIONS AND AUTHORISATIONS TO INCREASE THE SHARE CAPITAL

	Date of the AGM	Delegation's expiry date	Amount authorised	Increase(s) and issuance(s) carried out in previous years	Increase(s) and issuance(s) carried out during the financial year	Residual amount at 31/12/2015
Delegation of authority for the purpose of increasing capital through capitalisation of reserves, earnings or premiums	18/06/2015	17/08/2017	€17,000,000	None	None	€17,000,000
Delegation for purposes of issuing ordinary shares which, if applicable, conferring a right to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities conferring a right to ordinary shares to be issued (by the Company or by a Group company), with pre-emptive subscription rights	18/06/2015	17/08/2017	€17,000,000 (par value of shares) €280,000,000 (par value of debt securities)	None	None	€17,000,000 (par value of shares) €280,000,000 (par value of debt securities)
Delegation for purposes of increasing company capital through the issuance of ordinary shares or marketable securities giving access to capital and/or entitlement to the allocation of debt securities with pre-emptive subscription rights and compulsory priority period by public offering	18/06/2014	17/08/2016	€3,372,747 (par value of shares) ⁽¹⁾ €175,000,000 (par value of debt securities) ⁽¹⁾	None	None	€3,372,747 (par value of shares) ⁽¹⁾ €175,000,000 (par value of debt securities) ⁽¹⁾
Delegation for purposes of issuing ordinary shares which, if applicable, conferring a right to ordinary shares or to the allocation of debt securities (of the Company or a Group company), and/or securities (with the exception of debt securities) conferring a right to ordinary shares to be issued (by the Company or by a Group company), with elimination of pre-emptive subscription rights, by an offering referenced in II of Article L. 411-2 of the French Monetary and Financial Code	18/06/2015	17/08/2017	5% of share capital at 18/06/2015 (par value of shares) ⁽¹⁾⁽²⁾ and €150,000,000 (par value of debt securities) ⁽²⁾	None	None	5% of the share capital at 18/06/2015 (par value of shares) ⁽¹⁾⁽²⁾ and €150,000,000 (par value of debt securities) ⁽²⁾
Delegation for purposes of issuing debt securities conferring a right to ordinary shares to be issued (by the Company or by a Group company), without pre-emptive subscription rights, by an offering referenced in II of Article L. 411-2 of the French Monetary and Financial Code	18/06/2015	17/08/2017	5% of share capital at 18/06/2015 (par value of shares) ⁽¹⁾⁽²⁾ and €150,000,000 (par value of debt securities) ⁽²⁾	None	None	5% of the share capital at 18/06/2015 (par value of shares) ⁽¹⁾⁽²⁾ and €150,000,000 (par value of debt securities) ⁽²⁾

	Date of the AGM	Delegation's expiry date	Amount authorised	Increase(s) and issuance(s) carried out in previous years	Increase(s) and issuance(s) carried out during the financial year	Residual amount at 31/12/2015
Delegation for purposes of increasing the share capital by the issuance of ordinary shares and/or securities conferring a right in the share capital, within the limit of 5% of the share capital, with a view to remunerating contributions in kind of shares or securities conferring a right in the share capital	18/06/2015	17/08/2017	5% of share capital at 18/06/2015 ⁽¹⁾	None	None	5% of share capital at 18/06/2015 ⁽¹⁾
For the purposes of increasing the share capital by the issuance of ordinary shares and/or securities conferring a right in the share capital, without pre-emptive subscription rights, to the benefit of those belonging to a company savings plan, in accordance with Articles L. 3332-18 et seq. of the Labour Code.	18/06/2015	17/08/2017	5% of share capital at 18/06/2015	None	None	5% of the share capital at 18/06/2015
Authorisation to award shares free of charge to salaried employees	18/06/2014	17/08/2017	1.5% of share capital at the date of the Board's decision to carry out this capital increase ⁽³⁾	None	None	1.5% of share capital ⁽³⁾
Authorisation to award shares free of charge to certain corporate officers	18/06/2015	17/08/2018	1% of share capital per year, based on share capital at 18/06/2015 ^{(3) (4)}	None	None	1% of share capital per year, based on share capital at 18/06/2015 ^{(3) (4)}

(1) Charged against the maximum amount of increases in capital set at 10% of company capital by the AGM of 18 June 2015.

