This document is an unofficial English-language translation of the response document (*note en réponse*) which received from the French *Autorité des marchés financiers* visa no. 19-490 on 14 October 2019. In the event of any differences between this unofficial English-language translation and the official French response document, the official French response document shall prevail.

DOCUMENT

PREPARED BY

IN RESPONSE

TO THE PUBLIC TENDER OFFER FOR THE SHARES OF THE COMPANY ALTRAN TECHNOLOGIES

LAUNCHED BY

Pursuant to the provisions of Article L. 621-8 of the French Monetary and Financial Code and of Article 231-36 of the French Financial Markets Authority's (the "**AMF**") general regulation, the AMF has, pursuant to the decision of conformity relative to this tender offer dated 14 October 2019, granted visa no 19-490 on this response document. This response document was prepared by Altran Technologies and engages the responsibility of its signatories.

The approval (*visa*), pursuant to the provisions of Article L. 621-8-1, I. of the French Monetary and Financial Code, was granted after verification by the AMF that "*the document is complete and comprehensible and that the information it contains is correctly presented*". Such approval does not imply an approval of the opportunity of the operation or a certification of the accounting and financial elements presented.

Important notice

Pursuant to Articles 231-19 and 261-1 *et seq.* of the AMF's general regulation, the report of Finexsi, acting in its capacity as independent expert, is included in this response document.

This response document (the "**Response Document**") is available on the websites of Altran Technologies (www.altran.com) and the AMF (www.amf-france.org) and may be obtained free of charge from Altran Technologies' registered office at 96, avenue Charles de Gaulle, 92200 Neuilly-sur-Seine – FRANCE.

In accordance with the provisions of Article 231-28 of the AMF's general regulation, information relating to Altran Technologies, in particular legal, financial and accounting information, will be filed with the AMF and made available to the public in the same manner no later than the day before the opening of the tender offer.

A press release will be disseminated no later than the day preceding the opening of the tender offer in order to inform the public on the manner in which such documents will be made available.

SOMMAIRE

1. PRESENTATION OF THE OFFER

1.1 Description of the Offer

Pursuant to Title III of Book II and more specifically Articles 231-13 and 232-1 *et seq.* of the AMF's general regulation (the "**AMFGR**"), BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC France and Lazard Frères Banque, acting on behalf of Capgemini, a European company (*société européenne*) having its registered office at 11 rue de Tilsitt, 75017 Paris, France, registered with the Paris Trade and Companies Register under number 330 703 844, the shares of which are traded on compartment A of the Euronext regulated market in Paris ("**Euronext Paris**") under ISIN Code FR0000125338 (ticker symbol "CAP") ("**Capgemini** " or the "**Offeror**"), filed on 23 September 2019 with the AMF a draft tender offer (the "**Offer**") under the terms and conditions set forth in the offer document prepared by the Offeror and having received the AMF's visa n°19-489 dated 14 October 2019 (the "**Offer Document**") and in paragraph 1.3 of this Response Document, for the shares of Altran Technologies, a joint stock company (*société anonyme*) with a board of directors having its registered office at 96 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Register under number 702 012 956, the shares of which are traded on compartment A of Euronext Paris under ISIN Code FR0000034639 (ticker symbol "ALT") ("**Altran Technologies**" or the "**Company**"), at a price of €14 per share (subject to adjustments) (the "**Offer Price**").

As of the date of the Response Document, the share capital of Altran Technologies amounts to €128,510,552.50 divided into 257,021,105 ordinary shares with a nominal value of €0.50 each, fully paid up.

The Offer is for all the Altran Technologies shares not held by the Offeror[1]:

(i) that are currently issued, i.e., to the best knowledge of the Company as of the date of the Response Document, a maximum number of 227,642,786 Altran Technologies shares[2], and

(ii) that may be issued prior to the closing of the Offer or, as the case may be, the Reopened Offer (as such term is defined in paragraph 1.3.7(C) below), as a result of the vesting of the free shares granted by Altran Technologies (the "**Free Shares**"), i.e., to the best knowledge of the Company as of the date of this Response Document, a maximum of 2,405,239 new Altran Technologies shares[3],

altogether representing, to the best knowledge of the Company as of the date of this Response Document, a maximum number of 230,048,025 Altran Technologies shares included in this Offer.

It is specified that the tender of the American Depository Receipts (the "**Altran ADRs**") will not be accepted in the Offer or, as the case may be, the Reopened Offer, and that the holders of Altran ADRs will be required to first exchange them for Altran Technologies shares which can be tendered in the Offer or, as the case maybe, the Reopened Offer, as indicated in paragraph 1.3.3(C) below.

There are no other equity securities, or other financial instruments issued by the Company or rights granted by the Company that could give access, either immediately or in the future, to the share capital or voting rights of the Company.

The Offer is made on a voluntary basis and will be conducted following the standard procedure pursuant to Articles 232-1 *et seq.* of the AMFGR.

In accordance with Article 231-13 of the AMFGR, on 23 September 2019, BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC France and Lazard Frères Banque, in their capacity as institutions presenting the Offer, filed the Offer and the draft Offer Document with the AMF on behalf of the Offeror.

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1 As of the date of this Response Document, the Offeror holds 29,378,319 Altran Technologies shares (see paragraph 1.2.1(D) below) out of total of 257,021,105 issued shares.

2 On the basis of the total number of shares disclosed by Altran Technologies as of 30 September 2019, in accordance with Article 223-11 of the AMFGR, i.e., 257,021,105 shares representing 257,814,914 theoretical voting rights. Based on the same information, this also includes treasury shares, i.e., 2,461,800 shares, it being specified that the Company undertook not to tender the treasury shares in the Offer.

3 See paragraph 1.3.3(B) below.

Only BNP Paribas guarantees the content and the irrevocable nature of the undertakings made by the Offeror in connection with the Offer.

The Offer is subject to the validity threshold described in Article 231-9, I. of the AMFGR, as set out in paragraph 1.3.5 below. The Offer also includes a withdrawal threshold, in accordance with Article 231-9, II. of the AMFGR, as set out in paragraph 1.3.6(A) below.

In addition, on the date of the Response Document, the Offer is subject to the condition precedent of the authorisation of the combination with regard to merger control by the European Commission in accordance with Article 6.1.b) of EC Regulation No. 139/2004 of 20 January 2004 or the competent national authorities in the European Union (as described in paragraph 1.3.6(B) below), it being specified that the Offeror reserves the right to waive such condition.

The tentative timetable for the Offer is presented in paragraph 2.12 of the Offer Document.

1.2 Background and Reasons for the Offer

1.2.1 Background of the Offer

(A) Exclusive negotiations

Following initial contacts initiated by Capgemini following the publication by Altran Technologies of its annual statements for 2018, Capgemini expressed an interest in acquiring the Company by a letter of interest dated 24 May 2019, the main terms of which were communicated to the directors of Altran Technologies during a meeting of the Board of Directors dated 27 May 2019. Discussions have been initiated between the Offeror and the Company with respect to the merits of the combination and the provision of documents concerning the Company via a data room procedure in accordance with the data room procedures set out by the recommendations of the AMF in its regulated information and management of inside information guide DOC-2016-08 (*Guide de l'information permanente et de la gestion de l'information privilégiée*). The Company did not provide any inside information in the context of those discussions, including in the data room.

Following a series of exchanges between representatives of the Offeror and of the Company, the two companies entered into a memorandum of understanding (including an exclusive commitment by Altran Technologies) on 24 June 2019 (the "**Memorandum of Understanding**") with a view to the acquisition of Altran Technologies by Capgemini in the context of a friendly tender offer. The purpose of this Memorandum of Understanding was to organise the information and consultation processes with the respective employee representative bodies of the Offeror and the Company regarding the contemplated Offer, while providing for an exclusive commitment by the Company for the benefit of the Offeror.

On 24 June 24 2019, prior to entering into the Memorandum of Understanding, the terms of the proposed Offer were unanimously approved by Capgemini's Board of Directors and Altran Technologies' Board of Directors. Altran Technologies' Board of Directors also issued a favourable preliminary opinion on the interest of the Offer for the Company, its shareholders, employees and other stakeholders in the view of submitting the Offer to employee representative bodies of the Company.

During its meeting dated 24 June 2019, Altran Technologies' Board of Directors set up a committee composed of independent directors only to perform the duties described in the AMF's recommendation No. 2016-15 (the "**Independent Directors Committee**").

The signature of the Memorandum of Understanding was announced by a joint press release dated 24 June 2019, which is available on the website of the Offeror (www.capgemini.com) and the website of Altran Technologies (www.altran.com), and which describes the principal characteristics of the contemplated Offer.

(B) **Information and consultation of the employee representative bodies**

Capgemini's international works council issued a favourable opinion on 16 July 2019. The central council of the economic and social unit (*comité central de l'unité économique et social*) (the "**CC UES**") issued a favourable opinion on the Offer on 2 August 2019 and the European works council of Altran Technologies issued a favourable opinion with reservations on the Offer on 8 August 2019.

The favourable opinion of the CC UES is described in paragraph 5 below.

(C) **Execution of the Tender Offer Agreement**

Following completion of such information and consultation processes as set out in paragraph 1.2.1(B) above, the Offeror and the Company entered into a tender offer agreement on 11 August 2019 (the "**Tender Offer Agreement**").

Altran Technologies' Board of Directors, which met on 9 August 2019, authorised, by unanimous vote of directors present or represented[4], the execution of the Tender Offer Agreement pursuant to the so called "related-party" procedure provided by articles L. 225-38 *et seq.* of the French Commercial Code.

In addition, prior to such execution, Altran Technologies' Board of Directors determined, by unanimous vote of the directors present or represented, that the Offer is in the interest of the Company, its shareholders, employees and other stakeholders, approved the terms of the Offer, and indicated that, subject to its duties under applicable laws and the terms and conditions of the Tender Offer Agreement, it intended to recommend that the shareholders of the Company tender their shares in the Offer pursuant to its reasoned opinion that will be rendered after examination of the report of the independent expert. Altran Technologies' Board of Directors took its decision after having acknowledged, *inter alia*, the Opinions of the Financial Advisors (as this term is defined and subject to the reservations indicated in paragraph 2 hereafter) on the Offer Price. It is specified that this decision did not, in any way, amount to the reasoned opinion of the Board of Directors in application of Article 231-19 of the AMFGR, which was issued on 22 September 2019.

Altran Technologies' Board of Directors, during the same meeting, also appointed Finexsi, represented by Mr. Olivier Péronnet and Mr. Christophe Lambert, as independent expert, in accordance with the provisions of Article 261-1, I. of the AMFGR.

The signature of the Tender Offer Agreement was announced by a joint press release on 12 August 2019, which is available on the website of the Offeror (www.capgemini.com) and the website of Altran Technologies (www.altran.com).

The Tender Offer Agreement specifies the terms and conditions of the cooperation between the Offeror and the Company until the Offer is completed, and sets out in particular:

(1) the principal terms and conditions of the Offer, as detailed in paragraph 1.3 below and in paragraph 2 of the Offer Document;

[4] Were present: Dominique Cerutti, Maurice Tchenio acting as permanent representative of Amboise Partners, Martha Crawford, Christian Bret, Nathalie Rachou, Gilles Rigal, Diane de Saint-Victor, Jaya Vaidhyanathan ; was represented: Renuka Uppaluri; was absent: Gaël Clément, director representing employees. No director refrained themselves from taking part in the discussions or vote on the authorisation of the execution of the Tender Offer Agreement by the Company as none of them were directly or indirectly interested in the agreement and none of them were concerned by the vote prohibitions provided by law.

(2) the conditions to the filing of the Offer by the Offeror with the AMF;

(3) the exclusivity commitment from the Company to the benefit of the Offeror;

(4) the customary undertaking of the Company to manage operations in the normal course of business in accordance with past practice;

(5) the treatment of the situation of the beneficiaries of rights to receive Free Shares, as such is described in paragraph 1.3.3(B) below and in paragraph 2.4 of the Offer Document;

(6) the characteristics of the retention and incentive mechanisms to be implemented subject to the success of the Offer, as such are described below and in paragraph 1.1.1 of the Response Document;

(7) the undertaking of the Company not to tender treasury shares in the Offer;

(8) the undertaking of the Offeror to provide necessary funds if an early reimbursement of the financing granted to the Company under the Senior Facilities Agreement dated 15 February 2018 is triggered upon a change of control of the Company; and

(9) the undertaking of the Offeror and the Company to fully cooperate with respect to the work of the independent expert, the preparation of the Offer documentation and the completion of the Offer, and in obtaining all necessary regulatory authorizations and potential third-party approvals that may be required to ensure the continuation of agreements or activities that could be affected by the change of control of Altran Technologies.

In addition, the Tender Offer Agreement provides various compensation and retention schemes for the employees of the Company and its subsidiaries. These schemes are mainly for the benefit of employees and managers not benefiting from Free Shares allocation plans. The corporate officers of the Company do not benefit from any of these compensation and retention schemes.

Subject to the success of the Offer and the satisfaction of a presence condition at the date of the settlement of the Offer, an exceptional compensation in the form of a completion bonus will be paid to seventeen (17) key employees of the Company or its subsidiaries for their involvement and investment in the context of the preparation of the Offer. Indeed, this compensation aims at rewarding the continuous efforts of Altran Technologies staff that are actively contributing to the work relative to the contemplated combination and to the Offer. A total gross amount of two (2) million euros (which could rise to a gross total of three (3) million euros) will be granted to employees as part of this exceptional compensation. Mr Pascal Brier, who benefits, through his holding of shares of the company Altimus, from part of the profit made by Altrafin Participations as part of the Acquisition of the Blocks (as described in paragraph 1.2.1(D) of the Response Document), also benefits from this completion bonus scheme.

In order to retain, after the completion of the Offer and during the integration phase, operational and functional managers identified as having a high level of performance and being susceptible to leave the Company or its subsidiaries, it has also been agreed that a retention bonus would be put in place. Therefore, in order to motivate and retain such employees, a long term retention bonus, made up of two (2) equal instalments payable three (3) and nine (9) months as from the settlement of the Offer may be paid to 214 employees, subject to the success of the Offer and the satisfaction of a presence condition at the aforementioned payment dates. In addition, it is also intended that, should the presence condition no longer be satisfied upon expiry of a two (2) year period following the date of the settlement of the Offer, the employee concerned shall repay such bonus within the limit of one third of his last annual gross salary. A total gross amount of ten (10) million euros (which could rise to a gross total of eleven (11) million euros) is to be allocated to employees under such retention bonus.

Finally, certain central functions are considered as being particularly at risk and critical in the context of a combination in that any discontinuity of such services would have a serious and immediate impact. The Company therefore considered that it was essential that the corresponding employees be retained. Twenty-seven (27) employees will therefore benefit from the payment of an exceptional bonus, made up of two (2) equal instalments payable at the date of the settlement of the Offer and six (6) months following such date of settlement respectively, subject to the success of the Offer and the satisfaction of a presence condition at such dates of payments. A total gross amount of one (1) million euros is to be allocated to employees under such exceptional bonus.

In any case, the total amount that may be allocated to employees under the three (3) schemes presented above may not exceed a gross total of thirteen (13) million euros.

In the event of the implementation of a squeeze-out by Capgemini following the Offer, the Tender Offer Agreement also provides that the performance conditions of the 2018-2020 and 2019-2021 multi-year cash variable compensation plans, for the benefit of the Chairman and Chief Executive Officer of the Company, will be aligned with those applicable to the performance shares of Capgemini. With regard to the 2017-2019 Plan, the performance will be adjusted, if necessary, in order to neutralize the possible impact of the Offer on the performance of Altran Technologies. Given the continued uncertainty linked to ambitious performance criteria, the absence of any change in the amounts of these multi-annual compensation plans, and the historical payment levels of the Company plans (100% over the last two (2) years), this change is not likely to improve the situation of corporate officers compared to the existing situation.

The Tender Offer Agreement will expire on 31 July 2020, unless terminated earlier by mutual consent of the Offeror and the Company, or unilaterally:

(1) by Capgemini if:

   (a) antitrust clearance described in paragraph 1.3.6(B) below has not been obtained, in which case Capgemini will have to pay a compensation of €75,000,000 to the Company;

   (b) the Company decides to accept an alternative offer from a third party which the Company considers, in good faith, more favourable for the Company and all the stakeholders (the "**Superior Offer**"), in which case the Company will have to pay a compensation of €75,000,000 to Capgemini;

   (c) the Company materially breaches the terms of the Tender Offer Agreement, in which case the Company will have to pay compensation amounting to €75,000,000 to Capgemini (without affecting any right to other additional compensation that Capgemini could claim); or

   (d) the AMF, at the publication of the result of the Offer in accordance with Article 231-35 of the AMFGR, announces that the Offer is unsuccessful.

(2) by Altran Technologies if:

(a) the Company decides to accept a Superior Offer, in which case the Company will have to pay a compensation of €75,000,000 to Capgemini;

(b) Capgemini materially breaches the terms of the Tender Offer Agreement, in which case Capgemini will have to pay compensation amounting to €75,000,000 to the Company (without affecting any right to other additional compensation that the Company could claim);

(c) Capgemini amends the terms of the Offer (as such are included in paragraph 2.1 of the Offer Document) or its intention (as such are included in paragraph 1.3 of the Offer Document) in a way that would negatively affect the Company, its affiliates, shareholders or employees, in which case Capgemini will have a to pay a compensation of €75,000,000 to the Company;

(d) The Offer is not cleared by the AMF, in which case Capgemini will have to pay as compensation of €75,000,000 to the Company; or

(e) the AMF, at the publication of the result of the Offer in accordance with Article 231-35 of the AMFGR, announces that the Offer is unsuccessful.

(D) **Acquisition of Altran Technologies shares by the Offeror**

On 24 June 2019, prior to the announcement of the proposed acquisition of Altran Technologies by Capgemini, the Offeror entered into share purchase agreements (the "**Share Purchase Agreements**") relating to the off-market acquisition of (i) 22,058,273 Altran Technologies shares from Altrafin Participations, (ii) 3,659,031 Altran Technologies shares from Mr. Alexis Kniazeff and (iii) 3,661,015 Altran Technologies shares from Mr. Hubert Martigny (Altrafin Participations, Mr. Alexis Kniazeff and Mr. Hubert Martigny are together hereinafter referred to as the “**Sellers**” and separately as a “**Seller**”), i.e. a total of 29,378,319 Altran Technologies shares (the “**Acquisition of the Blocks**”).

The signature of these share purchase agreements has led to the shareholding threshold crossing notifications and the related declarations of intent to the AMF and the Company by the Offeror:

(1) in accordance with Article L. 233-7 of the French Commercial Code, by letters sent to the AMF and the Company on 28 June 2019, the Offeror has disclosed the upwards crossing of the 5% and 10% legal thresholds of the share capital and the theoretical voting rights of the Company, as well as its intents. The shareholding thresholds crossing notification and the related declaration of intention was reported in notice No. 219C1048 published by the AMF on 28 June 2019.

(2) in accordance with Article 7.3 of the articles of association of Altran Technologies, by letter sent to the Company on 28 June 2019, the Offeror has also disclosed the upwards crossing of the thresholds set forth by the articles of association of the Company between 0.5% and 11% (inclusive) of the share capital and the theoretical voting rights of the Company.

The effective completion of the Acquisition of the Blocks, entailing the transfer of ownership of the Altran Technologies shares to Capgemini, occurred on 2 July 2019 and was notified to the AMF in accordance with Article 231-46 of the AMFGR. This disclosure was reported in notice No. 219C1091 published by the AMF on 3 July 2019. It is specified that the concerted action (*action de concert*) formed under the agreement dated 24 June 2008 between Altrafin Participations, Mr. Alexis Kniazeff and Mr. Hubert Martigny, Altamir Amboise and FCPR Apax France VII has ended (AMF notice N° 219C1113 dated 5 July 2019).

The Acquisition of the Blocks was completed at a price of €14 per share. Under the terms of the Share Purchase Agreements, each of the Sellers benefits from a top-up right (the "**Top-Up Right**") in the event of (i) an offer, an increased offer (*surenchère)*, a competing offer or a squeeze-out or (ii) if the Offer does not have a positive outcome for any reason whatsoever, in the event of a sale of Altran Technologies shares, in each of the cases (i) and (ii) hereabove at a price higher than the price at which the Acquisition of the Blocks had been completed and within twelve (12) months following the filing of the Offer (and no later than 30 September 2020). In accordance with the terms of the Share Purchase Agreements, the amount to be paid to each of the Sellers pursuant to the Top-Up Right would be equal to (i) (x) the share price offered under the terms of the improved offer, the competing offer or the completed sale (as applicable), less (y) the price at which the Acquisition of the Blocks had been completed, (ii) multiplied by the number of shares acquired by Capgemini from the Seller in question (the "**Top-Up**").

As a result of the effective completion of the Acquisition of the Blocks, the Offeror holds, as of the date of the Response Document, 29,378,319 shares and voting rights in the Company, i.e., 11.43% of the share capital and 11.40% of the voting rights of the Company[5].

Under an agreement between Altrafin Participations, FCPR Apax France VII, AlphaOmega, Altamir and Altimus (a company which has historically gathered the key managers of the Company and which holds 2.44% of Altrafin Participations' share capital)[6], an incentive scheme in the form of warrants (*bons de souscription d'actions*) for Altrafin Participations shares held by Altimus was set up in 2013. Mr. Cyril Roger, Deputy Chief Executive Officer of the Company at the date of signature of the Share Purchase Agreements, and Mr. Pascal Brier, Executive vice-president in charge of the Company's strategy, technology and innovation, are shareholders of Altimus. Thus, Mr. Cyril Roger and Mr. Pascal Brier, through their shareholding in Altimus, benefit from a portion of the capital gain realized by Altrafin Participations as part of the Acquisition of the Blocks and will benefit, as the case may be, from the Top-Up. This incentive scheme for Company managers is fully borne by Altrafin Participations.

The same applies to Mr. Dominique Cerutti, through a company wholly owned by him, which entered into with Apax, on 16 June 2015, a services agreement providing for the provision of services that were separate, both in terms of their object and duration, from the exercise by Mr. Dominique Cerutti of his corporate office as Chairman and Chief Executive Officer or director of the Company. This agreement provides for the payment of compensation the amount of which is determined in successive tiers[7] by reference to the value of Apax's investment at the time of its exit from the Company's share capital, regardless of the method of sale of the shares or the exit horizon. Below €9.90 per share, the compensation amount is nil. From €9.90 to €10.80 per share, then from € 10.80 to €12.60 per share, the

5 In accordance with Article 223-11 of the AMFGR, the total number of voting rights is calculated on the basis of the number of shares to which voting rights are attached, including shares deprived of voting rights such as treasury shares, i.e., 257,814,914 theoretical voting rights in total as of 30 September, 2019, on the basis of information published by the Company on its website pursuant to Article 223-16 of the AMFGR.

6 It is reminded that the clauses covered by Article 233-11 of the French Commercial Code of the shareholders' agreement relating to Altrafin Participations entered into between the FCPR Apax France VII, AlphaOmega, Altamir and Altimus were declared to the AMF (notice n° 213C0930 published by the AMF on 12 July 2013).

7 The various tiers were adjusted to reflect the Company's share capital increase, completed in 2018.

compensation increases in linear fashion. Beyond €12.60 per share, the compensation is adjusted in linear fashion, without a cap. The Acquisition of the Blocks, which has already been completed, and which therefore resulted in the complete exit of Apax from the Company's share capital, triggered the entirety of the compensation owed by Apax which thus became due and payable. In the event of several separate sales resulting in the sale of all Altrafin Participations' shareholding, the compensation will be due as of the date of the completion of the last sale. Part of the compensation (39%), therefore, was fixed by Altrafin Participations' partial exit as part of an accelerated book building (ABB) with institutional investors in June 2017 and the other (61%) by the Acquisition of the Blocks. In the event of payment of the Top-Up to Altrafin Participations, the second part of the compensation will be adjusted accordingly. It is specified that Apax has not received and shall not receive any consideration from either the Company or the Offeror for the payment of this compensation, which is at its sole expense.

1.2.2 Reasons of the Offer

(A) **Two industry leaders join forces**

Capgemini is a world leader in consulting, IT services and digital transformation. Altran Technologies, on the other hand, is the world leading provider of Engineering and R&D services.

The combination of the two companies will create a group with revenues of €17 billion [8] and more than 265,000 employees [9]. This new entity will leverage its unique positioning in particularly promising segments. This project is the first major combination of two leaders in complementary segments of technology which tend to converge with the advent of digital and the dissemination of new technologies in all activities (including the cloud, the internet of things, Edge computing, artificial intelligence, 5G): that of operational technologies [10] (for Altran Technologies) and that of information technologies (for Capgemini). In particular, it will enable the new entity to accelerate its ambition in digital transformation sectors for industrial players (see 1.2.2(C) below) and strengthen its leadership in engineering and R&D (ER&D) services (see 1.2.2(B) below).

This transaction will also allow Capgemini to grow in the emerging market of IT services for R&D, engineering for the manufacturing industry and supply chain managers.

(B) **Strengthened leadership in the fast-growing market of Engineering and R&D services**

Engineering and R&D (ER&D) services are driven by the growth of business expenditure on R&D, which is higher than GDP growth, as well as by the increasing need of companies for outsourcing, particularly on rare high-tech skills. This sector is growing faster than IT services in recent years. The combination will allow the new entity, which will be the world leader in ER&D by size (particularly in the United States and in Europe), to leverage its recognized sector expertise to develop its offer in this promising industry.

The combined scope of these Engineering and R&D services activities will represent annual revenues of approximately €3.4 billion [11] and 54,000 professionals, including 21,000 in 5 Global Engineering Centers.

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8 Based on the CapitalIQ consensus, as of 17 September 2019, of Capgemini and Altran Technologies for 2019.

9 The estimated number of employees is based on the information included in the half-year results publications of Capgemini (July 30, 2019) and Altran Technologies (September 5, 2019).

10 The scope of operational technology notably includes software, products & system engineering services, industrial information systems used to manage product lifecycle, manufacturing or delivery processes and mission critical information systems.

11 2018 proforma estimates.

(C) **Introducing a world leader in "Intelligent Industry"**

The new group will benefit from a unique ability to support industrial players in their digital transformation, by combining its intimate knowledge of their businesses, its privileged access to decision-makers and its portfolio of offers that spans digital transformation, consulting and innovation, information technologies (IT) and operational technologies (OT). Building on these strengths, Capgemini will reinforce its role as the strategic partner of choice of its customers in this “Intelligent Industry” space, which is one of the future areas of digital transformation, located at the crossroads of two already very dynamic sectors: engineering and R&D (ER&D) services for industrial players and IT services for operations (R&D, production, supply chain, etc.).

1.3 Main characteristics of the Offer

1.3.1 Terms of the Offer

The Offeror irrevocably undertakes to acquire from the shareholders of Altran Technologies all shares of the Company included in the Offer, which will be tendered in the Offer at the Offer Price (subject to adjustments, as discussed in paragraph 1.3.2 below) for a period of at least twenty-five (25) trading days, equivalent to more than twenty (20) trading days in the United States of America (subject to extension).

1.3.2 Adjustment of the terms of the Offer

(A) **In the event of a Distribution**

In the event that prior to the settlement date of the Offer or the Reopened Offer (inclusive), Altran Technologies proceeds with a Distribution (as such term is defined below), in any form whatsoever, for which the payment date or the reference date on which one must be a shareholder in order to receive the Distribution is set prior to or at the settlement date of the Offer or the Reopened Offer (as applicable), the offered price per share will be consequently adjusted to take such Distribution into account.

For the purposes of this paragraph 1.3.2, a “**Distribution**” means the amount per share of any distribution in any form whatsoever (in cash or in kind), including (i) any distribution of a dividend, interim dividend, reserves or premiums made by Altran Technologies or (ii) any share capital amortization or share capital reduction by Altran Technologies, or any acquisition or buy-back by Altran Technologies of its own shares, for a price per share higher than the Offer price, in both cases prior to the settlement date of the Offer or of the Reopened Offer (inclusive).

Similarly, in the event of transactions affecting the share capital of the Company (in particular merger, spin-off, stock split, reverse stock split, distribution of free shares through existing shares by capitalization of profits or reserves) decided during the same period, the Offer Price per share will be mechanically adjusted to take into account the effect of such transactions.

Any adjustment of the price per share will be subject to the AMF's prior approval and announced by the publication of a press release.

(B) **In the event of a Top-Up paid to the Sellers**

If, after the closing of the Offer, the Offeror triggers the payment of a Top-Up to the Sellers pursuant to the Share Purchase Agreements, the Offeror has indicated in the Offer Document that it undertakes to pay a top-up to the shareholders who tendered their Altran Technologies shares in the Offer (unless the Offer has not been successful, for any reason whatsoever), so that the price per share ultimately offered to such shareholders is equal to the price per share ultimately offered to the Sellers.

1.3.3 Number and type of shares included in the Offer

(A) **General situation**

The Offer is for all the Altran Technologies shares not held by the Offeror[12]:

- that are currently issued, i.e., to the best knowledge of the Company as of the date of the Response Document, a maximum number of 227,642,786 Altran Technologies shares[13], and

- that may be issued prior to the closing of the Offer or the Reopened Offer, as a result of the vesting of the Free Shares, i.e., to the best knowledge of the Company as of the date of this Response Document, a maximum of 2,405,239 new Altran Technologies shares[14],

altogether representing, to the best knowledge of the Offeror as of the date of this Response Document, a maximum number of 230,048,025 Altran Technologies shares included in this Offer.

It is specified that the tender of the Altran ADRs will not be accepted in the Offer or, as the case may be, the Reopened Offer, and that the holders of Altran ADRs will be required to first exchange them for Altran Technologies shares which can be tendered in the Offer or, as the case may be, the Reopened Offer, as indicated in paragraph 1.3.7(C) below.

There are no other equity securities, or other financial instruments issued by the Company or rights granted by the Company that could give access, either immediately or in the future, to the share capital or voting rights of the Company.

(B) **Situation of the beneficiaries of rights to receive Free Shares**

The Company put in place several Free Share allocation plans between 2017 and 2019 for the benefit of employees of the Company and its subsidiaries, the respective vesting periods of which are still on-going as of the date of this Response Document. The corporate officers of the Company do not benefit from the Free Shares allocation plans implemented by the Company.

The beneficiaries of rights to receive Free Shares may tender such Free Shares in the Offer or in the Reopened Offer, provided they are fully vested and transferable[15].

The table below summarizes the principal characteristics of the Free Share allocation plans in effect as of the date of this Response Document[16]:

	2017 Plan	**2018 Plan**	**2019 Plan**
Date of authorization of the allocation by the shareholders general meeting	04/29/2016	04/27/2018	04/27/2018

12 As of the date of this Response Document, the Offeror holds 29,378,319 Altran Technologies shares (see paragraph 1.2.1(D) above) out of 257,021,105 issued shares.

13 On the basis of the information disclosed by the Company on its website as of 30 September 2019, in accordance with Article 223-16 of the AMFGR. Based on the same information, this also includes treasury shares, i.e., 2,461,800 shares, it being specified that the Company undertook not to tender the treasury shares in the Offer.

14 See paragraph 1.3.3(B) below.

15 In particular in the event of the lifting of unavailability pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code (death or disability of the beneficiary).

16 The 2016 plan is not in effect anymore as of the date of this Response Document.

	2017 Plan	2018 Plan	2019 Plan
Date of allocation by the Board of Directors	04/28/2017 10/01/2017	09/05/2018	05/15/2019 09/04/2019
Number of shares allocated	367,095	778,137	933,986
Presence condition	Continuous presence of the beneficiary within the group until the vesting date	Continuous presence of the beneficiary within the group until the vesting date	Continuous presence of the beneficiary within the group until the vesting date
Performance conditions	Meet fixed future objectives in terms of (i) group EBIT and Free Cash Flow for 2017/2018 and (ii) of Group Operating Margin and Free Cash Flow for 2019	Meet fixed future objectives in terms of Group Operating Margin and Free Cash Flow	Meet fixed future objectives in terms of Group Operating Margin and Free Cash Flow
Vesting period	3 years	3 years	3 years
Settlement	Existing or future shares	Existing or future shares	Existing or future shares
Expiry date of the vesting period	04/28/2020	09/05/2021	05/15/2022
Retention period	None	None	None
Number of shares remaining as of 30 September 2019*	324,823	753,740	925,863
Number of beneficiaries as of 30 September 2019	38	60	71
Maximum number of shares that may be acquired as of 30 September 2019**	389,771	904,464	1,111,004

** Given the fact that beneficiaries may have left since the attribution of the rights to receive Free Shares.*

*** Assuming the performance objectives are reached to a level equal to 110%, giving the right to acquire 120% of the allocated shares remaining as of 30 September 2019.*

In accordance with the Tender Offer Agreement, the Company undertook to modify the terms and conditions of the 2017 plan (the "**2017 Plan**"), the 2018 plan (the "**2018 Plan**") and the 2019 plan (the "**2019 Plan**") to waive the presence condition in the event of dismissal (other than gross negligence or wilful misconduct) and in case of constructive dismissal.

In accordance with the Tender Offer Agreement, the Company has also undertaken, within a one (1) month period following the settlement date of the Offer, to propose to each beneficiary of Free Share rights to waive such rights in exchange for the payment by the Company of a cash indemnification pursuant to the terms described below (the "**Indemnification Mechanism**").The beneficiaries can accept the benefit of the Indemnification Mechanism only during a three (3) month period from the settlement date of the Offer [17] and shall only benefit from it, as applicable, after the expiry of the vesting period applicable to each plan.

[17] It is specified that the Indemnification Mechanism will not apply to beneficiaries of Free Shares rights in accordance with the 2017 Plan if the vesting period expires before the closing of the Offer or the Reopened Offer

At the latest the fifteenth working day from the expiry of the vesting period provided by the 2017 Plan, the 2018 Plan and the 2019 Plan, respectively, the Company has undertaken, pursuant to the Tender Offer Agreement:

(1) with respect to the 2017 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the vesting period (the "**2017 Eligible Rights**"), to apply the performance conditions provided by the 2017 Plan for the years 2017, 2018 and 2019 to all the 2017 Eligible Rights;

(2) with respect to the 2018 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the vesting period (the "**2018 Eligible Rights**"), to apply the performance conditions provided by the 2018 Plan for the years 2018 and 2019 to two thirds of the Eligible Rights 2018, and not to apply the performance conditions for the year 2020 for the remaining third of the 2018 Eligible Rights (which would then be wholly vested); and

(3) with respect to the 2019 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the vesting period (the "**2019 Eligible Rights**"), to apply the performance conditions provided by the 2019 Plan for the year 2019 to a third of the 2019 Eligible Rights, and not to apply the performance conditions for the years 2020 and 2021 for the remaining two-thirds of the 2019 Eligible Rights (which would then be wholly vested).

To each beneficiary who has accepted the Indemnification Mechanism, the Company will pay, no later than the forty-fifth (45th) working day following the end of the applicable vesting period provided by the 2017 Plan, the 2018 Plan or the 2019 Plan, a gross[18] amount in cash, equivalent for each relevant right to receive Free Shares, to the Offer Price indexed on the evolution of the share price of Capgemini between the settlement date of the Offer and the end of the relevant vesting period, it being specified that such evolution cannot be higher than +20% or lower than (-20%).

(C) **Situation of holders of Altran ADRs**

It is specified that the tender of Altran ADRs will not be accepted in the Offer or the Reopened Offer, and that the holders of Altran ADRs will be required to first exchange them for Altran Technologies shares which can be tendered in the Offer or in the Reopened Offer. The process of exchanging Altran ADRs for Altran Technologies shares may take some time. The holders of Altran ADRs are encouraged to request cancellation of their Altran ADRs as soon as possible in order to ensure that they are able to tender such Altran Technologies shares in the Offer or the Reopened Offer. Holders of Altran ADRs should contact their broker or the Bank of New York Mellon (the "**Depositary**") – at +1212-815-2231 / 2783 / 2721 or +353 1 900 3466 / 3465 / 3462 – in case they have questions in relation to the cancellation of Altran ADRs.

Pursuant to the agreement governing the Altran ADRs, holders of Altran ADRs are required to pay applicable taxes or administrative charges as well as a fee of five dollars ($5.00) (or less) for every 100 cancelled Altran ADRs.

1.3.4 CFIUS regulatory approval

Capgemini and Altran Technologies have made a voluntary joint filing with the Committee on Foreign Investment in the United States and obtained the requested

[18] The salary expenses, as well as taxes due by such beneficiaries relating to the Indemnification Mechanism, will be borne by such beneficiaries.

clearance on 23 September 2019. This clearance was announced by press release by Capgemini on 26 September 2019.

1.3.5 Validity Threshold

Pursuant to Article 231-9, I. of the AMFGR, the Offer will become null and void if, on its closing date, the Offeror, acting alone or in concert, within the meaning of Article L. 233-10 of the French Commercial Code, does not hold a number of shares representing more than 50% of the share capital or the voting rights of the Company (such threshold being hereinafter referred to as the "**Validity Threshold**").

Whether the Validity Threshold is reached will not be known until the AMF publishes the definitive outcome or, if applicable, the temporary outcome, of the Offer.

If the Validity Threshold is not reached, the Offer will be void and the shares tendered in the Offer will be returned to their holders within three (3) trading days following publication of the notice that the Offer has become void, without any interest, indemnification or other payment of any nature whatsoever being due to such holders.

1.3.6 Conditions for the Offer

(A) **Withdrawal threshold**

In accordance with Article 231-9, II. of the AMFGR, the Offeror reserves the right, until the publication of the definitive outcome of the Offer by the AMF and prior to its reopening, to withdraw the Offer in case the threshold of 50.10% of the share capital and voting rights of the Company, on a fully diluted basis[19], taking into account the loss of double voting rights for the shares tendered in the Offer, is not reached (the "**Withdrawal Threshold**").

For the purposes of calculating the Withdrawal Threshold, the following will be taken into account:

(1) the numerator will include all the shares of the Company held by the Offeror, alone or in concert, directly or indirectly, on the closing date of the Offer (including treasury shares held or controlled by the Company, i.e. 2,461,800 shares), with the shares tendered in the Offer being considered as already held by the Offeror on the closing date of the Offer notwithstanding the fact that, as of such date, settlement of the shares in question will not have been completed on such date;

(2) the denominator will include all of the shares making up the share capital of the Company on a fully diluted basis on the closing date of the Offer, including any shares that may be issued under Free Share plans.

