



PRESS RELEASE

Boulogne Billancourt, September 16, 2020

2020 Half-Yearly Results

Strong resilience in unprecedented circumstances

Maintaining key performance indicators at high levels

In € thousands	H1 2020	H1 2019	Change
Revenue	214,777	208,115	+3.2%
Operating profit from ordinary activities	18,791	19,069	-1.5%
As a % of revenue	8.7%	9.2%	
Other operating income and expenses	(1,370)	(1,433)	
Operating profit	17,421	17,636	-1.2%
Financial income/(expense)	(302)	(306)	
Tax (expense)/income	(5,814)	(5,838)	
Net income from consolidated companies	11,305	11,492	-1.6%
As a % of revenue	5.3%	5.5%	
Net income attributable to owners of the parent	11,287	11,492	
Minority interests	18	-	

Aubay's Board of Directors, which met on September 16, 2020 under Chairman Christian Aubert, approved the consolidated financial statements for the first six months of 2020. The financial statements have been reviewed by the company's Statutory Auditors who will shortly issue their reports.

Against the backdrop of an exceptional economic and health crisis, the Group relied on the strong resilience of its business model, reflected in the continued high levels of its key financial indicators in terms of business, profitability and cash flow generation. This performance was driven by the unwavering commitment of all employees and a clear strategy on business lines, customers and skills.

Revenue for the first six months of the year came in at €214.8 million, up 3.2%, practically stable on a like-for-like basis, demonstrating very strong resilience in the context of the health crisis (see July 22, 2020 press release).

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Operating profit from ordinary activities stable at €18.8 million and net income at €11.3 million

The Group's recurring operating margin came in at 8.7%, versus 9.2% in 2019, at the upper end of the projected range, down only 50 basis points, and breaking down as 7.5% for business in France and 10.1% for international business. The Group was able to sustain a high productivity rate of 92.7% excluding short-time working measures, which concerned a maximum of 4% of employees at the height of the crisis.

After recognizing non-current expenses of €1.4 million, operating profit from ordinary activities came in at €18.8 million compared to €19.1 million one year ago, i.e., a limited decline of 1.5%.

Financial expense remained stable at €302 thousand.

The **tax expense** amounted to **€5.8 million**, reflecting an effective tax rate of 34%, stable year on year.

Net income for the first half of 2020 amounted to €11.3 million, stable compared to June 30, 2019, representing 5.3% of revenue.

Strong improvement in net cash (excluding rental liabilities) to €22.6 million

Despite a traditionally unfavorable seasonal effect, cash flow from operations for the period was excellent with over €18 million compared to €12 million last year. This can be attributed to good working capital management, with an improvement in the average customer payment time of three days. The company has not requested any extension for paying its expenses, particularly with regard to tax or social security.

Cash flow largely covered the limited investments made during the period and the payment of €3.5 million in dividends to shareholders.

Overall, net cash (excluding rental liabilities) amounted to €22.6 million at June 30, 2020 compared to €11.7 million at end 2019.

Outlook for 2020

Operations pursued during the Summer as expected. Visibility continues to gradually improve with demand almost back to normal since September. The upturn in activity, with the signing of many new contracts, some of which are significant for the service centers, has also made it possible to resume hiring in all regions.

Having had a better first half of the year than anticipated in the midst of the crisis, and assuming the health situation stabilizes, Aubay aims to achieve the following performance in 2020:

- Annual revenue of between €420 million and €425 million,
- Operating margin from ordinary activities of 9%.

Interim dividend of €0.33

In light of this reassuring performance, the Board of Directors has decided to pay an interim dividend of €0.33 per share for the current fiscal year on November 10, 2020.

Next publication

2020 third-quarter revenue: Wednesday, October 21 after the close of trading.

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Glossary/Alternative performance indicators

Organic revenue growth: this refers to growth calculated for a constant scope of activity for a given period, excluding revenues from companies that were acquired or sold during the period. As Aubay conducts most of its business in the euro zone, any impact from changes in exchange rates is minimal.

Operating profit from ordinary activities: this indicator corresponds to operating profit before the cost of free shares and other income and expenses that are unusual, abnormal or infrequent and that are booked separately in order to facilitate the understanding of an entity's recurring operating performance.

Operating margin from ordinary activities: this indicator, which is expressed as a percentage, is the ratio of operating profit from ordinary activities to revenue.

Net debt or net cash: this indicator represents the difference between an entity's cash and debt. If the result is negative, it is referred to as net debt. If it is positive, it is referred to as net cash.

About AUBAY Group

Aubay is a digital services company working alongside some of the biggest names in the Banking, Finance, Insurance, Manufacturing, Energy, Transport and Telecoms sectors. It had 6,411 employees in 7 countries (France, Belgium, Luxembourg, Italy, Spain, Portugal and the United Kingdom) at June 30, 2020. Aubay generated revenue of €417.8 million in 2019.