(2) Common ceiling.

(3) Charged against the overall ceiling for authorisations concerning the free allocation of shares and stock options, set at 10% on 18 June 2015.

(4) Charged against the sub-ceiling for authorisations concerning the free allocation of shares and stock options likely to be allocated to corporate officers, set at 3.5% on 18 June 2015.

21.1.2 SHARES NOT REPRESENTING CAPITAL

None.

21.1.3 SHARE BUYBACKS AND TREASURY SHARES

21.1.3.1 Report on share buyback programme

The Combined General Meeting of 18 June 2015 authorised the Board of Directors, for a period of 18 months from that General Meeting, in accordance with Articles L. 225-209 et seq. of the French Commercial Code, to proceed with the purchase, in one or more tranches, at the times of its choice, of the Company's shares subject to a maximum of 6% of the number of shares comprising the share capital, adjusted where necessary for any capital increase or decrease that might take place during the term of the programme. This authorisation replaces that granted by the General Meeting of 18 June 2014.

ALTEN has entrusted the management of a liquidity contract, in accordance with the AMAFI code of conduct, to Kepler Capital Market (Paris).

In 2015, ALTEN carried out the following share purchases and sales under its liquidity contract:

- number of shares purchased: 186,337 shares;
- average purchase price: €42,996;
- number of shares sold: 186,689 shares;
- average sale price: €43.0618.

At the end of the financial year, ALTEN directly or indirectly held 467,397 treasury shares, representing 1.388% of the Company's share capital, for the following purposes:

- support of the share price by way of an AMAFI (French Financial Markets Association) liquidity contract: 7,375;
- acquisitions: 0;
- covering stock options or other employee share-holding system: 460,022;
- covering securities: 0;
- cancellation: 0.

21.1.3.2 Description of share buyback programme

Programme authorisation: Combined General Meeting of 24 May 2016.

Securities concerned: ordinary shares.

Maximum share of capital whose buyback is authorised: 5% of the capital (1,683,943 shares as of the current date); this limit is assessed on the date of the buyback so that any capital increases or decreases during the term of the programme may be taken into consideration. The number of shares taken into consideration in calculating this limit corresponds to the number of shares bought, after deduction of the number of shares resold for liquidity purposes during the term of the programme. Since the Company is unable to hold more than 5% of its capital, and given that it already owns 464,387 shares (1.38% of the capital), the maximum number of shares it may buy will be 1,217,556 shares (3.6% of the capital), unless shares already held are sold or cancelled.

Maximum purchase price: €65.

Maximum programme amount: €109,456,295.

Buyback methods: purchases, sales and transfers may be carried out by all available means on the market or through a private sale, including transactions on blocks of shares; the resolution put to shareholders does not limit the proportion of the programme which may be fulfilled by the purchase of blocks of shares. This programme may not be used during a public offer period.

Purpose:

- to proceed with the possible cancellation of the shares acquired, in compliance with the authorisation granted or to be granted by the Combined General Meeting of 18 June 2015 in its twelfth resolution;
- to ensure a secondary market or the liquidity of ALTEN shares through a securities service provider via a liquidity agreement in compliance with the AMAFI code of ethics approved by regulations;
- to hold the purchased shares and later offer them in exchange or payment in potential acquisitions;
- to cover share option plans and/or free share allocation plans (or similar schemes) to Group employees and/or corporate officers as well as any shares allocated under company or Group savings plans (or similar schemes) with respect to company profit-sharing and/or any other form of allocating shares to the Group's employees and/or corporate officers;
- to cover securities which give a right to shares in the Company within the scope of regulations currently in effect.