Whether the Withdrawal Threshold is reached will not be known until the AMF publishes the final outcome of the Offer, after it has been completed. Pursuant to Article 231-9, II. of the AMFGR, if the Withdrawal Threshold is not reached, the Offeror has indicated in the Offer Document that it reserves the right, until the AMF publishes the definitive result of the Offer and prior to its reopening, to renounce to the Offer. In the event that the Offeror exercises such right, the Altran Technologies shares tendered in the Offer

[19] The dilution that could occur would result from the potential issuance of new shares pursuant to the Free Shares allocation plans. At the date of this Response Document, a maximum number of 2,405,239 shares (representing the same number of voting rights) may be issued pursuant to the Free Shares plans, which, on the basis on the information published by the Company on its website on 30 September 2019 pursuant to Article 223-16 of the AMFGR, would increase the total number of Altran Technologies shares to 259,426,344 and the total number of theoretical voting rights to 260,220,153.

will be returned to their holders without any interest, indemnification or other payment of any nature whatsoever being due to such holders.

The Offeror indicated in the Offer Document that it reserves the right to remove or lower the Withdrawal Threshold by filing an increased offer (*surenchère)* no later than five (5) trading days before the closing of the Offer, in accordance with Articles 232-6 and 232-7 of the AMFGR.

(B) **Merger control authorisation**

In accordance with Article 231-11 of the AMFGR, the Offer is subject, at the date of the Response Document, to the condition precedent of the authorisation of the operation with regard to merger control by the European Commission, in accordance with Article 6.1.b) of EC Regulation No. 139/2004 of 20 January 2004 or the competent national authorities in the European Union, it being specified that the Offeror reserves the right to waive such condition.

The AMF will set the closing date of the Offer as soon as the abovementioned authorisation has been received or, as the case may be, waived by Capgemini.

In accordance with Article 231-11 of the AMFGR, the Offer will automatically lapse if the combination is subject to the European Commission procedure provided in Article 6.1.c) of EC Regulation No. 139/2004 of 20 January 2004.

As of the date hereof, a pre-notification and a notification were filed with the European Commission respectively on 19 July 2019 and on 18 September 2019.

The combination was approved with regard to merger control by the competition authority (the Federal Trade Commission) in the United States of America on 9 August 2019, by the Indian competition authority on 3 September 2019 and by the Moroccan competition authority on 3 October 2019.

1.3.7 Modalities of the Offer

The proposed Offer was filed with the AMF on 23 September 2019. The Company filed its draft response document at the same time. The AMF published a notice of filing on its website (www.amf-france.org).

The draft response document as filed with the AMF was made available to the public free of charge at the registered office of the Company, as well as online on the websites of the AMF (www.amf-france.org) and Altran (www.altran.com).

In addition, the press release containing the main information of the draft Response Document was published by the Company on 23 September 2019 and made available to the public on the Company's website (www.altran.com).

The AMF published on its website (www.amf-france.org) on 14 October 2019 a motivated clearance decision with respect to the Offer after having verified that the Offer complies with applicable laws and regulations. Such clearance decision entails approval (*visa*) of the Offer Document and of the Response Document.

This Response Document having received the AMF's approval (*visa*), as well as the other information, in particular legal, financial and accounting characteristics of the Company will be, pursuant to Articles 231-27 and 231-28 of AMFGR, filed with the AMF and made available to the public free of charge at the registered office of the Company, no later than the day before the opening of the Offer. These documents will also be available on the websites of the AMF (www.amf-france.org) and Altran (www.altran.com).

Pursuant to Articles 231-27 and 231-28 of the AMFGR, a press release on the manner in which such documents will be made available will also be disseminated by the Company no later than the day preceding the opening of the Offer. This press release shall be published online on the Company's website (www.altran.com).

Prior to the opening of the Offer, the AMF will publish a notice announcing the opening of the Offer, and Euronext Paris will publish a notice announcing the terms and the opening of the Offer.

The tentative timetable for the Offer is presented in paragraph 2.12 of the Offer Document.

(A) **Procedure for tendering in the Offer**

The procedure for tendering in the Offer and the centralisation of orders are described in paragraph 2.8 and 2.9 of the Offer Document.

(B) **Publication of the outcome of the Offer and settlement**

Pursuant to Article 232-3 of the AMFGR, the AMF will announce the final outcome of the Offer no later than nine (9) trading days after the closing of the Offer. If the AMF finds that the Offer is successful, Euronext Paris will indicate in a notice the date and procedures for delivery of shares and payment.

No interest will be due for the period running from the date on which the shares are tendered in the Offer through the date of settlement of the Offer.

On the settlement date of the Offer (and, as the case may be, the Reopened Offer), the Offeror will transfer to the benefit of Euronext Paris the funds constituting payment for the Offer (and, as the case may be, the Reopened Offer). On that date, the tendered Altran Technologies shares and all of the rights attached thereto will be transferred to the Offeror. Euronext Paris will proceed with the payment in cash to the intermediaries acting on behalf of their clients having tendered their shares in the Offer (or, as the case may be, the Reopened Offer) as from the settlement date of the Offer (or, as the case may be the Reopened Offer).

(C) **Reopening of the Offer**

In accordance with Article 232-4 of the AMFGR, if the Offer is successful, it will be automatically reopened within ten (10) trading days following the publication of the final outcome of the Offer, under terms identical to those of the Offer. The AMF will publish the timetable for the reopening of the Offer, which will remain open for at least ten (10) trading days (the "**Reopened Offer**").

If the Offer is reopened, the tender process and order centralisation for the Reopened Offer will be identical to those applicable to the Offer described in paragraphs 2.8 and 2.9 of the Offer Document, it being specified that orders to tender in the Reopened Offer will be irrevocable as from their issuance.

(D) **Offer restrictions outside of France**

Neither the Response Document nor the Offer Document nor any other document relating to the Offer constitutes an offer to buy or sell financial instruments or a solicitation of an offer in any country in which such offer or solicitation would be illegal, or to any person to whom such an offer cannot legally be made. The shareholders of the Company located outside of France may participate in the Offer only to the extent that such participation is authorised by the local law to which they are subject.

The distribution of the Offer Document, the Response Document and of any document relating to the Offer or to participation in the Offer may be subject to legal restrictions in certain jurisdictions.

The Offer is not being made to persons subject directly or indirectly to such restrictions, and may not in any way be the subject of an acceptance from a country in which the Offer is subject to restrictions.

Those who come into possession of the Offer Document and of the Response Document must inform themselves of the applicable legal restrictions and comply with them. Failure to comply with legal restrictions may constitute a violation of applicable stock exchange laws and regulations in certain jurisdictions. The Offeror will not be liable for the violation of applicable legal restrictions by any person.

The Offer will be made in the United States of America in compliance with Section 14(e) of the U.S. Securities Exchange Act of 1934 as amended (the "**U.S. Exchange Act**"), and the rules and regulations promulgated thereunder, including Regulation 14E, and as well as in accordance with applicable French law provisions. The Offer is eligible to benefit from the exemptions under Regulation 14D and certain provisions of Regulation 14E provided by Rule 14d-1(d) under the U.S. Exchange Act. Accordingly, the Offer will be subject to certain disclosure and other procedural requirements, including with respect to the Offer timetable, settlement procedures, and withdrawal rights that are different from those applicable under U.S. tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. shareholder of the Company may be a taxable transaction for U.S. federal income tax purposes. Each U.S. shareholder is urged to consult an independent professional adviser immediately regarding the tax consequences of accepting the Offer.

It may be difficult for U.S. shareholders of the Company to enforce their rights and claims arising out of the U.S. federal securities laws, the Offeror and the Company being headquartered in a country other than the United States of America, and some or all of their respective officers and directors may be residents of a country other than the United States of America. U.S. shareholders of the Company may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violation of U.S. securities laws. Further, it may be difficult to subject a non-U.S. company and its affiliates to a U.S. court's judgment.

To the extent permissible under applicable laws and regulations, including Rule 14e-5 of the U.S. Exchange Act, and in accordance with usual French practice, the Offeror and its affiliates or broker(s) (acting as agents or in the name and on behalf of the Offeror or its affiliates, where appropriate) and the Company and its affiliates or broker(s) (acting as agents or in the name and on behalf of the Company or of its affiliates, where appropriate), may, both prior to and after the date of the draft Offer Document, and other than pursuant to the Offer, directly or indirectly purchase or arrange to purchase shares of Altran Technologies. These purchases can occur either in the open market at prevailing prices or in private transactions at negotiated prices. In no event will any such purchases be made for a price per share that is greater than the Offer Price. To the extent information about such purchases or arrangements to purchase is made public in France, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of such information. No purchases will be made outside of the Offer in the United States of America by or on behalf of the Offeror, the Company and/or their respective affiliates. Affiliates of the financial advisors of the Offeror and of the Company may engage in ordinary course trading activities in securities of Altran Technologies, which may include purchases or arrangements to purchase such securities.

The Offer Document and the Response Document have not been filed with or reviewed by any federal or state securities commission or regulatory authority of any jurisdiction in the United States of America, nor has any such commission or authority ruled on the accuracy or adequacy of the Offer Document and of the Response Document. Any representation to the contrary is unlawful and may be a criminal offense.

1.3.8 Intents of the Offeror regarding the squeeze-out

Pursuant to Articles L. 433, II. of the French Monetary and Financial Code and Articles 232-4 and 237-1 *et seq.* of the AMFGR, the Offeror indicated in the Offer Document that it intends to apply to the AMF, within ten (10) trading days from the publication of the outcome of the Offer or, if applicable, within three (3) months from the closing of the Reopened Offer, to implement a squeeze-out with respect to Altran Technologies shares, if the number of shares not tendered in the Offer by the minority shareholders of the Company does not represent more than 10% of the share capital and voting rights of Altran Technologies following the Offer or, as the case may be, the Reopened Offer.

In such case, the squeeze-out will concern the Altran Technologies shares other than those held by the Offeror and the treasury shares of the Company. The affected shareholders would receive compensation at the Offer Price (as adjusted, if applicable, in accordance with paragraph 1.3.2 above). The implementation of this procedure will entail delisting of Altran Technologies shares from Euronext Paris.

In the event that the Offeror could not be able, following the Offer or the Reopened Offer, to implement a squeeze-out, it reserves the right to file a buyout offer with the AMF, followed, if applicable, by a squeeze-out with respect to the shares that it does not hold directly, indirectly, or in concert, on that date. The Offeror may, in this case, increase its shareholding in the Company following the Offer and prior to filing a new offer in compliance with applicable laws and regulations. In such case, the mandatory squeeze-out will be subject to review by the AMF, which shall rule on the squeeze-out's compliance with the AMFGR, in particular in light of the report of the independent expert appointed in accordance with Article 261-1 of the AMFGR.

2. REASONED OPINION FROM THE ALTRAN TECHNOLOGIES BOARD OF DIRECTORS

Pursuant to the provisions of Article 231-19 of the AMFGR, the members of the Company's Board of Directors met on 22 September 2019, upon notice given by the Chairman and in accordance with the Company's articles of association, in order to issue a reasoned opinion on the Offer.

All members of the Company's Board of Directors attended remotely, with the exception of Mrs Renuka Uppaluri, who was represented by Mrs Martha Crawford.

The work of Finexsi, represented by Mr. Olivier Péronnet and Mr. Christophe Lambert and appointed as independent expert to prepare a report on the financial terms of the Offer, was carried out under the supervision of a committee of three independent directors of the Company in accordance with AMF recommendation No. 2006-15 on independent experts in the context of financial transactions.

The Board of Directors' decision containing the following reasoned opinion was unanimously adopted by the directors present or represented who took part in the vote and is reproduced in its entirety below:

"***Reminder of the context of the Offer***

The Chairman reminded the Board of Directors that the Offer resulted from an approach of the Company by CAPGEMINI. CAPGEMINI informed the Company of its interest for a combination in a non-binding letter dated 24 May 2019, the main terms of which were communicated to the Company's directors during a meeting of the Board of Directors on 27 May 2019.

*Following a series of exchanges between representatives of CAPGEMINI and of the Company, the two companies entered into a memorandum of understanding on 24 June 2019 (the "**Memorandum of Understanding**") with a view to the acquisition of the Company by CAPGEMINI in the context of a friendly tender offer. Prior to the execution of the Memorandum of Understanding, after having reviewed the main terms of the Offer and the Offeror's intentions, and after having consulted its advisors, the conditions of the Offer were unanimously approved by the Board of Directors which expressed a preliminary positive opinion that the Offer was in the interests of the Company, its shareholders, its employees* *and other stakeholders with a view to submitting the Offer to the Company's employee representative bodies.*

Following completion of the information and consultation processes with their respective employee representative bodies, CAPGEMINI and the Company entered into the Tender Offer Agreement on 11 August 2019 providing in particular for the filing of the Offer by the Offeror.

Prior to this signature, a meeting of the Board of Directors was held on 9 August 2019 to exchange with the Company's advisors on the details of the Offer and review the terms of the Tender Offer Agreement. The merits of the Offer for the Company and its shareholders, as presented in the minutes of this meeting, are reproduced below:

"This contemplated combination is in line with the Company's vision, as articulated in its strategic plan. CAPGEMINI, world leader in consulting, IT services and digital transformation, is committed to developing the Company in a sustainable way by integrating the services it offers into the scope of actions in which the new entity would operate. The business and technological expertise of the two companies are complementary, which would enable this group to be a strategic partner of choice of its customers. The offer would therefore represent for the Company a real opportunity for growth and development, which would directly benefit it. The conclusion [of the Tender Offer Agreement] would also be in the interest of the Company's shareholders as it provides a framework for a value-creating combination project, as evidenced by the development opportunities presented above and the premium (based on an offer price of €14 per share, a premium of 30.1% over the volume-weighted average share price of Altran share over the last month until 21 June 2019 (adjusted for the 0.24 euro coupon to be detached on 1 July 2019) and a 32.8% premium over the 3-month volume weighted average price). All of the Company's shareholders would also be treated and informed equally in the context of the offer in accordance with one of the guiding principles of the stock market regulations. Finally, each shareholder would have the option to decide whether or not to contribute its shares to the offer."

*Moreover, during this meeting, the Board of Directors examined the merits of the Offer for the employees and other stakeholders of the Company in view in particular of the foregoing and of the opinions issued by the Central Works Council of the Economic and Social Union (Comité Central de l'Union Économique et Sociale) (the "**CCUES**") and the European Work Council (Comité d'Entreprise Européen) (the "**CEE**") of the Company.*

After discussion and pending the report of the Independent Expert (as defined below), the members of the Board of Directors, present or represented during this meeting of 9 August 2019, unanimously considered, inter alia, that the contemplated Offer that CAPGEMINI undertook to file, was in the interest of the Company, its shareholders, its employees and other stakeholders and that, subject to its obligations under applicable laws and the terms and conditions of the Tender Offer Agreement, it intended to recommend to the Company's shareholders that they tender their securities to this Offer in the context of its reasoned opinion to be rendered upon the receipt of the independent expert report.

*The Chairman reminded the Board of Directors that, pursuant to the AMF's recommendation No. 2006-15 on fairness opinion in the context of corporate finance transactions, during its meeting dated 24 June 2019, the Board of Directors has set up a committee comprising three independent directors of the Company, i.e., Natalie Rachou, Diane de Saint Victor and Jaya Vaidhyanathan (the "**Independent Directors Committee**"), for the purpose of recommending an independent expert for appointment by the Board of Directors, determining the scope of its assignment and monitoring its work ahead of the issuance by the Board of Directors of a reasoned opinion.*

In the context of its missions and with regards to the independence criteria imposed by the AMF and the characteristics of the transaction, two independent experts were consulted and have respectively provided the Independent Directors Committee with a proposal for intervention.

After meeting with each candidate and reviewing the proposals for intervention, the members of the Independent Directors Committee unanimously decided to recommend to the Board of Directors the appointment of Finexsi in its capacity as independent expert. Such recommendation has been followed by all the directors present and represented at the Board of Directors' meeting held on 9 August 2019 during which Finexsi was appointed as *independent expert for the purpose of drawing up a report on the financial terms of the Offer, in accordance with the provisions of Article 261-1, I. of the AMF's general regulation (the "**Independent Expert**").*

Main information submitted to the Board of Directors for its reasoned opinion

The Chairman informed the Board of Directors that pursuant to the provisions of Article 231-19, 4° of the AMF's general regulation, the Board of Directors was then required to issue a reasoned opinion regarding the merits of the Offer or its consequences for the Company, its shareholders and its employees. He specified that in order to allow the members of the Board of Directors to have all the necessary information to issue a reasoned opinion, the following key documents relating to the Offer have been shared with the members of the Board of Directors prior to this meeting:

- *the Tender Offer Agreement, which includes the main terms and conditions of the Offer;*
- *the draft offer document prepared by the Offeror which comprises in particular the reasons for, and the context of, the Offer, the Offeror's intentions for the next twelve months, along with information supporting the determination of the Offer price prepared by BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC France and Lazard Frères Banque (the "**Sponsoring Banks**") as well as a summary of the main agreements relating to the Offer (the "**Draft Offer Document**");*
- *the draft response document prepared by the Company (the "**Draft Response Document**");*
- *the opinion of the CCUES dated 2 August 2019, along with the report of the chartered accountant appointed on 4 July 2019 by the CCUES;*
- *the opinion of the CEE dated 8 August 2019;*
- *the fairness opinions regarding the Offer price dated 30 July 2019 (whose work was stopped and presented on 24 June 2019) and 1 August 2019 and addressed by Perella Weinberg Partners and Citigroup respectively to the Board of Directors of the Company relative to the fairness, from a financial perspective, of the Offer price offered to shareholders of the Company (other than CAPGEMINI and its affiliates), such fairness opinions being based on and subject to the several hypotheses, reservations and limitations they include (the "**Opinions of the Financial Advisors**"). The Opinions of the Financial Advisors shall not amount to, and are not intended to be, "fairness opinions" within the meaning of French stock market regulations and shall in no event constitute a recommendation to shareholders on how to use their voting rights or on whether or not to act with regard to the Offer and are for the sole benefit of the Board of Directors, no other party being entitled to rely on them;*
- *the various exchanges between the Company, its advisors and various minority shareholders;*
- *the report of Finexsi, Independent Expert, dated 22 September 2019 (the "**Report of the Independent Expert**").*

Reminder of the main characteristics of the Offer

After reviewing the key documents relating to the Offer referred to above and the additional information presented to it, the Board of Directors first acknowledged that:

- *as a result of the off-market definitive acquisition of shares from Altrafin Participations, Alexis Kniazeff and Hubert Martigny on 2 July 2019, the Offeror holds as of today 29,378,319 shares and voting rights in the Company, representing 11.43% of the share capital and 11.40% of the voting rights of the Company;*
- *the Offer is voluntary and will be carried out through the normal procedure pursuant to the provisions of Articles 232-1 et seq. of the AMF's general regulation;*

- *the Offer is subject to the following conditions precedent: (i) the approval of the transaction with regard to merger control by the European Commission in accordance with Article 6.1.b) of EC Regulation No. 139/2004 of 20 January 2004 or the competent national authorities in the European Union and (ii) the approval of the transaction with regard to merger control by the Moroccan antitrust authority, it being specified that the Offeror reserves the right to waive either of the above conditions precedent;*
- *the price per share of 14 euros, adjusted for the 0.24 euro coupon detached on 27 June 2019, implies (i) a premium of 24.7% over the closing price of the Company's shares immediately before the announcement of the contemplated Offer, i.e., on 24 June 2019, (ii) a premium of 29.5 % over the volume-weighted average share price for the month preceding the announcement of the contemplated Offer and (iii) a premium of 31.6% over the volume weighted average share price for the last 60 days preceding the announcement of the contemplated Offer;*
- *on the basis of the assessment criteria adopted by the Sponsoring Banks, the Offer price implies the following premiums: a premium of 3.7% to 27.3% against the brokers' target prices criteria, of 17.9% to 61.9% against the trading multiples criteria, of 21.4% against the comparable transactions criteria and of 16.3% to 38.7% against the discounted cash-flows criteria, as presented in section 3 of the Draft Offer Document;*
- *if the shares that have not been tendered to the Offer or, as the case may be, to the reopened Offer not represent more than 10% of the share capital and voting rights of the Company, the Offeror has announced its intent to apply to the AMF to implement a squeeze-out in accordance with Articles 237-1 et seq. of the AMF's general regulation in order to acquire the shares in the Company not tendered to the Offer (except for the shares held by the Offeror and the treasury shares held by the Company), for a compensation of the affected shareholders equal to the Offer price (as adjusted, if applicable, in accordance with paragraph 2.2 of the Draft Offer Document).*

Findings of the Report of the Independent Expert

Natalie Rachou, as Chair of the Independent Directors Committee, took the floor and invited Olivier Peronnet and Christophe Lambert, representing Finexsi, to summarize their diligences and to outline the main findings of their report regarding the fairness of the Offer price.

First, the Independent Expert reminded the Board of Directors that "in accordance with Article 261-4 of the AMF's general regulation, we confirm that we have no known past, present or future links to the Company, the Offeror or the advisors, that may affect our independence and the objectiveness of our judgement in the framework of this assignment, and that we were thus able to fulfil our assignment independently."

The Independent Expert reminded the members of the Board of Directors that pursuant to the provisions of Article 261-1 of the AMF's general regulation, its assignment as independent expert consisted in drawing up a report on the fairness of the price per share offered in the context of the Offer. It also indicated that it had to (i) analyse the related agreements (accords connexes) and other agreements that could have a significant impact on the Offer price, (ii) perform a critical review of the Sponsoring Banks' evaluation report and (iii) an analysis of the comments received directly or indirectly of the minority shareholders.

The Independent Expert further provided to the members of the Board of Directors a summary of its work, which has been detailed during the meeting of the Independent Directors Committee that was held today, prior to the meeting of the Board of Directors.

The Independent Expert concluded that:

- *<u>With respect to the Offer price:</u>*

  "The present public tender offer gives ALTRAN's minority shareholders an immediate access to liquidity, along with a premium of 24.7% to the last quoted price preceding the announcement and 31.6% to the average share price during the 60 days preceding the announcement.

The Offer price also shows a 4.2% premium to the upper end of the DCF valuation range (Scenario 1), which is based on an ambitious business plan and, in our view, represents full value for ALTRAN without factoring in any execution risk.

We also note that the Offer price represents a premium to the listed peer-group valuation and is identical to that paid to shareholders organised around APAX PARTNERS when a block of shares was purchased on 2 July 2019."

– *<u>With respect to the related agreements and other agreements that may have a significant impact on the Offer price</u>:*

"Agreements that could materially influence the assessment or outcome of the Offer, as presented in the draft information memorandum, i.e. (i) the tender offer agreement dated 11 August 2019, (ii) share sale agreements relating to the block share purchase and (iii) the compensation mechanism, do not contain any financial provision that could threaten, in our view, the fairness of the Offer from the financial point of view.

On balance, our opinion is that the Offer price of €14.0 per share is fair for ALTRAN shareholders from a financial point of view."

In addition, after reviewing the agreement between Dominique Cerutti and Apax Partners, the Independent Expert indicates in his report that: "As this is an agreement between the target company's Chairman and Chief Executive Officer and a shareholder (and not the initiator), there is no reason to consider this contract as a related agreement signed within the framework of the Offer. However, so that shareholders are fully informed, we would note that mechanism for paying Mr. Dominique CERUTTI depends on the valuation of Apax Partners' investment at the time of its withdrawal, which depends on the Offer price for this transaction. Under these conditions, Mr. Dominique CERUTTI's interests seem aligned with those of the shareholders to whom this Offer is proposed insofar as this compensation mechanism means Mr. CERUTTI will seek to obtain the best selling price for the Altran shares."

The Report of the Independent Expert is reproduced in full in a schedule of the Draft Response Document.

After hearing the conclusions of the Independent Expert, and considering that their positive opinion in the proposed Offer from CAPGEMINI was apparent in particular from the fact that they each contributed, in their respective roles, to its formation, Dominique Cerutti, Maurice Tchenio and Gilles Rigal decided not to attend the rest of the meeting and to take part in the discussions of the Board of Directors and in the vote that followed on the reasoned opinion that the Board was invited to issue. Christian Bret did the same.

Dominique Cerutti, Maurice Tchenio, Gilles Rigal and Christian Bret, as well as their respective counsels, left the Board of Directors meeting.

In light of the above, all members present and represented taking part in the vote on the resolution, noting that the quorum requirements were still met, decided unanimously to appoint Nathalie Rachou as Chair of the meeting to continue the review of this item on the agenda.

The members of the Independent Directors Committee then presented to the Board of Directors their findings.

Findings of the Independent Directors Committee

The Chair of the Independent Directors Committee indicated that, as part of its assignment, the Independent Directors Committee met on 11 occasions including 9 times with the Independent Expert and ensured in particular that the Independent Expert was provided with all relevant information required for the completion of its assignment, and that it has been able to carry out its work in satisfactory conditions.

The Chair of the Independent Directors Committee then specified that the Independent Directors Committee, during its meeting held today, after reviewing all the above-mentioned necessary information submitted to the Board of Directors for its reasoned opinion, noted the following:

– *<u>With respect to the merits of the Offer for the Company</u>:*

- *Industrial, commercial and financial strategy and policy:*

  - *the Offeror is a world leader in consulting, IT services and digital transformation. The Company is one of the world's leading players in engineering and R&D services, with a portfolio of high-profile clients, extensive sector expertise and in-depth understanding of industrial business processes and operational technologies. The combination of the two companies would leverage its unique positioning in particularly promising segments. This project is the first major combination of two leaders in complementary fields of technology which tend to converge with the advent of digital and the diffusion of new technologies in all activities (including the cloud, the internet of things, Edge computing, artificial intelligence, 5G): that of operational technologies (for the Company) and that of information technologies (for CAPGEMINI);*

  - *the Offeror intends, in particular, to strengthen its leadership in the fast-growing market of Engineering and R&D services by leveraging the new group's recognized sector expertise to develop an offer in this promising segment, as well as its role as the strategic partner of choice of its customers in the "Intelligent Industry" market, which offers strong growth potential.*

- *Merger and other reorganizations: furthermore, the Offeror indicates that it reserves the right (i) to examine potential merger between the Company (or any other entities of the Altran Technologies group) and itself or any other entities of the CAPGEMINI group, or any asset or business transfers, including by way of contribution or sale, between the Company (or any other entities of the Altran Technologies group) and the Offeror (or any other entities of the CAPGEMINI group) and (ii) to carry out any other reorganization of the Company (or other entities of the Altran Technologies group). The Offeror indicates that to date no decision has been taken and no feasibility study has been undertaken;*

- *Composition of the corporate bodies and management of the Company: subject to the success of the Offer, the Offeror intends to submit to the shareholders' meeting of the Company a resolution to appoint its representatives to the Board of Directors of the Company in order to reflect the Company's new shareholding structure, as well as to renew or appoint directors not related to the CAPGEMINI group for a period covering at least the period during which the Company's shares will remain admitted to trading on Euronext Paris. In addition, in the context of the off-market acquisition, it is specified that Altrafin Participations has undertaken that Amboise Partners, represented by Maurice Tchenio, and Gilles Rigal resign from their position as directors of the Company on the settlement date of the Offer. The Offeror also intends to continue to rely on the expertise of the Company's managing teams on terms that have not been established yet;*

– *<u>With respect to the merits of the Offer for the shareholders</u>:*

- *the price per share of the Offer, adjusted for the 0.24 euro coupon detached on 27 June 2019, implies (i) a premium of 24.7% over the closing price of the Company's shares immediately before the announcement of the contemplated Offer, i.e., on 24 June 2019, (ii) a premium of 29.5 % over the volume-weighted average share price for the month preceding the announcement of the contemplated Offer and (iii) a premium of 31,6% over the volume weighted average share price for the last 60 days preceding the announcement of the contemplated Offer;*

- *the Independent Expert noted that the offered price of 14 euros implies a premium compared to all of the assessment criteria it selected on a principal basis, and that such price is fair from a financial point of view for the shareholders of the Company;*

- *The Opinions of the Financial Advisors addressed to the Board of Directors (as described above) concluded that the Offer price is fair from a financial point of view for the Company's shareholders;*

- *Dividend policy: the Offeror reserves the right to modify the Company's dividend policy following the Offer, in accordance with applicable laws and the Company's articles of association, and subject, in particular, to its distribution capacity and financing needs. The Offeror also reserves the right to cease distributing dividends in order to give the Company more resources to ensure its development and debt reduction. The Offeror indicates that to date no decision has been taken;*

– *<u>With respect to the merits of the Offer for the employees</u>:*

- *Employment orientation: the Offeror indicates that the Offer is part of its development strategy. It is not expected to have a material impact on the Company's workforce and human resources management policy, with the exceptions of the ones resulting from the integration process that will start after closing of the transaction. The Offeror indicates that to date no decision has been taken and no feasibility study has been undertaken;*

- *the CCUES, at its meeting of 2 August 2019, issued a reasoned favourable opinion on the Offer;*

- *the CEE, at its meeting of 8 August 2019, issued a reasoned favourable opinion with reservations on the Offer;*

- *Situation of the beneficiaries of rights to free shares: the Company has agreed to offer a cash compensation mechanism (the terms of which are described in paragraph 2.4 of the Draft Offer Document) to beneficiaries of rights to receive free shares who will not be able to tender them to the Offer. This mechanism will result in the waiver by the beneficiaries of their rights to receive such free shares in consideration of the payment by the Company of an indemnity upon expiry of the vesting period applicable to each free share plan, subject to the satisfaction of the presence and performance conditions. Each beneficiary having accepted the compensation mechanism shall receive a gross amount in cash corresponding, for each right to receive free shares, to the Offer price indexed on the evolution of the stock price of a CAPGEMINI share between the date of the settlement-delivery of the Offer and the end of the corresponding vesting period, it being specified that this evolution may not be more than +20% and less than (-20%);*

– *<u>With respect to the squeeze-out</u>:*

- *if the number of shares not tendered to the Offer do not represent more than 10% of the share capital and of the voting rights of the Company after closing of the Offer or, as the case may be, of the reopened Offer, the Offeror intends to apply to the AMF to implement, within a period of ten trading days following the publication of the results of the Offer or, where applicable, within a period of three months from the closing of the reopened Offer, a squeeze-out in order to acquire the shares not tendered to the Offer (with the exception of the shares held by the Offeror and of the treasury shares held by the Company), for a compensation of the affected shareholders equal to the Offer price (as adjusted, if applicable, in accordance with paragraph 2.2 of the Draft Offer Document).*

Reasoned opinion of the Board of Directors

In light of the main information submitted to the Board of Directors for a reasoned opinion, and in particular the objectives and intentions expressed by the Offeror, the findings of the Report of the Independent Expert and the analysis and conclusions of the Independent Directors Committee, and following detailed exchanges of views on this basis, all present and represented members of the Board of Directors participating in the vote on the resolution, upon recommendation of the Independent Directors Committee, unanimously endorsed the reasoned opinion as drafted by the Independent Directors Committee without any amendments and therefore:

- *acknowledged that the Independent Expert, after implementing a multi-criteria approach for purposes of assessing the Company's value, concluded that the Offer is fair from a financial point of view for shareholders, both in terms of the price level offered, the conditions of the Offer and the content of the agreements related to the Offer and other agreements that may have a significant impact on the Offer price;*
- *acknowledged that the CCUES issued a reasoned favourable opinion on the Offer;*
- *considered accordingly that the contemplated Offer, as described in the Draft Offer Document, is in the interest of the Company, its shareholders and its employees and issue a favourable opinion regarding the contemplated Offer;*
- *considered that the Offer represents an opportunity for shareholders who wish to tender their securities to the Offer to benefit from an immediate and full liquidity under conditions which offer them a significant premium over the market price;*
- *recommended to the Company's shareholders to tender their shares to the Offer;*
- *noted that all the directors indicated their intention to tender to the Offer all the shares they hold in the Company, except those shares which they hold in their capacity as directors in application of the internal regulations of the Company;*
- *decided that the treasury shares held by the Company, including the shares held on behalf of the company by Exane BNP-Paribas under a liquidity agreement, will not be tendered to the Offer;*
- *approved the Draft Response Document; and*
- *approved the draft press release relating to the filling of the Draft Response Document previously send to them;*
- *granted full power to the Chief Executive Officer, with the ability to delegate to any person of his choice, in order to:*
    - *finalize the documentation relating to the Offer and in particular the Draft Response Document of the Company;*
    - *sign and file with the AMF any document required as part of the Offer, in particular the "Other Information" document relating to the characteristics, and in particular the legal, financial and accounting characteristics, of the Company;*
    - *sign any statement required as part of the Offer; and*
    - *more generally, take any necessary steps required for the successful completion of the Offer, in particular entering into and signing, on behalf and for the Company, all transactions and documents that are required and pertain to the completion of the Offer, including any press release.*"

Additional information having been added to the independent expert's report since 22 September 2019, the members of the Company's Board of Directors met again on 10 October 2019, further to notice of meeting from the Chairman, in order to acknowledge again the independent expert's report dated 22 September 2019 and amended on 10 October 2019.

All members of the Company's Board of Directors attended *via* conference call, except Mrs Martha Crawford, who was represented by Mrs Renuka Uppaluri, and Mr Christian Bret, who was represented by Mr Gilles Rigal.

After discussion, the Company's Board of Directors, upon recommendation of the Independent Directors Committee, acknowledged, by the unanimous vote of its members present or represented and participating in the vote on the resolution[20], that the findings of the independent expert's report remains unchanged and that its reasoned opinion on the Offer should be maintained in the same terms as expressed above.

3. INTENTIONS OF THE MEMBERS OF ALTRAN TECHNOLOGIES' BOARD OF DIRECTORS

All of the directors of the Company have expressed their intention to tender all the shares that they hold in the Company, except for those shares which they hold in their capacity as directors of the Company pursuant to the internal regulations of the Company.

4. INTENTIONS OF THE COMPANY REGARDING TREASURY SHARES

As at the date of this Response Document, the Company held 2,461,800 of its own shares, of which 106.066 are held by Exane BNP Paribas on behalf of the Company under a liquidity agreement that was suspended on 25 June 2019.

In the Tender Offer Agreement, the Company undertook not to tender its treasury shares to the Offer.

5. OPINION OF THE CENTRAL COUNCIL OF ALTRAN TECHNOLOGIES' ECONOMIC AND SOCIAL UNIT

In accordance with Articles L. 2323-35 *et seq.* of the French Employment Code, the CC UES was consulted as part of the process for informing and consulting with employee representative bodies of Altran Technologies on the proposed Offer.

Three (3) meetings were held with staff representatives on 4 July, 10 July and 2 August 2019.

The CC UES appointed Technologia Expertises pursuant to Articles L. 2323-38 *et seq.* of the French Employment Code. Technologia Expertises' report is reproduced in full in Schedule 3 in accordance with Article 231-19 of the AMFGR and Article L. 2323-39 of the French Employment Code.

In light of the information provided by Altran Technologies, the discussions with Capgemini representatives and the report issued by Technologia Expertises, the CC UES issued, in a document entitled "*Statement of the Altran Technologies CCUES in the information/consultation procedure for the contemplated tender offer by Capgemini SE for Altran Technologies SA*", a favourable reasoned opinion on the proposed Offer on 2 August 2019. The members of the CC UES indeed concluded their statement by indicating: "*The present statement constitutes a favourable reasoned opinion on the part of the Altran Technologies CCUES*".

The CC UES' opinion on the proposed Offer is reproduced in full in Schedule 2, pursuant to the provisions of Article 231-19 of the AMFGR and of Article L. 2323-39 of the French Employment Code.

After the CC UES' opinion issued on 2 August 2019 on the proposed Offer, Altran Technologies' Board of Directors took its decision on 22 September 2019 in application of the provisions of Article L. 2323-39 of the French Employment Code.

6. AGREEMENTS THAT MAY HAVE A MATERIAL EFFECT ON THE VALUATION OF THE OFFER OR ITS OUTCOME

With the exception of (i) the Tender Offer Agreement, (ii) the Share Purchase Agreements and (iii) the Indemnification Mechanism, the Company is not aware of any agreement that would have an impact on the valuation of the Offer or its outcome.

[20] Mr Dominique Cerutti, Mr Gilles Rigal and Amboise Partners represented by Mr Maurice Tchenio did not take part in the discussions and the vote.

7. INFORMATION THAT MAY HAVE AN IMPACT IN THE EVENT OF A TENDER OFFER

7.1 Share capital structure and allocation

As stated in paragraph 1.1 of the Response Document, Altran Technologies' share capital amounts to €128,510,552.50 divided into 257,021,105 ordinary shares of the same class, fully subscribed for and paid up, with a nominal value of €0.50 each.

On 30 September 2019, the number of voting rights was 257,814,914 (including 2,461,800 voting rights attached to treasury shares temporarily deprived of voting rights). Fully paid-up shares that have been registered for at least four (4) years carry double voting rights.

As at 30 September 2019 and to the Company's knowledge, share capital and theoretical voting rights in Altran Technologies were distributed as follows:

Shareholder	Number of shares	% of share capital	Number of theoretical voting rights	% of theoretical voting rights[21]
Capgemini	29,378,319	11.43%	29,378,319	11.40%
Crédit Suisse Group AG	15,178,721	5.91%	15,178,721	5.89%
FCPE Altran	644,975	0.25%	644,975	0.25%
Free-float	209,357,290	81.45%	210,151,099	81.51
Treasury	2,461,800	0.96%	2,461,800	0.95%
Total	**257,021,105**	**100%**	**257,814,914**	**100%**

7.2 Restrictions on the exercise of voting rights and transfer of Altran Technologies shares or provisions of agreements notified to the Company pursuant to Article L. 233-11 of the French Commercial Code

7.2.1 Restrictions on the exercise of voting rights or transfer of shares under the Company's articles of association

(A) **Obligation to notify threshold crossing**

In addition to the applicable statutory and regulatory thresholds, Article 7.3 of the Company's articles of association provides that any person or entity, acting alone or in concert, who exceeds the threshold of owning, directly or indirectly, 0.5% or more (or any multiple thereof) of the Company's shares, voting rights, or securities giving future access to the Company's share capital, must notify the Company, within five (5) days of crossing the threshold, by registered letter with acknowledgement of receipt stating the total number of shares, voting rights, or securities giving access to the Company's share capital that it holds either alone or in concert, directly or indirectly. This obligation applies under the same conditions each time an above-mentioned threshold is crossed downwards.

