

ALTRAN TECHNOLOGIES

A French limited company (*société anonyme*) with a share capital of €87,900,132.50
Registered office: 96, avenue Charles de Gaulle – 92200 Neuilly sur Seine
Nanterre Trade and Companies Register No.: 702 012 956

(the “Company”)

BOARD OF DIRECTORS’ REPORT TO THE EXTRAORDINARY GENERAL MEETING OF JANUARY 26, 2018

To the shareholders,

We have convened this extraordinary general meeting of the Company which is to be held on January 26, 2018 at 2:30 p.m., at the Company’s registered office to submit for your approval the four following resolutions, the draft of which were approved by the board of directors of the Company at its meeting held on December 18, 2017.

Agenda:

Resolutions for the Extraordinary General Meeting:

- **First resolution** – *Delegation of authority to the board of directors to issue ordinary shares while maintaining shareholders’ preferential subscription rights for the purpose of the early repayment of part of the bank debt contracted by the Company in the context of the acquisition of Aricent;*
- **Second resolution** – *Delegation of authority to be given to the board of directors to proceed with capital increases reserved for the employees of the Company and of companies of the Altran Group which are members of a company savings plan, without preferential subscription rights;*
- **Third resolution** – *Overall limit of issuance authorizations with or without preferential subscription rights ; and*
- **Fourth resolution** – *Powers.*

The purpose of this report is to present the draft resolutions submitted by your board of directors to your general meeting. This report aims at presenting the main points of the draft resolutions. Therefore it does not intend to be comprehensive, so it is essential that you read the text of the draft resolutions carefully before exercising your voting right.

The presentation of the financial position, the activity and the results of the Company and its group during the past financial year, as well as the various disclosures required by applicable laws and regulations, are also contained in the reference document for the 2016 financial year which you should refer to. The documents required by law and the Articles of Association have been sent or made available to you within the required time frame.

It is specified that the board of directors has approved the text of all the resolutions submitted to the general meeting.

The draft resolutions which are to be submitted to your meeting are attached to this report ([Annex 1](#)).

Information about the Company's business

The Company's activity during the first three quarters of the financial year was driven by a strong momentum, as illustrated by the significant increase in the group's total revenue from 489.6 million euros for the first nine months of the 2016 financial year to 529.4 million euros for the first nine months of the 2017 financial year, i.e. a growth of 8.1%.

Altran benefited from a favorable dynamic in all of the geographical regions in which the Company operates, including Italy where the return to growth was confirmed (revenue increased by 2.9% between the first nine months of 2016 and 2017). In addition, the Company accelerated its development in India, where very strong growth was achieved in all of the Company's activities (55.2% revenue growth between the first nine months of 2016 and 2017), particularly in the semiconductor industry.

The growth of the Company's revenue observed during the first nine months of the year and the operational performance indicators were in line with the implementation of the *Altran 2020. Ignition* plan.

With the acquisition of Aricent by the Company announced on November 30, 2017, the objectives of the *Altran 2020. Ignition* plan should be achieved as soon as 2018.

Presentation of the acquisition of Aricent

It is reminded that the Company, through its American subsidiary Altran US, entered into a definitive agreement to acquire Aricent, a global leader in digital design and engineering services on November 29, 2017.

The Company will acquire Aricent from a group of investors led by KKR for a total enterprise value of 1.7 billion euros, or 2.0 billion US dollars, in an all-cash transaction.

Based on LTM June 2017 data, this acquisition value corresponds to 10.6x EBITDA pre-synergies, and 8.0x post run-rate-synergies (14.4x EBIT pre-synergies and 9.9x EBIT post-synergies).

The transaction, approved unanimously by the Company's board of directors, is expected to close in the first quarter of 2018, subject to receipt of antitrust approvals and satisfaction of customary closing conditions.

Following this transaction, the combined entity will become the undisputed global leader in ER&D services, a market expected to be worth €220 billion by 2020.

In the context of this transaction, a bank financing was put in place entailing in particular a senior term loan for a total amount of c. 2.125 billion euros as well as a bridge loan for an amount of 250 million euros.

The proposed resolutions are submitted in the context of the acquisition of Aricent by the Company. Indeed, for the purpose of the full repayment of the bridge loan and of the partial repayment of the senior long term loan referred to above, a capital increase with shareholders' preferential subscription rights of approximately 750 million euros (including the issue premium) is envisaged in the next 12 months, it being specified that the launch of the capital increase, including its timing, will depend on the market conditions. Should the first resolution submitted to you be rejected, in light of the existing authorizations, the repayment capacity of the Company by way of capital increase with shareholders' preferential subscription rights would be limited to an amount allowing an early repayment of only the 250 million euros bridge loan.