Programme term: 18 months from the General Meeting of 24 May 2016, or until 23 December 2017 inclusive.

21.1.4 SECURITIES CONFERRING A RIGHT IN THE SHARE CAPITAL

Potential dilution

On the basis of 33,662,625 shares outstanding at 31 December 2015, the share capital may potentially increase by a maximum of 57,472 new shares, equivalent to 0.17% of the fully diluted capital. This dilution would occur on the exercise of share options awarded to employees and corporate officers.

(Number)	31/12/2015	% Dilution	31/12/2014	Change
Number of shares	33,662,625		33,589,610	73,015
Share options	57,472	0.17%	170,687	(113,215)
Potential dilution	57,472	0.17%	170,687	(113,215)
TOTAL POTENTIAL CAPITAL	33,720,097		33,760,297	(40,200)

21.1.5 TERMS OF ANY ACQUISITION RIGHTS AND/OR OBLIGATIONS OVER AUTHORISED BUT UNISSUED CAPITAL OR AN UNDERTAKING TO INCREASE THE CAPITAL

None.

21.1.6 OPTIONS OR AGREEMENTS

None.

21.1.7 HISTORY OF SHARE CAPITAL

INFORMATION RELATING TO THE PERIOD COVERED IN THE HISTORICAL FINANCIAL INFORMATION

Date	Transaction	Capital	Cumulative premiums	Number of shares
28/01/2013	Stock options exercised	€32,953,439.34	€24,862,909.00	32,421,753
26/02/2013	Stock options exercised	€33,020,695.65	€26,175,431.96	32,487,924
03/04/2013	Stock options exercised	€33,271,807.83	€31,125,166.38	32,734,984
19/06/2013	Stock options exercised	€33,277,360.43	€31,227,540.33	32,740,447
24/07/2013	Stock options exercised	€33,277,563.71	€31,231,163.05	32,740,647
24/09/2013	Stock options exercised	€33,290,778.96	€31,501,973	32,753,649
29/10/2013	Share options and warrants exercised	€33,503,169.29	€34,577,148.32	32,962,612
31/01/2014	Share options and warrants exercised	€33,617,706.56	€36,371,208.54	33,075,301
25/02/2014	Share options exercised	€33,647,025.68	€36,835,542.28	33,104,147
02/04/2014	Share options and warrants exercised	€33,727,469.79	€38,101,983.47	33,183,293
18/06/2014	Share options and warrants exercised	€34,026,504.30	€42,482,300.21	33,477,502
28/07/2014	Share options exercised	€34,026,707.58	€42,485,138.93	33,477,702
23/09/2014	Share options exercised	€34,032,704.35	€42,591,617.16	33,483,602
29/10/2014	Share options exercised	€34,036,729.30	€42,678,086.21	33,487,562
28/01/2015	Share options and warrants exercised	€34,140,451.05	€44,400,980.64	33,589,610
24/02/2015	Share options exercised	€34,141,314.99	€44,416,377.20	33,590,460
09/04/2015	Share options exercised	€34,170,892.28	€44,991,130.92	33,619,560
18/06/2015	Share options exercised	€34,179,089.55	€45,117,558.30	33,627,625
28/07/2015	Share options exercised	€34,180,258.41	€45,133,880.94	33,628,775
21/09/2015	Share options exercised	€34,181,274.81	€45,149,250.54	33,629,775
27/10/2015	Share options exercised	€34,182,697.77	€45,173,825.58	33,631,175
28/01/2016	Share options exercised	€34,214,663.60	€45,692,156.25	33,662,625
23/02/2016	Share options exercised	€34,217,865.26	€45,745,490.09	33,665,775
11/04/2016	Share options exercised	€34,231,180.12	€46,007,876.23	33,678,875

21.2 STATUTORY INFORMATION

21.2.1 CORPORATE PURPOSE

The Company's corporate purpose is defined in Article 2 of the Articles of Association as follows: "To provide all services, both in France and abroad, relating to the fields of technology, computing or electronics, particularly in the areas of: consultancy, research and engineering, training, assistance, maintenance, systems and network operations, facilities management and the development and distribution of hardware or software products. Any direct or indirect involvement in any activities relating to the above purposes: creating new companies, transferring assets, subscribing to or purchasing securities or shareholdings, merging with other companies or otherwise; creating, acquiring, leasing or taking over the management of any business

or establishment; taking, acquiring, operating or selling all processes and patents related to these activities and generally, all industrial, commercial, financial, civil, personal property and real property transactions relating directly or indirectly to the company object or any similar or related purpose."