If such notice is not made under the above-mentioned conditions, and if the following penalty is requested by one or more shareholders owning a minimum of 5% of the Company's share capital or voting rights, the Altran Technologies shares in excess of the portion for which notice should have been given are deprived of voting rights at any shareholders' meetings that may be held, until two (2) years have passed following the date on which the above notification obligation has been satisfied.

[21] In application of Article 223-11 of the AMFGR, theoretical voting rights are calculated based on all shares with voting rights, including those deprived of such rights (treasury shares).

(B) **Share transfers**

No clause from the articles of association has the effect of restricting share transfers.

(C) **Double voting rights**

Under Article 9 of the Company's articles of association, double voting rights are attributed to fully paid-up shares in respect of which it is shown that they have been held in the name of the same shareholder in registered form for at least four (4) years. This article specifies that any shares converted to bearer form, or whose ownership changes hands, lose their double voting rights except in cases provided for by law.

7.2.2 <u>Shareholders' agreements of which the Company is aware that could trigger restrictions on share transfers or voting rights</u>

As at the date of this Response Document, the Company is not aware of any agreement between shareholders that could trigger restrictions on the transfer of Altran Technologies shares or on the exercise of voting rights.

7.2.3 <u>Clauses from agreements providing for preferential conditions for the sale or acquisition of shares involving at least 0.5% of the Company's share capital or voting rights</u>

As at the date of this Response Document, the Company is not aware of any agreement providing for preferential conditions for the sale or acquisition of Altran Technologies shares involving at least 0.5% of the Company's share capital or voting rights.

7.3 Direct and indirect stakes in Company share capital for which threshold or securities transaction notifications (*déclaration de franchissement de seuil/d'opération sur titres*) have been made

As at the date of this Response Document and as far as the Company is aware, the share capital is allocated as stated above in paragraph 7.1.

The Company has received the following threshold notifications under Article L. 233-7 of the French Commercial Code since 1 January 2019:

- Select Equity Group L.P., acting on behalf of its managed funds and clients, declared that it crossed downwards the thresholds of 5% of Altran Technologies' share capital and voting rights on 25 June 2019, and holding 10,921,720 shares and voting rights, i.e. 4.25% of share capital and 4.05% of voting rights;
- The Offeror declared that it crossed upwards the 5% and 10% thresholds of Altran Technologies' share capital and voting rights on 24 June 2019, and holding 29,378,319 shares and voting rights, i.e. 11.43% of share capital and 11.39% of voting rights. The Offeror's intents for the coming twelve (12) months are stated in paragraph 1.3 of the Offer Document;
- The Sellers declared that they crossed downwards the thresholds of 15% of voting rights, and of 10% and 5% of share capital and voting rights in Altran Technologies on 2 July 2019 and that they no longer own any Company shares;
- Norges Bank declared that it crossed upwards the thresholds of 5% of Altran Technologies' share capital and voting rights on 9 August 2019, and holding 13,189,968 shares and voting rights, i.e. 5.13% of share capital and 5.12% of voting rights;
- Norges Bank declared that it crossed downwards the thresholds of 5% of Altran Technologies share capital and voting rights on 12 August 2019, and holding 12,119,089 shares and voting rights, i.e. 4.72% of share capital and 4.70% of voting rights;
- Crédit Suisse Group AG declared that it crossed upwards the thresholds of 5% of Altran Technologies' share capital and voting rights, indirectly through subsidiaries, on

2 September 2019, and holding 12,916,555 shares voting rights, i.e. 5.03% of share capital and 5.01% of voting rights;

- Elliott Capital Advisors, L.P., acting on behalf of funds under its management, declared that it crossed upwards the thresholds of 5% of Altran Technologies share capital and voting rights on 25 September 2019, and holding on behalf of such funds 13,547,436 shares and voting rights, i.e. 5.27% of share capital and 5.25% of voting rights (including 13,547,336 shares by assimilation from equity cash settled swap agreements);
- Société Générale declared that it crossed upwards the thresholds of 5% of Altran Technologies' share capital and voting rights, indirectly through subsidiaries, on 1 October 2019, and holding 13,017,744 shares and voting rights, i.e. 5.06% of share capital and 5.05% of voting rights
- Société Générale declared that it crossed downwards the thresholds of 5% of Altran Technologies share capital and voting rights on 2 October 2019 and that it no longer own any Company shares;
- JP Morgan Chase & Co declared that it crossed upwards the thresholds of 5% of Altran Technologies' share capital and voting rights, indirectly through subsidiaries, on 3 October 2019, and holding indirectly 13,256,954 shares and voting rights, i.e. 5.16% of share capital and 5.14% of voting rights (including, on 2 October 2019, 11,304,378 shares by assimilation from equity cash settled swap agreements).

7.4 List of holders of securities with special control rights and description

As far as the Company is aware, there are no holders of securities with special control rights other than the double voting rights described above in paragraph 7.2.1(C).

7.5 Control mechanisms in any employee shareholding scheme where control rights are not exercised by employees

As at 30 September 2019, FCPE Altran Actionnariat held 644,975 shares representing 0.25% of shares and 0.25% of voting rights in the Company.

FCPE Altran Actionnariat is managed by a supervisory board. The FCPE Altran Actionnariat supervisory board is scheduled to meet soon to take a decision on whether to tender its Altran Technologies shares to the Offer.

7.6 Rules for appointing and replacing members of the Board of Directors and amending the articles of association of Altran Technologies

7.6.1 Rules for appointing and replacing members of the Board of Directors

In accordance with Article 11 of the Company's articles of association, the Company is managed by a Board of Directors composed of at least three (3) and at most eighteen (18) members (in the case of a merger, this maximum may be exceeded in the conditions and within the limits set by the French Commercial Code), to which should be added the director(s) representing employees.

Board members serve four (4) year terms, subject to age limitations. Board members may always be re-appointed subject to those same limitations.

The Board of Directors cannot be composed of more than one third of directors who are older than 75 years of age. If this proportion is exceeded because one of the active directors exceeds the age of 75, the oldest Director is deemed to resign at the end of the next ordinary general meeting.

With the exception of directors representing employees, directors are appointed to their role by the shareholders at a general meeting pursuant to the conditions laid down by law.

Directors may be removed at any time by way of a decision of the shareholders in an ordinary general meeting.

If one or more seats on the Board become vacant due to death or resignation, the Board of Directors may make temporary appointments between general meetings and submit these for approval at the following ordinary general shareholders meeting. Any director appointed to replace another director whose term had not expired can only serve the remaining time on their predecessor's term.

One director representing employees is appointed by the trade union that won the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code within the Company and its direct or indirect subsidiaries that are headquartered in France. When the number of directors appointed by the general meeting is greater than twelve (12), a second director representing employees is appointed by the trade union that won the second-highest number of votes in the first round of these elections. The term of office of the directors representing the employees is four (4) years. Their duties end at the conclusion of the General Meeting convened to approve the financial statements of the financial year ended in the year in which their term expires.

In compliance with applicable legal provisions, the appointed Director must hold an employment contract with the Company, or with a direct or indirect subsidiary whose registered office is located in the territory of France, concluded at least two years prior to their appointment.

The Board of Directors' internal regulations stipulate that each director must personally own at least 3,800 Company shares during their term of office. Directors representing employees are not required to own a minimum number of shares.

7.6.2 Rules applicable to amending the articles of association

In accordance with Article L. 225-96 of the French Commercial Code, only the extraordinary general meeting may amend any provisions of the Company's articles of association.

Decisions taken at an extraordinary general meeting are only valid if present or represented shareholders hold at least one quarter of voting shares on first notice of meeting, or one-fifth on second notice of meeting; the decision must be taken by a two-thirds majority vote of present or represented shareholders.

7.7 Powers of the Board of Directors, including with regards to share issues or buybacks

Aside from the general powers provided for by law and the articles of association, the Company's Board of Directors holds the following powers and delegated authority granted by the general meeting:

Type of delegation/authorisation	Date of general meeting	Term/expiry	Limitations	Actual use
Delegation of authority to issue shares and/or securities giving access to the Company's share capital, with preferential subscription rights	27 April 2018 (12th resolution)	26 months / 27 June 2020	Maximum total share capital increase (nominal value): 20 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-
Authorisation to grant existing or to-be-issued free shares to employees of the Company and companies linked to it	27 April 2018 (14th resolution)	38 months / 27 June 2021	3% of outstanding shares making up Company's share capital on the date of granting	1,712,123 free shares allocated

Type of delegation/authorisation	Date of general meeting	Term/expiry	Limitations	Actual use
Authorisation to trade in Company shares[22]	15 May 2019 (14th resolution)	18 months / 15 November 2020	Maximum unit purchase price: 15 euros Maximum total shares: 10,000,000 Maximum total amount invested in share buyback programme: 150 million euros	1,122,683 shares purchased 1,294,117 shares sold
Authorisation to reduce Company share capital by cancellation of treasury shares	15 May 2019 (15th resolution)	18 months / 15 November 2020	10% of Company's share capital per 24-month period	-
Delegation of authority to issue shares and/or securities giving access to the share capital, without preferential subscription rights, by way of public offering	15 May 2019 (16th resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 7.5 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-
Delegation of authority to issue shares and/or securities giving access to the share capital, without preferential subscription rights, by way of private placement	15 May 2019 (17th resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 7.5 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-
Delegation of authority to increase the number of shares to be issued in the event of a share issue with shareholders' preferential subscription rights maintained or cancelled	15 May 2019 (18th resolution)	26 months / 15 July 2021	15% of initial issue(1) (2)	-
Delegation of authority to increase the share capital through incorporation of reserves, earnings, premium or other amounts that may be incorporated	15 May 2019 (19th resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 20 million euros	-
Delegation of powers for the purposes of issuing, up to a maximum of 10% of the share capital, shares and/or securities giving access to the share capital, to remunerate contributions in kind made to the Company	15 May 2019 (20th resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 7.5 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-

22 The liquidity agreement with Exane – BNP Paribas was suspended on 25 June 2019.

Type of delegation/authorisation	Date of general meeting	Term/expiry	Limitations	Actual use
Delegation of authority to issue shares and/or securities giving access to the share capital in the event of a public exchange offer initiated by the Company	15 May 2019 (21st resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 7.5 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-
Delegation of authority to carry out capital increases reserved for employees who are members of a Company savings plan	15 May 2019 (22nd resolution)	26 months / 15 July 2021	Maximum total share capital increase (nominal value): 3 million euros(1) Maximum total issue of debt securities (nominal value): 112.5 million euros(2)	-

(1) Maximum combined nominal value of share capital increases: 20 million euros (across the 16th, 17th, 18th, 20th, 21st and 22nd resolutions of the General Meeting held on 15 May 2019 and the 12th resolution of the General Meeting held on 27 April 2018).

(2) Maximum combined nominal value of debt securities: 112.5 million euros (across the 16th, 17th, 18th, 20th, 21st and 22nd resolutions of the General Meeting held on 15 May 2019 and the 12th resolution of the General Meeting held on 27 April 2018).

7.8 Material agreements entered into by the Company which would be amended or terminated in the event of a change of control of the Company

The Company is aware that the following agreements contain special provisions likely to have an effect in the event of a change of control of the Company:

- The Senior Facilities Agreement dated 15 February 2018 entered into in particular between the Company and several banks in connection with the acquisition of Aricent, under which the Company was granted (i) a €2,125 million term loan, (ii) a €250 million bridge loan, and (iii) a €250 million revolving facility, contains provisions stating that all new financing established under the Senior Facilities Agreement may become redeemable in advance in the event of a change of control of the Company, including changes involving ownership of more than 30% of voting rights in the Company by one or more shareholders acting alone or in concert. Under the Tender Offer Agreement, the Offeror commits to provide necessary available funds in the event of an early reimbursement upon a change of control;
- Agreements between Aricent and IBM, as well as most agreements between Group companies and their customers, contain a change of control clause that could be implemented in certain cases and under certain conditions if a tender offer results in a change of control of the Company. In this regard, and in the context of the Offer, the Company reviewed its main agreements in order to identify such clauses. To the Company's knowledge at the date of the Response Document, no client has expressed their intention to terminate its contractual relationship with the Company or its subsidiaries due to the change of control of the Company that could result in the event that the Offer is successful.

7.9 Agreements providing for severance and termination payment for members of the Company's Board of Directors or employees if they resign or in case their term of office / employment is terminated without cause or ceases due to a tender offer

In accordance with the procedure for related party commitments set out in Article L. 225-42-1 of the French Commercial Code, the Company's shareholders took a decision at the combined general meeting held on 15 May 2019 on whether to maintain the multi-year variable remuneration for the Chairman and Chief Executive Officer of the Company in certain specific instances where he ceases to hold this office (7th resolution). Payment of multi-year variable remuneration depends on fulfilment of performance criteria. The particulars of this commitment are described in detail in section 3.1.2.2 ("*Remuneration of executive corporate officers* ") of the Company's 2018 Registration Document.

In addition, a limited number of key employees of the Company have employment contracts providing for contractual severance compensation in the event of a dismissal (other than for gross negligence (*faute grave*) or wilful misconduct (*faute lourde*)) or resignation due to (x) reduced base salary and/or target variable remuneration or (y) significantly reduced role and responsibilities, within eighteen (18) months after a change of control of the Company. This compensation is equal to 100% of total annual (fixed and variable) gross remuneration, plus any unpaid variable remuneration owed to the employee calculated *prorata temporis* on the basis of 100% fulfilment of targets.

8. INDEPENDENT EXPERT REPORT

Pursuant to Article 261-1, I., 2° (not applicable by virtue of the absence of an agreement between one of the Company's corporate officers and the Offeror) and 4° of the AMFGR, on 9 August 2019, the Board of Directors of the Company appointed Finexsi, represented by Mr. Olivier Péronnet and Mr. Christophe Lambert, as independent expert to prepare a report on the financial terms of the Offer.

The report presented during the Company's Board of Directors meeting held on 22 September 2019 and attached in Schedule 1 of the Company's draft Response Document filed on 23 September 2019 to the AMF, was subject to several changes including complementary information being added since 22 September 2019, which do not modify its substance or the findings presented to the Board of Directors; this complete report replaces the report previously issued.

The report, established on 22 September 2019 and amended on 10 October 2019, is reproduced in full in Schedule 1.

9. PROVISION OF COMPANY INFORMATION

In accordance with Article 231-28 of the AMFGR, other information relating to the Company, in particular its legal, financial and accounting characteristics, will be filed with the AMF no later than the day before the opening of the Offer. It will also be available on the websites of the Company (www.altran.com) and the AMF (www.amf-france.org), and may be obtained free of charge from Altran Technologies' registered office at 96, avenue Charles de Gaulle, 92200 Neuilly-sur-Seine – FRANCE

10. PERSONS RESPONSIBLE FOR THE RESPONSE DOCUMENT

"*To my knowledge, the information provided in this response document is true there is no omission that could affect its significance.*"

Dominique Cerutti
Chairman and Chief Executive Officer
Altran Technologies

SCHEDULE 1
Report of the Independent Expert

Free translation of the original report on the « *ATTESTATION D'EQUITE – Offre Publique d'achat initiée par la société CAPGEMINI sur les actions de la société ALTRAN TECHNOLOGIES (Rapport complété par rapport à la version du 22 septembre 2019)* » issued by the Independent Expert, dated 10 October 2019.

In the event of any discrepancies in translation or in interpretation, the French version should prevail.

FAIRNESS OPINION

Public tender offer by CAPGEMINI for the shares of ALTRAN TECHNOLOGIES

10 of October 2019

Provides additional information to our report of 22 September 2019

Contents

As part of the public tender offer (hereinafter "Offer") by Capgemini for the shares of ALTRAN TECHNOLOGIES (hereinafter "ALTRAN" or the "Company"), we have been appointed as independent appraiser by ALTRAN's Board of Directors to assess the a of the Offer's financial terms. The Offer follows the agreement of exclusive negotiations between the parties, it being specified that CAPGEMINI also announced on 24 June 2019 the signing of a definitive agreement for the off-market purchase, of a block of shares representing 11.43% of ALTRAN's capital and 11,40% of voting rights from shareholders organised around APAX PARTNERS[1].

We were appointed by ALTRAN's Board of Directors on 9 August 2019 on the basis of article 261-1 I of the general regulation of the Autorité des Marchés Financiers (AMF) in view of the existence of agreements (sale of the APAX PARTNERS block which includes a Top-Up right, Tender Offer Agreement, consultant contract of Mr. Dominique CERUTTI concluded in 2015 between a company held by the latter and APAX PARTNERS), likely to generate conflicts of interest because of their entry into the scope of Article 261-1 . When performing our assignment, we used public documents and information sent to us by ALTRAN. These documents were regarded as accurate and exhaustive and were not subject to any particular checks. We did not seek to validate historical or forward-looking data, and we only checked the plausibility and consistency of those data. The assignment did not consist of auditing financial statements, contracts, litigation or any other document sent to us and which we collected solely for the purpose of our assignment.

This report provides additional information to our report of 22 September 2019 to take into account the comments made by certain shareholders. **Our conclusion regarding the fairness of the Offer price remains unchanged from our 22 September 2019 report.**

For the purposes of full disclosure for the reader, the main changes concerned the following sections:

- Section 5.4.1.2: addition of a footnote specifying the betas of comparable companies used in our calculation, change to sensitivity analysis tables (+ or -0.5 points for the discount rate) and consequently a change to the range of values for the DCF method;
- Section 5.4.1.4: additional information concerning ALTEN's share price performance after the Offer was announced, change to the calculation of AKKA's net debt resulting in a slight increase in multiples obtained using this comparable and consequently an adjustment to the range of values, addition of a footnote stating the values resulting from the application of median multiples;
- Section 5.4.1.5: addition of a table showing the last target prices released by analysts after the announcement of the Offer;
- Section 5.4.1.6: addition of a footnote stating the values resulting from the application of median multiples;
- Section 8.1: addition of a footnote concerning analysts' discount rates, addition of several developments concerning the additional SORGEM report and the report by Mr. NAHUM and Mr. PAPER concerning in particular their comments relating to the discount rate and the sample of comparable companies;

[1] ALTRAFIN PARTICIPATIONS, Mr. Alexis KNIAZEFF and Mr. Hubert MARTIGNY, ALTRAN's founders.

- Section 8.3: addition of a new paragraph concerning a report by UFP of 4 October 2019;
- Section 8.4: addition of a new paragraph concerning comments received from a minority shareholder and passed on by the AMF;
- Section 9.1: addition of further developments concerning synergies announced by the Offeror;
- Section 9.2: addition of a development concerning premiums paid within the context of a takeover.

1 Presentation of the transaction

1.1 Companies concerned by the transaction

1.1.1 Presentation of the Offeror

CAPGEMINI is a world leader in consulting, IT services and digital transformation. Since it was founded in 1967, the group has developed through a strategy of diversifying its business activities and geographical markets.

CAPGEMINI has more than 210,000 employees in more than 40 countries. It operates in the financial services, automotive, life sciences, consumer goods, retail, distribution, transportation, energy, telecoms and media industries as well as the public sector.

CAPGEMINI is a *"société européenne"* (European company) incorporated in France, whose head office is located at 11 rue de Tilsitt, 75017 Paris.

Its share capital amounts to €1,338,349,840. It is registered with the Paris Trade and Companies Register under number 330 703 844.

CAPGEMINI'S shares are admitted for trading on EURONEXT PARIS (compartment A, ISIN code FR0000125338).

After carrying out the off-market purchase of a block of shares from shareholders[2] organised around APAX PARTNERS on 2 July 2019[3], CAPGEMINI owns 11.43% of ALTRAN's capital and 11.40% of voting rights at the date of this report.

1.1.2 Presentation of the company that is the subject of the Offer

ALTRAN was founded in 1982 and is a *"société anonyme"* (public limited company) incorporated in France with share capital of €128,510,552.50 at 30 June 2019. It is the parent company of the ALTRAN group. With almost 47,000 employees worldwide, the ALTRAN group operates in more than 30 countries and was France's leading provider of digital services in the engineering and research and development ("R&D") segments in 2018[4].

ALTRAN is registered at the Nanterre Trade and Companies Registry under number 702 012 956 and its head office is located at 96 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine.

At 30 June 2019, ALTRAN's share capital amounted to €128,510,552.50, comprising 257,021,105 shares with par value of €0.50 each. ALTRAN's shares are admitted for trading on EURONEXT PARIS (compartment A, ISIN code FR0000034639).

[2] ALTRAFIN PARTICIPATIONS, Mr Alexis KNIAZEFF and Mr Hubert MARTIGNY.
[3] This transaction follows the definitive agreement concerning the acquisition of this share block signed on 24 June 2019.
[4] Company website.

Ownership of ALTRAN's capital and exercisable voting rights at 18 September 2019, after CAPGEMINI purchased its 11.43% block, was as follows:

Shareholders	Number of shares	% of share capital	Number of theorical voting rights	% of theorical voting rights
Capgemini	29 378 319	11,43 %	29 378 319	11,40 %
Crédit Suisse Group AG	13 990 334	5,44 %	13 990 334	5,43 %
FCPE Altran	646 598	0,25 %	646 598	0,25 %
Floating	210 544 054	81,92 %	211 338 928	81,97 %
Treasury shares	2 461 800	0,96 %	2 461 800	0,95 %
Total	***257 021 105***	***100 %***	***257 815 979***	***100 %***

Source : company

Shares held by the Company in treasury do not carry exercisable voting rights. Some shares carry double voting rights.

The Company has also set up free share allocation plans for Group employees subject to the fulfilment of presence conditions and performance conditions assessed over a minimum period of three consecutive financial years.

At 30 June 2019, there were three free share allocation plans, the main characteristics of which were as follows:

- 2017 free share allocation plan adopted by the Company's Board of Directors on 28 April 2017. The theoretical maximum number of shares that may be granted under this plan was 389,771 at 4 September 2019, subject to a performance criteria attainment rate of at least 110%, giving the right to acquire 120%[5] of remaining shares;
- 2018 free share allocation plan adopted by the Company's Board of Directors on 5 September 2018. The theoretical maximum number of shares that may be granted under this plan was 904,464 at 4 September 2019, subject to a performance criteria attainment rate of at least 110%, giving the right to acquire 120% of remaining shares;
- 2019 free share allocation plan adopted by the Company's Board of Directors on 15 May 2019. The theoretical maximum number of shares that may be granted under this plan was 1,111,004 at 4 September 2019, subject to a performance criteria attainment rate of at least 110%, giving the right to acquire 120% of remaining shares;

[5] This ratio of 120% is to be applied per individual within the cap of free share plan.

1.2 Description of the Offer

The Offer is presented in the draft tender offer document dated 22nd of September 2019 established by the company CAPGEMINI:

"[…] The Offer is for all the Altran Technologies shares not held by the Offeror[6]:

(i) that are currently issued and outstanding, i.e., to the best knowledge of the Offeror as of the date of this Draft Offer Document, a maximum number of 227,642,786 Altran Technologies shares[7], and

(ii) that may be issued prior to the closing of the Offer or the Reopened Offer […], as a result of the vesting of the free shares granted by Altran Technologies (the "Free Shares"), i.e., to the best knowledge of the Offeror as of the date of this Draft Offer Document, a maximum of 2,405,239 new Altran Technologies shares,

altogether representing, to the best knowledge of the Offeror as of the date of this Draft Offer Document, a maximum number of 230,048,025 Altran Technologies shares included in this Offer.

[…]"

1.3 Reasons for the Offer

"Two industry leaders join forces

[…] The combination of the two companies will create a group with revenues of €17 billion[8] and more than 265,000 employees[9]. This new entity will leverage its unique positioning in particularly promising segments.

This project is the first major combination of two leaders in complementary segments of technology which tend to converge with the advent of digital and the diffusion of new technologies in all activities (including the cloud, the internet of things, Edge computing, artificial intelligence, 5G): that of operational technologies[10] (for Altran Technologies) and that of information technologies (for Capgemini). In particular, it will enable the new entity to accelerate its ambition in digital transformation sectors for industrial players [see below] and strengthen its leadership in engineering and R&D (ER&D) services [see below].

[6] As of the date of this Draft Offer Document, the Offeror holds 29,378,319 Altran Technologies shares out of 257,021,105 issued and outstanding shares.
[7] On the basis of the information disclosed by the Company on its website as of 31 August 2019, in accordance with Article 223-16 of the AMF General Regulation. Based on the same information, this also includes treasury shares, i.e., 2,461,800 shares, it being specified that the Company undertook not to tender the treasury shares in the Offer.
[8] Based on the CapitalIQ consensus, as of September 17, 2019, of Capgemini and Altran Technologies for 2019.
[9] The estimated number of employees is based on the information included in the half-year results publications of Capgemini (July 30, 2019) and Altran Technologies (September 5, 2019).
[10] The scope of operational technology notably includes software, products & system engineering services, industrial information systems used to manage product lifecycle, manufacturing or delivery processes and mission critical information systems.

This transaction will allow Capgemini to grow in the emerging market of IT services for R&D, engineering for the manufacturing industry and supply chain managers.

<u>Strengthened leadership in the fast-growing market of Engineering and R&D services</u>

Engineering and R&D (ER&D) services are driven by the growth of business expenditure on R&D, which is higher than GDP growth, as well as by the increasing need of companies for outsourcing, particularly on rare high-tech skills. This sector is growing faster than IT services in recent years. The combination will allow the new entity, which will be the world leader in ER&D by size (particularly in the United States and in Europe), to leverage its recognized sector expertise to develop its offer in this promising industry.

The combined scope of these Engineering and R&D services activities will represent annual revenues of approximately €3.4 billion[11] and 54,000 professionals, including 21,000 in 5 Global Engineering Centers.

<u>Introducing a world leader in « Intelligent Industry »</u>

The new group will benefit from a unique ability to support industrial players in their digital transformation, by combining its intimate knowledge of their businesses, its privileged access to decision-makers and its portfolio of offers that spans digital transformation, consulting and innovation, information technologies (IT) and operational technologies[12] (OT). Building on these strengths, Capgemini will reinforce its role as the strategic partner of choice of its customers in this "Intelligent Industry" space, which is one of the future areas of digital transformation, located at the crossroads of two already very dynamic sectors: engineering and R&D (ER&D) services for industrial players and IT services for operations (R&D, production, supply chain, etc.)."

1.4 CFIUS regulatory approval

"Capgemini and Altran Technologies have made a voluntary joint filing with the Committee on Foreign Investment in the United States ("CFIUS"). The CFIUS approval does not constitute a condition precedent to the Offer or its opening, Capgemini having decided to waive such condition, as it was entitled to do pursuant to the Tender Offer Agreement, in view of the progress made in the authorization process."

[11] 2018 proforma estimates.
[12] The scope of operational technology notably includes software, products & system engineering services, industrial information systems used to manage product lifecycle, manufacturing or delivery processes and mission critical information systems.

1.5 Validity Threshold

"Pursuant to Article 231-9, I of the AMF General Regulation, the Offer will become null and void if on its closing date, the Offeror, acting alone or in concert in accordance with Article L. 233-10 of the French Commercial Code, does not hold a number of shares representing more than 50% of the share capital or the voting rights of the Company (such threshold being hereinafter referred to as the "Validity Threshold").

Whether the Validity Threshold is reached will not be known until the AMF publishes the definitive result or, if applicable, the provisional result, of the Offer.

If the Validity Threshold is not reached, the Offer will be void and the shares tendered in the Offer will be returned to their holders within three (3) trading days following publication of the notice that the Offer has become void, without any interest, indemnification or other payment of any nature whatsoever being due to such holders."

1.6 Withdrawal threshold

"In accordance with Article 231-9, II of the AMF General Regulation, the Offeror reserves the option, until the publication of the definitive result of the Offer by the AMF, to renounce to the Offer in case the threshold of 50.10% of the share capital and voting rights of the Company, on a fully diluted basis, taking into account the loss of double voting rights for the shares tendered in the Offer, is not reached (the "Withdrawal Threshold").

For the purposes of calculating the Withdrawal Threshold, the following will be taken into account:

(i) the numerator will include all the shares of the Company held by the Offeror, alone or in concert, directly or indirectly, on the closing date of the Offer (including treasury shares held or controlled by the Company, i.e. [2 461 800] shares), with the shares tendered in the Offer being considered as already held by the Offeror on the closing date of the Offer notwithstanding the non-implementation, on such date, of the settlement operations relating to the Offer;

(ii) the denominator will include all of the shares making up the share capital of the Company on a fully diluted basis on the closing date of the Offer, including any shares that may be issued under Free Share plans.

Whether the Withdrawal Threshold is reached will not be known until the AMF publishes the definitive result of the Offer, after it has been completed. In accordance with Article 231-9, II of the AMF General Regulation, if the Withdrawal Threshold is not reached, the Offeror reserves the right, until the AMF publishes the definitive result of the Offer, to renounce to the Offer. In the event that the Offeror exercises such right, the Altran Technologies shares tendered in the Offer will be returned to their holders without any interest, indemnification or other payment of any nature whatsoever being due to such holders.

In addition, the Offeror reserves the right to waive or lower the Withdrawal Threshold by filing an improved offer no later than five (5) trading days before the closing of the Offer, in accordance with Articles 232-6 and 232-7 of the AMF General Regulation."

1.7 Intentions of the Offeror over the next twelve months

1.7.1 Interest of the Offer for the Offeror, the Company, and their shareholders

"The shareholders of Altran Technologies who tender their shares in the Offer will receive immediate liquidity and a premium corresponding to[13]:

- *24.7% over the closing price of the Altran Technologies' share immediately prior the announcement of the proposed Offer, i.e. on June 24, 2019;*
- *29.8% over the volume-weighted average price for the last month preceding the announcement of the proposed Offer; and*
- *32.8% over the volume-weighted average price for the last 3 months preceding the announcement of the proposed Offer.*

[…]."

1.7.2 Synergies – Economic gains

"Capgemini aims to become a world leader in the digital transformation of industrial and technology companies. The combination with Altran Technologies will broaden the portfolio of offers that spans digital transformation, consulting and innovation, information technologies (IT) and operational technologies (OT). Capgemini will reinforce its role as the strategic partner of choice of its customers in this "Intelligent Industry" space, which is one of the future areas of digital transformation, located at the crossroads of two already very dynamic sectors: engineering and R&D (ER&D) services for industrial players and IT services for operations (R&D, production, supply chain, etc.).

The acquisition of Altran Technologies will enable Capgemini to:

(i) gain increased access to operational decision-makers from key accounts in dynamic industries (such as Aerospace, Automotive, Life Sciences and Telecommunications) including R&D, engineering for the manufacturing industry and supply chain;

(ii) broaden its portfolio of offers in engineering and R&D (ER&D) services to become the world's top player by size in this market; and

(iii) accelerate its development with major Internet and tech companies.

[13] *Share price adjusted for the dividend payment of 0.24 euros, ex-dividend date June 27, 2019.*

The transaction could result in:

(i) Costs synergies relating to the combination of the structures of the two groups and the sharing of Capgemini's know-how in terms of operating models. Such synergies are anticipated to reach an annual pre-tax run rate between 70 and 100 million euros on a full-year basis; and

(ii) Operating model synergies fueled by the complementarity of the expertise and the development of innovative-sectorial offers by Capgemini and the broader platform and financial surface provided by Capgemini to Altran Technologies. This should generate a yearly revenue of between 200 and 350 million euros.

These potential synergies could be fully realized within 3 years.

All these potential medium-term synergies are in essence of a notional and primarily forward-looking nature and their amount is provided for information purposes only. In this respect, it is specified that these potential synergies are only estimates made by Capgemini in the absence of a business plan prepared jointly with the management of Altran Technologies.

Potential synergies are mainly attributable to the optimization and acceleration of Capgemini's plan and not to productivity gains realized by Altran Technologies. In addition, implementation costs estimated to be around 150 million euros will be required and the implementation risks associated with achieving these synergies could not be accurately estimated."

1.7.3 Composition of the management and supervisory bodies of ALTRAN TECHNOLOGIES

"Subject to the success of the Offer, the Offeror intends to request to the shareholders' general meeting of the Company the appointment of its representatives to the board of directors of the Company, in order to reflect the new composition of the new shareholding, as well as the renewal or the appointment of directors unrelated to the Capgemini group, for a period at least equal to the period during which the shares of the Company will remain listed on Euronext Paris.

In addition, in the context of the Acquisition of the Blocks [described in Section 1.8], it is specified that Altrafin Participations has undertaken that Amboise Partners, represented by Mr. Maurice Tchenio, and Mr. Gilles Rigal resign from their position as directors of Altran Technologies on the settlement date of the Offer.

The Offeror intends to rely on the skills of the management teams of the Company under conditions that have not been definitely determined to date."

1.7.4 Employment policy

" The Offer is part of Capgemini ongoing development strategy. It should have no significant impact on the Company's current workforce and human resources management principles, with

the exception of the ones resulting from the integration process that will start after closing of the transaction. As of today, no decision has been made and no feasibility study has been initiated."

1.7.5 Merger – Other reorganizations

"The Offeror reserves the right to examine the possibility of a merger of the Company (or other entities of Altran Technologies' group) with itself or other entities of Capgemini's group, or a transfer of assets or activities, including by way of contribution or sale, between the Company (or other entities of Altran Technologies' group) and the Offeror (or any entity of Capgemini's group). The Offeror also reserves the right to carry out any other reorganization of the Company (or other entities of Altran Technologies' group). As of today, no decision has been made and no feasibility studies has been initiated."

1.7.6 Intents with respect to squeeze-out

"Pursuant to Articles L.433-4 II of the French Monetary and Financial Code and Articles 232-4 and 237-1 et seq. of the AMF General Regulation, the Offeror intends to apply to the AMF, within ten (10) trading days from the publication of the result of the Offer or, if applicable, within three (3) months from the closing of the Reopened Offer, to implement a squeeze-out with respect to Altran Technologies shares, if the number of shares not tendered in the Offer by the minority shareholders of the Company do not represent more than 10% of the share capital or the voting rights of Altran Technologies following the Offer or, if applicable, the Reopened Offer.

In that event, the squeeze-out will relate to the Altran Technologies shares other than those held by the Offeror and the treasury shares of the Company. The affected shareholders would receive compensation at the Offer price […]. The implementation of this procedure will entail delisting of Altran Technologies shares from Euronext Paris.

In the event that the Offeror could not be able, following the Offer or the Reopened Offer, to implement a squeeze-out, it reserves the possibility to file a buyout offer with the AMF, followed, if applicable, by a squeeze-out of the shares that it does not hold directly or indirectly, or in concert, on that date. The Offeror may, in this case, increase its shareholding in the Company following the Offer and prior to filing a new offer in compliance with applicable laws and regulation. In that event, the squeeze-out will be subject to review by the AMF, which shall rule on the squeeze-out's compliance with its General Regulation, in particular in light of the report of the independent expert appointed in accordance with Article 261-1 of the AMF General Regulation."

1.7.7 Dividend Distribution Policy

"The Offeror reserves the right to modify the Company's dividend policy following the Offer, in accordance with applicable laws and the Company's bylaws and according to its distribution capacity and its financing needs.

The Offeror reserves the right to cease distributing dividends in order to reserve further funds to finance the Company's future development.

Today, no decision has been made in this regard."

1.8 Agreements that may have a material effect on the valuation of the Offer or its outcome

"With the exception of (i) the Tender Offer Agreement [described below], (ii) the share purchase agreements relating to the Acquisition of the Blocks [described below] and (iii) the Indemnification Mechanism [described below], the Offeror is not aware of any agreement that would have an impact on the valuation of the Offer or its outcome."

Tender Offer Agreement

"[…] the Offeror and the Company entered into a combination agreement on August 11, 2019, (the "Tender Offer Agreement").

[…]

The Tender Offer Agreement specifies the terms and conditions of the cooperation between the Offeror and the Company until the Offer is completed, and sets out in particular:

(i) the principal terms and conditions of the Offer, […];

(ii) the conditions to the filing of the Offer by the Offeror with the AMF;

(iii) an exclusivity commitment from the Company to the benefit of the Offeror;

(iv) a usual undertaking of the Company to manage operations in the normal course of business in accordance with past practices;

(v) the treatment of the situation of the beneficiaries of rights to receive Free Shares, […];

(vi) the characteristics of the compensation and retention mechanisms to be implemented subject to the success of the Offer, as such are described below;

(vii) the undertaking of the Company not to tender the treasury shares in the Offer;

(viii) the undertaking of the Offeror to provide necessary available funds in the event of an early reimbursement of the financing granted to the Company under the Senior Facilities Agreement dated February 15, 2018, upon a change of control of the Company; and

(ix) the undertaking of the Offeror and the Company to fully cooperate with each other with respect to the work of the Independent Expert, the preparation of the Offer documentation and the completion of the Offer, and in obtaining all necessary regulatory authorizations and potential third-party approvals that may be required to ensure the continuation of agreements or activities that could be affected by the change of control of Altran Technologies.

In addition, the Tender Offer Agreement provides, subject to the success of the Offer and the satisfaction of a presence condition on the settlement date of the Offer, an exceptional *compensation under the form of a completion bonus to be paid to certain key employees of the Company or its affiliates for their involvement and investment in the context of the preparation of the Offer. A total gross (brut) amount of two (2) million euros (which may be increased up to a gross (brut) amount of three (3) million euros) is intended to be allocated to employees under such exceptional bonus.*

In order to retain and motivate the employees of the Company and its subsidiaries, it has also been agreed that a long term retention bonus, comprising two (2) equal instalments payable respectively three (3) months and nine (9) months following the settlement of the Offer, may be allocated to approximately 200 employees, subject to the success of the Offer and the satisfaction of a presence condition on such payment dates. It is also planned that, if the presence condition is no longer satisfied at the end of a two-year period after the settlement of the Offer, the employee concerned will have to repay such bonus within a limit of one third of his/her last annual gross (brut) salary. A total gross (brut) amount of ten (10) million euros (which may be increased up to a gross (brut) amount of eleven (11) million euros) is intended to be allocated to employees under such retention bonus.

In addition, a limited number of employees whose functions are considered crucial by the Company will also benefit from the allocation of an exceptional bonus, comprising two (2) equal instalments payable respectively on the settlement date of the Offer and six (6) months following such settlement date, subject to the success of the Offer and the satisfaction of a presence condition on such payment dates. A total gross (brut) amount of one (1) million euros is intended to be allocated to employees under such exceptional bonus.