Explanatory statements of the proposed resolution by the board of directors

Delegation of authority to the board of directors to issue ordinary shares while maintaining shareholders' preferential subscription rights for the purpose of the early repayment of part of the bank debt contracted by the Company in the context of the acquisition of Aricent

In accordance with the 1st resolution, you are invited to replace the existing delegation of authority granted to the board of directors which grants the board with the authority to decide capital increases with shareholders' preferential rights (delegation granted to the board of directors pursuant to the 14th resolution voted by the general meeting dated 28 April 2017) with a new delegation of the same nature for a period of 12 months, useable in one time, in order to increase the Company's share capital by issuing new ordinary shares of the Company under the conditions described below. It is specified that the net proceeds of the new ordinary shares issuance which would be, as the case may be, decided by the board of directors in accordance with this delegation, will be exclusively assigned to the early repayment of part of the bank debt contracted by the Company in the context of the acquisition of Aricent.

You are invited to set the maximum nominal amount of the capital increase that may be realized pursuant to such delegation at 750 million euros, it being specified that the maximum proceeds of the issue (including premiums) may not exceed 750 million euros. The nominal amount of the issuance carried out under this delegation would be deducted from the new global ceiling applicable under the 3rd resolution, i.e. an amount of 750 million euros, or from the amount of the ceiling, if any, provided for by any other resolution with the same purpose, which would replace it during the period of validity of the delegation resulting from the 1st resolution.

To those thresholds may be added, as the case may be, the nominal amount of shares to be issued in addition in order to preserve the existing rights of holders of securities giving access to shares of the Company, of subscription or purchase stock options or of rights to the grant of bonus shares, in accordance with the law or contractual stipulations which may be applicable.

Shareholders would have, in proportion to the number of shares they hold, a preferential subscription right to the ordinary shares issued under this delegation, which would be severable from the shares and marketable from the second business day before the beginning of the subscription period until the second business day before the end of the subscription period, in accordance with the provisions of articles L. 225-132 and R. 225-117-1 of the French Commercial Code.

In addition, the board of directors of the Company may grant to the shareholders a reducible right to subscribe for ordinary shares to be issued by the Company, in order to enable shareholders to subscribe for a greater number of shares than the number which they may subscribe for on an irreducible basis, in the event that subscriptions on an irreducible basis do not cover the totality of the capital increase.

It is reminded, as necessary, that the board of directors will only use this delegation if the conditions in which this capital increase would be carried out are considered as satisfactory, in particular as regards the market conditions, the subscription price and the number of shares to be issued.

Delegation of authority to be given to the board of directors to proceed with capital increases reserved for the employees of the Company and of companies of the Altran Group which are members of a company savings plan, without preferential subscription rights

Under the second resolution, you are invited to delegate to the board of directors the authority to decide to increase the share capital by issuing shares of the Company as well as other equity securities giving access to the Company's share capital, reserved for employees, eligible corporate officers and retired people of the Company who are members of company or group savings plans. This resolution is submitted to you in accordance with article L. 225-129-6 of the French Commercial Code, which requires that the extraordinary general meeting votes on such a resolution when proposing a capital increase by way of a contribution in cash.

The total nominal amount of capital increases effected pursuant to this resolution may not exceed 3 million euros.

This amount will be deducted from the overall limit provided for in the 3rd resolution. As from the date of the general meeting, this delegation would cancel any unused portion, if any, of any prior delegation granted by the 20th resolution adopted by the Company's general meeting of April 28, 2017.

The period of validity of the delegation of authority would be set at twenty-six months from the date of the meeting.

Overall limit of issuance authorizations with or without preferential subscription rights

Pursuant to this 3rd resolution, in addition to the individual limits specified in the 1st and 2nd resolutions submitted to this general meeting, and under the 15th, 16th, 17th, 18th and 19th resolutions adopted by the general meeting of April 28, 2017, the issuances which may be decided pursuant to the said resolutions would be capped according to the global limits described below:

- 750 million euros for the overall nominal limit of the issuances of shares which can be effected pursuant to the delegations granted to the board of directors under the 1st and 2nd resolutions submitted to this general meeting, and under the 15th, 16th, 17th, 18th and 19th resolutions adopted by the general meeting of April 28, 2017, it being specified that, within the limit of this amount:
 - the overall nominal amount of the issuance, with preferential subscription rights, which can be realized pursuant to the delegation granted to the board of directors under the 1st resolution submitted to the general meeting, is set at 750 million euros, it being specified that the maximum proceeds of the issuance (including premiums) pursuant to such delegation may not exceed 750 million euros;
 - the overall nominal limit of the issuance reserved for participants of a company savings plan of the Company or of its group pursuant to the delegation granted to the board of directors under the 2nd resolution of this general meeting is set at 3 million euros; and
 - the overall nominal amount of issuances, without preferential subscription rights, which can be realized pursuant to the delegations granted to the board of directors under the 15th, 16th, 18th and 19th resolutions adopted by the general meeting on April 28, 2017, is set at 7.5 million euros.
- 112.5 million euros for the overall nominal limit of issuances of debt instruments, immediate or in the future, which can be realized pursuant to the delegations granted to the board of directors under the terms of the 15th, 16th, 18th and 19th resolutions adopted by the general meeting on April 28, 2017.

To these limits will be added, as the case may be, the nominal amount of additional shares to be issued in order to preserve the rights of holders of securities giving access to the share capital, of subscription or purchase stock options or of rights to the grant of bonus shares.

This resolution cancels and supersedes the 21st resolution of the general meeting of April 28, 2017.

Powers for formalities

Finally, you are invited to grant powers to carry out the required formalities following this general meeting.

The resolutions that will be submitted to your vote appear to us to be in the best interests of your Company and favorable to the development of your group's activities.

Therefore, we invite you to vote in favor of these resolutions and thank you for your continuing support.

The board of directors

Annex 1

Draft resolutions

Extraordinary items

First Resolution – *Delegation of authority to the board of directors to issue ordinary shares, while maintaining shareholders' preferential subscription rights for the purpose of the early repayment of part of the bank debt contracted by the Company in the context of the acquisition of Aricent*

The general meeting, ruling under the quorum and majority conditions for extraordinary general meetings, after having read the report of the board of directors, and ruling in accordance with the provisions of articles L. 225-129 *et seq.* of the French Commercial Code and especially of articles L. 225-129-2, L. 225-132 and L. 225-133 of such Code, delegates to the board of directors, with the right to sub-delegate in accordance with statutory provisions and the articles of association of the Company, the authority to decide, at its own discretion, to proceed in one time, both in France and abroad, in the proportion and at the time which it shall deem appropriate, with the issuance, while maintaining shareholders' preferential subscription rights, of new ordinary shares of the Company which are to be subscribed for in cash. It is specified that the net proceeds of the new ordinary shares issuance which would be, as the case may be, decided by the board of directors in accordance with this delegation, will be exclusively assigned to the early repayment of part of the bank debt contracted by the Company in the context of the acquisition of Aricent.

The maximum nominal amount of the capital increase which may result from this delegation is 750 million euros, it being specified that the maximum proceeds of the issue (including premiums) may not exceed 750 million euros. This amount shall be charged to the overall limit set in the third resolution submitted to the general meeting or, as the case may be, against the limits which may be provided for in any similar resolution that may supersede said third resolution during the validity period of this delegation. To those thresholds may be added, as the case may be, the nominal amount of additional ordinary shares to be issued in order to preserve, in accordance with statutory or contractual provisions which may be applicable, the rights of holders of securities giving access to the share capital, of subscription or purchase stock options or of rights to the grant of bonus shares.

The subscription of new ordinary shares will, in the context of this delegation, be reserved on an irreducible basis preferably for shareholders, and, if the board of directors so decides, on a reducible basis, in proportion to the subscription rights held by the shareholders and, in any event, up to the amounts requested by the latter.

Should the issuance of new ordinary shares on an irreducible basis and, as the case may be, on a reducible basis, not be fully subscribed, the board of directors may choose, in the order it wishes, all or part of the options provided under article L. 225-134 of the French Commercial Code:

- limit the amount of the share capital increase to the amount of subscriptions collected, subject to such subscriptions reaching at least three quarters of the decided increase,
- freely allocate all or part of the unsubscribed issued shares,
- offer all or part of the unsubscribed issued shares to the public, on the French and/or the international market.