Euronext,
Compartment: B
ISIN
FR0000063737-AUB
Reuters
AUBT.PA
Bloomberg
AUB:FP

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APPENDICES

Consolidated financial position

ASSETS (€ thousands)	6/30/2020	12/31/2019
Goodwill	131,305	131,412
Intangible assets	835	828
Property, plant & equipment	5,409	5,575
Right of use relating to leases	20,603	22,996
Equity-accounted investees	-	-
Other financial assets	2,256	2,661
Deferred tax assets	2,163	2,796
Other non-current assets	32	277
NON-CURRENT ASSETS	162,603	166,545
Inventories and work in progress	335	411
Assets on contracts	36,195	29,216
Client and other receivables	101,059	115,097
Other receivables and accruals	32,040	37,209
Marketable securities	503	1,056
Cash at bank and in hand	34,130	23,411
CURRENT ASSETS	204,262	206,400
TOTAL ASSETS	366,865	372,945

LIABILITIES (€ thousands)	6/30/2020	12/31/2019
Capital	6,603	6,597
Additional paid-in capital and consolidated reserves	174,089	151,164
Net income attributable to the Group	11,305	26,409
Shareholders' equity attributable to the Group	191,997	184,170
Minority interests	109	91
SHAREHOLDERS' EQUITY	192,106	184,261
Borrowings and financial liabilities: non-current portion	4,486	5,697
Rental liabilities: due in over 1 year	15,740	17,823
Deferred tax liabilities	4	5
Provisions for contingencies and expenses	6,395	6,129
Other non-current liabilities	386	489
NON-CURRENT LIABILITIES	27,011	30,143
Borrowings and financial liabilities: current portion	7,260	7,124
Rental liabilities: due within 1 year	5,188	5,435
Trade payables and related accounts	27,672	30,576
Contract liabilities	12,952	14,722
Other liabilities and accruals	94,676	100,684
CURRENT LIABILITIES	147,748	158,541
TOTAL EQUITY AND LIABILITIES	366,865	372,945

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Consolidated income statement

(in € thousands)	6/30/2020	%	6/30/2019	%
Revenue	214,777	100%	208,115	100%
Other operating income	244		72	
Purchases used in production and external charges	(43,205)		(37,711)	
Staff costs	(147,290)		(146,237)	
Taxes other than on income	(1,791)		(1,713)	
Amortization, depreciation and provisions	(3,840)		(3,546)	
Change in inventories of work in progress and finished goods				
Other operating income and expenses	(104)		89	
Operating profit from ordinary activities	18,791	8.7%	19,069	9.2%
Expenses linked to restricted share units and similar awards	(464)		(743)	
Current operating profit	18,327	8.8%	18,326	8.8%
Other operating income and expenses	(906)		(690)	
Operating income	17,421	8.1%	17,636	8.5%
Income from cash and cash equivalents				
Net borrowing costs	(140)		(177)	
Other financial income and expenses	(162)		(129)	
Financial income/(expense)	(302)		(306)	
Income tax expense	(5,814)		(5,838)	
Income from equity-accounted investees				
Net income before results of discontinued operations or assets held for sale	11,305		11,492	
Net income after tax of discontinued operations or assets held for sale				
Net income	11,305	5.3%	11,492	5.5%
Attributable to owners of the parent	11,287		11,492	
Minority interests	18		0	
Basic weighted average number of shares	13,186,893		13,180,931	
Earnings per share	0.86		0.87	
Diluted weighted average number of shares	13,239,393		13,279,431	
Diluted earnings per share	0.85		0.87	

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1. Statement of consolidated cash flows

In € thousands	6/30/2020	6/30/2019
Consolidated net income (including non-controlling interests)	11,305	11,492
Income from equity-accounted investees		
Net depreciation, amortization and provisions and right of use relating to leases	4,498	3,661
None-cash expenses and income relating to share-based payments	464	743
Other non-cash items	212	
Dividend income		(88)
Gains and losses on disposals of fixed assets	(277)	6
Cash flow after net interest expense and tax	16,202	15,814
Net borrowing costs	283	177
Tax expense (including deferred taxes)	5,414	5,838
Cash flow before net interest expense and tax (A)	21,899	21,829
Income tax payments (B)	(130)	(5,403)
Change in trade and other receivables (C)	4,132	(5,753)
Change in trade and other payables (C)	(7,665)	1,457
Net cash provided by (used in) operating activities (D) = (A+B+C)	18,236	12,130
Outflows for the acquisition of tangible and intangible fixed assets	(646)	(646)
Inflows from the disposal of tangible and intangible fixed assets		
Outflows for the acquisition of financial assets	(4)	(4)
Inflows from the disposal of financial assets		32
Change in loans and advances granted	388	(6)
Disbursements (cash) related to business combinations, net of cash and cash equivalents		
Dividends and subsidies received		88
Net cash provided by (used in) investing activities (E)	(262)	(536)
Proceeds from capital increases		
Amounts received upon the exercise of stock options		
Purchases of treasury shares for cancellation		
Purchases of and proceeds from the sale of treasury shares		
Dividends paid in the period		
Net dividends paid to parent company shareholders	(3,562)	(4,354)
Dividends paid to the non-controlling shareholders of consolidated companies		
Inflows from new borrowings	1,357	10
Repayment of financial debt	(2,332)	(5,558)
Repayment of loan debt	(2,864)	(1,225)
Net interest payments	(283)	(173)
Purchase of non-controlling minority interests		
Other financial flows		
Net cash provided by (used in) financial activities (F)	(7,684)	(11,300)
Effects of changes in foreign exchange rates (G)	(40)	(1)
Change in net cash (D+E+F+G)	10,250	293
Cash and cash equivalents at the beginning of the period	24,131	19,372
Cash and cash equivalents at end of period	34,381	19,665

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