In any event, the maximum global gross (brut) amount that may be allocated to employees under the three schemes described above may not exceed a gross (brut) amount of thirteen (13) million euros.

In the event of the implementation of a squeeze-out by Capgemini following the Offer, the Tender Offer Agreement also provides that the performance conditions of the 2018-2020 and 2019-2021 cash multi-year variable compensation plans, for the benefit of the Chairman and Chief Executive Officer (Président-directeur général) of the Company, will be aligned with those applicable to the performance shares of Capgemini. With regard to the 2017-2019 plan, the performance will be adjusted, if necessary, in order to neutralize the possible impact of the Offer on the performance of Altran Technologies.

[…]"

<u>Acquisitions of ALTRAN TECHNOLOGIES shares by the Offeror</u>

"On June 24, 2019, prior to the announcement of the proposed acquisition of Altran Technologies by Capgemini, the Offeror entered into share purchase agreements relating to the off-market acquisition of (i) 22,058,273 Altran Technologies shares from Altrafin Participations, (ii) 3,659,031 Altran Technologies shares from Mr. Alexis Kniazeff and (iii) 3,661,015 Altran Technologies shares from Mr. Hubert Martigny (Altrafin Participations, Mr. Alexis Kniazeff and Mr. Hubert de Martigny are together hereinafter referred to as the "Seller" and separately as a "Seller"), i.e. a total of 29,378,319 Altran Technologies shares (the "Acquisition of the Blocks"). […]

The Acquisition of the Blocks has been completed at a price of €14 per share. Under the terms of the share purchase agreements, each of the Sellers benefits from a top-up right (the "Top-Up Right") in the event of (i) an offer, an increased offer, a competing offer or a squeeze-out or (ii) if the Offer has not a positive outcome for any reason whatsoever, in the event of a sale of shares of Altran Technologies, in each of (i) and (ii) above at a price superior to the price at which the Acquisition of the Blocks has been completed and within 12 months following the filing of the Offer (and no later than September 30, 2020). In accordance with the stipulations of the share purchase agreements, the amount to be paid to each of the Sellers pursuant to the Top-Up Right would be equal to (i) (x) the share price offered under the terms of the improved offer, the competing offer or the completed sale (as applicable), less (y) the price at which the Acquisition of the Blocks has been completed, (ii) multiplied by the number of shares acquired by Capgemini from the Seller in question (the "Top-Up").

[…]."

Indemnification Mechanism

« To the best knowledge of the Offeror, the Company put in place several Free Share allocation plans between 2017 and 2019, the respective vesting periods of which are still ongoing as of the date of this Draft Offer Document.

The beneficiaries of rights to receive Free Shares may tender such Free Shares in the Offer or in the Reopened Offer, provided they are fully vested and transferable[14].

[…]

In accordance with the Tender Offer Agreement, the Company has undertaken to amend the terms and conditions of the 2017 plan (the "2017 Plan"), the 2018 plan (the "2018 Plan") and the 2019 plan (the "2019 Plan") to waive the presence condition in the case of termination of employment other than for gross negligence or willful misconduct (faute grave ou lourde under French laws) and in case of modification of the employment conditions that constitutes a constructive dismissal.

In accordance with the Tender Offer Agreement, the Company has also undertaken, within one (1) month following the settlement date of the Offer, to propose to each of the beneficiaries of Free Shares to waive their rights to receive such Free Shares in exchange for the payment by the Company of an indemnification in cash in accordance with the terms below (the "Indemnification Mechanism"). The beneficiaries will be permitted to accept the Indemnification Mechanism until

[14] *In particular in the event of the lifting of unavailability pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code (death or disability of the beneficiary).*

the expiration of a three (3) month period following the settlement date of the Offer[15] *and will only benefit from it, as the case may be, at the end of the applicable vesting period for each plan.*

At the latest fifteenth working day from the expiry of the acquisition period provided by the 2017 Plan, the 2018 Plan and the 2019 Plan, respectively, the Company has committed pursuant to the Tender Offer Agreement:

- *with respect to the 2017 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the acquisition period (the "2017 Eligible Rights"), to apply the performance conditions as provided under the 2017 Plan for the years 2017, 2018 and 2019 to all the 2017 Eligible Rights;*
- *with respect to the 2018 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the acquisition period (the "2018 Eligible Rights"), to apply the performance conditions as provided under the 2018 Plan for the years 2018 and 2019 to two third of the Eligible Rights 2018, and not to apply the performance conditions for the year 2020 for the remaining third (2/3) of the 2018 Eligible Rights (which would then be fully vested); and*
- *with respect to the 2019 Plan, subject to the satisfaction of the presence condition (as amended in accordance with the above specifications) at the end of the acquisition period (the "2019 Eligible Rights"), to apply the performance conditions as provided under the 2019 Plan for the year 2019 to one third (1/3) of the 2019 Eligible Rights, and without applying the performance conditions for the years 2020 and 2021 for the remaining two-third (2/3) of the 2019 Eligible Rights (which would then be fully vested).*

For each holder having accepted the Indemnification Mechanism, the Company will pay, no later than the forty-fifth (45th) working day following the end of the applicable vesting period provided under the 2017 Plan, the 2018 Plan and the 2019 Plan, a gross (brut)[16] *cash amount equal, for each relevant right to receive Free Shares, to the price of the Offer indexed on the evolution of the stock price of Capgemini between the settlement date of the Offer and the end of the relevant vesting period, it being specified that such evolution cannot exceed +20% or be lower than (-20%)."*

1.9 In the event that the Top-Up is paid to the Sellers

" If, after the closing of the Offer, the Offeror triggers the payment of a Top-Up to the Sellers pursuant to the share purchase agreement entered into for the purposes of the Acquisition of the Blocks, the Offeror undertakes to pay a top-up to the shareholders who tendered their shares of

[15] *It is specified that the Indemnification Mechanism will not apply to holders of Free Shares in accordance with the 2017 Plan if the acquisition period expires before the closing of the Offer or the Reopened Offer.*
[16] *The social charges, as well as taxes due by such beneficiaries related to the Indemnification Mechanism will be borne by such beneficiaries.*

Altran Technologies in the Offer (unless the Offer has not been successful for any reason whatsoever), so that the price per share eventually offered to such shareholders is equal to the price per share eventually offered to the Sellers."

2 Statement of independence

We confirm that FINEXSI and its partners:

- Are independent within the meaning of articles 261-1 and following of the AMF's General Regulation, are thus capable of making the declaration of independence provided for by article 261-4 of that General Regulation, and are not in any conflict-of-interest situation mentioned in article 1 of AMF instruction 2006-08;
- Have, on an ongoing basis, the human and material resources needed to complete their assignment, and sufficient insurance or financial resources to cover any risks related to that assignment;
- Are members of the APEI (French independent appraisers' association), which is recognised by the AMF under articles 263-1 and following of its General Regulation.

3 Work done

Details of the work we did are set out in the Appendix.

Our work consisted mainly of:

- Assessing the context of the planned transaction and the terms of the Offer;
- Analysing the identified risks and opportunities that may affect ALTRAN's valuation;
- Analysing ALTRAN's financial statements and business plan, identifying the key assumptions made and assessing their appropriateness;
- Examining previous transactions involving ALTRAN shares, including CAPGEMINI's off-market purchase of a block of shares on 2 July 2019;
- Carrying out a multi-criteria valuation of the ALTRAN group and analysis of the valuation's sensitivity to key valuation assumptions according to various scenarios;
- Carrying out a critical review of the valuation report prepared by the institutions sponsoring the Offer;
- Analysing related agreements and transactions that may have a material impact on the price;

- Preparing a report in the form of a fairness opinion setting out work done to value ALTRAN's shares and our opinion about whether the price offered is fair.

We analyzed the legal documentation provided to us, with the sole purpose of collecting information useful for our assignment.

We held a number of meetings with the Company's management to understand the context of the Offer, the business outlook and the resulting financial forecasts.

We assessed the economic assumptions that form the basis for the forecasts used in the Company's business plan and then, based on those forecasts, modelled cash flows in order to implement an approach based on the present value of those flows.

When carrying out valuation work on the basis of listed peers and transactions involving comparable companies, we analyzed the publicly available information relating to companies and comparable transactions in our financial databases.

Finally, we read work done by BNP PARIBAS CORPORATE & INSTITUTIONAL BANK, CRÉDIT AGRICOLE CORPORATE and INVESTMENT BANK, HSBC FRANCE and LAZARD FRERES BANQUE as presented in the Offer price assessment report and summarized in the draft tender offer document of 22nd of September 2019. In relation thereto, we held several business meetings with representatives of LAZARD FRERES BANQUE.

We held meetings with the committee of independent directors appointed by the ALTRAN's Board of Directors to supervise our work.

A quality review was carried out by Lucas ROBIN, a partner of our firm, who was not involved in the assignment.

4 Presentation of ALTRAN's sector and business activities

4.1 Presentation of the technology consulting market

The following presentation is based in particular on XERFI's July 2019 study on engineering, research and technical consulting services ("Les services d'ingénierie, d'études et de conseils techniques"), XERFI's July 2019 forecasts report ("Prévisions"), ALTRAN's 2018 Registration Document and ALTRAN's the interim financial report for the six months ended 30 June 2019.

General presentation

Technology consulting and construction engineering are the two main types of activity in the engineering, research and technical consulting services (or "engineering and R&D services") market. The technology consulting segment, in which the ALTRAN group operates, contains companies specialising in the research, design, optimisation and realisation of industrial projects (products or processes), and clients and principals are highly diverse in terms of both their size and business sectors.

Use of engineering and R&D services and remuneration methods

Companies use outsourced R&D providers for various purposes, including:

- Improving the design of their products and getting them to market more quickly through the provision of resources (staff, tools, expertise etc.) that is not available in-house;
- Reviewing and optimising costs, functions, and engineering and R&D processes;
- Achieving superior service quality;
- Expanding internationally.

Players in this market provide and bill for services as follows:

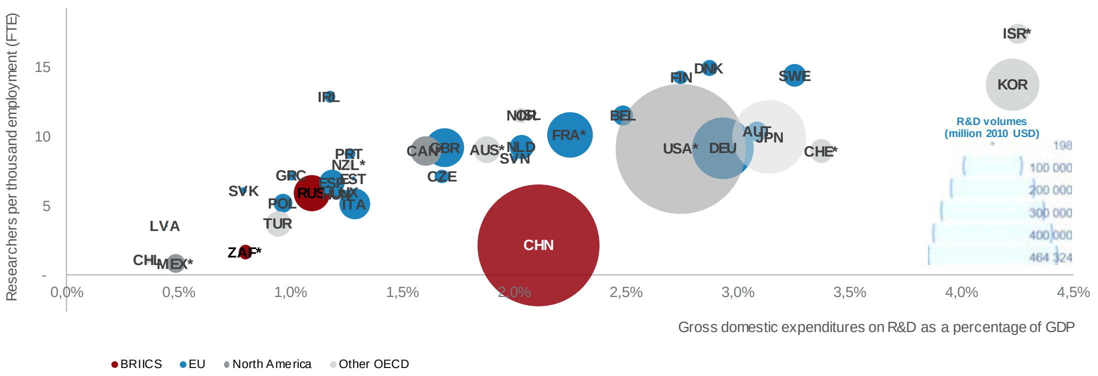
- On a cost-plus basis, invoiced according to the time spent on providing them;
- On a fixed-price basis, with the cost of the service defined in advance. This model is generally used as part of "turnkey" assignments and exposes technology consultancies to risks relating to the performance of these contracts (e.g. delays leading to penalties).

Although the fixed-price billing model is growing, it is still more common to bill on the basis of time (80% of cases). In general, the context of the assignment (duration, place of work etc.) will determine which type of billing model is used.

For around 10 years now, R&D expenditure has seen steady growth of around 5% per year worldwide and amounted to almost $1,500 billion in 2017. The trend is likely to continue because R&D expenditure is expected to rise by around 5% in 2019 at the global level, slightly outpacing expected global GDP growth of 4% and driven by the USA, Europe and Asia, which account for around 90% of global R&D expenditure.

The strategic nature of R&D expenditure means that it is generally regarded as less exposed to the economic cycle than other types of spending, since companies maintain at least part of their R&D expenditure in order to preserve their ability to innovate, even in a less favourable economic context.

Human and financial resources dedicated to R&D in 2016 by country



Source: OECD, Main Science and Technology Indicators Database, July 2018
** Latest available data prior to 2016*

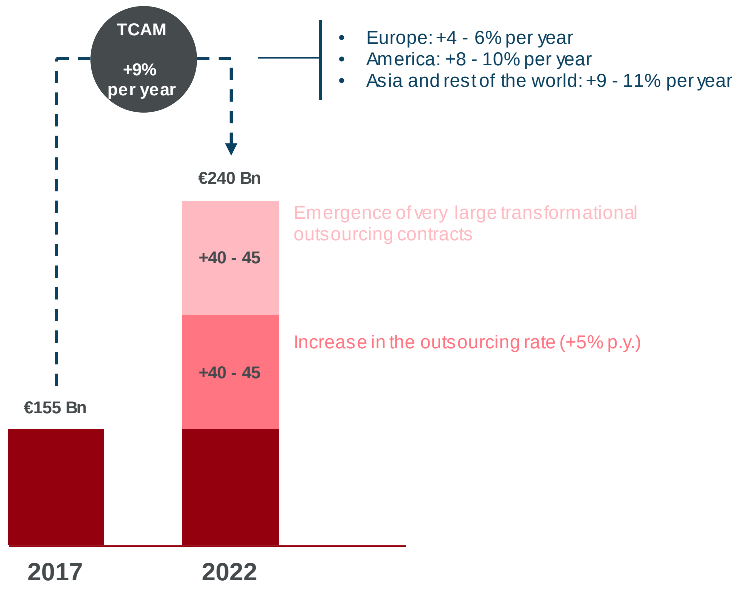
There are several secular factors prompting companies to spend increasing amounts of money on R&D:

- R&D is regarded as a key part of a company's efforts to distinguish itself from its rivals. That distinction may relate to the technology used, prices applied, and the quality of products and services sold;
- R&D is defined as a way for a company to adjust to constantly accelerating technology cycles, resist the arrival of more agile newcomers and thus remain competitive;
- By opening R&D centers around the world, large corporations can expand their international presence and meet the needs of target markets;
- R&D expenditure allows companies to develop products rapidly and reduce the time needed to bring them to market;
- R&D enables companies to meet increasingly strict regulatory policies. For example, the European Union is prompting carmakers to overhaul their vehicle ranges by requiring a 33% reduction in cars' CO_2 emissions between 2010 and 2021.

To meet these requirements effectively, more and more companies that do not necessarily have sufficient human resources in house are outsourcing part of their R&D operations.

This desire to outsource, combined with the constant growth in global R&D expenditure, is likely to benefit the engineering and R&D services market, which is expected to grow from €155 billion in 2017 to €240 billion in 2022, representing an average annual growth rate of 9% over 5 years.

Size and growth of the ER&D services market



Source: ALTRAN's registration document 2018

Overall, the engineering and R&D services market therefore shows a direct correlation with global R&D expenditure and the extent to which R&D is outsourced by companies. The market's development may also be influenced by the number of players in it, the ability of providers to recruit staff and their ability to adjust to client requirements.

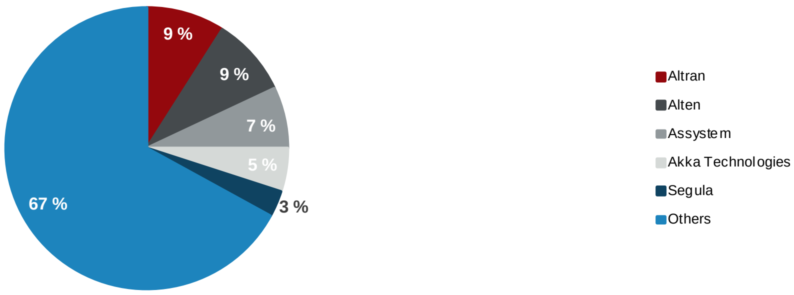
Other factors influencing the business models of engineering and R&D services providers

A fragmented competitive environment...

The engineering and R&D services market is fragmented, and there is little distinction between providers. In France in 2016, the five largest players had a combined market share of only 33% (ALTRAN, ALTEN, ASSYSTEM, SEGULA TECHNOLOGIES[17], AKKA TECHNOLOGIES).

[17] Unlisted company.

Market shares of the top 5 technology consulting companies in France in 2016



Source: Devenir des métiers, des compétences et des formations dans les secteurs des ESN & ICT - OPIIEC - Mai 2018

... requiring increasingly aggressive pricing ...

This competitive environment is hampering the growth of market players, which are forced to adopt aggressive pricing strategies, driving prices lower, while having to cope with increasing demands from clients that want access to high-value-added solutions (communications, semiconductors, electronics, software and internet) and partners capable of offering industrial-scale, efficient, cost-effective solutions that cover all of their geographical zones.

These factors are dragging down the margins of sector companies, which are seeing their revenues rise less quickly than their main expenses, particularly personnel expenses.

... and increasing recruitment needs ....

Engineering and R&D service providers have major recruitment needs, partly because they have high staff turnover (around 20% per year in France) and partly because business growth is leading to increasing personnel requirements in terms of both numbers and qualifications. For example, market players are expected to create around 27,000 jobs in France between 2018 and 2021[18]. However, not all of those positions will be filled, because people with the required qualifications are rare and the various companies compete hard to recruit them.

... requiring market players to adjust their business models

The increasing demands of clients and the need for qualified staff are forcing technology consultancies to focus more on expanding abroad and adopt models that include offshore engineering services to complement their onshore capabilities. Accordingly, in recent years the various market players have been carrying out acquisitions to speed up their international development.

[18] Source: OPIIEC (monitoring unit for the digital, engineering, research, consultancy and event management industries)

4.2 Presentation of ALTRAN

4.2.1 Summary of ALTRAN's financial statements

ALTRAN's consolidated financial statements, as presented in its interim financial report for the six months ended 30 June 2019[19] and 2018 registration document[20], are reproduced below:

ALTRAN - Consolidated income statement

In k€	30/06/2019	30/06/2018
Revenues	**1 594 046**	**1 372 691**
Other income from operations	45 106	37 126
Cost of goods and services sold	(24 871)	(18 948)
Change in work in progress	864	358
External expenses	(273 016)	(272 741)
Personnel costs	(1 096 999)	(949 992)
Taxes and duties	(2 948)	(2 253)
Net Depreciation, amortization and provisions	(65 859)	(21 344)
Other operating expenses	(7 295)	(7 193)
Amortization of intangibles arising from business combinatio	(31 460)	(26 421)
Operating income on ordinary activities	**137 568**	**111 283**
Other non-recurring operating income and expenses	(43 718)	(42 664)
Operating income	**93 850**	**68 619**
Cost of net financial debt	(33 567)	(24 898)
Other financial income	5 292	5 803
Other financial expenses	(16 349)	(34 770)
Net income before tax	**49 226**	**14 754**
Income Tax	(15 753)	(5 016)
Net income before discontinued operations	**33 473**	**9 738**
Net income from discontinued operations	-	(173)
Net income	**33 473**	**9 565**
of wich attributable to :		
- the owners of the parent	33 186	9 493
- non-controlling interest	287	72

Source: Interim financial report 2019

In the first half of 2019, ALTRAN's revenue (€1,594 million) and operating income (€94 million) were up 16% and 37% respectively compared with the year-earlier period. The main contributors to revenue growth were the acquisition of ARICENT on 20 March 2018 (7.7 points) and the group's organic growth (7.4 points).

[19] The 2018 consolidated financial statements were certified without reserve by the statutory auditors (MAZARS and DELOITTE & ASSOCIÉS).

[20] The consolidated financial statements for the six months ended 30 June 2019 were subject to a limited review by the statutory auditors, which found no material misstatement that would make the financial statements non-compliant.

ALTRAN - Consolidated balance sheet - Assets

In k€	30/06/2019	31/12/2018
Goodwill	2 385 004	2 363 178
Intangible assets	639 121	679 515
Right of use	215 599	-
Tangible assets	135 508	144 074
Non-current financial assets	54 268	50 217
Deferred tax assets	105 449	101 070
Other non-current assets	90 318	96 856
Total non-current assets	**3 625 267**	**3 434 910**
Inventory and work in progress	2 267	2 044
Trade accounts and other receivables	590 774	527 570
Assets linked to customer contracts	275 900	202 100
Current financial assets	23 095	22 525
Cash and cash equivalents	337 372	472 706
Total current assets	**1 229 408**	**1 226 945**
Total ASSETS	**4 854 675**	**4 661 855**

Sources: Registration document 2018 and interim financial report 2019

ALTRAN - Consolidated balance sheet - Shareholders' equity and liabilities

In k€	30/06/2019	31/12/2018
Capital	128 511	128 511
Share premium	1 069 807	1 040 425
Reserves attributable to parent company shareholders	382 417	449 420
Foreign currency translation reserve	58 384	42 218
Net income attributable to the owners of the parent	33 186	80 590
Equity attributable to the owners of the parent	**1 672 305**	**1 741 164**
Non-controlling interests	3 344	(48 707)
Shareholder's equity	**1 675 649**	**1 692 457**
Non-current financial liabilities	1 607 109	1 603 329
Non-current lease liabilities	167 977	-
Non-current provisions for contingencies and liabilities	69 866	61 165
Non-current employee benefits	78 657	64 473
Deffered tax liabilities	169 189	169 029
Other long-term liabilities	41 237	66 071
Total non-current liabilities	**2 134 035**	**1 964 067**
Trade accounts and other payables	714 423	648 271
Liabilities linked to customer contracts	87 244	99 581
Provisions for short-term risks and charges	21 849	22 668
Current liabilities for securities	-	53 608
Current financial liabilities	159 635	181 203
Current lease liabilities	61 840	-
Total current liabilities	**1 044 991**	**1 005 331**
Total SHAREHOLDERS' EQUITY AND LIABILITIES	**4 854 675**	**4 661 855**

Sources: Registration document 2018 and interim financial report 2019

At 30 June 2019, the group had net debt of €1,429 million and a leverage ratio[21] of 3.2x (as opposed to €1.312 million and 3.0x at 31 December 2018), significantly higher than average for the sector.

Total assets were relatively stable at 30 June 2019 compared with 31 December 2018.

[21] Net debt excluding earn-out payments relating to acquisitions/EBITDA (source: ALTRAN interim financial report, 30 June 2019).

4.2.2 ALTRAN business presentation[22]

ALTRAN provides engineering and R&D (ER&D) services and helps its clients with all aspects of the R&D value chain: innovation, design, development and testing, but also support with industrialisation, production and after-sales service.

ALTRAN operates through three different service models:

- "Traditional" engineering and R&D services, which represent the largest portion of ALTRAN's revenue (€2 billion[23] in 2018, two thirds of the total) and employ around 26,000 onshore engineers;

- "Industrialized GlobalShore", which represents the first industrial-scale solution for ER&D services and employs 17,500 engineers across five "Global Engineering Centers". These services accounted for around 20% of 2018 proforma revenue and are more profitable than Traditional services;

- "High Value" services, consisting of a range of activities capable of delivering high value added in areas that are crucial for client innovation (including services provided by FROG and CAMBRIDGE CONSULTANTS), employing 3,500 experts. These activities are positioned in market segments that offer superior growth and margins.

With these three service models, Altran meets client needs through six categories of activities:

- ***Altran Consulting***: advises clients for the definition of their innovation strategies (products and services) and the transformation of their operations;

- ***Altran Digital***: assists clients in their digital transformation by drawing on the expertise of its 14,000 engineers specialising in digital businesses;

- ***Altran Engineering***: assists clients in developing new systems and products while reducing their time-to-market and related costs, as well as improving their production systems and industrial processes;

- ***World Class Centers***: offer solutions and services addressing technical issues in high-tech sectors, overseen by the technology and innovation department;

- ***Industrialized GlobalShore***: provides an industrial-scale offering of engineering and R&D services based on five Global Engineering Centers, located both near- and offshore, with almost 17,500 engineers at end-2018;

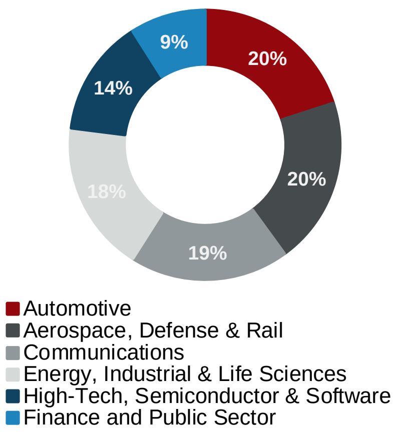
- ***Cambridge Consultants***: provides turnkey innovative product development services, with 750 highly qualified scientists working in dedicated laboratories in the United Kingdom and the United States.

[22] Source: 2018 registration document.
[23] Proforma revenue taking into account the ARICENT acquisition (over 12 months).

ALTRAN has a long-standing presence in France and Europe and has developed its international positions (mainly in North America and Asia) through both organic growth and acquisitions (see section 4.2.3). At end-2018[24], the group operated in around 30 countries.

The Group has a balanced portfolio of clients, which operate in a diverse range of business sectors. In 2018, the breakdown of revenue across those various sectors was as follows:

Breakdown of revenues by sector in 2018



Source : Registration document 2018

4.2.3 History and acquisitions

ALTRAN has grown in particular through numerous acquisitions that have enabled it to strengthen its positions in areas it regards as strategically important and outside France. Its main acquisitions in the last five years have been as follows:

- In 2014, FOLIAGE (USA), specialising in product development, TASS (Netherlands), which develops intelligent systems, and CONCEPT TECH (Austria), world leader in the development of passive security systems;
- In 2015, NSPYRE (Netherlands), specialising in R&D and high-tech services, TESSELLA (UK), specialising in consultancy and data science, and SICON DESIGN TECHNOLOGIES (India), specialising in semiconductor research and design;
- In 2016, SWELL (Czech Republic), specialising in engineering services for the automotive industry, SYNAPSE (USA), specialising in product development, and LOHIKA (USA), specialising in software engineering services;

[24] The breakdown of 2018 revenue *pro-forma* for the acquisition of ARICENT is the same as that shown above.

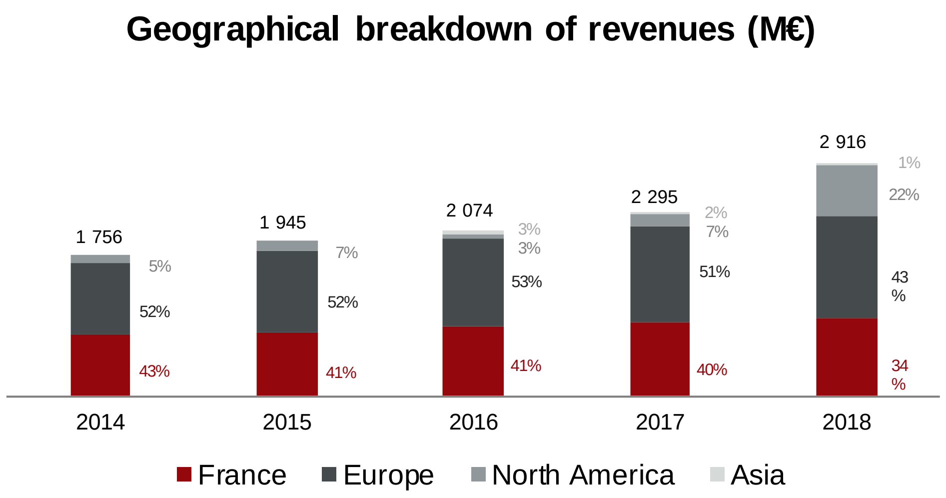
- In 2017, BENTELER ENGINEERING SERVICES (Germany), specialising in design and engineering services for the automotive industry, product engineering company GLOBAL EDGE SOFTWARE (India), and engineering solutions provider PRICOL TECHNOLOGIES (India);

- In 2018, ARICENT (USA), specialising in design and engineering services in the digital space for €1.7 billion. The latter transaction appears to be particularly transformative for ALTRAN because of ARICENT's strong presence in the USA, the good fit between its business and that of ALTRAN, its global engineering services business model (with 8,500 engineers in India in particular) and its leading-edge expertise in certain areas of technology (design, product and systems engineering, digital and software)[25].

4.2.4 Financial data and outlook

4.2.4.1 Revenue

The breakdown of revenue by geographical zone in the last five years is as follows:



Sources: Registration documents 2015, 2016, 2017 et 2018

Europe and France remain the Company's main markets with 43% and 34% of 2018 revenue respectively. The increase in the proportion of revenue coming from North America from 7% in 2017 to 22% in 2018 was mainly because of the ARICENT acquisition on 20 March 2018 (boosting revenue by €466 in 2018).

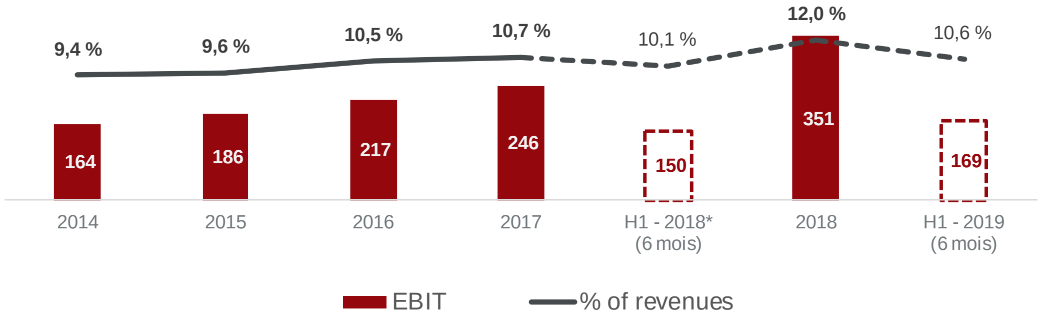
The proportion of revenue coming from outside France increased from 57% in 2013 to 66% in 2018.

[25] Source: ALTRAN press release of 30 November 2017: "*ALTRAN Group acquires ARICENT and creates the undisputed global leader in engineering and R&D services*".

4.2.4.2 EBIT margin[26]

EBIT and EBIT margin rate in the last five years have been as follows:

EBIT (in M€ and as a % of revenues)



(*) H1 2018 *pro forma* of ARICENT acquisition

Sources: Registration documents 2015, 2016, 2017 et 2018 and Interim financial report 2019

ALTRAN's EBIT has risen steadily from €164 million 2014 to €351 million in 2018, giving a CAGR[27] of 21%.

EBIT margin rate has risen steadily, but is affected by seasonal variations. In 2018, EBIT margin rate was 12.0%, up 130 basis points compared with 2017, mainly because of a €83.4 million boost to EBIT from acquisitions including €78.7 million from ARICENT.

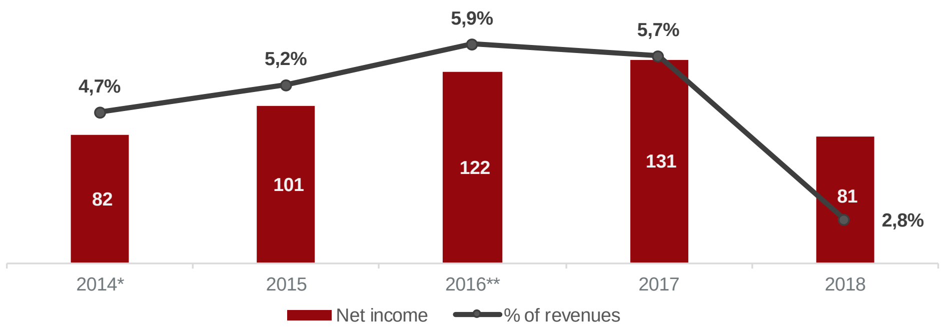
In the first half of 2019, EBIT margin rate was 10.6%, higher than the first-half 2018 figure of 10.1% and maintaining the progress seen in 2018. The year-on-year increase is likely to continue in the second half of 2019.

[26] The Company reports operating income, very similar to the EBIT presented here, which corresponds to operating income from which we have deducted share-based and similar expenses.
[27] CAGR: compound annual growth rate.

4.2.4.3 *Net income*

Net income in the last five years has been as follows:

Net income (in M€ and as a % of revenues)



(*) Data restated by the Company according to the impact of the interpretation of IFRIC 21
(**) Data restated by the Company for the Utilities business in the United States, which was sold in Decembre 2017

Sources: Registration documents 2015, 2016, 2017 et 2018

Net income rose until 2017 before falling 38% in 2018, taking it back to its 2014 level. That decrease was caused by an €88 million increase in other non-recurring operating expenses (mainly including €45 million of amortization on intangible assets arising from business combinations, related to the allocation of the ARICENT purchase price, along with €27 million in relation to restructuring plans and €20 million of costs and disputes relating to acquisitions and legal reorganizations), along with a net financial expense of €75 million, again mainly related to the ARICENT acquisition.

Net margin rate also fell in 2018, to its lowest level since 2014 (2.8%).

ALTRAN was also affected by various incidents in 2018 and the first half of 2019:

- In July 2018, around $10 million of forged purchase orders were discovered at ARICENT. In relation to the ARICENT acquisition, ALTRAN stated in its interim financial report for the six months ended 30 June 2019 that it had taken out "representation and warranty insurance" from various insurers, providing total coverage of $200 million with a $21 million deductible. The insurers are currently investigating the matter;

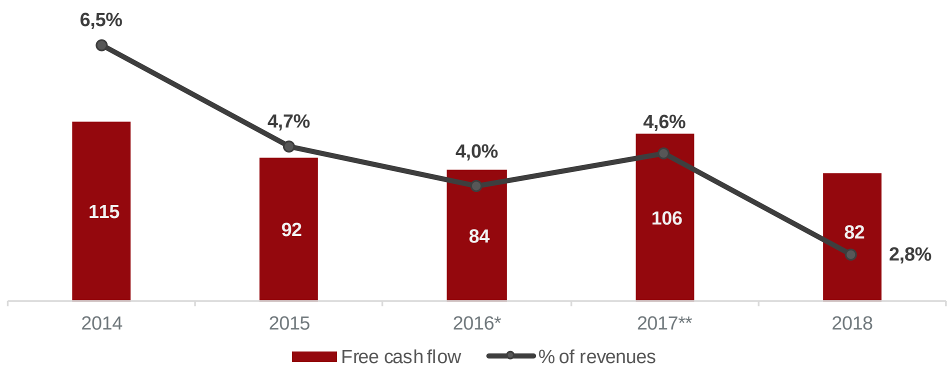
- A cyberattack on 24 January 2019 affected the group's operations in certain European countries, increasing non-recurring expenses by €19.3 million[28] in the first half of 2019 (net impact of €16.3 million after an initial insurance compensation payment made to ALTRAN).

[28] Source: ALTRAN interim financial report, 30 June 2019.

4.2.4.4 Free cash flow[29]

Free cash flow, in absolute terms and as a proportion of revenue, has been as follows in the last five years:

Free cash flow (in M€ and as a % of revenues)



(*) Data restated by the Company according to the impact of the interpretation of IFRIC 21
(**) Data restated by the Company for the impact of IFRS 15

Sources: Registration documents 2014, 2015, 2016, 2017 et 2018

Free cash flow was €82 million in 2018, down €24 million relative to 2017. The decline was caused mainly by the funding of the ARICENT acquisition (mainly outflows relating to interest and other financial expenses, and relating to acquisitions of property, plant and equipment and intangible assets). It was partly offset by (i) improved billing and collection processes and (ii) the monetisation of receivables (research tax credit in France).

In 2018, free cash flow equalled 2.8% of revenue as opposed to at least 4% in the previous five years.

[29] Free cash flow after the payment of financial expenses.

4.2.5 Strategy as defined by "*The High Road 2022*" plan[30]

On 28 June 2018, ALTRAN presented to the market its new strategic plan entitled "The High Road 2022", which aims to bolster the group's position as a world-leading provider of engineering and R&D services, and create value by enhancing its service model and increasing its presence in the market's key sectors and regions.

The plan focuses on three main aspects:

- Increasing synergies within the group by making its distinctive service models more complementary;
- Expanding in high-potential sectors, particularly in the high-tech industry;
- Bolstering its world-leading position by aligning its service model across all geographic zones and in particular creating a growth platform in China in order to increase in presence in Asia.

In our analysis below, we will assess the plan's financial assumptions.

4.2.6 SWOT analysis

The Company's strengths and weaknesses, along with the opportunities and threats it faces in its markets, are summarised in the table below:

Strengths

- World leader in the ER&D market
- Strong international presence in the main anticipated growth markets (Europe, USA, Asia)
- Track record in carrying out acquisitions
- High proportion of R&D outsourcing among clients
- Diversified and balanced client portfolio across the various business segments
- Nearshore and offshore presence (17,500 engineers across five Global Engineering Centers)

Weaknesses

- Strong bargaining power among large clients
- High debt levels following the ARICENT acquisition, limiting the ability to make further acquisitions in the near term
- Difficulties transforming certain established markets (Germany)
- Impact on the group's image caused by recent incidents (forged purchase orders at ARICENT and cyberattack)

Opportunities

- Growth potential in high-tech industries (software, internet, semiconductors, automotive, communication and life sciences)
- Positive outlook for the ER&D market, which is expected to see significant growth
- Acquisition opportunities

Threats

- Pressure on prices
- Changing industry and rapid technological developments
- Growth in the fixed-price billing method, exposing sector players to execution risks in relation to their work (e.g. delays leading to penalties)
- Risks related to the integration of acquired companies
- Competition when recruiting qualified staff in a context where demand appears to outstrip supply

[30] Source: 2018 registration document.

5 Valuation of ALTRAN SHARES

In accordance with the provisions of Article 262-1 of the AMF's General Regulations, we have performed our own multi-criteria valuation of ALTRAN, the means and results of which are set out below.

5.1 Valuation methods not used

In the course of our work, we ruled out the following valuation methods:

5.1.1 Consolidated net asset value

Net asset value is generally not considered to be representative of the intrinsic value of a company. It does not factor in the outlook in terms of growth and profitability, or any capital gains on assets.

For information, consolidated net asset value (attributable to the group) as at 30 June 2019, was €1.672 million, equal to a per share value of €6.5 on a diluted basis.