The general meeting gives all powers to the board of directors, with the possibility of sub-delegating said powers under those conditions laid down by the law and the articles of Association of the Company, to implement this delegation and, in particular:

- To decide on the share capital increase and determine its conditions and modalities;
- To set the date of the subscription opening and closing, the amount of the issuance, the subscription price and the date of the beginning of dividend rights (which may be retroactive) for the issued shares, the procedures for their payment in full, as well as any other conditions and procedures regarding the closing of the issuance;
- To decide, in accordance with the provisions of article L. 225-210, paragraph 5, of the French Commercial Code, not to take into account the existing shares held by the Company for the determination of the preferential subscription rights attached to the other shares;
- To ascertain the closing of the capital increase;
- As the case may be, to charge the expenses of the capital increase against the amount of premium pertaining thereto, and to deduct from this amount the sums which are necessary to fund the legal reserve up to one-tenth of the new amount of capital resulting from such capital increase;
- To enter into all agreements relating to the capital increase;
- To decide on the allocation or the use of any share premium;
- To amend the Company's articles of association as a result of the use, even partial, of this delegation of authority, and, as the case may be, to carry out all formalities required for the admission to trading of the issued securities.
- More generally, take all necessary measures, enter into any agreements, request all authorizations, carry out all formalities and do whatever is necessary to ensure the successful closing of the planned issuance.

Without prior authorization from the general meeting, the board of directors may not use this delegation of authority from the date a third party has filed a public tender offer for the Company's securities, until the end of the tender offer period.

This delegation is given for a period of twelve (12) months as from this general meeting. As of this day, it supersedes, for the unused portion, the delegation given by the general meeting of April 28, 2017 in its 14th resolution.

Second resolution – *Delegation of authority to be given to the board of directors to proceed with capital increases reserved for the employees of the Company and of companies of the Altran Group which are members of a company savings plan, without preferential subscription rights*

The general meeting, ruling under the quorum and majority conditions for extraordinary general meetings, after having read the report of the board of directors and the special report of the company auditors, in order to enable capital increases reserved for employees belonging to a company savings plan, and in accordance with the provisions of articles L. 225-129-2, L. 225-129-6, and L. 225-138 *et seq.* of the French Commercial Code, L. 228-91 *et seq.* of such Code and L. 3332-18 *et seq.* of the French Labor Code, delegates to the board of directors, with the right to sub-delegate, under the conditions provided for by law and the articles of association, the authority to decide, in one or more times, in the proportions and at the times that it shall determine, at its discretion, the issuance against payment or without consideration, within the limit of a maximum nominal amount of 3 million euros or the equivalent of such amount in the event of an issuance in another currency or in any monetary unit linked to several currencies at the date of the decision of issuance, new ordinary shares or securities giving access, immediately or in the future, to the Company's share capital, reserved for participants of a savings plan of the Company and companies and economic interest groups affiliated to the Company subject to the conditions of article L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code, the issuance of securities may be paid for by cash or by capitalizing

reserves, profits or premiums in the event of the grant of bonus shares or other securities giving access to the capital in respect of a discount or employer contribution.

This amount shall be charged against the overall limit established in the 3rd resolution submitted to this general meeting or, where appropriate, against the amount of limits which may be provided for in any similar resolution that may supersede said third resolution during the validity period of this delegation.

The general meeting waives, in favor of said participants, the shareholders' preferential subscription rights to new ordinary shares or securities giving access to the Company's capital issued in application of this delegation and decides that the issuance price of the new shares or securities giving access to the Company's capital will be determined in the conditions provided for in articles L. 3332-18 *et seq.* of the French Labor Code and that, in accordance with the provisions of article L. 3332-19 of the French Labor Code, that the proposed discount cannot exceed 20 % of the average of the listed prices of the Company's share during twenty days of negotiation preceding the day of the decision setting the opening date of subscriptions, and 30 % of the same average when the vesting period provided under the plan is greater than, or equal to, ten years; nonetheless, the general meeting expressly authorizes the board of directors to eliminate or reduce the aforementioned discount, if it deems it appropriate, in order to take into account, *inter alia*, the legal, accounting, tax and social systems which are applicable locally. The board of directors may also substitute all or part of the discount by allocating shares or other securities in application of the provisions below.

The board of directors can grant, in addition to shares or securities giving access to the share capital which may be subscribed for in cash, bonus shares or other bonus securities giving access to the Company's capital, with it being specified that the total advantage resulting from this allocation in respect of the subscription, or where appropriate, the discount on the subscription price, cannot exceed legal or regulatory limits and that the maximum nominal amount of capital increases which may be realized as a result of the grant of bonus shares or securities giving access to the capital shall be charged against the limit of 3 million euros referred to above. The shareholders waive all rights to shares or other securities giving access to the share capital which may be issued pursuant to this resolution.