Financial year (Article 25 of the Articles of Association)

The Company's financial year is twelve (12) months. It starts on 1 January and ends on 31 December of each year.

21.2.2 GOVERNANCE

21.2.2.1 Board of Directors – Composition – Term of office (Article 16 of the Articles of Association)

The Company is administered by a Board of Directors with no fewer than 3 and no more than 18 members; in the event of a merger, however, the Board may exceed a maximum of 18 members according to the conditions and limits defined in the French Commercial Code.

Directors are appointed by the Ordinary General Meeting, which may dismiss a Director from office at any time. In the event of a merger or a demerger, they are appointed by the Extraordinary General Meeting. A legal entity which is appointed as Director must designate a permanent representative who is subject to the same conditions and obligations as if he had been appointed Director in his own name.

A Company employee may only be appointed Director if his or her employment contract is current. The number of Directors employed by the Company may not exceed one-third of the total number of Directors in office.

Directors are appointed for a term of four years which expires following the Ordinary General Meeting held to approve the financial statements for the year in which such Director's term expires. All Directors whose term of office is ending are eligible to be re-elected.

The acceptance and the exercise of the duties of Director also entails the commitment, for each interested party, to attest in writing at any time that he or she personally fulfils the conditions and obligations required under the laws in force, especially with regard to concurrent appointments.

By virtue of Article L. 225-27-1 of the French Commercial Code, the Board of Directors includes a Director appointed by the Company's Works Council who represents the Group's employees. The term of office of the Director representing employees is four years.

21.2.2.2 Chairmanship of the Board of Directors (Article 17 of the Articles of Association)

The Board elects a Chairman, who must be a natural person, from among its members for a period that does not exceed the Chairman's term as Director. The Board determines the Chairman's remuneration. The Board of Directors may dismiss the Chairman at any time.

The Chairman of the Board of Directors organises and oversees the work of the Board. The Chairman prepares a report on the conditions in which the work of the Board is prepared and organised as well as the internal control procedures implemented by the Company. The Chairman ensures that the Company's bodies duly fulfil their obligations and, in particular, that the Directors are in a position to perform the tasks assigned to them.

If it deems this necessary, the Board of Directors may appoint one or more Deputy Chairmen from among its members, whose sole duty is to preside over Board meetings and General Meetings in the absence of the Chairman. The Board of Directors sets the term of his/her appointment, which cannot exceed that of their term as Director. Where the Chairman and Vice-Chairman are absent, the Board of Directors will appoint one of its members to preside over the meeting.

21.2.2.3 Discussions of the Board of Directors – Minutes (Article 18 of the Articles of Association)

The Board of Directors meets as often as required by the Company's interests. The Board is convened by the Chairman at his discretion and, where the Chairman is not responsible for the General Management, as requested by the Chief Executive Officer. If the Board has not met in over two months, the meeting may be convened at the request of at least one-third of the Directors. Unless the meeting is convened by another party, the Chairman sets the agenda for the meeting. Meetings must be held at the registered office.

However, they may be held at another location as set forth in the convocation, provided this location has been approved by at least half of the Directors in office.

Deliberations of the Board are only valid if at least half of the Directors are present. The Company Internal Rules stipulate that individuals taking part in the meeting via videoconference, in accordance with the legal and regulatory provisions in effect are deemed present when calculating the quorum and the majority.