5.1.2 Revalued net asset value

The revalued net asset value method consists of correcting the net asset value of unrealised capital gains or losses identified as assets, liabilities or off-balance sheet. This method is frequently used to value companies in certain sectors, such as holding companies and real estate investment companies, and is particularly well suited to companies whose main assets have a value on a market independently and for which acquisitions and disposals constitute their operating process, which is not the case for ALTRAN.

5.1.3 Dividend yield (dividend capitalisation)

This method, which consists of discounting future dividends, depends on the dividend payout policy decided by executive management and gives a better valuation of companies with the highest payout rates, without taking into account the medium-term impact of arbitrages between payouts, cash flow and capex.

On 1 July 2019, the Company paid out a dividend of €0.24 per share in respect of the financial year ended 31 December 2018, and announced its intention for the coming years "*to maintain a rate of return to shareholders in line with previous practices*".

However, we have not used this method insofar as it seems less relevant than the discounted cash flow (DCF) approach and gives a much lower value per ALTRAN share than other valuation methods.

5.1.4 Net asset value

We did not consider this method applicable as it is not relevant in a context in which only approaches based on a going concern allowing for the valuation of the ALTRAN shares are to be used.

5.2 Valuation methods used

We adopted a multi-criteria approach, which includes primarily the following references and valuation methods:

- Analysis of the Company's share price;
- The discounted cash flow intrinsic valuation method;
- The recent transaction in ALTRAN's share capital;
- The analogical valuation method based on multiples for comparable listed companies;
- Brokers' target prices.

As an indication, we shall also look at:

- The analogical valuation method based on multiples seen in comparable transactions.

5.2.1 The Company's share price

The share price is an instrument for measuring the price of the Company's freely tradable shares subject to sufficient free float and liquidity.

The Company is listed in compartment A of EURONEXT PARIS (ISIN code FR0000034639).

On the basis of information taken from ALTRAN's 31 December 2018 registration], free float stands at 86.9% [31].

[31] Without precise information on the proportion of free float on the Offer announcement, we have retained the free float from ALTRAN's 31 December 2018 registration document.

On the basis of the last share price (not adjusted) before the Offer was announced, i.e. that of 24 June 2019 (the announcement was made after market close on 24 June 2019), volume-weighted average prices (hereinafter referred to as "VWAP") adjusted for the dividend of €0.24 per share paid on 1 July 2019[32], trading volumes and resulting turnover rates were as follows over a 24-month period:

Altran - Historical share price analysis (non adjusted)

	Share price (€)	Trading volume (in K)		Capital traded (in K)		% of share capital		% of free float	
		Average	Aggregate	Average	Aggregate	Trading volume	Capital turnover	Trading volume	Free float turnover
Spot ex-dividend (24/6/2019)	11,23	456	456	5 229	5 229	0,18 %	0,18 %	0,22 %	0,22 %
1-month VWAP* ex-dividend	10,81	668	14 687	7 377	162 290	0,26 %	5,79 %	0,32 %	7,12 %
60-days VWAP ex-dividend	10,64	791	47 451	8 605	516 307	0,31 %	18,70 %	0,38 %	23,00 %
3-month VWAP ex-dividend	10,58	796	50 149	8 612	542 561	0,31 %	19,76 %	0,39 %	24,31 %
6-month VWAP ex-dividend	9,24	940	117 500	8 914	1 114 298	0,37 %	46,29 %	0,45 %	56,87 %
12-month VWAP ex-dividend	8,47	1 229	313 414	10 708	2 730 563	0,48 %	123,48 %	0,57 %	144,76 %
24-month VWAP ex-dividend	9,93	856	435 602	8 701	4 428 966	0,34 %	171,62 %	0,45 %	228,07 %

* VWAP : Volume-weighted average prices

Sources: Capital IQ and Finexsi analysis

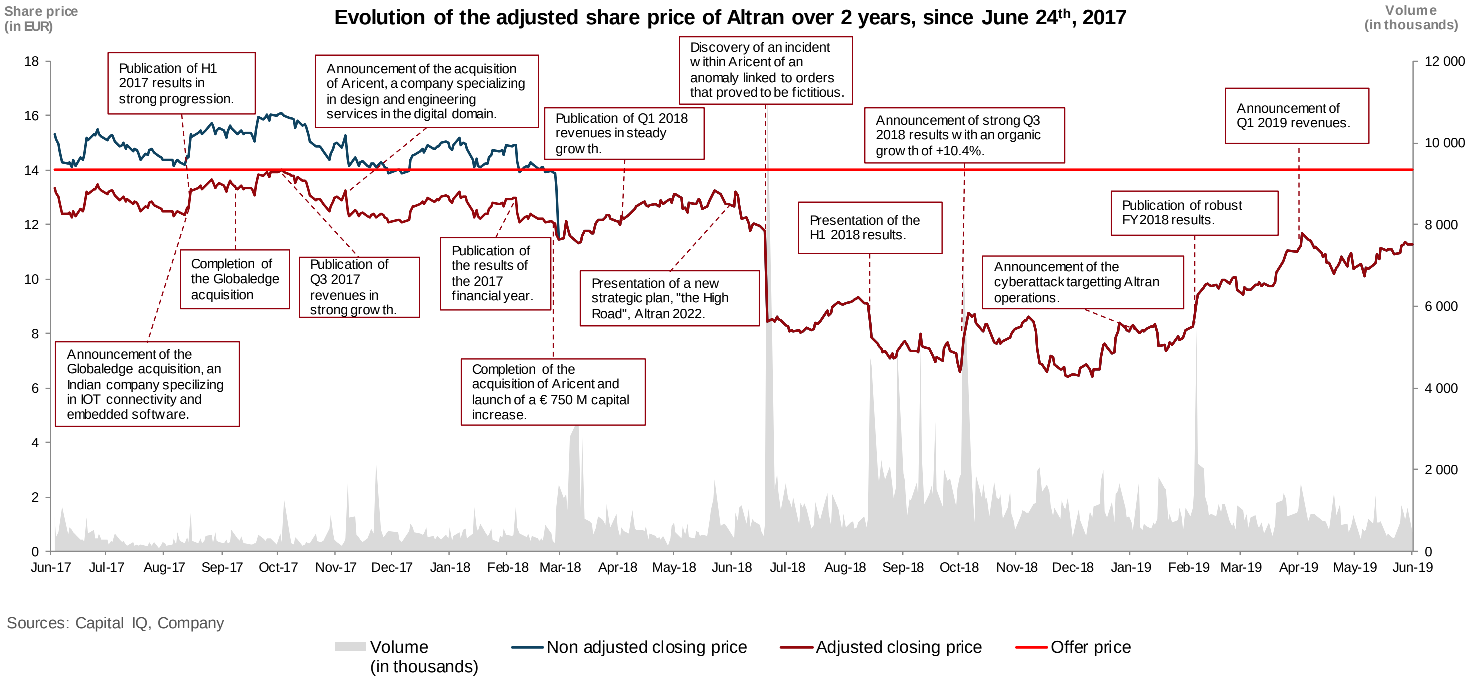
Over the last 12 months (prior to 24 June 2019), the volume of ALTRAN shares traded was 313,414 thousand shares (equal to around 1.2 million shares per trading day). Over the same period, the free float turnover rate was 144.76%.

Over an observation period of 24 months, the trading volume of shares rose to 435,602 thousand (representing around 856 thousand shares per trading day) and the free float turnover rate was 228.07%.

We believe that these observations show that the share price is a significant and relevant reference point.

The chart below shows Altran's share price performance adjusted for the dilutive effect of the capital increase announced on 22 March 2018 and dividends paid over the last 24 months (prior to 24 June 2019). The Offering Price of €14.0 can be compared to the current share price, whereas historical prices before the 22 March 2018 capital increase must be rebased in order to be comparable. The share price is "rebased" by adjusting the historical share price for the dilutive effect of the capital increase. In March 2018, shareholders received preferential subscription rights, which they could sell or use to subscribe new shares at a discounted price of €9.23 each, and ALTRAN's share price fell from €13.4 at the close on 22 March 2018 to €12.4 the following morning when the terms of the capital increase were announced. As a result, when comparing the Offering Price of €14.0 with a share price before 22 March 2018, it must be compared with the ALTRAN share price adjusted for the dilutive impact of the capital increase.

[32] As the Offer price of €14.0 corresponds to an ex-dividend price per share of €0.24, we have adjusted this amount in our VWAP analysis.



Sources: Capital IQ, Company

Regarding the adjusted share price from the capital increase dilutive effect, we point out that between the end of June 2017 and 18 September 2017, it ranged from €12.3 to €13.7. The announcement on 5 September 2017 of the acquisition of GLOBALEDGE, as well as the announcement on 7 September 2017 of first-half 2017 results showing organic revenue growth of 4.9% and improvement in EBIT margin of 4%, had a positive impact on the adjusted share price, which rose by 10.6% in 10 trading sessions.

Between 19 September 2017 and the capital increase announced on 22 March 2018, the adjusted share price suffered a generally downward trend, reaching €11.6 at the end of the period, 14.2% lower than the one during trading on 19 September 2017, thereby underperforming the SBF 120 (ALTRAN's benchmark index) and STOXX Europe 600 Technology indices, which remained relatively stable over the period (down 1.1% and up 3.6% respectively). However, we would note that the adjusted share price reached its peak for the 24 months preceding the Offer announcement during this period, at €13.99 on 26 October 2017.

Between 23 March 2018 and 12 July 2018, ALTRAN's adjusted share price was relatively stable with an average daily trading volume of 755 thousand shares and an adjusted share price of €11.3 to €13.3. Despite the announcement of robust revenue growth (+6.7% in the first quarter of 2018) and the new strategic plan "*The High Road 2022*", on 28 June 2018, setting out a like-for-like revenue target of €4 billion for 2022 and an operating margin target of 14.5%, the Company's shares underperformed (+2.8%) over the period relative to the SBF120 and STOXX Europe 600 Technology indices, which achieved growth of around 5.7%.

The announcement on 13 July 2018 of the discovery of an incident at ARICENT relating to purchase orders that proved to be made up, forcing management to lower ARICENT's EBIT margin forecast to 15.6% (i.e. 500 basis points lower than expected when the acquisition was announced), resulted in a 28.2% drop in the share price during one trading session, with high trading volumes representing around 4% of the Company's share capital.

During the five months after the ARICENT incident, the Company's adjusted share price ranged from €6.4 to €9.3 with an average of €7.9 and an average daily trading volume of 1.5 million shares, nearly twice the daily trading volume for the previous period.

At the end of this period and up to the date of the first quarter 2019 revenue release on 25 April 2019, the adjusted share price benefited from the financial market rebound following the sharp falls seen at the end of 2018[33]. ALTRAN's adjusted share price rose by 63%, outperforming the SBF120 (+17.1%) and the STOXX Europe 600 Technology index (+23.4%). Note that during this period, ALTRAN announced that it been the object of a cyberattack targeting its operations in Europe but with no material impact on its share price.

Between 26 April 2019 and 31 May 2019, the adjusted share price fell by 11%, accentuating the trend seen in the SBF 120 and the STOXX Europe 600 Technology indices, which fell by 6.6% and 6.0% respectively.

In June 2019, the adjusted share price rose by 7.1%.

Even if during the 14 trading sessions following the Offer announcement, the volumes seem to have reached higher levels than their historical[34] ones, ALTRAN's share price remained slightly above the €14.0 Offer price until the date of this report. This can be explained by several factors such as:

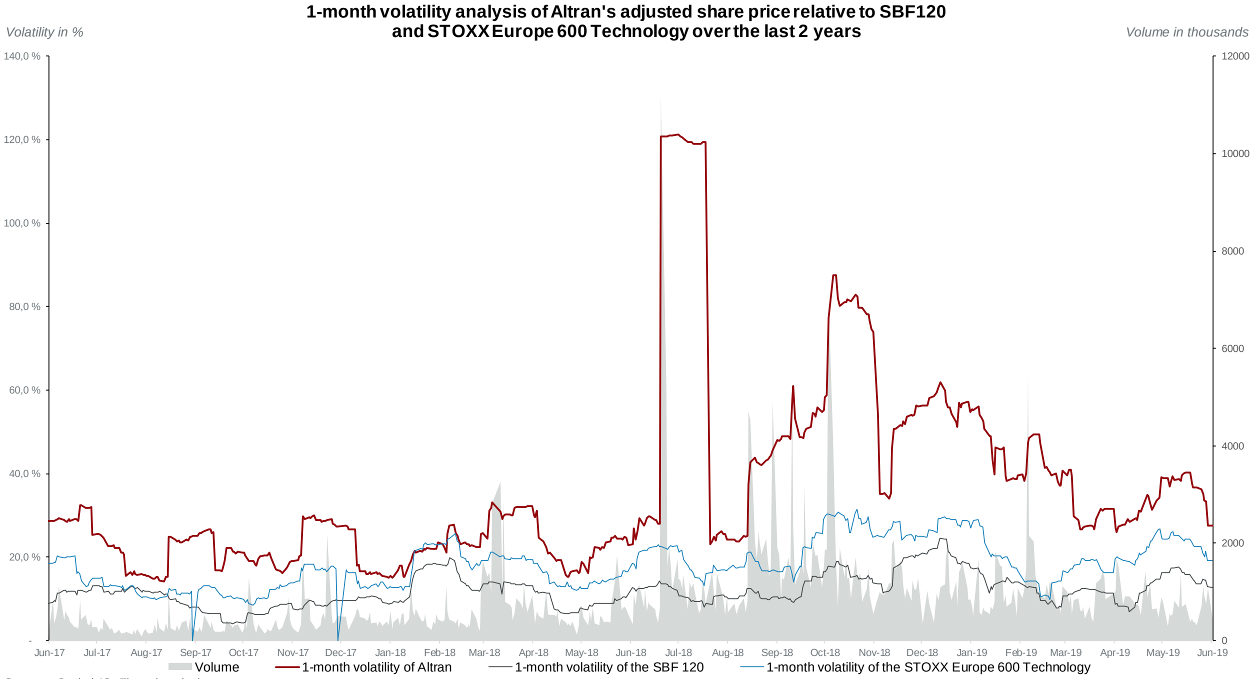
- The unwinding of short positions which had an upward effect on the share price (for information, ALTRAN was one of the most "shorted" companies before the announcement of the Offer);
- The presence of arbitrageurs;
- The speculation of investors about an increase in the Offer price, particularly following the announcements of the ELLIOTT fund;
- the counterparties of the ELLIOTT fund which were required to purchase large amounts of Altran's shares to serve the ELLIOTT fund's equity swap if it were to close out its positions.

[33] -14.7% vs. SBF120 and -17.8% vs. STOXX Europe 600 Technology between the start of October 2018 and the end of December 2018.
[34] About 4.3 x above the average daily trading volume observed over the 3 months preceding the announcement of the Offer with a significant peakon 29 June 2019.

Analysis of ALTRAN's share price volatility

A share's volatility is a measurement of the level of uncertainty concerning its rate of return on the stock market. It is therefore used as the basis for measuring a financial asset's risk.

We have looked at the volatility of the adjusted share price over the 24 months preceding the Offer announcement and compared it to that of the SBF 120 and the STOXX Europe 600 Technology indices over the same period.



Sources: Capital IQ, Finexsi analysis

Over the period in question, the average volatility of ALTRAN's adjusted share price (37%) was considerably higher on an ongoing basis than that of the SBF 120 (12%) and the STOXX Europe 600 Technology (18%). We can also see a very sharp increase in the volatility of ALTRAN's adjusted share price at the time of the ARICENT fraud announcement, as on this date volatility reached 121%, a level that was maintained for the next 21 trading days.

Over the seven months before the Offer was announced, the volatility of the ALTRAN shares reached a high level (42%), 1.8x higher than average volatility before the ARICENT fraud announcement, which was already higher than that of SBF 120, reflecting the Company's intrinsic risk.

5.2.2 Discounted cash flow (DCF[35])

This method consists of determining the intrinsic value of a company by discounting cash flow from its business plan at a rate reflecting the rate of return that the market would require of the company, taking account of an exit value at the end of the plan.

This method is used to recognise the value attributable to the company's development prospects and we believe that it is particularly well suited to ALTRAN's situation.

It is suitable within the context of an asset takeover in order to find its full value, insofar as this method assumes having access to and understanding of cash flows generated by the asset.

Projected cash flows are based on the business plan provided by the Company, which retranscribes the aims of the "*The High Road 2022*" strategic plan[36]. As the Company has announced to the market its 3-year target taken from this plan and given the ups and downs in its share price performance, we have also analyzed consensus forecasts and assessments of the situation in order to obtain forecasts that can be used as part of a valuation. The business plan, covering the period from 2019 to 2022, factors in the effects of recent acquisitions[37] but does not anticipate any further acquisitions during the period in question.

We have then extrapolated the business plan up to 2026 in order to converge the rate of revenue growth estimated by management for 2019-2022 with the perpetual growth rate.

The main assumptions of the business plan are shown in paragraph 5.4.1.2, which sets out the implementation of the DCF criterion, as well as our critical analysis on the basis of comments from management and brokers covering the stock on a regular basis.

Cash flow has been discounted at the weighted average cost of capital (WACC), determined on the basis of ALTRAN's characteristics.

Terminal value is calculated at the end of the period of the business plan on the basis of normative cash flow discounted to infinity taking account of estimated long-term growth for these cash flows.

[35] Discounted cash flow.
[36] The strategic plan was approved by ALTRAN's Board of Directors on 26 June 2018.
[37] Primarily the acquisition of ARICENT.

5.2.3 Recent transaction in the Company's share capital

This method consists of valuing a company in reference to major recent transactions concerning its share capital (excluding analysis of share prices, which constitutes a separate valuation criterion looked at in addition).

As regards ALTRAN, we have referred to the off-market acquisition of a share block on 2 July 2019 following an agreement signed on 24 June 2019 between CAPGEMINI and shareholders organised around APAX PARTNERS[38]. This acquisition represents 11.43% of the Company's share capital and 11.40% of voting rights and, on the basis of the information provided to us, constitutes a direct and representative reference.

5.2.4 Peer comparisons

The peer comparison method consists of determining the value of a company by applying the multiples seen in a sample of other listed companies operating in the same sector of activity to key profit indicators that are considered relevant.

We also looked in detail at the limitations of this method in terms of the comparability of rival companies.

We have used the EBIT, which is the most relevant key indicator, as it is commonly accepted by valuers and brokers for ALTRAN's activities.

EBIT is calculated after depreciation and provisions. Using EBIT as a reference takes account of differences in the level of capital expenditure and therefore depreciation between the companies, on the understanding that this is not a highly capital-intensive activity requiring significant capital expenditure. Depreciation policies therefore create a small amount of distortion in terms of EBIT.

We have applied to ALTRAN's 2019e, 2020e and 2021e EBIT, taken from the business plan, the multiples observed over the same periods for the sample of peer companies.

5.2.5 Brokers' target prices

This method consists of determining the value of a company on the basis of target prices published by financial brokers.

The ALTRAN shares are covered on a regular basis by a large number of brokers. We have therefore used this method.

Our analysis concerned the latest brokers' reports released after the announcement of the first quarter 2019 revenues and before the Offer was announced, i.e. between 25 April 2019 and 24 June 2019.

[38] ALTRAFIN PARTICIPATIONS, Mr. Alexis KNIAZEFF and Mr. Hubert MARTIGNY, ALTRAN's founders.

5.2.6 Comparable transactions (for indicative purposes)

The comparable transaction method is based on analysis of multiples for full or partial buyouts of companies in the business sector of the entity being valued. For the same reasons as stated above, we have looked at EBIT multiples.

We have collected usable information within the public realm about transactions since 2017.

We have applied to ALTRAN's 2018 and LTM 2019 EBIT the multiple obtained from the sample of comparable transactions.

However, it should be noted that we have not identified any transactions that are completely comparable with ALTRAN, mainly because of the diversity of the Group's activities, its size and its geographical positioning. Therefore, the results obtained from implementing this criterion are given only as an indication.

5.3 Reference information for ALTRAN

5.3.1 Number of shares

Our calculations are based on the number of shares making up the share capital on 30 June 2019 (257,021,105 shares), minus the number of treasury shares (2,461,800 shares) on the same date and plus the number of free shares that could be issued under the 2017, 2018 and 2019 plans currently in force (2,405,239 shares[39]).

The number of shares taken into account is therefore 256,964,544.

5.3.2 Net debt

Adjustments allowing for the transition from enterprise value to equity value were determined on the basis of the ALTRAN group's cash and debt as stated in the consolidated financial statements to 30 June 2019.

[39] The number of free shares that could be issued under these plans corresponds to the maximum number of shares that may be allocated assuming that 110% of performance targets are achieved, giving the right to acquire 120% of remaining shares allocated as at 4 September 2019.

Adjusted net debt as at 30 June 2019 has been determined as follows:

ALTRAN - Adjusted net financial debt

In M€	30/06/2019
Long term financial debt	(1 607)
Short term financial debt	(160)
Gross financial debt	***(1 767)***
Cash and cash equivalents	***337***
Net financial debt	***(1 429)***
Deconsolidated factoring	(173)
2018 dividend payment (0,24€ / share)	(61)
Post-tax pension commitments	(59)
Long-term provisions and other assets and contingent liabilities	(49)
Debt cost issuance	(49)
Minority interests	(3)
Tax losses carry forward (discounted)	74
Tax credit	20
Associates	13
Total adjustments	***(287)***
Adjusted net financial debt	***(1 717)***

Sources: Company, Interim financial report 2019

Excluding debt, cash and pension liabilities that do not give rise to any particular comments, we have included the following main items in net debt:

- Deconsolidated factoring liabilities of €173 million as at 30 June 2019;
- Liabilities and provisions for long-term liabilities and charges, as well as estimated positive contingencies net of tax, including a potential amount of insurance compensation following the ARICENT incident;
- The debt issuance cost relating to the ARICENT acquisition corresponding to a proportion of share capital remaining due;
- An amount of tax loss carryforwards of €74 million as at 30 June 2019. These tax loss carryforwards have been discounted according to their probable time frame for use and are therefore not deducted from the tax charge calculated in the DCF method;
- Tax receivables as at 30 June 2019 (research tax credit does not qualify as a transfer qualifying for deconsolidation) to be either deducted from tax over the next three years or repaid by the French government if there is no deduction;
- Investments in affiliates in the amount of €13 million as at 30 June 2019. Management has confirmed that there was no potential to revalue these holdings;

After restatement, adjusted net debt comes to €1,717 million.

5.4 Valuation of ALTRAN

5.4.1.1 *Reference to the share price*

Below we present the volume-weighted average price (restated for the dividend of €0.24 per share paid on 1 July 2019) as at 24 June 2019[40]:

Altran - Historical share price analysis (non adjusted)

	Share price (€)	Implied premium / (discount) to Offer price of 14€
Spot ex-dividend (24/6/2019)	11,23	24,7 %
1-month VWAP* ex-dividend	10,81	29,5 %
60-days VWAP ex-dividend	10,64	31,6 %
3-month VWAP ex-dividend	10,58	32,3 %
6-month VWAP ex-dividend	9,24	51,5 %
12-month VWAP ex-dividend	8,47	65,2 %
Highest price over the last 12 months ex-dividend (26/6/2018)	13,18	6,2 %
Lowest price over the 12 months ex-dividend (21/12//2018)	6,29	122,6 %

* VWAP : Volume-w eighted average prices

Sources: Capital IQ and Finexsi analysis

The Offer price, which has never been reached over the last 12 months, presents a premium of 24.7% to the spot price (ex-dividend) of 24 June 2019 and premiums of 29.5% to 31.6% to the 1-month to 60-day volume-weighted average price (ex-dividend).

5.4.1.2 *Discounted cash flow*

We have carried out our work on the basis of the standalone 2019-2022 business plan provided by the Company and approved by ALTRAN's Board of Directors on 26 June 2018. This business plan reflects the "*The High Road 2022*" strategic plan, which in June 2018 presented to the market the medium-term revenue and EBIT margin rate target to be achieved at the end of 2022.

This business plan is devised by business line on a bottom-up basis in terms of revenues and a top-down basis for margins and cash flow. It does not factor in any acquisitions.

[40] Share price not adjusted from the capital increase dilutive effect announced on 22 March 2018.

The main structural assumptions made in the business plan are as follows:

- Average revenue growth of 6.7% a year over the period to around €4 billion at the end of the plan;
- Steady improvement in EBIT margin rate (before recurring restructuring costs and non-recurring expenses) to 14.5%[41] at the end of the plan, it being understood that achieving this margin rate assumes the implementation of significant transformation costs;
- Recurring restructuring costs of between 0.5% and 0.7% of revenues;
- A change in simulated WCR on the basis of 1.3% of revenues.

This business plan is therefore characterised by strong revenue growth, as well as ongoing improvement in margins, albeit to levels that are still lower than those achieved in the past, with a significant change in the Group's profile in terms of globalshore activities in particular. Management's targets therefore seem very ambitious. The transformation mentioned should eventually allow for improvement in EBIT margin rate to 14.5% in 2022 (vs. 12.0% in 2018), which would position the Company as the strongest performer in its market. Furthermore, management also expects strong revenue growth, which we believe is more difficult to achieve within the context of transformation.

As part of our due diligence checks in accordance with AMF recommendation 2006-15[42], we conducted in-depth discussions with ALTRAN's management, which told us that "*this BP constitutes targets and not forecasts*" and that "*any valuation analysis based on these 2022 targets should take account of execution risk in view of:*

- *The ambitious nature of these targets, which would make the company one of the strongest-performing services companies in the world;*
- *The non-linear progression required to attain these targets after the delay built up in 2018 relating primarily to the fraud discovered concerning Aricent;*
- *Changes in the outlook in certain sectors or regions in which our clients operate, particularly Germany, where the group is in the process of a challenging turnaround;*
- *Possible deterioration in global macroeconomic conditions."*

These are major considerations in any shareholder's assessment of the Company's possible development on a standalone basis, which cannot gloss over risks and uncertainties that are even more significant given the aggressive nature of these targets.

[41] This EBIT margin rate includes margin rate generated by the IBM contracts. As we shall see below, the IBM contracts have been valued separately, resulting in a reduction in EBIT margin for the business plan excluding IBM of 0.1% to 0.2%.

[42] AMF recommendation 2006-15 refers in Article 4.2.1 in particular to the "principle of critical review".

We would also note that brokers' consensus forecasts do not currently expect the Company to achieve the improvement in margin set out in the strategic plan, with EBIT margin rate of around 13.2% in 2021, approximately 80 basis points below the targets of the strategic plan for that year. Their expectations were changed after the announcement of difficulties at ARICENT and the cyberattack, as can be seen below:

Brokers' consensus (before announcement of the Offer and post-acquisition of Aricent)

In %		2019e	2020e	2021e	2022e
Revenue growth	Brokers' consensus (post-acquisition of Aricent)	8,4 %	11,5 %	8,9 %	5,0 %
	Brokers' consensus (before announcement of the Offer)	10,7 %	5,9 %	6,5 %	4,9 %
EBIT margin	Brokers' consensus (post-acquisition of Aricent)	12,7 %	13,9 %	14,5 %	14,5 %
	Brokers' consensus (before announcement of the Offer)	12,0 %	12,4 %	13,2 %	*n.c*

Source : Capital IQ (brokers' consensus as at 01/04/2018 and 24/6/2019)

On the basis of these observations, we have come up with two different scenarios in our analysis in order to shed full light on ALTRAN's potential value.

Scenario 1

Scenario 1 consists of reviewing the full value as taken from the "*The High Road 2022*" strategic plan, not taking into consideration uncertainties in its execution leading to fixed revenues and margins, and then maintaining a high performance level over the long term (EBIT margin rate of 13.5% or 13.4% excluding IBM contracts valued separately).

Period of the business plan

The period of the business plan (2019-2022) used in this scenario corresponds to the business plan provided by management as described above, with no adjustments.

Extrapolation of the business plan

As the last year of the business plan (2022) is at a cyclical peak given the strong growth expected over the period in question, we have extrapolated the business plan over the period from 2023 to 2026 on the basis of a linear reduction in the rate of revenue growth to 2% – corresponding to the perpetual growth rate applied (see below) – in normative cash flows and stable EBIT margin rate, corresponding to that set by management in its "*The High Road 2022*" strategic plan (14.5% including IBM contracts or between 14.3% and 14.4% excluding IBM contracts valued separately).

The period of extrapolation also includes recurring restructuring costs in line with those over the period of management's business plan (0.5% of revenues).

Normative cash flows

Normative cash flows are based on EBIT margin rate (before recurring restructuring costs and non-recurring expenses) of 13.4% excluding IBM contracts valued separately, corresponding to a mid-cycle assumption.

Recurring restructuring costs, in line with those for the period of the business plan (0.5% of revenues), have been maintained in normative cash flows.

A perpetual growth rate of 2.0% has been applied to normative cash flows, which is at the upper end of the range of long-term growth rates currently observed in terms of financial valuation.

Scenario 2

Scenario 2 consists of applying brokers' consensus EBIT margin rate forecasts up to 2021, i.e. 13.2%, and then increasing this margin rate up to 13.5% in 2026 (including IBM contracts). In this second scenario, revenues are identical to those used in the first scenario but it includes brokers' assessment of uncertainties in the execution of the "*The High Road 2022*" plan as explained below.

Period of the business plan

Revenues for the period of the business plan correspond to those stated by management. They are therefore the same as revenues in Scenario 1.

However, we have adjusted EBIT margin rate to above the brokers' consensus for 2019 to 2021, i.e. EBIT margin rate of 13.2% in 2021 (see table above).

Extrapolation of the business plan

We have extrapolated this business plan over the period from 2022 to 2026 maintaining the same level of revenues as in the first scenario.

As regards EBIT margin rate, we have modelled linear growth in this margin rate to 13.5% in 2026 (including IBM contracts or 13.3% excluding IBM contracts valued separately).

As in Scenario 1, the period of extrapolation includes recurring restructuring costs in line with those over the period of management's business plan (0.5% of revenues).

Normative cash flows

Normative cash flows are based on EBIT margin rate (before recurring restructuring costs and non-recurring expenses) of 13.4% excluding IBM contracts valued separately, corresponding to a mid-cycle assumption.

Recurring restructuring costs, in line with those over the period of the business plan (0.5% of revenues), have been maintained in normative cash flows.

A perpetual growth rate of 2.0% has been applied to normative cash flows, which is at the upper end of the range of long-term growth rates currently observed in terms of financial valuation.

Determination of cash flows (scenarios 1 and 2)

Cash flows have been determined in the same way for each of the two scenarios:

- Cash flows for the second half of 2019

For reasons of consistency with net debt calculated as of June 30th 2019, we have discounted cash flows as of this date.

For the 2019 financial year, we have therefore included cash flows corresponding to the second half of the year as determined on the basis of the difference between 2019 as set out in the business plan and what was actually achieved by the Company in the first half of 2019.

- Capital expenditure (capex)

Levels of capital expenditure (excluding IBM contract) have been provided by the Company and account approximately for 2% of the revenues.

- Income tax

A tax rate of 32.0% as stated by the Company and corresponding to a consolidated rate has been applied for the first year of the business plan. This rate falls in subsequent years to 29% at the end of the plan.

Use of tax loss carryforwards has been simulated on the basis of operating income taking account of recurring restructuring costs and non-recurring expenses. Tax loss carryforwards have not been deducted from cash flows but modelled separately and included in our net debt calculation at their discounted amount in order to be factored into the different valuation methods.

IBM contracts

The four license agreements signed with IBM[43] between September 2016 and March 2018 have been valued separately using the discounted cash flow method, taking account of amounts still to be paid out within the framework of these agreements. We have assumed that these license agreements will be renewed when they expire (each lasting 10 years).

These contracts have been valued separately in order to take account of their known end date and the expected reduction in revenue generated by these contracts over time. Keeping these contracts in cash flows in management's business plan would have resulted them being included in terminal value and therefore being attributed an indefinite lifespan, which would have constituted a skewed methodology.

The valuation implied by these contracts was then added to the enterprise value as obtained on the basis of discounted cash flows taken from the two scenarios described above[44].

Discount rate

As stated above, we have used the Company's weighted average cost of capital, calculated based on the CAPM formula, to discount future cash flows. This cost – which is the same for both scenarios – has been estimated at 8.74% on the basis of:

- A risk-free rate of 0.58% corresponding to the average TEC 10 OAT rate (1-month average to 24 June 2019 - Source: Banque de France);
- A market risk premium of 7.14% (1-year average of the Associés en Finance risk premium as at 31 May 2019);
- Peers' deleveraged beta of 1.22[45] (Source: Capital IQ);
- A cost of debt before tax of 2.75%;
- A gearing calculated on the basis of the Company's share price on 24 June 2019 (before the announcement) and debt as at 30 June 2019, giving a debt/equity ratio of 49.1%[46].

[43] Product engineering partnership agreements under which ARICENT has been granted licenses for IBM software under license agreements representing a total of USD 377 million.
[44] Similarly, the valuation implied by these contracts was added to the enterprise value as obtained using analogical valuation methods (see Section 5.4.1.4 and 5.4.1.6).
[45] We have used peers' betas which had a R^2 higher than 20%, meaning the ones of ALTEN, AF POYRY and AKKA.
[46] Using a target gearing based on the deleveraging target as announced in the « High Road 2022 » plan would come to a slightly higher discount rate.

This discount rate of 8.74% is at the lower end of the range of rates applied by brokers covering ALTRAN pre-announcement, i.e. between 8.5% and 9.5%[47], it being understood that brokers base their target prices on forecasts below those of the "*The High Road 2022*" strategic plan (particularly as regards operating margin), while in Scenario 1 we have used the guidance given to the market by management over the period of the business plan as well as over the period of extrapolation.

Although these forecasts are ambitious in nature, we have not taken any specific premium into account to reflect the associated risk of realisation, which is favourable to the shareholder. Only cash flows in scenario 2 have been reduced.

Cash flows were discounted as at 1 July 2019.

Valuation calculations according to both scenarios and sensitivity analysis

Scenario 1

On this basis, the enterprise value comes to €5,042 million, of which 61.4% relates to terminal value beyond the period in question. Taking account of the level of net debt, equity amounts to €3,326 million and ALTRAN's per share value is €12.9[48].

The sensitivity of ALTRAN's per share value to a combined change in the discount rate (from -0.5 points to +0.5 points) and the perpetual growth rate (from -0.5 points to +0.5 points) is shown below.

Perpetual growth rate	Cost of capital				
	8,24%	8,49%	8,74%	8,99%	9,24%
1,50%	13,4	12,7	12,1	11,4	10,9
1,75%	13,9	13,2	12,5	11,8	11,2
2,00%	14,5	13,7	**12,9**	12,3	11,6
2,25%	15,1	14,2	13,4	12,7	12,0
2,50%	15,7	14,8	14,0	13,2	12,5

The sensitivity of ALTRAN's per share value to a combined change in the discount rate (from -0.5 points to +0.5 points) and normative operating margin rate (from -0.5 points to +0.5 points) is shown below.

47 This range includes all the discount rates disclosed by the brokers before the Offer announcement, namely the ones disclosed by KEPLER CHEUVREUX, SOCIÉTÉ GÉNÉRALE, BRYAN GARNIER and EXANE.

48 For information purposes, maintaining an EBIT margin rate of 14.4% (excluding IBM contracts valued separately) in normative cash flows and using a discount rate plus a risk premium of 0.5% to take account of the increased risk of execution, the DCF method gives a central value of €13.0 per share.

Normative margin rate (excluding IBM contracts)	Cost of capital				
	8,24%	**8,49%**	**8,74%**	**8,99%**	**9,24%**
12,9%	13,6	12,9	12,2	11,5	10,9
13,1%	14,0	13,3	12,6	11,9	11,3
13,4%	14,5	13,7	**12,9**	12,3	11,6
13,6%	14,9	14,1	13,3	12,6	12,0
13,9%	15,3	14,5	13,7	13,0	12,3

Scenario 2

On this basis, the enterprise value comes to €4,981 million, of which 64.5% relates to terminal value beyond the period in question. Taking account of the level of net debt, equity amounts to €3,264 million and ALTRAN's per share value is €12.7.

The sensitivity of ALTRAN's per share value to a combined change in the discount rate (from -0.5 points to +0.5 points) and the perpetual growth rate (from -0.5 points to +0.5 points) is shown below.

Perpetual growth rate	Cost of capital				
	8,24%	**8,49%**	**8,74%**	**8,99%**	**9,24%**
1,50%	13,2	12,4	11,8	11,2	10,6
1,75%	13,7	12,9	12,2	11,6	11,0
2,00%	14,3	13,4	**12,7**	12,0	11,4
2,25%	14,9	14,0	13,2	12,5	11,8
2,50%	15,5	14,6	13,8	13,0	12,3

The sensitivity of ALTRAN's per share value to a combined change in the discount rate (from -0.5 points to +0.5 points) and normative operating margin rate (from -0.5 points to +0.5 points) is shown below.

Normative margin rate (excluding IBM contracts)	Cost of capital				
	8,24%	**8,49%**	**8,74%**	**8,99%**	**9,24%**
12,9%	13,4	12,6	11,9	11,3	10,7
13,1%	13,8	13,0	12,3	11,6	11,0
13,4%	14,3	13,4	**12,7**	12,0	11,4
13,6%	14,7	13,9	13,1	12,4	11,7
13,9%	15,1	14,3	13,5	12,7	12,1

The values we obtain including, according to Scenario 1, the full value of the "*The High Road 2022*" plan, fall within a range of €12.3 to €13.7 per ALTRAN share, with a central value of €12.9. The Offer price therefore presents a premium of 14.2% to the lower end of the range and 2.4% to the upper end of the range.

According to Scenario 2, which factors in some uncertainties in the execution of the "*The High Road 2022*" plan, we obtain a value range from €12.0 to €13.4 per ALTRAN share, with a central value of €12.7. The Offer price therefore presents a premium of 16.6% to the lower end of the range and 4.1% to the upper end of the range.

5.4.1.3 Recent transaction in the Company's share capital

On 24 June 2019, CAPGEMINI and shareholders organised around APAX PARTNERS[49] each signed a share transfer agreement under which the latter agreed to sell their entire stake to CAPGEMINI, representing 11.43% of ALTRAN's share capital and 11.40% of voting rights, at a price of €14.0 per share (ex-dividend). This off-market transaction was finalised on 2 July 2019.

The terms of the acquisition of this share block are exactly the same as those proposed to minority shareholders within the framework of the Offer.