The general meeting grants all powers to the board of directors, with the possibility of sub-delegating said powers under those conditions laid down by the law and the Article of Associations of the Company, in order to implement this delegation, particularly in order:

- To determine, within the above limits, the characteristics, amount and modalities of any issuance;
- To allow the issuances or allocations directly to of the beneficiaries or through the intermediary of collective agencies;
- To proceed with the capital increases resulting from this delegation, within the scope of the limit determined above;
- To suspend, as the case may be, the exercise of the rights attached to the securities to be issued in the cases and limits provided for by the regulatory and contractual provisions;
- To determine the amount to be issued, the terms and conditions, the dates of the issuances, the date of the beginning of dividend rights (which may be retroactive) and the terms of each issuance, as well as the form and characteristics of the securities to be issued;
- To determine the subscription price of shares issued for cash in accordance with legal provisions and to set the subscription opening and closing dates of the subscription period;
- To provide, when required, the implementation of a company or group savings plan or the modification of existing plans, to determine the list of companies whose employees are to be beneficiaries of issuances realized by virtue of this delegation;
- To determine the period within which the shares must be paid up, as well as, as the case may be, the seniority of employees required for them to take part in the transaction, all within the legal limitations;

- In case of issuance of new shares, to charge, as applicable, on the reserves, profits and issuance premiums, the amounts necessary to pay those new shares up;
- To ascertain the closing of capital increases up to the amount of shares which are actually subscribed;
- As the case may be, to charge the expenses of capital increases against the amount of premiums pertaining thereto and deduct from this amount the sums which are necessary to fund the legal reserve to one-tenth of the new amount of capital resulting from these capital increases;
- To carry out, either by itself, or by a proxy, all acts and formalities in order to render definitive the capital increases which may be realized by virtue of the delegation which is the subject of this resolution;
- To amend the Company's articles of association as a result of the use, even partial, of this delegation of authority, and, as the case may be, to carry out all formalities required for the admission to trading of the issued securities;
- More generally, to take all necessary steps, enter into agreements, request all authorizations, carry out all formalities and do whatever is necessary to ensure the successful closing of the proposed issuances.

This delegation is given for a period of twenty-six (26) months as from this general meeting. As of this day, it supersedes, for the unused portion, the delegation given by the general meeting of April 28, 2017 in its 20th resolution.

Third resolution – Overall limit of issuance authorizations with or without preferential subscription rights

The general meeting, ruling under the quorum and majority conditions for extraordinary general meetings, after having read the report of the board of directors and the special report of the Company auditors, decides to set the limits of the amounts of authorized issuances in the event of use by the board of directors of these delegations of authority as well as those decided at the shareholders' meeting of April 28, 2017 as follows:

- 750 million euros for the overall nominal limit of the issuances of shares which can be effected pursuant to the delegations granted to the board of directors under the 1st and 2nd resolutions submitted to this general meeting, and under the 15th, 16th, 17th, 18th and 19th resolutions adopted by the general meeting of April 28, 2017, it being specified that, within the limit of this amount:
 - the overall nominal amount of the issuance, with preferential subscription rights, which can be realized pursuant to the delegation granted to the board of directors under the 1st resolution submitted to the general meeting, is set at 750 million euros, it being specified that the maximum proceeds of the issuance (including premiums) pursuant to such delegation may not exceed 750 million euros;
 - the overall nominal limit of the issuance reserved for participants of a company savings plan of the Company or of its group pursuant to the delegation granted to the board of directors under the 2nd resolution of this general meeting is set at 3 million euros; and
 - the overall nominal amount of issuances, without preferential subscription rights, which can be realized pursuant to the delegations granted to the board of directors under the 15th, 16th, 18th and 19th resolutions adopted by the general meeting on April 28, 2017, is set at 7.5 million euros.
- 112.5 million euros for the overall nominal limit of issuances of debt instruments, immediate or in the future, which can be realized pursuant to the delegations granted to the board of directors under the terms of the 15th, 16th, 18th and 19th resolutions adopted by the general meeting on April 28, 2017.

To these limits will be added, as the case may be, the nominal amount of additional shares to be issued in order to preserve, in the event of new financial transactions, in accordance with the law or contractual stipulations which may be applicable, the rights of holders of securities giving access to the share capital, of subscription or purchase stock options or of rights to the grant of bonus shares.

This resolution cancels and supersedes the 21st resolution of the general meeting of April 28, 2017.

Fourth resolution – Powers

The general meeting, ruling under the quorum and majority conditions required by law, grants all powers to the bearer of an original, a copy or extract of these minutes for the purpose of fulfilling all legal and administrative formalities and complying with all filing, disclosure and publication requirements of the applicable legislation.