All decisions require a majority vote of those members present or represented. Each Director who is present or represented holds one voting right and each Director present may only hold one delegation of authority. In the event of a tied vote, the Chairman of the meeting has the deciding vote. If the Board is composed of fewer than five Directors and only two are present at the meeting, all decisions require a unanimous vote.

Deliberations of the Board are recorded in minutes which are then signed and kept in a special register or on single sheets in accordance with the corresponding provisions in effect.

At each meeting, the Board of Directors may appoint a secretary who is not required to be a Director.

21.2.2.4 Powers of the Board of Directors (Article 19 of the Articles of Association)

The Board of Directors determines policy for the Company's business and supervises its implementation. Subject to the powers expressly allotted to Shareholders' Meetings and within the limits of the Company's object, it will address any question concerning the satisfactory running of the Company and rule by its deliberations any matters which relate to it.

Concerning relations with third parties, the Company is bound by any actions taken by the Board of Directors, including actions which are not related to the Company's purpose unless the Company is able to prove that the third party was aware that the action in question did not fall within the scope of the Company's purpose or at least could not have been unaware of this fact given the circumstances.

The Board of Directors carries out inspections and verifications which it considers appropriate. The Company's Chairman or Chief Executive Officer shall provide each Director with all documents and information necessary for the performance of his duties.

21.2.2.5 General Management (Article 20 of the Articles of Association)

General Management of the Company is entrusted to either the Chairman of the Board of Directors or another natural person who may or may not be a member of the Board, who is appointed as Chief Executive Officer.

21.2.3 RIGHTS ATTACHING TO SHARES

21.2.3.1 Statutory distribution of profits (Article 27 of the Articles of Association)

Distributable profit is profit for the year after deducting prior year losses, if any, and the sums to be allocated to reserves, as required by law or the Articles of Association, and adding retained earnings.

The General Meeting may appropriate any sums it deems necessary to any non-mandatory reserves, whether ordinary or non-recurring, or allocate such sums to retained earnings.

The General Meeting may also decide to distribute any sums drawn from the available reserves, specifying the reserve account from which the deduction is made. However, dividends must initially be drawn from the profits for the financial year. Following approval of the accounts by the General Meeting, any losses must be carried forward as accumulated losses and offset against future profits until eliminated.

21.2.3.2 Dividend payment terms (Article 28 of the Articles of Association)

The Ordinary General Meeting held to approve the year-end financial statements may grant each shareholder, for all or a portion of the dividends paid, or an advance on the dividends, the option of receiving some or all of the interim or final dividends in cash or in shares.

21.2.3.3 Indivisibility of shares – Bare ownership – Usufruct (Article 13 of the Articles of Association)

Shares are indivisible with regard to the Company. The co-owners of undivided shares are represented at General Meetings by one of the owners or by a common agent. If there is disagreement, the agent shall be appointed by the courts at the request of the first co-owner to act.

Voting rights attaching to shares belong to the beneficial owner at Ordinary General Meetings and to the bare owner at Extraordinary General Meetings.

21.2.4 CHANGES TO SHAREHOLDERS' RIGHTS

None.

The Board of Directors chooses between the two available modes of General Management in accordance with Article 18 of the Articles of Association. It may modify this choice at any time. In each case, the Board of Directors informs the shareholders and third parties in accordance with the regulations in effect.

Where the Chairman is also Chief Executive Officer, he must comply with the provisions of the Articles of Association concerning the functions of general management.

21.2.3.4 Double voting rights (Article 14 of the Articles of Association)

Since the Combined General Meeting of 7 January 1999, a double voting right exists which is subject to the following provisions:

Once shares are registered in the bearer's name, the shareholder is authorised to benefit from a double voting right based on the time frame in effect at the time of registration. Any subsequent change to this time frame is not enforceable against such shareholder.

Notwithstanding the above, all fully paid-up shares which have been registered in the same name for a continuous period of at least four years are assigned double voting rights.