Furthermore, the sellers' Top-Up right under the share transfer agreements seems normal in the context and does not differ in any way from the more favourable terms from which other shareholders could benefit in the event of a rival offer or a higher bid.

In addition, in its capacity as a member of ALTRAN's board of directors, APAX PARTNERS had full access to information about the Company, its risk and opportunities, and was therefore in a position to assess the price offered within the framework of this Offer with full knowledge of the facts.

Lastly, according to information provided to us by APAX PARTNERS and its advisor, there was no legal or statutory constraint requiring the liquidation of assets held by the fund to ensure its liquidity that could impact the conducting of negotiations between the parties and alter the aim of APAX PARTNERS finding the best selling price for its share block.

The price of €14.0 per share (ex-dividend) therefore constitutes a valuation reference for ALTRAN.

5.4.1.4 Peer comparisons

5.4.1.4.1 Multiples for comparable listed companies

In view of the specific characteristics of the market in which ALTRAN operates, there are no companies that are fully comparable, particularly in terms of business mix and geographical presence. However, we have identified the following listed companies:

- **ALTEN SA** is a French engineering and technology consulting firm present primarily in France, Europe and the Asia-Pacific region. The company carries out design and research projects for the technical and IT systems divisions of the manufacturing, telecommunications and services sectors. It generated revenues of €2,270 million in 2018 and has around 29,600 engineers;

[49] ALTRAFIN PARTICIPATIONS, Mr. Alexis KNIAZEFF and Mr. Hubert MARTIGNY, ALTRAN's founders.

- **AF PÖYRY** is a Swedish company that provides engineering and design services for the energy, manufacturing and infrastructure sectors in Sweden, Norway, Switzerland and worldwide. It generated revenues of SEK 13,975 million (around €1,373 million) in 2018 and has around 10,930 employees;

- **AKKA TECHNOLOGIES SE** is a Belgian group listed in Paris specialising in engineering and technology services and consulting. AKKA generated revenues of €1,505 million in 2018 and has more than 21,000 engineers across Europe, the Americas, Asia and the Middle East;

- **CYIENT LIMITED** is an Indian company offering IT and technical design solutions. It generated revenues of $660 million (around €594 million) during the last financial year ended 31 March 2019, 75% of which was in the EMEA region[50] and the Americas. It has operations in 20 countries with more than 15,000 employees;

- **BERTRANDT AKTIENGESELLSCHAFT** is a German company that develops solutions for the automotive and aeronautic industries in Europe, Asia and the United States. It operates in the fields of digital engineering, physical engineering and electrical systems. It generated revenues of €1,021 million in 2018;

- **EDAG ENGINEERING GROUP AG** is a Swiss company that provides engineering services for the automotive sector. It operates worldwide and generated revenues of €788 million in 2018;

- **RICARDO PLC** is a British company offering engineering advisory services for transportation equipment manufacturers and operators and companies in the energy sector, as well as financial institutions and government organisations. Via its Technical Consulting and Performance Products businesses, it generated revenues of £380 million (around €430 million) in the financial year ended 30 June 2018 and had 3,000 employees.

Outlook for growth and profitability of comparable listed companies

Comparables	Country	Revenue (mEUR)	EV (mEUR) **	Revenue growth			EBIT growth			EBIT margin		
				18/19e	19/20e	20/21e	18/19e	19/20e	20/21e	2019e	2020e	2021e
Alten SA	France	2 270	3 395	13,9 %	6,7 %	6,4 %	16,6 %	7,7 %	7,1 %	9,8 %	9,9 %	10,0 %
ÅF Pöyry AB (publ)	Sweden	1 373	2 893	48,7 %	8,0 %	4,0 %	39,1 %	23,8 %	5,7 %	8,3 %	9,5 %	9,7 %
AKKA Technologies SE	Belgium	1 505	1 631	21,8 %	5,1 %	5,2 %	34,8 %	15,9 %	7,5 %	7,8 %	8,6 %	8,8 %
Cyient Limited	India	594	701	10,8 %	10,2 %	9,9 %	14,0 %	11,8 %	9,2 %	11,5 %	11,7 %	11,6 %
Bertrandt Aktiengesellschaft	Germany	1 021	572	5,0 %	5,4 %	6,5 %	19,4 %	13,2 %	8,4 %	8,0 %	8,6 %	8,7 %
EDAG Engineering Group AG	Switzerland	788	533	3,7 %	5,3 %	5,2 %	13,5 %	28,9 %	15,1 %	5,3 %	6,5 %	7,1 %
Ricardo plc	United Kingdom	430	464	4,1 %	5,3 %	1,7 %	12,0 %	8,6 %	2,8 %	10,9 %	11,2 %	11,3 %
Mean				**15,4 %**	**6,6 %**	**5,6 %**	**21,3 %**	**15,7 %**	**8,0 %**	**8,8 %**	**9,4 %**	**9,6 %**
Median				**10,8 %**	**5,4 %**	**5,2 %**	**16,6 %**	**13,2 %**	**7,5 %**	**8,3 %**	**9,5 %**	**9,7 %**

** Enterprise value calculated on the basis of the shares trading price as at 24/6/2019

Source: Capital IQ

[50] Europe, Middle East and Africa.

The expected rate of revenue growth for the sample of peers is generally higher than for ALTRAN in 2019e, mainly because of the recent acquisition of PÖYRY by AF[51] and the acquisition of PDS TECH by AKKA[52], and slightly lower for the period from 2020e to 2021e.

ALTRAN's average rate of EBIT growth is slightly below the average for its peers over the period from 2019 to 2021.

ALTRAN's EBIT margin rate, meanwhile, is generally higher than that of its peers over the period.

We have also excluded from the sample the company ASSYSTEM (France), which since the sale in 2017[53] of its GPS (Global Product Solutions) business to a company 60% owned by ARDIAN, presents activities more focused on the infrastructure and energy sectors.

We obtain the following multiples on the basis of estimated indicators taken from brokers' consensus forecasts for 2019e, 2020e and 2021e:

Altran - Trading multiples* on comparables

Comparables	Country	EV (mEUR) **	xEBIT		
			2019e	2020e	2021e
Alten SA	France	3 395	12,5x	11,7x	10,9x
ÅF Pöyry AB (publ)	Sweden	2 893	14,5x	11,7x	11,1x
AKKA Technologies SE	Belgium	1 631	11,4x	9,8x	9,1x
Cyient Limited	India	701	10,3x	9,2x	8,4x
Bertrandt Aktiengesellschaft	Germany	572	7,2x	6,4x	5,9x
EDAG Engineering Group AG	Switzerland	533	13,3x	10,4x	9,0x
Ricardo plc	United Kingdom	464	10,1x	9,3x	9,0x
Mean			**11,3x**	**9,8x**	**9,1x**
Median			**11,4x**	**9,8x**	**9,0x**

* Multiples implied by (i) an enterprise value calculated on the basis of 3 months VWAP at 24/6/2019 and a number a shares outstanding over 3 months and (ii) calendarized peers' aggregates on Altran closing date

** Enterprise value calculated on the basis of the shares trading price as at 24/6/2019

Source: Capital IQ

51 PÖYRY press release - 10 December 2018.
52 AKKA press release - 6 May 2019.
53 ASSYSTEM press release - 28 September 2017.

These multiples have been determined as at 24 June 2019, i.e. the last trading day before the Offer was announced.

We believe that reference to multiples after the Offer date would give a skewed result insofar as some companies in the sample saw their share prices and their multiples significantly progress. In particular, ALTEN saw a sharp rise in its share price after the Offer was announced, with a 3.9% increase the day after the announcement and an 8.64% increase between 24 June and 23 July 2019, the day before revenues were reported for the first half of the year[54].

On 24 July 2019, ALTEN reported strong revenue growth for the first half of 2019 of 17.5% or 12.5% at constant exchange rates, well above the rate of growth achieved by ALTRAN over the same period (organic growth excluding currency effects and changes in the scope of consolidation of 7.4%). These factors confirm the trend seen over the last two years, with generally stronger organic growth for ALTEN and more resilient net income[55], well above that of ALTRAN over the period, also remembering that ALTEN does not have any debt.

What is more, since the acquisition of ARICENT, the transformation initiated by ALTRAN has changed its operating and financial profile, and its resulting current level of debt has also altered its risk profile.

This results in different characteristics and risk profiles that should be reflected in the valuation.

We can also see that due to their past financial performance, brokers view the two stocks in very different ways.

Therefore, we believe that applying multiples for ALTEN, in addition after the date of the announcement, to ALTRAN would constitute a skewed methodology and significantly overvalue ALTRAN[56].

5.4.1.4.2 Reference EBIT

We have applied 2019e, 2020e and 2021e average multiples to EBIT forecasts (excluding EBIT relating to IBM contracts) for the same year taken from the business plan drawn up by the Company's management.

5.4.1.4.3 IBM contracts

As explained above, the valuation of IBM contracts implied by the discounted cash flow method (see Section 5.4.1.2) was added to the enterprise value as obtained from applying investment multiples.

[54] We have not identified any factors other than the Offer announcement that could explain the rise in ALTEN's share price over this period.
[55] ALTEN's net income in 2017 and 2018 represented respectively 7.5% and 7.1% of revenues compared with 5.7% and 2.8% for ALTRAN.
[56] ALTEN presented a 2019e EBIT multiple of 12.5x on 24 June 2019 and 13.8x on 30 August 2019, both determined in a similar way and assuming an enterprise value calculated on the basis of 3-month VWAP.

5.4.1.4.4 ALTRAN valuation range based on peer multiples

Trading multiples on comparables Results	xEBIT	
	Min	Max
Per share value	10,5	11,2
Premium or (discount) to the Offer price	32,9 %	25,0 %

If we apply the average multiples observed for the Company's peers to 2019e, 2020e and 2021e EBIT, we obtain a value per ALTRAN share between €10.5 and €11.2[57]. On the basis of this criterion, the Offer price presents a premium of 32.9% to the lower end of the range and 25.0% to the upper end of the range.

5.4.1.5 Brokers' target prices

All the last recommendations from brokers covering ALTRAN published after the announcement of the first quarter 2019 revenues (i.e. after 25 April 2019) and before the Offer was announced after market close on 24 June 2019 are listed below:

Altran - Brokers target prices

Date	Broker	Target price	Recommendation	Last closing price before the issuance of the note	Implied premium / (discount)
06/06/2019	Société Générale	13,5 €	Buy	11,1	3,7 %
05/06/2019	Exane BNP Paribas	11,3 €	Neutral	10,8	23,9 %
21/05/2019	Kepler Cheuvreux	13,0 €	Buy	10,7	7,7 %
26/04/2019	Bryan Garnier	17,0 €	Buy	11,4	(17,6)%
25/04/2019	Gilbert Dupont	13,5 €	Buy	11,3	3,7 %
25/04/2019	Portzamparc	13,2 €	Buy	11,3	6,5 %
26/04/2019	Oddo BHF	11,5 €	Neutral	11,3	21,7 %
25/04/2019	CM-CIC	11,0 €	Buy	11,3	27,3 %
25/04/2019	Invest Securities	9,3 €	Sell	11,3	50,5 %
Mean (excl. extreme)		**12,4 €**			**13,5 %**
Median (excl. extreme)		**13,0 €**			**7,7 %**
Mean		**12,6 €**			**14,2 %**
Median		**13,0 €**			**7,7 %**

Sources: Brokers notes

This analysis shows that the last target prices published by brokers before 24 June 2019 are between €9.3 and €17.0. A difference of this kind means that we need to leave out the highest and lowest prices.

Excluding the highest and lowest target prices (INVEST SECURITIES and BRYAN GARNIER), target prices are between €11.0 and €13.5. On the basis of this narrower range, the Offer price of €14.0 presents a premium of 27.3% to the lower end of the range and a premium of 3.7% to the upper end of the range.

[57] For informative purpose, if we apply the median multiples observed for the Company's peers to 2019e, 2020e and 2021e EBIT, we obtain a value per ALTRAN share between €10.6 and €11.2.

For information, the last target prices released after the announcement of the Offer are as follows:

Date	Broker	Target price post-announcement (€)
24/09/2019	CM-CIC	11,0
12/09/2019	Kepler Cheuvreux	15,5
12/09/2019	Invest Securities	14,0
06/09/2019	Société Générale	14,0
06/09/2019	Bryan Garnier	17,0
06/09/2019	Portzamparc	15,1
06/09/2019	Oddo BHF	14,0
04/09/2019	Gilbert Dupont	14,0
25/06/2019	Berenberg*	14,0
25/06/2019	Exane BNP Paribas	14,0
Mean (excl. extreme)		**14,3**
Median (excl. extreme)		**14,0**
Mean		14,3
Median		14,0

Sources: Brokers notes

** Berenberg has not published a target price after the announcement of Altran's 1st quarter 2019 revenue and prior to the announcement of the Offer, that is why we excluded them in our target prices analysis. For information, the last target price published by Berenberg was 14.0 € on 6 November 2018.*

As a result:

- 1 broker has maintained a target price bellow the Offer price and consider that the price offered is "*fair*";
- 6 brokers align their target prices to that of the Offer price;
- 1 broker considers that its valuation in mid-2020 at €15.5 corresponds roughly to the Offer price;
- 2 brokers consider that the Offer price is not high enough, and that CAPGEMINI could increase it to reach the threshold of success set for the Offer.

5.4.1.6 Comparable transactions method – used for indicative purposes

5.4.1.6.1 Multiples for comparable transactions

We have looked at transactions since 2017 concerning companies belonging to the sector in which ALTRAN operates, concerning a significant proportion of share capital (over 50%) and therefore including a control premium. As stated above, and in a similar way to the approach based on peer comparisons, we have applied multiples based on EBIT.

We have identified the following transactions for which public information was available:

- The acquisition of PÖYRY by AF in December 2018;
- The acquisition of SYNTEL by ATOS in July 2018;
- The acquisition in May 2017 of ASSYSTEM's Global Product Solutions (GPS) business by a company 60%-owned by ARDIAN.

Multiples for these transactions are as follows:

Altran - Precedent transactions on comparables

Date	Target	Country	Buyer	% acquired	EV (m€)	xEBIT
10/12/2018	Poyry Plc	Finland	AF AB	100 %	586	16,7x
22/07/2018	Syntel, Inc.	United States	Atos SE	100 %	3 110	15,4x
11/05/2017	Assystem SA - GPS	France	Ardian	60 %	550	13,2x
Mean						**15,1x**
Median						**15,4x**

Sources: Mergermarket, Epsilon and Finexsi analysis

5.4.1.6.2 Reference EBIT

We have applied average multiples to 2018 EBIT as well as to 30 June 2019 LTM EBIT[58] (excluding EBIT relating to IBM contracts).

5.4.1.6.3 IBM contracts

As explained above, the valuation of IBM contracts implied by the discounted cash flow method (see Section 5.4.1.2) was added to the enterprise value as obtained from applying investment multiples.

5.4.1.6.4 ALTRAN valuation range based on comparable transactions

Precedent transactions on comparables Results	xEBIT Min	xEBIT Max
Per share value	13,4	15,5
Premium or (discount) to the Offer price	4,1 %	(9,5)%

If we apply the average multiple for the comparable transactions identified to 2018 EBIT and 2019 LTM, we obtain a value per ALTRAN share between €13.4 and €15.5[59]. On the basis of this criterion, the Offer price presents a premium of 4.1% to the lower end of the range and a discount of 9.5% to the upper end of the range.

[58] 2019 LTM EBIT corresponds to EBIT calculated over the 12 months rolling preceding 30 June 2019.
[59] For informative purpose, if we apply the median multiples for the comparable transactions identified to 2018 EBIT and 2019 LTM, we obtain a value per ALTRAN share between €13.9 and €15.9.

6 Related agreements and other agreements that may have a significant impact on the Offer price

We have looked at agreements that could have a significant impact on assessing the Offer or its outcome as set out in the draft tender offer document of 22nd of September 2019 in order to assess whether these agreements contained any financial provisions that could call into question the fairness of the Offer price.

Within this framework, we have looked at (i) the tender offer agreement of 11 August 2019, (ii) share transfer contracts relating to the acquisition of share blocks and (iii) the compensation mechanism.

We have also reviewed the service agreement contract concluded between Mr. Dominique CERUTTI and APAX PARTNERS.

6.1 Tender offer agreement

The tender offer agreement signed on 11 August 2019 between ALTRAN and CAPGEMINI "*specifies the terms and conditions of the cooperation between the Offeror and the Company until the Offer is completed […]*".

The main aspects of this tender offer agreement are described in the draft tender offer document of
22nd of September 2019 and set out in part in Section 1.8 of this report.

Apart from the compensation mechanism offered to beneficiaries of rights to receive free shares, which is analysed specifically in Section 6.3 below, the tender offer agreement does not contain any provisions relating to the price of the Company's shares.

We have no specific comments to make on this.

6.2 Share transfer agreements relating to the acquisition of share blocks

We have received three share transfer agreements signed on 24 June 2019 between CAPGEMINI on one hand and ALTRAFIN PARTICIPATIONS, Mr. Alexis KNIAZEFF and Mr. Hubert MARTIGNY on the other (hereinafter together referred to as the "Sellers") and their amendments.

These share blocks were acquired at a price of €14.0 share (ex-dividend). Settlement-delivery of this acquisition took place on 2 July 2019.

In addition to the acquisition price of €14.0 per share ex-dividend, the share transfer agreements state that each of the Sellers benefits "*from a top-up right (the "Top-Up Right") in the event of (i) an offer, an increased offer, a competing offer or a squeeze-out or (ii) if the Offer has not a positive outcome for any reason whatsoever, in the event of a sale of shares of Altran Technologies, in each of (i) and (ii) above at a price superior to the price at which the Acquisition* *of the Blocks has been completed and within 12 months following the filing of the Offer (and no later than September 30, 2020)"*

We have looked at the terms of the acquisition of these share blocks, which seem to be exactly the same as those proposed to minority shareholders within the framework of the public offer, i.e. a price of €14.0 per share (ex-dividend).

The Sellers' Top-Up right does not seem to call into question the fairness of the Offer price for other shareholders insofar as all shareholders who have tendered their shares to the Offer would benefit, in the case of a successful Offer, from the higher Offer price in all cases concerning by the share transfer agreements (higher bid, rival offer or squeeze-out). If the Offer is unsuccessful, the Seller's would also benefit from a Top-Up right in case of selling of shares acquired within the framework of the block acquisition at a higher price than the one paid in this block acquisition within 12 months following the filling of the Offer, this provision will not be applied in the case of a successful Offer.

In addition, the draft offer document states that *"If, after the closing of the Offer, the Offeror triggers the payment of a Top-Up to the Sellers pursuant to the share purchase agreement entered into for the purposes of the Acquisition of the Blocks, the Offeror undertakes to pay a top-up to the shareholders who tendered their shares of Altran Technologies in the Offer (unless the Offer has not been successful for any reason whatsoever), so that the price per share eventually offered to such shareholders is equal to the price per share eventually offered to the Sellers."*

6.3 Compensation mechanism

We have looked at the compensation mechanism that gives all beneficiaries of rights to receive free shares the option of waiving their rights to receive said free plans in return for the payment by the company of cash compensation in accordance with the terms set out in the draft offer document.

"*For each holder having accepted the Indemnification Mechanism, the Company will pay, no later than the forty-fifth (45th) working day following the end of the applicable vesting period provided under the 2017 Plan, the 2018 Plan and the 2019 Plan, a gross (brut)*[60] *cash amount equal, for each relevant right to receive Free Shares, to the price of the Offer indexed on the evolution of the stock price of Capgemini between the settlement date of the Offer and the end of the relevant vesting period, it being specified that such evolution cannot exceed +20% or be lower than (-20%)."*

Beneficiaries of rights to receive free shares will not be able to benefit from the compensation mechanism until the end of the vesting period. They therefore do not have immediate access to liquidity. In return and in accordance with the compensation mechanism, they could benefit from an increase or decrease in the transfer price depending on CAPGEMINI's share price performance.

[60] The social charges, as well as taxes due by such beneficiaries related to the Indemnification Mechanism will be borne by such beneficiaries.

We would note that:

- The increase or decrease in the transfer price is directly related to CAPGEMINI's share price performance;

- The possible increase or decrease in the price is limited to + or -20%;

- As the price can be adjusted both upwards and downwards, beneficiaries of rights to receive free shares are exposed to a market risk and could therefore receive an amount below the Offer price.

Under these conditions, we do not believe that these provisions call into question the fairness of the Offer from a financial point of view.

6.4 Agreement between Mr. Dominique CERUTTI and APAX PARTNERS

Mr. Dominique CERUTTI and APAX PARTNERS have brought to our attention a service agreement signed before Mr. CERUTTI took up his position in 2015, which provides for a mechanism for the retrocession paid by APAX PARTNERS based on part of the capital gain generated on its withdrawing from ALTRAN's share capital, as described in the draft "*note en réponse*". We have reviewed this service agreement.

As this is an agreement between the target company's Chairman and Chief Executive Officer and a shareholder (and not the initiator), there is no reason to consider this contract as a related agreement signed within the framework of the Offer. However, so that shareholders are fully informed, we would note that mechanism for paying Mr. Dominique CERUTTI depends on the valuation of APAX PARTNERS' investment at the time of its withdrawal, which depends on the Offer price for this transaction. Under these conditions, Mr. Dominique CERUTTI's interests seem aligned with those of the shareholders to whom this Offer is proposed insofar as this compensation mechanism means Mr. CERUTTI will seek to obtain the best selling price for the ALTRAN shares.

7 Analysis of information used to assess the offer price prepared by the presenting banks

BNP Paribas Corporate & Institutional Bank, Crédit Agricole Corporate and Investment Bank, HSBC France and Lazard Freres Banque (hereinafter “the presenting banks”), acting as presenting banks for the Offer, prepared the information used to assess the Offer price provided in section 3 of the draft tender offer document of 22nd of September 2019.

We have analyzed this information and contacted the representatives of the presenting banks in charge of the valuation in order to discuss the valuation methods and criteria used.

7.1 Choice of valuation criteria

We agree with the presenting banks about using primarily analysis of the Company’s historic share price, discounted cash flows, the recent transaction in the Company’s shares, reference to brokers’ target prices and multiples of comparable listed companies.

As regards the criterion of comparable transactions, this method is used for indicative purposes, as the presenting banks explain the risks inherent to using this method.

Lastly, we agree with the methods not used, namely net asset value, revalued net asset value and the dividend discount model.

We have a number of comments to make on the implementation of the various criteria.

7.2 Implementation of the various criteria

7.2.1 Financial data

As the transaction is expected to be finalized at the end of 2019, the presenting banks have performed a valuation using a projection as of 31 December 2019 as a starting point, while we have chosen to date our valuation according the Company’s most recent financial statements – the consolidated financial statements to 30 June 2019.

As regards the number of shares, the presenting banks have applied a diluted number of shares estimated at 256,964,544 shares.

The presenting banks have applied adjusted net debt of €1,712 million as at 31 December 2019, whereas we have applied adjusted net debt of €1,717 million as at 30 June 2019.

The presenting banks have also applied an amount of €56 million corresponding to payments relating to IBM software used for the valuation based on multiples. We have applied the amounts to be paid out within the framework of the IBM contracts in DCF flows specific to these contracts (cf. Section 5.4.1.2).

7.2.2 Share price analysis

The presenting banks have used weighted average share prices adjusted for the dividend of €0.24 per share paid on 1 July 2019, as we did.

We have no specific comments to make on the presenting banks' share price analysis.

7.2.3 Discounted cash flows

Concerning the forecasts taken into consideration

As the presenting banks were not provided with management's business plan, they referred to brokers' consensus forecast for the period from 2019 to 2021 and then extrapolated these figures up to 2026.

We have looked at two scenarios and, in Scenario 1, applied the business plan provided by management for the period from 2019 to 2022 and then extrapolated these figures up to 2026. In Scenario 2, we have applied brokers' consensus forecasts for margins up to 2021 and then extrapolated these figures up to 2026.

As regards normative margin assumptions, the presenting banks have assumed in their terminal value a normative margin rate of 13.5% including the IBM contracts. In each of our 2 scenarios, we have used a normative margin rate of 13.4% excluding IBM contracts valued separately.

Concerning financial assumptions

We have made the same assumption as the presenting banks concerning the rate of perpetual growth for normative cash flows, i.e. 2.0%.

As regards the discount rate, we have applied a rate of 8.74% compared with 9.5% for the presenting banks.

Concerning the per share value

The value used by the presenting banks is within a range of €9.6 to €12.7, with a central value of €11.0. We calculate a range of €12.0 to €13.7, with a central value of €12.9 per share for Scenario 1 and a central value of €12.7 per share for Scenario 2.

7.2.4 Recent transaction in the Company's share capital

The presenting banks have referred to the off-market acquisition on 2 July 2019 of the share block representing 11.43% of the Company's share capital at a price of €14.0 from shareholders organised around APAX PARTNERS.

We have also used this reference in our analysis.

7.2.5 Peer comparisons

We have used the same sample of peers as the presenting banks, with the exception of AF POYRY, which was not used by the presenting banks "*partly due to differences in the end markets and business models*".

Like us, the presenting banks have based their analysis on EBIT multiples. They have also used P/E multiples, which we have not used.

The presenting banks have applied their multiples to the Group's 2019e and 2020e EBIT forecasts, while we have also used 2021e forecasts.

7.2.6 Brokers' target prices

The presenting banks have used the same brokers' target prices as we have, published before the Offer was announced. Like us, they did not include in their analysis the target prices published by BRYAN GARNIER and INVEST SECURITIES, which constitute the highest and lowest prices.

7.2.7 Comparable transactions

In their sample of comparable transactions, the presenting banks have selected the acquisition of ASSYSTEM SA by ARDIAN, which we have also used.

The presenting banks have also used the acquisition of a stake in QUEST GLOBAL by the BAIN, GIC and ADVENT consortium, which we have not used because it is a minority acquisition.

The presenting banks have not included in their sample of comparable transactions the acquisition of POYRY by AF and the acquisition of SYNTEL by ATOS "*because companies operating in the information technology services sector are not comparable to Altran's sector*", which we have used.

The main differences in our work relate to the transactions included in the sample used and the resulting multiples.

8 Comments received from minority shareholders

We have received several comments directly or indirectly, which we have analyzed and taken into account in our analysis. These are summarized below:

8.1 Comments received from SORGEM on behalf of ADAM

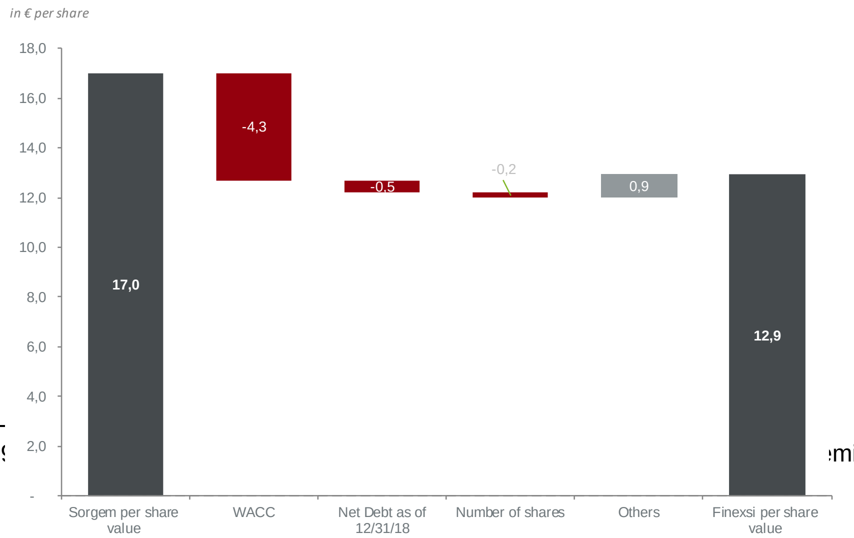
We were contacted by SORGEM EVALUATION (hereinafter “SORGEM”), acting on behalf of ADAM, the French minority shareholders association. We held a working meeting on 30 August 2019 at our offices with its representatives, who gave us a letter containing certain points for attention. Then on 5 September 2019, we received a report entitled “Opinion on the price proposed by CAPGEMINI within the framework of a proposed takeover bid for the shares of ALTRAN” by the same firm, the findings of which were made public by ADAM, and finally an aditionnal report dated 6 October 2019 entitled *“Analysis of information used to assess the offer price presented in the draft “Note en réponse” following CAPGEMINI offer”*, accompanied by a consultation dated, 3 October 2019, for the attention of the ADAM under the signature of Mr. NAHUM and Mr. PAPER, whose a part of their findings were also made public by the ADAM[61].

SORGEM concludes that a “*price of €15.3 to €19 with a central value of €17 excluding synergies or control premium*” or “€15.3” “*taking into account possible execution risks related to the strategic plan*” is fair.

We have analysed and reviewed the information contained in the three documents provided by SORGEM, and that of Mr. NAHUM and Mr. PAPER, and our assessments are set out below, some of which have already been developed in different parts of this report.

Valuation based on the DCF method

So that shareholders can be completely clear in their minds, we summarize below the differences between our valuation using the DCF method and that presented by SORGEM.



[61] AGEFI article - … mini-Altran ».

Discount rate

In principle, like SORGEM, we adopted the objectives set out in the "*The High Road 2022*" plan, which represent ambitious goals giving full value to shareholders.

We agree with SORGEM about the assumptions made to calculate terminal value, particularly as regards long-term operating margin rate of 13.5%.

We explained in the report the approach that prompted us to adopt ultimately a discount rate of 8.74% as a central value.

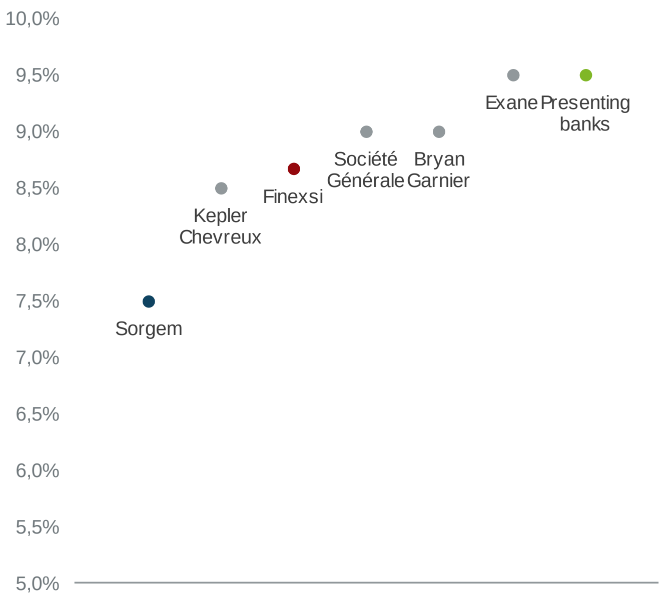
SORGEM applied a discount rate of 7.5%.

The 1.24 point difference represents €4.3 per ALTRAN share.

The lower the rate adopted, the higher the present value of the future cash flows.

We note that we applied a discount rate broken down into the customary parameters, which leads to a value falling within the consensus range of brokers' who disclose a discount rate[62] and investors' estimates and below their average, which is in itself favourable for shareholders. SORGEM, however, departs from it without explaining why, and the discount rate of 7.5% applied by SORGEM lies outside the range generally used in the sector and by brokers, as can be seen below.

WACCs used



Sources: Sorgem Evaluation report, brokers notes, Finexsi analysis

[62] All the brokers issuing a target price do not necessarily disclose the discount rate used in their valuation works. The above graph shows all the discount rates disclosed before the Offer announcement by the brokers following ALTRAN share price. For informative purpose, ODDO BHF issued on 25th of June 2019, namely the day after the Offer announcement, a 10% discount rate which is higher than the ones shown above.

The discount rate applied in connection with the DCF method must be determined so as to reflect the level of risk deemed to affect execution of the business plan. We outlined our view of the goals set out in the "*The High Road 2022*" plan. We did not decide to add a specific risk premium to the discount rate reflecting execution risks, but used a discount rate in our two scenarios that can be considered as on the low side, as shown above, so as not to penalize shareholders. Accordingly, we see no valid justification from a methodological perspective for an even lower discount rate of 7.5%, which would be 100 to 200 basis points below those adopted by brokers covering the stock. As can be seen, a 100-basis point shift in the discount rate has an impact of around €3.3 per ALTRAN share.

SORGEM did not conduct a critical review of the business plan since it did not have access to ALTRAN's management, which would undoubtedly have allowed it to have a more detailed assessment of the level of risk of the "*The High Road 2022*" plan. Provided that, neither did it factor in broker's assessment, who regularly follow ALTRAN and therefore have a thorough knowledge of the risks in the "*The High Road 2022*" plan, even in its so-called worst-case scenario.

In this context, the rate of 7.5% is particularly low and outside of the brokers' and market spectrum.

The reference suggested by SORGEM noting the consistency of its discount rate with that applied by the Company within the framework of its impairment tests in accordance with IFRS is not, in our view, relevant in this context and more generally in a financial valuation approach.

The aim of IAS 36 is to check that the carrying amount of acquired individual underlying assets accounted for in the financial statements is not greater than their recoverable amount, which is assessed with reference to their value in use and not their fundamental value.

In its first report, what SORGEM deemed to be a substantive aspect of its own discount rate as it indicated "*We note that the discount rate used is in the upper range of the discount rates used by Altran in its 2018 impairment tests*", was covered in an additional SORGEM report[63]. The rate used in impairment tests became a central aspect of demonstrating the discount rate that should be applied according to SORGEM. As regards our "summary" comments above, they intend to demonstrate a principle of identity of the internal rate applied by the Company within the framework of impairment tests with that applied within the framework of a valuation.

[63] *SORGEM's supplementary report is based on a consultation made by Mr. NAHUM and Mr. PAPER in which ADAM asked them the following two questions:*

- *"Can you confirm that the discount rate used by a market participant to perform the financial valuation of a CGU using the DCF method should, in principle, be the same as that used internally to determine the value in use of the same CGU in the application of IAS 36?".*
- *"Can you also confirm that when all the CGUs tested correspond to most of the company's activity, all of the discount rates used for these tests using a DCF method constitute a relevant reference for estimating the company's WACC?"*

Mr. NAHUM and Mr. PAPER replied in the affirmative to these two questions.

We would note that this identity "principle" does not exist. This inexistence is based on two observations.

The first is that what we wrote about the specific attributes of the practice of valuation within the framework of carrying out impairment tests is confirmed by the publications by APEI ("Association Professionnelle des Experts Indépendants[64]") to which we refer to.

It is useful to note that IAS 36 requires that:

- Future cash flows should be "*based on reasonable and supportable assumptions that represent management's best estimate of the economic conditions that will exist over the remaining useful life of the asset* [65]";

- Future cash flows used to estimate value in use "*shall be estimated for the asset in its current condition*[66]";

- Future cash flows used to estimate value in use should not take account of (i) "*future cash outflows or related cost savings (for example reductions in staff costs) or benefits that are expected to arise from a future restructuring to which an entity is not yet committed or improving or enhancing the asset's performance*[67]" or (ii) or (ii) *"future cash outflows that will improve or enhance the asset's performance or the related cash inflows that are expected to arise from such outflows*[68]";

- The discount rate used to estimate the value in use "*is independent of the entity's capital structure and the way the entity financed the purchase of the asset, because the future cash flows expected to arise from an asset do not depend on the way in which the entity financed the purchase of the asset*"[69].

These aspects of the standard are omitted in the consultation conducted at the request of ADAM, even though they are decisive in answering the question of whether the discount rate used by a company for its impairment tests is a relevant reference for determining the weighted average cost of capital as part of a company's valuation.

Furthermore, a separate accounting practice has been developed since 2008[70] concerning the discount rate approach and determining risk premiums.

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[64] FINEXSI and SORGEM are members of APEI.
[65] Paragraph 33 of the IAS 36 standard (French version).
[66] Paragraph 44 of the IAS 36 standard (French version).
[67] Paragraph 44 a) of the IAS 36 standard (French version).
[68] Paragraph 44 b) of the IAS 36 standard (French version).
[69] Paragraph A19 Appendix A of the IAS 36 standard (French version).
[70] In 2008, the AMF recommended for the first time for the preparation of 2008 financial statements, and has reiterated this recommendation since, using historic premiums, which disconnected accounting practice from market data alone as part of preparing consolidated financial statements, which should also provide analysis of sensitivity to discount rates and projected growth rates.

The APEI has reiterated the findings we refer to in a number of its publications:

The main criteria not taken into account within the framework of public tender offers - 3 May 2010[71]:

"*As regards the rate to be applied to discount these cash flows, in accordance with IAS 36, this should reflect the market's current assessment of the time value of money, risks specific to the asset for which future cash flow estimates have not been adjusted and be before tax (the cash flows in question are not themselves subject to tax). Partial reference is made here to market data, it being noted that their transposition requires in all cases corrections in order to meet the requirements of the standard, as illustrated by the adjustment of tax on companies. Furthermore, in certain contexts it is permissible not to use the most recent market data. The AMF recommendation of 29 October 2008 concerning 2008 financial statements notes that "during a period of high volatility in risk premiums demanded by the market, implementation of this approach is delicate. We believe that as with the recommendation of the CNC, the Commission Bancaire, ACAM and the AMF cited above, a reasonable approach that is consistent with historic data available to the entity can be used to correct certain effects of market disruption on the risk premium". This approach inevitably results in a departure from market data and the rate of return demanded by investors on the reporting date*".

In its report on the Business Plan of October 2016, APEI states:

Business plan – October 2016[72]: *"1.2.6 Articulation of BP with forecasts used for impairment tests:*

Note that the forecasts used for impairment tests in accordance with IFRS may differ from the BP to be used for the company's valuation. IAS 36 states that: the effects of any restructuring measures and future investments not yet committed should not be taken into account in the Business Plan; projected cash flows are determined before income tax. Furthermore, the scope is not always the same. Impairment tests do not value the historic basis of the group, insofar as they concern goodwill generated during acquisitions. Therefore, all business plans used in impairment tests do not systematically follow the overall Business Plan."

For all these reasons, the discount rates defined for the purpose of impairment tests on the underlying assets (which range from 5.4% to 11.2% for ALTRAN and do not correspond to a unique rate of 7.5%) cannot be compared with an overall discount rate defined to assess the fundamental value of a company as a whole and according to its specific financial structure, as is the case for ALTRAN, which has a high level of debt since the acquisition of ARICENT.

[71] http://www.apei-experts.org/offres/doc_inline_src/809/Groupe_de_travail_APEI_sur_les_criteres_ecartes.pdf
[72] http://www.apei-experts.org/offres/doc_inline_src/809/APEI_Business_plan_Vd.pdf

The equivalence in principle suggested by the consultation between the discount rate used for impairment tests and the discount rate applicable for use of the DCF method within the framework of a company valuation is therefore ineffective.

The second observation is that this "principle" is not substantiated in market practice.

The review of the independent appraisals done within the framework of a public tender offer over the last 18 months and as well as those performed by SORGEM and the writers of the consultation does not show a systematic equivalence between the discount rate used for the company's impairment tests and the discount rate applicable for use of the DCF method, as it is summarized in the table below:

Date	Operation	Offeror	Target	Independent Expert	Presenting bank(s)	Comparison of the discount rates		
						Expert	Banks	Impairment
09/07/2019	OPA	ANDROMEDA INVESTISSEMENTS	APRIL	Associés en Finance	Natixis, Deutsche Bank, Lazard Frères Banque	Hors acquisitions 11,04%	11,3 %	8,7% à 13,2%
09/07/2019	OPA	ANDROMEDA INVESTISSEMENTS	APRIL	Associés en Finance	Natixis, Deutsche Bank, Lazard Frères Banque	Avec acquisitions 11,36%	11,3 %	8,7% à 13,2%
14/05/2019	OPR followed by RO	TECHNOLOGIES SAS	QUOTIUM TECHNOLOGIES	HAF Audit & Conseil	Portzamparc Société de Bourse	10,3 %	11,0 %	13,67% en 2015
03/04/2019	OPR followed by RO	DIVERSITA & VORWERK & CO	GUY DEGRENNE	BM&A Advisory & Support	Kepler Cheuvreux	11,6 %	11,3 %	8,8 %
05/03/2019	OPA	HORIZON	PARROT	Finexsi	Rothschild Martin Maurel	11,3 %	8,6 %	11,0 %
05/02/2019	OPA	BOUYGUES TELECOM	KEYYO	DK Expertises et Conseil	Rothschild Martin Maurel	9,4 %	9,4 %	10,0 %
23/01/2019	OPA	TIKEHAU CAPITAL	SELECTIRENTE	Ledouble	Rothschild Martin Maurel	4,4 %	NA	NA
20/12/2018	OPA	FINANCIERE WATT SAS	SERMA GROUP	Paper Audit & Conseil	Caisse Régionale de Crédit Agricole Mutuel Nord Midi-Pyrénées	9,8 %	11,1 %	12,3% - 27,7%
24/07/2018	OPA	TOTAL	DIRECT ENERGIE	Ledouble	Lazard Frères Banque, Société Générale	Production et commerce 6,7%	6,8 %	NA
24/07/2018	OPA	TOTAL	DIRECT ENERGIE	Ledouble	Lazard Frères Banque, Société Générale	Quadran 8,1%	6,8 %	6,3% à 7,6% (PPA)
10/07/2018	OPA	AMBOISE	ALTAMIR	Ledouble	Crédit Agricole Corporate and Investment Bank	10,4 %	NA [(1)]	NA [(1)]
10/07/2018	OPR followed by RO	AXENS	HEURTEY PETROCHEM	Sorgem Evaluation	Invest Securities	9,0 %	8,5 %	10,90% - 11,00%
26/06/2018	OPA	GIVAUDAN	NATUREX	Eight Advisory	BNP Paribas	6,5 %	7,0 %	8,7 %
22/02/2018	OPA	BOE SMART RETAIL	SES IMAGOTAG	Sorgem Evaluation	Société Générale	10,0 %	10,2 %	11,0 %
21/12/2017	OPA (primarily) / OPE	SAFRAN	ZODIAC	Finexsi	Crédit Agricole Corporate and Investment Bank	Safran 8,2%	8,1 %	7,5 %
21/12/2017	OPA (primarily) / OPE	SAFRAN	ZODIAC	Finexsi	Crédit Agricole Corporate and Investment Bank	Zodiac 8,5%	8,0 %	8,0 %
20/06/2017	OPR followed by RO	ULRIC CREATIONS	ULRIC DE VARENS	Paper Audit & Conseil	Portzamparc Société de Bourse	9,2 %	10,5 %	7,9 %
26/04/2017	Takeover bid by the company of its own shares		GAUMONT	Sorgem Evaluation	BNP Paribas	9,0% - 10,0% [(2)]	9,5% [(3)]	7,5% [(3)]
31/01/2017	OPA	PIXEL HOLDINGS	TESSI	Sorgem Evaluation	Crédit Industriel et Commercial, Kepler Cheuvreux	8,3% - 9,8%	9,2 %	8,7 %
17/01/2017	OPA	NINA	EUROMEDIS GROUPE	Paper Audit & Conseil	Portzamparc Société de Bourse	10,3 %	9,8 %	10,0 %
12/04/2016	OPA	FOLIATEAM GROUP	ACROPOLIS TELECOM	Paper Audit & Conseil	SwissLife Banque Privée	9,1 %	9,4 %	n.c.
23/09/2009	OPR	SFR	JET MULTIMEDIA	William Nahum Associés & Partenaires	HSBC then Natixis	9,2 %	10,6 %	8,3 %

Sources: Targets registration documents, fairness opinion reports.

(1) The presenting banks did not implement DCF valuation for Altamir shares. As well, no impairment test is carried out in the accounts of this company.

(2) Discount rates used for the valuation of the Fiction / Animation FR and US activities (9.0%) as well as for the cinema activity (10.0%).

(3) Discount rate used for the valuation of the Fiction / Animation FR and US activities as well as for the cinema activity.

(4) Discount rate used in the Gaumont Animation CGU impairment test.

This artificial debate should not overlook the fact that SORGEM used a market risk premium of 5.5% in its discount rate calculation, which seems particularly low.

Such level of market risk premium seems to be outside the market risk premium spectrum usually used by financial appraisers[73]. This would be based on academic studies[74] from 2011 with an analysis period of more than 100 years. The use of market risk premiums over very long periods may be justified for calculating a discount rate used for impairment tests in order to avoid volatility in companies' financial statements, in reference to the accounting practice referred to above.

In our view, this kind of market risk premium does not seem relevant in the context of analysing a company's fundamental value and the fairness of a public tender offer price, which is based on observable market data within the context of the transaction rather than accounting considerations.

In its additional report, SORGEM does not provide any new assessments that may support its discount rate of 7.5% even though it did not have access to the management of ALTRAN in order to be able to assess the "*High Road 2022*" plan cash-flows. It relies on the consultation requested by ADAM and referred to above, which we believe is not relevant for the reasons we have stated. SORGEM also justifies the rate it uses in reference to the discount rates used by certain analysts before the ARICENT fraud was revealed, even though these analysts, who closely follow the Company and are fully informed of the status of the fraud and the current performance of ARICENT, revised these discount rates upwards after the fraud revelations to take account of the change in the company's risk profile. This reference operated by SORGEM, which denies the factual reality of the uncertainties encountered by ALTRAN, constitutes in our opinion a methodological bias in assessing the Offer price.

We believe that this bias is accentuated by the application of a very low discount rate to cash flows for the "*The High Road 2022*" plan, which we have mentioned numerous times is ambitious as admitted by the majority of analysts, which leads SORGEM to an incorrect assessment of the Offer price, particularly in that it would not take into account control premium and any synergies.

On the basis of our analysis of the various points raised by SORGEM, we do not feel the need to change our assumptions on the discount rate and our assessment of the Offer price using the DCF method. We consider that a discount rate of 7.5% is methodologically inappropriate for the

[73] According to the presenting banks, the 2-year Bloomberg risk premium is 8.94% and that of Damodaran is 6.6%. The risk premium published by Associés en Finance, which we use, is 7.1% on average over 1 year.
[74] Dimson, Elroy and Marsh, Paul and Staunton, Mike, Equity Premia Around the World (October 7, 2011). Available at SSRN: https://ssrn.com/abstract=1940165 or http://dx.doi.org/10.2139/ssrn.1940165

implementation of a DCF method from the cash-flows of the "*The High Road 2022*" plan, which we examined in depth, which is not the case for SORGEM.

Amount of debt

SORGEM did not include in its calculation of net debt the amount of provisions for long-term liabilities and charges (€61.1 million at 31 December 2018) and the bond issuance expenses, which were deducted from debt (€53.6 million on the consolidated balance sheet at 31 December 2018 audited by the Statutory Auditors). All these items are adjustments that need to be made to net debt to reconcile enterprise value to equity value. Their omission from SORGEM's valuation erroneously inflates the value per share it arrives at by some €0.5 per share, on our estimates.

Number of shares

Lastly, SORGEM mentions but has not factored in dilutive instruments in its calculation of the number of shares (around 2.4 million free shares currently vesting). That also inflates the value per share calculated by SORGEM and does not reflect customary practice for this type of transaction.

To conclude, for this transaction, which is an optional Offer, the view taken by shareholders not tendering their shares to the Offer as referred to by SORGEM should, in our view, reflect the level of uncertainty concerning execution of the "*High Road 2022*" business plan.

In our approach, we believe we have factored in the full value that shareholders can expect to capture from the "*The High Road 2022*" plan, with a discount rate that reflects only a normal level of risk, despite the unexpected developments already encountered in its roll-out. That works in favour of the shareholders.

Valuation based on a peer comparison

SORGEM views ALTEN as the "most pertinent comparator". In our view, however, assessing the value of ALTRAN shares solely by applying by ALTEN's valuation multiples is questionable from a methodological perspective since just one peer cannot constitute a sample, but above all it plainly disregards the differences between the characteristics and performance of both companies, especially in view of the differences in their strategy. We have developed our analysis concerning this point in paragraph 5.4.1.4.

It should be noted that ALTRAN's business portfolio is more diversified than that of AKKA or ALTEN, which are based on the traditional ER&D model. ALTRAN in particular has invested in highly specialised high value-added service teams dedicated to innovation, digital technology and design (CAMBRIDGE CONSULTANTS, FROG, etc.), which makes its model more unique. We would also note the strong presence of engineers in India at ALTRAN, as a result of the development of its Offshore business (from the acquisition of ARICENT), for which there is no equivalent at ALTEN or AKKA. This gives ALTRAN a different risk profile from that of its European competitors.

We may also remind you that AKKA'S business is around 80% dedicated to the automotive, aerospace and railway sectors, compared with around 40% for ALTRAN. Furthermore, AKKA'S business is highly concentrated in France and Germany (around 72% for AKKA compared with around 40% for ALTRAN).

Lastly, while it is true that ALTEN and AKKA are comparable companies used repeatedly by analysts, we have not identified any that limit themselves to this sample alone.

For all these reasons, we believe that limiting a sample to ALTEN and AKKA as SORGEM does depending on the case does not correspond to the idea of a sample that is representative of the diversity of the ALTRAN group's business portfolio and its risk profile.

With regard to the multiples implied, SORGEM's calculations were not made as at the date on which the transaction was announced (24 June 2019),but as at 30 August 2019. To justify its position, SORGEM states that it is not established that the increase in multiples, particularly for ALTEN, after the Offer was announced is related to a speculative effect. We note that ALTEN's share price rose by 3.9% the day after the announcement and by 8.64% between 24 June and 23 July 2019, the day before the company reported its first-half revenues. It therefore seems that the increase in ALTEN's share price is directly related to the Offer announcement. As the increase calculated by SORGEM between 24 June and 30 August 2019 (6.6%) is lower than that calculated up to 23 July 2019, it cannot be maintained that this is related to the reporting of first-half revenues.

The change in multiples between June 24, 2019 and August 30, 2019 is presented as follows:

Altran - Trading multiples* on comparables

Comparables	EBIT multiples on June, 24th 2019			EBIT multiples on August, 30th 2019		
	2019e	2020e	2021e	2019e	2020e	2021e
Alten SA	12,5x	11,7x	10,9x	13,8x	12,8x	11,8x
ÅF Pöyry AB (publ)	14,5x	11,7x	11,1x	19,8x	15,4x	14,1x
AKKA Technologies SE	11,4x	9,8x	9,1x	11,7x	10,2x	9,6x
Cyient Limited	10,3x	9,2x	8,4x	9,3x	8,3x	7,5x
Bertrandt Aktiengesellschaft	7,2x	6,4x	5,9x	8,1x	7,5x	6,6x
EDAG Engineering Group AG	13,3x	10,4x	9,0x	17,9x	12,7x	10,9x
Ricardo plc	10,1x	9,3x	9,0x	10,7x	9,3x	18,2x
Mean	**11,3x**	**9,8x**	**9,1x**	**13,0x**	**10,9x**	**11,2x**
Median	**11,4x**	**9,8x**	**9,0x**	**11,7x**	**10,2x**	**10,9x**

* Multiples implied by (i) an enterprise value calculated on the basis of 3 months VWAP as at 24/6/2019 and 30/8/2019 and a number a shares outstanding over 3 months and (ii) calendarized peers' aggregates on Altran closing date

Source: Capital IQ

This finding tends to demonstrate that investors took a positive view of the public tender offer. As a result, SORGEM's calculations are based on levels of multiples that are inflated by the impact of the announcement, which makes it questionable to use them from a methodological point of view to assess the Offer price.

Likewise, it is worth noting that SORGEM did not conduct a separate valuation of the IBM contracts owing to the limited amount of publicly available information for such an approach. In its peer comparison, that leads to an overvaluation of the IBM contracts in SORGEM's analysis since ALTEN's and AKKA's multiples are applied to the EBIT margin, without factoring in the capex required for these contracts or their finite economic life.

Lastly, we note that with the level of the premiums implied with each of the valuation methods adopted (share price, peer comparison and DCF), it is not possible to conclude that the Offer price does not factor in a control premium.

Control premiums for public tender offers in 2018 and 2019[75] were an average of 27.7% to the spot price on the date of the announcement, 27.3% to the 3-month share price and 13.2% to the independent appraiser's central value using the DCF method.

In summary, our analysis of the various points raised by SORGEM (a reduction of the discount rate used for the DCF, biased time reference for comparables, omission of debt items entered in the balance sheet, a reduced number of shares making up the capital, etc.) does not lead us to change our assessment of the Offer price.

8.2 Comments passed on by the AMF from ONE INVESTMENTS S.A.G.L

ONE INVESTMENTS S.A.G.L sent a letter to the AMF dated 6 September 2019 expressing its views on the Offer price.

In particular, ONE INVESTMENTS S.A.G.L considers that ALTRAN shares are worth between €19.5 and €26.3.

The method applied by ONE INVESTMENTS is underpinned primarily by the multiples implied by ALTEN's share price prior to the announcement of the transaction and an estimate of around €200 million in cost synergies (split 50-50 between both companies in the case of the valuation of €19.5 per share).

As regards the use of the ALTEN multiple as the sole comparator, please refer to our earlier comments made in paragraphs 5.4.1.4 and 8.1.

As regards the inclusion of synergies in the assessment of Offer price, we wish to recall that this transaction is an optional Offer and the fairness of the price offered in connection with the transaction should be measured solely by reference to the target's standalone value, with its share of any synergies included in the Offer price representing an additional opportunity for shareholders.

[75] This analysis is based on the six public offers made in 2018 and 2019 in which there was a change of ownership of the target company (KEYYO, SELECTIRENTE, DIRECT ENERGIE, ALTAMIR, NATUREX and ZODIAC).

8.3 Comments on the UFP report passed on by the AMF

The AMF passed on to us a report from a UFP analyst.

We have commented extensively on the points made in this report, which approves the contents of the SORGEM report in all aspects. We have no comments to make regarding its formulation and refer back to our assessments concerning the points made by the SORGEM report.

We also reiterate the same comment as that made above concerning synergies.

8.4 Comments received from a minority shareholder passed on by the AMF

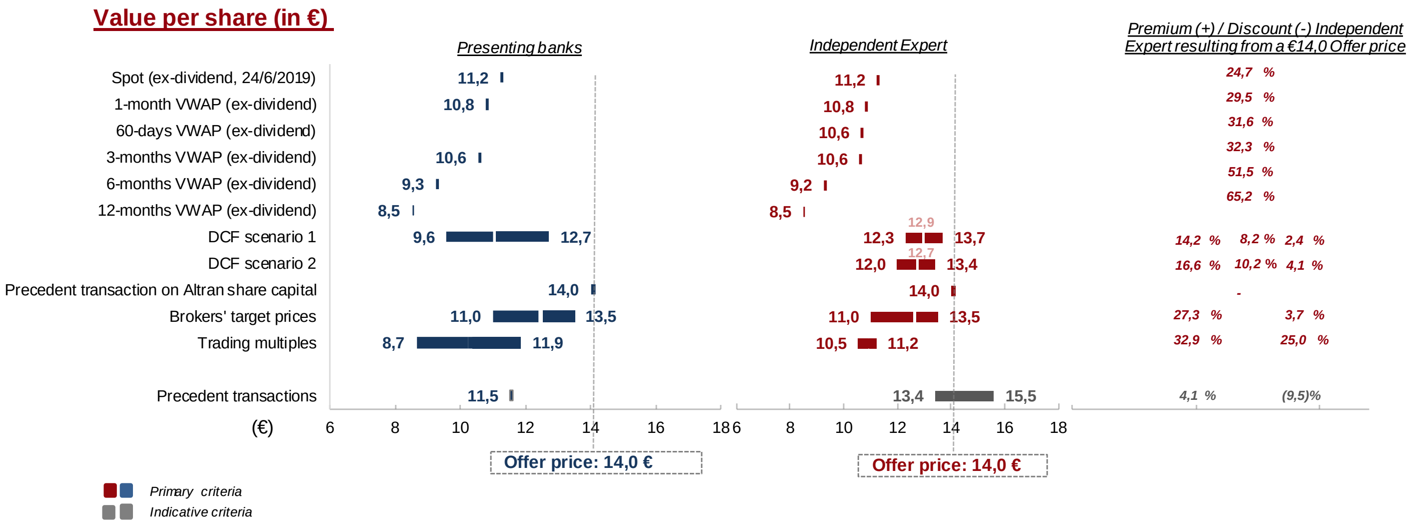
The comments made by an individual shareholder have been reviewed and prompted us to make a few changes to the form of our report.

We refer to the additional information regarding synergies, which give rise to the same comments as those made above.

9 Summary of our work and opinion regarding the fairness of the Offer price

9.1 Summary of our valuation work

Relative to the valuations we obtained using methods we deemed appropriate, the Offer price of €14.0 per share ex-dividend shows the following premiums and discount:



The multi-criteria approach we carried out, raises the main following comments on the fundamental value:

The Offer price of €14.0 ex-dividend shows a 24.7% premium to the spot price before the transaction was announced and premiums of between 29.5% and 32.3% to the average price over 1-3 months. Looking at prices 6-12 months before the transaction was announced, the Offer price represents a premium of between 51.5% (to the 6-month average) and 65.2% (to the 12-month average). The 24 months before the Offer was announced were a difficult time for ALTRAN's share price: its volatility was very high and much higher than that of the SBF 120 and STOXX Europe 600 Technology indexes, with a low of €6.42 on 21 December 2018 and a high of €13.99 on 26 October 2017[76]. The share price remains a key criterion when valuing ALTRAN,

[76] Based on ALTRAN's share price adjusted for the capital increase in March 2018. For information, the non-adjusted ALTRAN share price shows a low at €6.53 on 21 December 2018 and a high of €16.10 on 26 October 2017, cum dividend.

especially since the shares are liquid, and it is clear that the Offer price of €14.0 represents a significant premium for shareholders relative to average prices over a 12-month period.

The DCF criteria appears to be the most relevant to determine the full value of the company. Using this criteria, the Offer price represents a premium of between 2.4% and 16.6%, based on our valuation range factoring in Scenarios 1 and 2. Our estimated central value of €12.9 per share according to our Scenario 1 results in an 8.2% premium, and our estimated central value of €12.7 according to our Scenario 2 results in an 10.2% premium. We based our Scenario 1 DCF valuation on the targets announced by ALTRAN's management in its "*The High Road 2022*" plan, which aims to achieve average organic growth of 6.7% per year and EBIT margin rate of 14.5% (factoring in the IBM contracts). Management has confirmed to us that those targets are ambitious and aggressive, particularly in the context of events that took place in 2018 and 2019 (discovery of fraud at Aricent and impact of a cyberattack). The brokers' consensus forecast, which corresponds to our Scenario 2, is that margins rate will be lower than those announced by management (around 13.2% in 2021), which suggests that the plan is aggressive. Applying the strategic plan's targets in our Scenario 1, the results show that the Offer represents full value for shareholders, bearing in mind that the discount rate we applied is at the lower end of the range used by the brokers who follow ALTRAN's shares.

The €14.0 per share offered by CAPGEMINI to acquire a 11.43% stake from shareholders organized around APAX PARTNERS is also a relevant reference in our view, because that offer did not involve any Top-Up right or additional consideration other than that which would arise from an increase in the Offer price or from a rival offer. As a result, that purchase price is a direct and recent valuation reference, because it relates to a transaction between two independent parties.

The range of target prices published by brokers before the Offer was announced was very wide, at between €9.3 and €17.0 per share. Ignoring the highest and lowest values, target prices range from €11.0 to €13.5 with an average of €12.4, and the Offer price represents a premium of between 3.7% and 27.3%.

In our view, the listed peer-group method should be used with certain methodological precautions. ALTRAN has undertaken a major transformation of its business model, particularly with the increase in offshoring and new expertise that have already distinguished it from some of its European peers such as ALTEN and AKKA, and will do so even more in future. Because of this strategic shift, the market sees ALTRAN's business model as riskier than that of traditional R&D outsourcing players. Our valuation range produced by the listed peer-group method shows premiums of between 27.7% and 35.8%.

Premiums arising from all the primary valuation criteria seem consistent with the objective of this operation that is to take control of ALTRAN's group.

In accordance with recommendation 2006-15, it is appropriate to look at how synergies should be treated with regard to the Offer price.

In this particular case, CAPGEMINI communicated about expected synergies on the basis of preliminary data (see Section 1.7.2), in particular due to the fact that they were not based on a common Business Plan between the Offeror and the target.

We have held several working meetings with CAPGEMINI to comment on and analyse their nature and the estimates made.

Cost synergies are estimated at €70 million to €100 million before tax and revenue synergies between €200 million and €350 million over the full year.

CAPGEMINI confirmed that the achievement of the announced cost synergies implies a mandatory squeeze-out, the delisting of ALTRAN and its merger with CAPGEMINI, in order to allow for economic and legal streamlining of the structures. Otherwise, just a small proportion of cost synergies could be achieved.

These synergies should be fully achieved in three years and assume estimated implementation costs of €150 million.

As this offer concerns a takeover, we need to look at the premiums obtained on the basis of various criteria used in view of the synergies announced by the Offeror, even though these are described by the Offeror as provisional and they are based on its own valuations which are not taken from the "*High Road 2022*" plan.

We have performed our own analysis and simulations, on the basis of which we would make the following comments:

- The Offer price presents a control premium of €2.8 to the spot price of 24 June 2019, which represents a proportion of the provisional synergies announced by CAPGEMINI;

- The Offer price also presents a premium of €1.1 per share to the DCF valuation for our scenario 1, while our calculations are based on the highly optimistic assumptions of the "*High Road 2022*" plan, including ambitious improvements in performance. This supports the fact that the Offer price partly factors in the announced synergies.

In this case, on the basis of the information provided to us, the Offer price of €14.0 allows the shareholder to benefit from liquidity on the fundamental value of their shares, as well as a portion of synergies expected by the Offeror.

9.2 Statement regarding the fairness of the Offer price

Regarding the Offer price

The present public tender offer gives ALTRAN's minority shareholders an immediate access to liquidity, along with a premium of 24.7% to the last quoted price preceding the announcement and 31.6% to the average share price during the 60 days preceding the announcement and is strictly equal to that paid to shareholders organised around APAX PARTNERS within the framework of the acquisition of share blocks on 2 July 2019.

The Offer price also shows a 2.4% premium to the upper end of the DCF valuation range (Scenario 1), which is based on an ambitious business plan and, in our view, represents full value for ALTRAN without factoring in any execution risk.

We also note that the Offer price represents a premium to the listed peer-group valuation.

These premiums are consistent within the context of a takeover and value some of the synergies announced by the Offeror.

Related agreements

Agreements that could materially influence the assessment or outcome of the Offer, as presented in the draft information memorandum, i.e. (i) the tender offer agreement dated 11 August 2019, (ii) share sale agreements relating to the block share purchase and (iii) the compensation mechanism, do not contain any financial provision that could threaten, in our view, the fairness of the Offer from the financial point of view.

On balance, our opinion is that the Offer price of €14.0 per share is fair for ALTRAN shareholders from a financial point of view.

Enclosure: Appendix

Appendix

Presentation of FINEXSI EXPERT & CONSEIL FINANCIER

The work done by FINEXSI EXPERT ET CONSEIL FINANCIER (FINEXSI) falls within the scope of activities regulated by the French Association of Chartered Accountants (Ordre des Experts Comptables) and the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes). The firm performs its work mainly in the following areas:

- Statutory audits;
- Business acquisitions and disposals;
- Transfers and mergers;
- Independent valuations and appraisals;
- Litigation assistance.

In carrying out its work, most of the staff members employed by the firm have a high level of experience and expertise in each of these specialist areas.

List of independent appraisal assignments carried out by FINEXSI in the last 18 months

Date	Target	Offeror	Presenting bank(s)	Operation
Mar-18	Euler Hermes	Allianz	Rothschild & Co / Société Générale	Offre Publique d'Achat Simplifiée suivie d'un Retrait Obligatoire
Mar-18	Ubisoft	Ubisoft	JP Morgan / Lazard	Rachat de ses titres
Nov-18	GFI	Mannai Corporation	Crédit Agricole CIB	Offre Publique de Retrait suivie d'un Retrait Obligatoire
Jan-19	Parrot	Horizon	Rothschild & Co	Offre Publique d'Achat
Jan-19	Soft Computing	Publicis Group	Oddo	Offre Publique d'Achat Simplifiée suivie d'un Retrait Obligatoire
Mar-19	Stallergenes Greer	Ares Life Sciences	*na*	Offre Publique d'Achat Simplifiée suivie d'un Retrait Obligatoire

Membership of a professional association accredited by the Autorité des Marchés Financiers

FINEXSI EXPERT & CONSEIL FINANCIER is a member of APEI (French association of independent appraisers), a professional association accredited by the Autorité des Marchés Financiers in accordance with article 263-1 of its General Regulation.

FINEXSI EXPERT & CONSEIL FINANCIER also applies procedures intended to safeguard the firm's independence, avoid conflicts of interest and, as part of each assignment, control the quality of work and reports before they are issued.

Remuneration received

Our remuneration for this assignment is €600,000 excluding VAT, fees and disbursements.

Description of work done

The following detailed schedule of work was implemented:

1 - Familiarization with the transaction and acceptance of the assignment

2 - Identification of risks and definition of the assignment's general framework

3 - Collection of information and data required for the assignment:

- Familiarization with sector analysis reports, analysis reports on the Company's industry peers and analysis reports on comparable transactions

4 - Assessment of the public tender offer's specific context:

- Discussions with the Company's management
- Discussions with the sponsoring institution
- Discussions with the Offeror

5 - Analysis of the transaction and the related legal documentation

6 - Familiarization with the Company's accounting and financial documentation

7 - Analysis of ALTRAN's share price:

- Analysis of the free float and liquidity
- Analysis of share price performance

8 - Review of the Company management's business plan

9 - Valuation using the discounted future cash flow method and sensitivity tests

10 - Comparative valuation methods:

- Listed peers
- Recent transactions involving the company's capital
- Comparable transactions

11 - Methods based on market data:

- Spot price and average prices
- Broker price targets

12 - Procurement of confirmation letters from the representative of the target Company and Offeror

13 - Analysis of the draft offer document and draft offer response document

14 - Independent review

15 - Drafting of the report

Assignment timetable

4 July 2019	Presentation meeting with Nathalie RACHOU, independent director
15 July 2019	Business meeting with ALTRAN's independent directors
19 July 2019	Business meeting and discussion with ALTRAN's management, particularly regarding the business plan presentation, the development outlook and the review of the consolidated financial statements
30 July 2019	Meeting with the presenting banks (LAZARD FRERES) regarding their valuation report
9 August 2019	Appointment of FINEXSI as independent appraiser by ALTRAN's Board of Directors
20 August 2019	Conference call with LAZARD
27 August 2019	Meeting with CAPGEMINI'S management
28 August 2019	Conference call with the independent directors
30 August 2019	Meeting with the firm SORGEM EVALUATION, appointed by ADAM
August/September 2019	Collection of publicly available information Database searches for comparable transactions Identification and collection of data about listed peers, particularly using the Capital IQ financial database
Late August / September 2019	Multi-criterion valuation of ALTRAN shares Drafting of the valuation report
2 September 2019	Meeting with ALTRAN's management
3 September 2019	Meeting with Dominique CERUTTI
4 September 2019	Meeting with the independent directors
4 September 2019	Meeting with CAPGEMINI'S management
5 September 2019	Meeting with CITI, ALTRAN's advisor bank
10 September 2019	Meeting with the independent directors
14 September 2019	Conference call with the independent directors
16 and 17 September 2019	Independent review of FINEXSI's report

17 September 2019	Conference call with the independent directors
19 September 2019	Conference call with the independent directors
22 September 2019	Conference call with the independent directors
22 September 2019	Submission of the valuation report and presentation to ALTRAN's Board of Directors

List of people met or contacted

ALTRAN

- Dominique CERUTTI, Chairman and Chief Executive Officer
- Albin JACQUEMONT, Executive Vice-President, Chief Financial Officer
- Pierre-Yves DI MARTINO, Executive Assistant to the Chairman/CEO
- Marc-Elie BERNARD, Group Senior VP, Development and M&A
- Géraldine LE MAIRE, Corporate Secretary and Group VP General Counsel
- Laurent GODICHEAU, Group VP Strategy & Marketing

ALTRAN – Independent directors

- Nathalie RACHOU, independent director
- Diane DE SAINT VICTOR, independent director
- Jaya VAIDHYANATHAN, independent director

CAPGEMINI

- Paul HERMELIN, Chairman and Chief Executive Officer
- Aiman EZZAT, Chief Operating Officer
- Pierre-Yves CROS, Head of Strategy & Development
- Walter VEJDOVSKY, Head of M&A

Presenting banks (LAZARD FRERES, BNP PARIBAS, CRÉDIT AGRICOLE CIB and HSBC)

- Bertrand MOULET, Managing Partner
- François FUNCK-BRENTANO, Managing Partner
- Carole DAOU, Manager
- Jacques DEEGE, Director

Legal counsel to ALTRAN, HERBERT SMITH FREEHILLS

- Hubert SEGAIN, Lawyer
- Camille LARTIGUE, Lawyer

Legal counsel to CAPGEMINI, CLEARY GOTTLIEB STEEN & HAMILTON

- Pierre-Yves CHABERT, Lawyer

Legal counsel to CAPGEMINI, DARROIS VILLEY MAILLOT BROCHIER

- Bertrand CARDI, Lawyer

Advisor bank to ALTRAN, PERELLA WEINBERG PARTNERS

- Philippe CAPRON, Partner
- Cyrille PERARD, Managing Director
- Alexandre LANDUREN, Executive Director
- Mehdi BENLAMLIH, Associate

Advisor bank to ALTRAN, CITI

- Pierre DREVILLON, Managing Director
- Omar LARHOUATI, Director
- Jérôme DE VIENNE, Associate
- Thibault DUFOURMANTELLE, Analyst

Sources of information used

Information reported by ALTRAN

- 2019-2022 business plan;
- Consolidated financial statements for the 2014-2018 financial years and the first half of 2019

Market information

- ALTRAN'S financial reporting on the 2014-2018 financial years and the first half of 2019
- Share price, listed peers, market consensus forecasts: Capital IQ;
- Market data (risk-free rate, risk premium, beta etc.): Capital IQ, Associés en Finance, Banque de France
- Comparable transactions: Merger Market, Epsilon Research
- Other: XERFI and OPIIEC

Staff involved in the assignment

The signatories, Olivier PERONNET (partner) and Christophe LAMBERT (partner), were assisted by Maxime ROGEON (manager), Ianis FATTOUMI (associate), Salah Eddine BENABDERRAZIK (analyst) and a team of employees allocated according to the requirements of the assignment.

The independent review was carried out by Lucas ROBIN, a partner of the firm.

SCHEDULE 2
Reasoned opinion from members of the CC UES

Statement of the ALTRAN Technologies CCUES in the information/consultation procedure for the contemplated tender offer by CAPGEMINI SE for ALTRAN TECHNOLOGIES SA

Two types of information/consultation procedure for the contemplated tender offer by CAPGEMINI SE for ALTRAN TECHONOLOGIES SA were possible. The Management of ALTRAN SA has chosen a consultation process following on the heels of its 24 June announcement of the contemplated offer.

As a result, a certain amount of information was not provided to employee representatives, in particular on the employment aspects regarding which the 2 companies would need to discuss their way of operating. This opinion should therefore be considered as a "pre-opinion", in line with the "pre-announcement" of the tender offer. Employee representatives intend to be fully involved in the project and consulted on the employment aspects once the companies are able to discuss their respective structures and envision the contemplated operation and any other types of reorganisation.

What follows is therefore a limited opinion on the only information available to date.

The market for IT and engineering services is expected to grow over the medium term, and consequently the formation of a Group able to offer joint IT/OT services could be an excellent development opportunity. However good the idea may be (and however likely we are to support it), the CCUES must express two reservations and ask that management of CAPGEMINI take them into very serious consideration.

1) There are many clients, they are diverse, and they do not all have the same approach or degree of maturity. They may have very different visions of the extent to which they outsource IT and OT functions, and different strategies for sourcing suppliers.
   For some clients, entrusting the IT and OT parts of a structuring project to a single contractor would be a strategic error, although this point of view might evolve over time.
   - ➢ The CAPGEMINI ALTRAN Group will need to guarantee to its clients that it is capable of working fairly with all stakeholders in all projects where it handles only IT or OT, or it will be quickly disqualified.
     To do this, it will be necessary to maintain truly separate organisations, even if combined teams are formed.

2) Reducing the number of suppliers is a traditional strategic orientation in response to the appetite for increased profits, but it runs into several limitations.
   This approach does not systematically guarantee genuine economies of scale, and can increase the risk of failures, through a domino effect, if a supplier is lacking or inadequate. Lastly, it can mean a very small number of suppliers are in a balance of power that is counterproductive for the client.
   - ➢ If the CAPGEMINI/ALTRAN Group takes form, it will find itself confronting this issue vis-à-vis some of our respective clients; the risk may weigh all the more heavily on our "Mainstream" business line when the Group needs to position itself on high value projects that combine IT and OT.

CAPGEMINI and ALTRAN Management will not have failed to notice the absolute necessity of maintaining the 300 or so strategic ALTRAN employees who have been identified. The ALTRAN CCUES has no doubt that they will be given special attention.

Whether we turn our attention to maintaining the independence appropriate to the IT/OT businesses or to the need to preserve all our teams, the Group's true lifeblood, **today the CCUES asks CAPGEMINI Management to commit to maintaining fully empowered employee representation within the Engineering line - a mature business for many years already - so the process of integration can be constructed jointly and the business, which will have to keep its identity, may be pursued over time.**

The information/consultation process has marked the beginning of a reflection on the strategic rationale that will give rise to a new Group. The CCUES would like to thank ALTRAN and CAPGEMINI Management for their participation.
However as this process has come well before the tender offer itself is launched, it has not been possible to begin work on the most important topics such as comprehensive employment issues and the need to anticipate the envisioned synergies.

The CCUES asks ALTRAN and CAPGEMINI Management to make a commitment to allow an assistance process to take place and receive financing, as soon as the legal restrictions specific to the tender offer are lifted and in any case by no later than the end of December, so that the CCUES is able to have an expert report prepared to compare the overall social/employment policies at each Group, in particular as regards the detailed segmentation of personnel by major business line, career paths, or plans implemented under compensation policies.

The ALTRAN Technologies CCUES also requests that CAPGEMINI Management specifically inform and consult with the CCUES on the strategic orientations of the new Group.

Lastly the ALTRAN Technologies CCUES requests that CAPGEMINI Management undertakes as of now to set up a process, for each proposed synergy, to inform and consult with the ALTRAN CCUES before implementation begins. The CCUES also asks CAPGEMINI Management to undertake to grant the CCUES all means of assistance that may be necessary.

The present statement constitutes a favourable reasoned opinion on the part of the ALTRAN Technologies CCUES.

SCHEDULE 3
Report from Technologia Expertises

ALTRAN TECHNOLOGIES

REPORT ON CAPGEMINI SE'S PROPOSED TAKEOVER BID OF ALTRAN TECHNOLOGIES SA

- ✓ This report describes the assistance provided by the CCE as part of the information and consultation procedure on Capgemini SE's proposed takeover bid on Altran Technologies SA. This project falls under Articles L.2323-36 *et seq*. of the Labour Code
- ✓ This report is also intended to contribute to the strategic reflection of the European Works Council also consulted on this project.
- ✓ The overview of this report will be published separately.
- ✓ To perform our task, we relied in particular on:
  - Documentary information provided by your Management;
  - Documentary information provided by Capgemini's Management;
  - Various sectoral data drawn from the general and specialised press,
  - Interviews and discussions with:
    - Mr Eric BACHELLEREAU - Group Senior Vice-President – Human Resources - ALTRAN
    - Mrs Inma CASERO - Executive Vice President - CHRO Europe - Head of Group Employee Relations - CAPGEMINI
    - Mr Dominique CERUTTI – Chief Executive Officer - ALTRAN
    - Mr Thierry DELAPORTE - Deputy General Manager - CAPGEMINI
    - Mr Olivier EMORINE - General Manager France - CAPGEMINI DEMS
    - Mrs Dominique MARET - Director of Human Resources France - ALTRAN
    - Mr Arnaud MAURY – CEO France - ALTRAN
    - Mr David TORRIN – Project Manager to the Group Chairman & CEO - CAPGEMINI
  - As well as the information gathered during several meetings and interviews with members of the CCE and the European Works Council
- ✓ We thank you for the trust you place in us and we remain at your disposal to provide any additional information.