The transfer by succession, liquidation of community property between spouses or inter vivos gift to a spouse or a relative entitled to succeed does not result in a loss of acquired rights and does not interrupt the four year period described above.

A merger or demerger of the Company shall have no effect on the double voting rights, which may be exercised by the beneficiary company(ies) if the Articles of Association of such company(ies) so provide.

Any share converted to bearer status or whose ownership is transferred loses its double voting rights.

21.2.3.5 Identifiable bearer shares (Article 10 of the Articles of Association)

The Company may at any time request that the main custodian of its marketable securities provide the information required by law pertaining to the identity of the owners of shares that confer immediate or future voting rights at General Meetings.

21.2.5 GENERAL MEETINGS (ARTICLE 23 OF THE ARTICLES OF ASSOCIATION)

General Meetings are convened and deliberate according to the terms stipulated by law. General Meetings take place at the registered office or at any other place designated in the convocation.

Article 23 of the Articles of Association stipulates that *"The right to take part in General Meetings is granted by registration of shares in*

the books under the shareholder's or agent's name (in application of paragraph 7 of Article L. 228-1 of the French Commercial Code) by no later than midnight, Paris time, on the second banking day preceding the General Meeting, either in registered accounts managed by the company or in bearer accounts managed by an authorised agent".

21.2.6 PROVISIONS IN THE ARTICLES OF ASSOCIATION RELATING TO A CHANGE IN CONTROL

None.

21.2.7 PROVISIONS GOVERNING OWNERSHIP THRESHOLDS (ARTICLE 9 OF THE ARTICLES OF ASSOCIATION)

The Articles of Association require shareholders to notify the Company when their holdings exceed thresholds set forth in Article 233-7 of the French Commercial Code.

In addition, the Combined General Meeting of 7 January 1999 decided to impose a similar obligation when a shareholder, acting alone or in concert, comes to control greater than or less than 3% of the share capital or voting rights, with notice by registered letter with acknowledgement of receipt within 15 days of crossing such a threshold.

Failure to comply with the above notice requirement means that shares in excess of the undeclared fraction lose voting rights under the conditions set forth by law. This sanction applies when, at a General Meeting, one or more shareholders owning more than 3% of the capital indicate that no notice was submitted to the company and such failure to notify is duly recorded in the minutes of the General Meeting.

21.2.8 CHANGES IN THE CAPITAL (ARTICLE 29 OF THE ARTICLES OF ASSOCIATION)

All modifications to the capital and the rights attached to the shares making up such capital are governed by the applicable regulations.

There are no provisions in the Company's Articles of Association that impose conditions on such changes that are more restrictive than the legal obligations in effect.

SIGNIFICANT AGREEMENTS

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On 20 March 2015, ALTEN signed a *Club Deal* contract of up to €160,000,000 for a maximum term of seven years. This Club Deal is designed to fund ALTEN's operating needs as well as its investments and any acquisitions.

ALTEN also made several acquisition agreements in the last two financial years providing for targeted acquisitions of limited size in respect of the Group's overall size.

To date, the Company has made no other significant agreements, other than in the normal course of its business, that bind the Group as a whole to any significant obligation or commitment.

No member of the Group has made any agreements outside the normal course of their business that bind any Group member to a significant obligation or commitment for the Group as a whole at the publication date of this Registration Document.

INFORMATION FROM THIRD PARTIES, EXPERT DECLARATIONS AND DECLARATIONS OF INTEREST

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None.

PUBLICLY AVAILABLE DOCUMENTS

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The Company's Articles of Association, financial statements, reports of the Statutory Auditors and the minutes of the General Meetings are available at the Company's registered office under the terms set forth by law and in the Articles of Association.

The Company's press releases, annual Registration Documents filed with the AMF along with updates, if any, are available on the Company's website at: www.alten.com.

DISCLOSURE OF INTERESTS

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See paragraph 20.3.1, Note 2.4 “Scope of consolidation” and paragraph 20.3.2, Note 3.8.

APPENDICES

A

CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT

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NOTE

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TRANSLATIONS

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