Paris, date: 23 September 2019
Nicolas VILLARD
Florent BUSSIERE
Douglas FELICITE
Noémie FRAISSE
Gérard PEYREGA

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Published separately to this report

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History of the Group and focus on recent acquisitions

Brief history of Capgemini

1967-1974 The growth of an entrepreneurial approach

- ✓ 1967 – Sogeti founded by Serge Kampf in Grenoble
- ✓ First acquisitions: CAP (France) and Gemini Computer Systems (USA)

1975-1989 The era of expansion

- ✓ 1975 – Sogeti becomes Cap Gemini Sogeti – 2000 employees – number 1 in IT services companies in Europe
- ✓ 1985 – Flotation of Cap Gemini Sogeti on the Paris stock exchange
- ✓ 1987 – Acquisition of SESA

1990-1997 Winning leadership positions

- ✓ 1990-1992 – Acquisition of Hoskyns, the European leader in outsourced IT services, followed by other leading European companies. Cap Gemini Sogeti is the European leader in its sector.
- ✓ 1996 – New name: Cap Gemini

1998-2001 The emergence of a world champion

- ✓ 2000 – Acquisition of the consulting division of Ernst & Young (20,000 people). The group grows from 40,000 to 60,000 employees. The integration proves difficult. Opening of the first offshore production centre in Mumbai, India. Cap Gemini now has more than 50,000 employees

2002-2009 New horizons

- ✓ 2002 – Paul Hermelin becomes Group CEO. The Sogeti name is given to the subsidiary specialising in local services
- ✓ 2003 – Takeover of Transiciel (7,000 employees) – merged with Sogeti, which doubles in size
- ✓ 2004 – Cap Gemini becomes Capgemini
- ✓ 2007 – Acquisition of Kanbay International, an American IT services company, very well established in India (7,000 employees). The Group now has 12,000 employees

Since 2010 Among the leaders in its sector

- ✓ 2010 – Launch of operations in South America. The Group has more than 100,000 employees worldwide
- ✓ 2012 – Serge Kampf resigns as Chairman of Capgemini. Paul Hermelin becomes Group Chairman and CEO
- ✓ 2014 – Acquisition of Euriware, Areva's IT subsidiary. Areva retains part of the Industrial IT business: nuclear control and command systems
- ✓ 2015 – Acquisition of Igate ($4B), a US company (33,000 employees) with a strong presence in the United States and India
- ✓ 2017 – New brand identity. Strengthening of its digital and cloud businesses: acquisitions of Itelios, TCube Solutions, Idean and Lyons Consulting Group.
- ✓ 2018 – Creation of Capgemini Invent, a global services line dedicated to digital innovation, consulting and transformation. A unique brand for Capgemini Consulting and the newly acquired companies, including: LiquidHub, Fahrenheit 212, Idean, Adaptive Lab, Backelite and June 21.

Brand identity and brands

Capgemini

Capgemini invent sogeti Part of Capgemini

The brand promise: people matter, results count

Source: CAPGEMINI 2018 Registration Document

Focus on major acquisitions completed in 2015

- ✓ IGATE is a technology and IT services company.
  - o In 2015, IGATE achieved revenue of $1.2B and had more than 33,000 employees.
- ✓ The CAPGEMINI Group's acquisition of IGATE has made North America the Group's largest market.
  - o In 2015, North America accounted for nearly 28% of the CAPGEMINI Group's revenue

IGATE:

North America

JULY

AUGUST

SEPTEMBER

Sources: Registration Document and press releases

Focus on major acquisitions completed in 2016

OINIO:
Europe and Asia

- ✓ OINIO provides cloud-based CRM consultancy and implementation solutions and Salesforce digital marketing services.
  - o OINIO had nearly 100 employees in 2016.
- ✓ The CAPGEMINI Group's acquisition of OINIO strengthened its corporate digital transformation solutions in Europe and Asia

JANUARY | FEBRUARY | MARCH

Fahrenheit 212:
North America

- ✓ Fahrenheit 212 is an innovation strategy consultancy firm.
- ✓ The acquisition of Fahrenheit 212 by the CAPGEMIN Group therefore strengthened the group's strategy and digital transformation consulting business in North America.

Sources: Registration Document and press releases

Focus on major acquisitions completed in 2017

FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER

ITELIOS:
Europe and Asia

- ✓ ITELIOS is a connected commerce consultancy firm.
- ✓ This acquisition made the CAPGEMINI Group the leading provider of solutions based on the Salesforce Commerce Cloud platform.

IDEAN:
North America

- ✓ IDEAN is a consultancy firm in digital strategy and design.
  - o IDEAN had nearly 150 employees in 2017.

TCube Solution:
North America

- ✓ TCube Solution is a company specialising in the insurance and IT services sector dedicated to Duck Creek Technology solutions.
  - o TCube Solution had more than 300 employees in 2017.
- ✓ This acquisition by the CAPGEMINI Group in 2017 aimed to strengthen its services portfolio in North America.

LYONSCG:
North America

- ✓ Lyons Consulting Group (LYONSCG) is a digital services provider in the retail sector.
  - o LYONSCG had more than 300 employees in 2017.

Sources: Registration Document and press releases

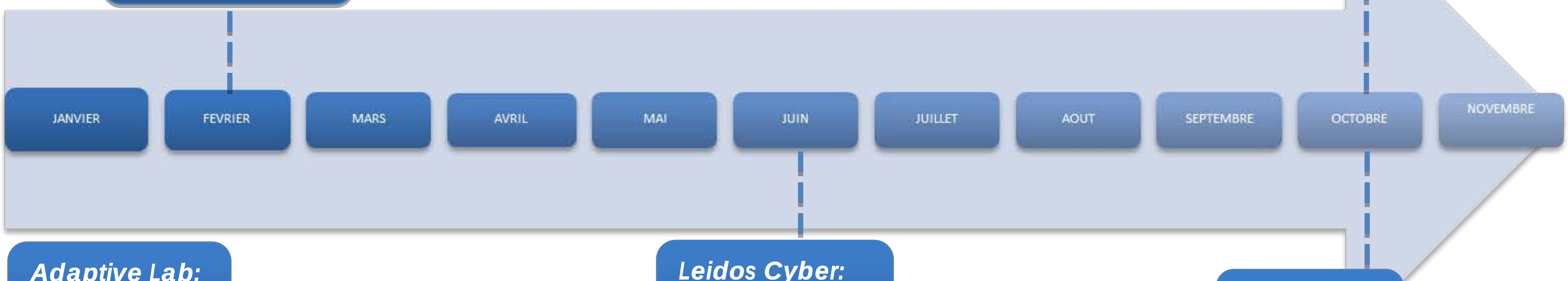
Focus on major acquisitions completed in 2018

LiquidHub:
North America

- ✓ LiquidHub is a company with expertise in digital customer engagement.
  - o LiquidHub achieved revenue of $200M in 2017.

Doing:
Italy

- ✓ Doing is a 100% digital agency
  - o It had 200 employees in 2018.
- ✓ Through this acquisition, the CAPGEMINI Group aimed to expand its digital services in Italy.



Adaptive Lab:
United Kingdom

- ✓ Adaptive Lab is a digital design studio.
  - o In 2018, it had 50 designers, developers and strategy specialists.
- ✓ The CAPGEMINI Group thereby aims to meet the growing demand for digital services in the United Kingdom.

Leidos Cyber:
North America

- ✓ Leidos Cyber is the cybersecurity branch of Leidos for private sector companies.
  - o It had 500 employees in 2018.
- ✓ The acquisition was submitted at the end of 2018 for approval by the antitrust authorities and the Committee of Foreign Investment in the United States.

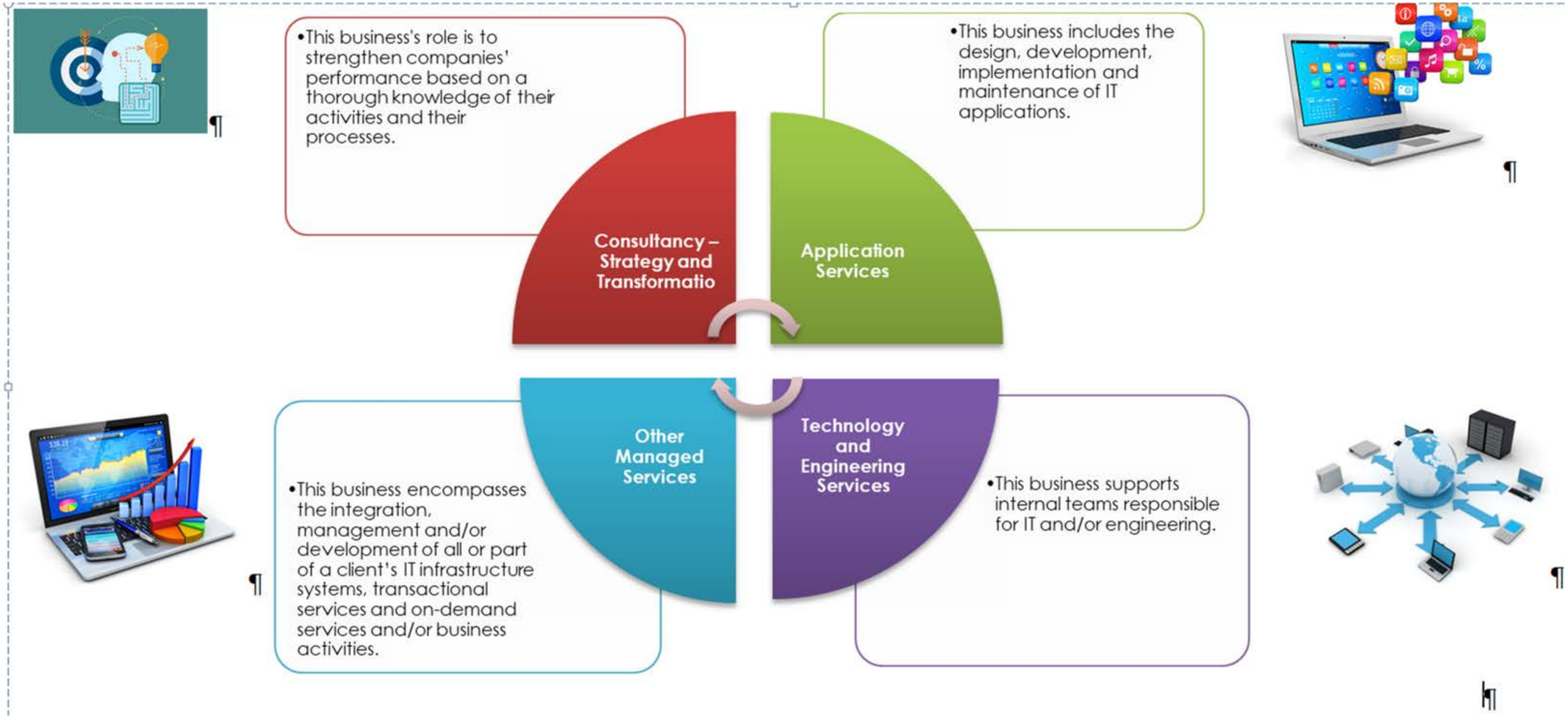
June 21:
France

- ✓ June 21 is a company specialising in data-driven digital transformation.
- ✓ This aim of this acquisition by the CAPGEMINI Group was to “reinvent customer engagement”.

Sources: Registration Document and press releases

The Capgemini Group in 2019

Presentation of the Group's four businesses



<u>Source</u>: Capgemini – 2018 Registration Document

Presentation of the six major business sectors

Capgemini

1 Industrie, Automobile et Sciences de la vie
2 Services financiers
3 Bien de consommation, Commerce, Distribution et Transport
4 Energie, Utilities et Chimie
5 Secteur public
6 Télécommunications, Médias et Divertissement


Aéronautique, Espace et Défense


Automobile


Secteur bancaire


Assurance


Transport et logistique

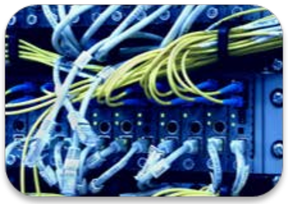

Industrie manufacturière


Santé et sciences de la vie


Energie et Utilities


Services pour le pétrole et le gaz


Grande consommation et Distribution


Télécoms


High Tech


Media & Entertainment

Source: Capgemini – website

Organisation of the Capgemini Group

Operational entities

At a global level, Capgemini is organised into **Strategic Business Units (SBUs)** in order to be close to clients and respond to market developments. The Group is composed of three SBUs, two geographical and one sectoral:
Europe SBU;
Americas and Asia-Pacific SBU;
Global Financial Services SBU.
These SBUs are themselves composed of Business Units (BUs) which include several Market Units (MUs).

Operational units

Business Units promote and provide Capgemini's entire services portfolio to all clients in their market, in full collaboration with the Global Business Lines.

Market Units coordinate client relations and sectoral strategies. Their role is to promote, deliver and grow Capgemini's entire services portfolio on behalf of the Business Units. Market Units are by definition sectoral and coordinated at a global level.

Strategic Business Units are organised into **15 Business Units**:

- **eight in the Europe SBU: France, Germany, Italy, the Netherlands, Scandinavia, Spain, the United Kingdom, the Europe cluster;**
- **three in the Americas and Asia-Pacific SBU**: North America, Latin America, Asia-Pacific;
- **four in the Global Financial Services SBU**: Banking, Insurance, Continental Europe, Asia-Pacific.

Sources: *Registration Document*

Below is a list of the most frequent Market Units:

- Consumer goods, Retail and Distribution;
- Energy, Utilities and Chemicals;
- Financial services;
- Industry, Automotive and Life Sciences;
- Public sector;
- Services;
- Telecoms, Media and Entertainment.

Entities responsible for the services portfolio

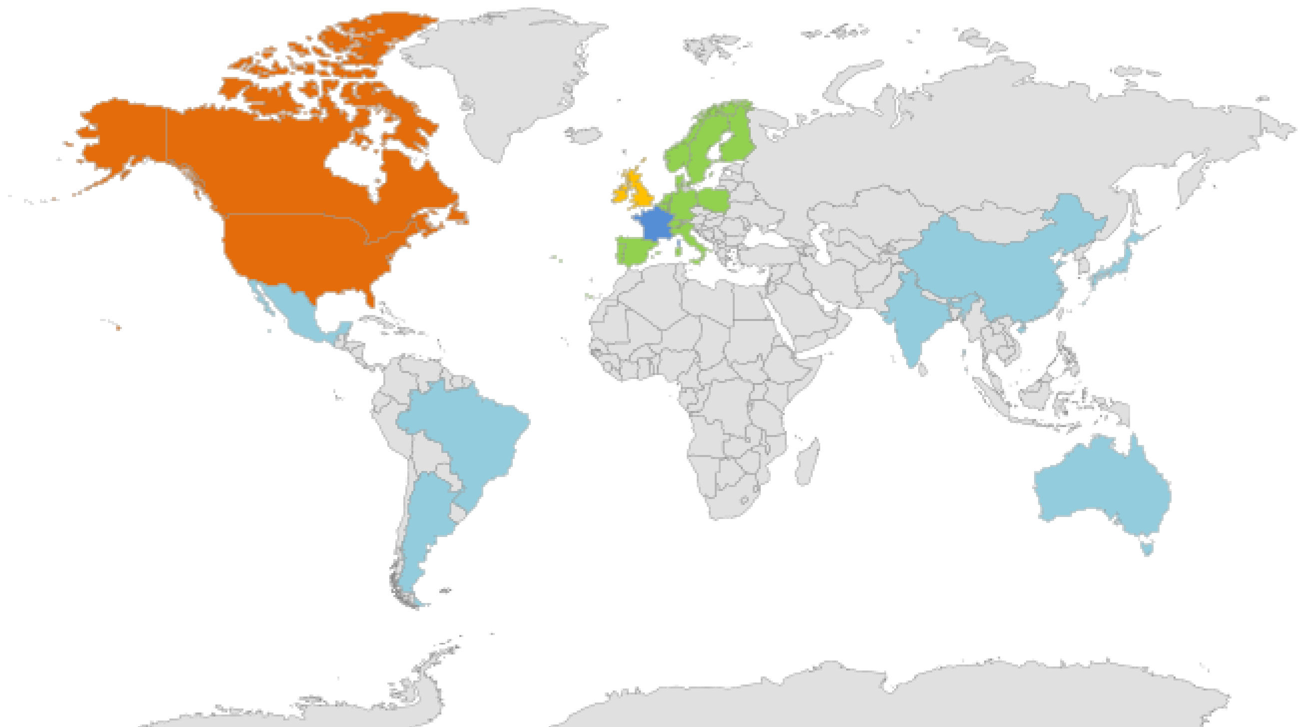
Global Business Lines work in close collaboration with **Business Units** and more specifically within them with the **Market Units**. Their mission is to develop and reinforce skills and expertise in areas that will be key to the Group's growth in the coming years.

The Group's Global Business Lines are as follows:

- **Business Services** (BSv);
- **Cloud Infrastructure Services** (CIS);
- **Insights & Data** (I&D);
- **Capgemini Invent** combines Capgemini's expertise in the areas of strategy, technology, data science and creative design to support large companies and organisations in building new models and new products in a digital economy;
- **DEMS (Digital Engineering and Manufacturing Services)** combines **Sogeti High Tech** and **Engineering and Product Services** to harness the Group's expertise in digital engineering while benefiting from the acceleration in its Digital Manufacturing business.

Scope of the Group's activities

Principaux pays de la zone géographique du Groupe Capgemini



- ✓ The Capgemini Group is divided into five geographical zones.

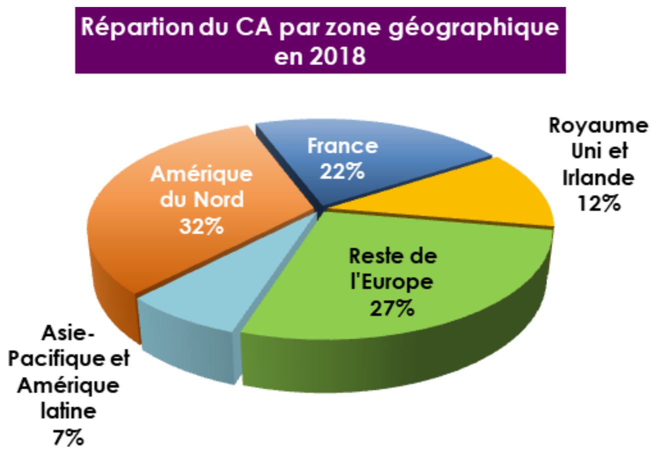
1. Amérique du Nord
2. France
3. Royaume-Uni et Irlande
4. Reste de l'Europe
5. Asie-Pacifique et Amérique Latine

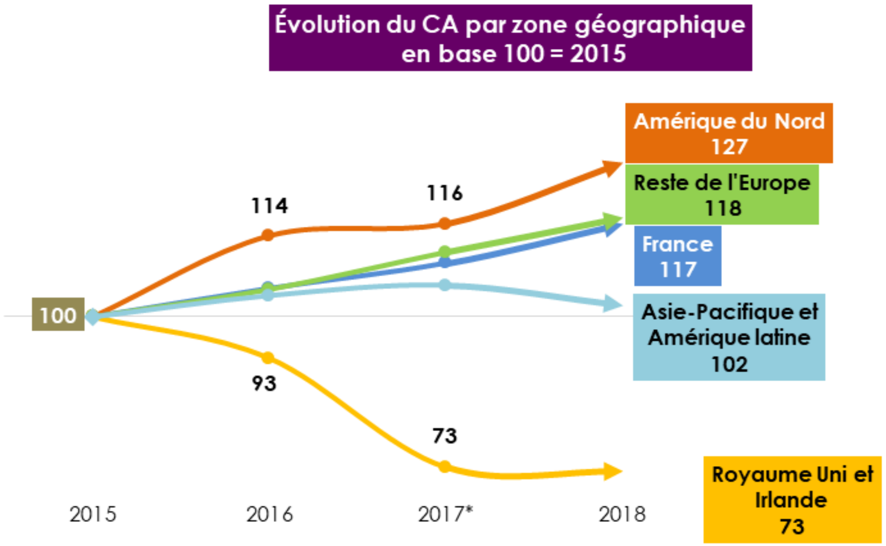
Source: Capgemini – 2018 Registration Document

Revenue by geographical area

(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
North America	3,325	3,800	3,872	4,230	*358*	*9.2%*
France	2,444	2,567	2,676	2,848	*172*	*6.4%*
United Kingdom and Ireland	2,150	1,993	1,580	1,565	*-15*	*-0.9%*
Rest of Europe	3,066	3,214	3,415	3,605	*190*	*5.6%*
Asia-Pacific and Latin America	930	965	982	949	*-33*	*-3.4%*
Total	11,915	12,539	12,525	13,197	*672*	*5.4%*

** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*





- ✓ North America accounts for nearly a third of Capgemini's revenue.
    - o Revenue has increased by 27% in that zone in five years.

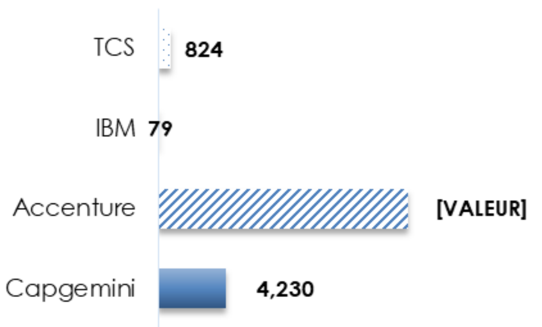
Source: Capgemini – 2018 Registration Document

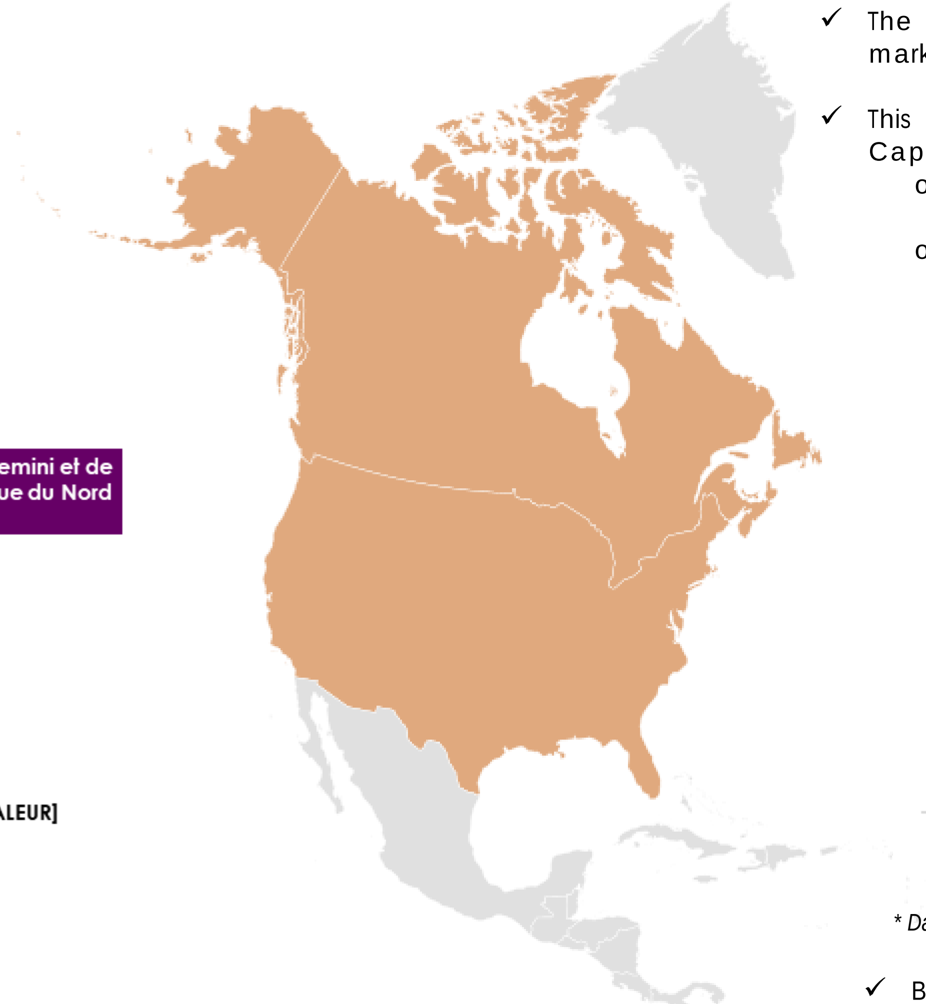
North America

Main competitors:

Deloitte.
Cognizant
IBM
accenture
TATA CONSULTANCY SERVICES

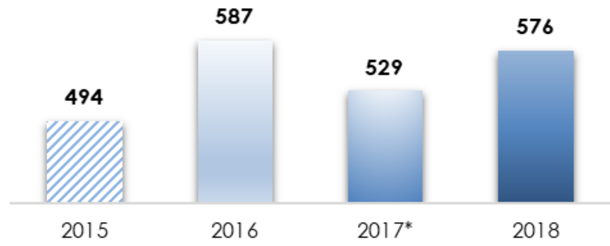
Comparaison du CA du Groupe Capgemini et de ses principaux concurents en Amérique du Nord (en millions €)





- ✓ The North America region represents a $437B market.
- ✓ This region was the most dynamic for the Capgemini Group between 2017 and 2018.
  - o On a constant-currency basis, revenue increased by 14.4% to €4,230M.
  - o This increase was mainly driven by consumer goods and distribution, financial services and industrial sectors.

Marge opérationnelle du groupe Capgemini en Amérique du Nord (en millions €)



** Data for 2017 has been restated for the retrospective application of*

- ✓ Between 2017 and 2018, the operating margin rate was stable (-0.3%) and stood at 13.3% of revenue in 2018.

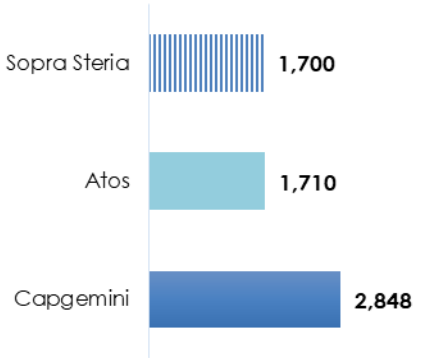
France

Main competitors:

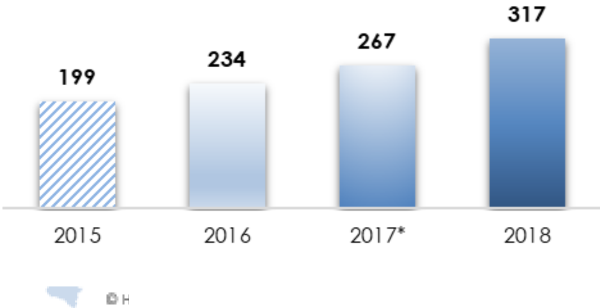
accenture
accenture
CGI
Atos
sopra steria

- ✓ France represents a market worth $36B.
- ✓ Between 2017 and 2018, revenue grew by +6.4% on a constant-currency basis, to €2,848M.
  - o The strong performance of application services relating to Digital and the Cloud was profitable over the period.
  - o An impressive increase (+10% growth) in the Consumer Goods and Distribution sector and the Energy and Utilities sector should be noted.

Comparaison du CA de Capgemini et de ces principaux concurents en France (en millions €)



Marge opérationnelle du Groupe Capgemini en France (en millions €)



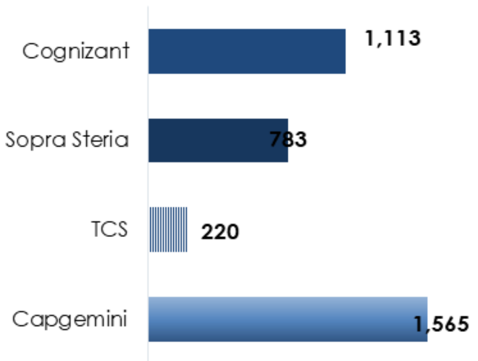
- ✓ Between 2017 and 2018, the operating margin rose by 1.2% to stand at 11.1% of revenue in 2018.

United Kingdom and Ireland

Main competitors:

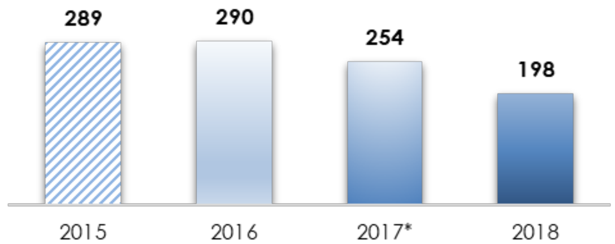
- accenture
- accenture
- TATA CONSULTANCY SERVICES
- Atos
- Infosys

Comparaison du CA de Capgemini et de ses principaux concurents au Royaume-Uni et en Irlande (en millions €)



- ✓ The United Kingdom and Ireland represent a $81B market.
- ✓ Between 2017 and 2018, revenue was stable, with an increase of +0.1% on a constant-currency basis to €1,565M.
  - o Private sector revenue increased while a decline was recorded in the public sector.

Marge opérationnelle du Groupe Capgemini en Royaume-Uni et Irlande (en millions €)



** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ The Capgemini Group forecast a decrease in the operating margin rate between 2017 and 2018, due to a change in the business mix and the impact of exchange rates, resulting in a decrease in the rate from 16.1% to 12.6% of 2018 revenue.

Rest of Europe

Main competitors:

accenture

accenture

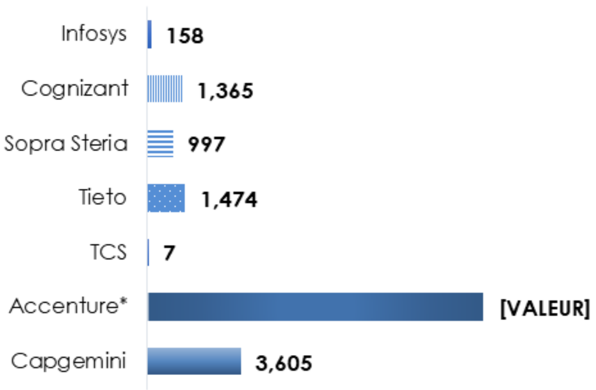
tieto

Deloitte.

- The rest of Europe represents a market worth $157B.

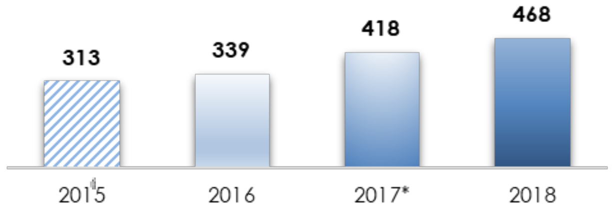
- Between 2017 and 2018, activity picked up in the major European countries and revenue rose on a constant-currency basis by 6.9% to €3,605M.
    - The main contributors to this increase were Germany and Scandinavia.
    - It should be noted that growth of around 5% to 10% occurred across all business sectors, with the exception of Telecoms, which is falling across Europe.

Comparaison du CA de Capgemini et de ses concurents dans le Reste de l'Europe (en millions €)



Included in revenue for France.

Marge opérationnelle du Groupe Capgemini au Reste de l'Europe (en millions €)



** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- Between 2017 and 2018, the operating margin rate increased by 0.7 points to reach 13.0% of revenue in 2018.

Asia-Pacific and Latin America

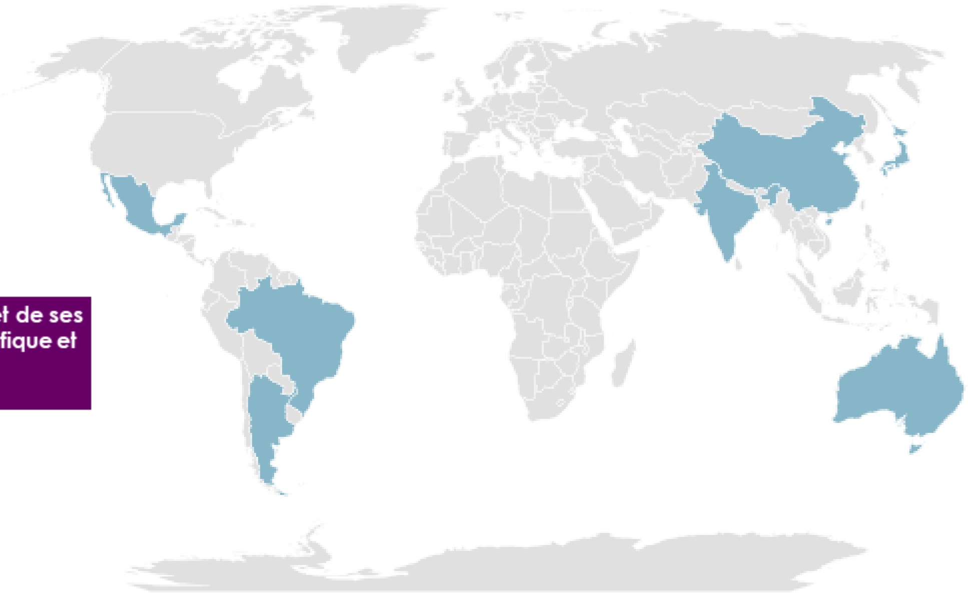
Main competitors:

accenture

accenture

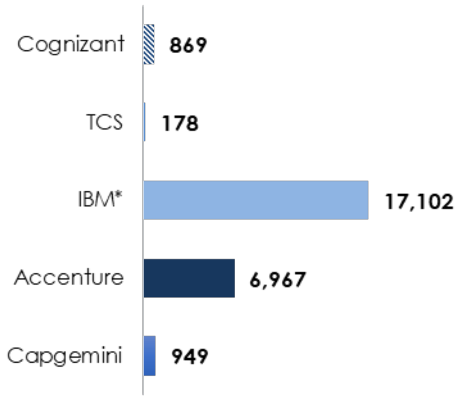
tieto

Deloitte.



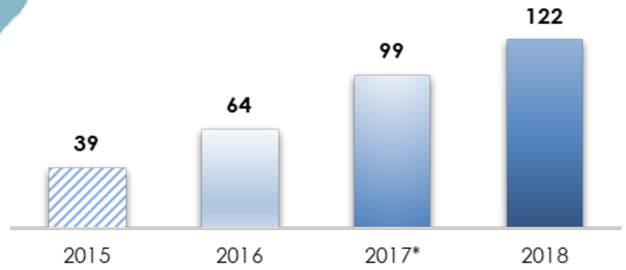
- ✓ Asia-Pacific and Latin America represent a market worth $252B.
- ✓ Between 2017 and 2018, revenue on a constant-currency basis increased by +6.0% to €949M.
  - o This growth is the result of the acceleration in activity in the Industry sector for the Asia-Pacific region and a return to positive growth for the Latin America region.

Comparaison du CA de Capgemini et de ses principaux concurents en Asie-Pacifique et Amérique latine (en millions €)



** This is the revenue for 2017*

Marge opérationnelle du Groupe Capgemini en Asie-Pacifique et Amérique latine (en millions €)



** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ The operating margin rate increased by 2.8 points in 2018, to stand at 12.8% compared with 10.1% for 2017.

Consultancy – Strategy and Transformation

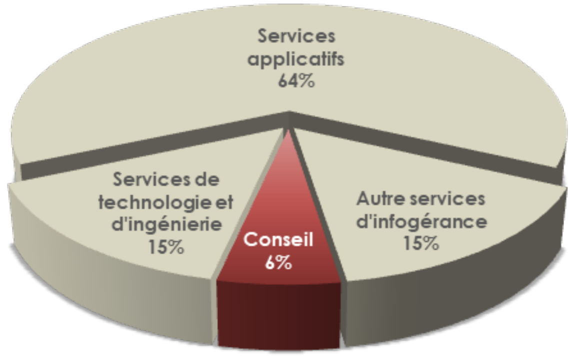
The Consultancy business (6% of Group revenue) recorded an increase of 37.4% in revenue between 2017 and 2018 on a constant-currency basis.

(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Consultancy revenue	480	506	583	785	*202*	*34.6%*
Op. margin	44	54	66	101	*35*	*53.0%*

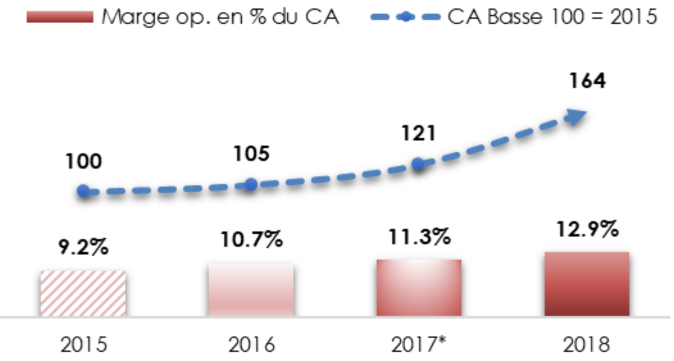
** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ Between 2017 and 2018, activity related to digital transformation needs performed favourably in the Financial Services, Industry and Distribution sectors.
- ✓ Over the same period, the Group benefited from the realignment within Capgemini Invent of its recognised expertise in the areas of strategy, technology, data science and creative design, to support decision-makers in digital transformation and innovation.
- ✓ The operating margin rate for that business was 12.9% of revenue in 2018, an increase of 1.6 points compared with 2017.

Répartition du CA du groupe en 2018 par secteur



Évolution de la Marge opérationnelle et du CA en base 100 = 2015



Application Services

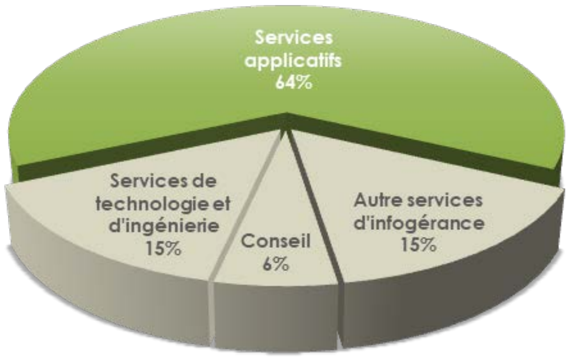
The Application Services business (64% of Group revenue) recorded a 10.1% increase in revenue on a constant-currency basis between 2017 and 2018.

(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Application Services revenue	6,997	7,557	7,828	8,393	*565*	*7.2%*
Op. margin	830	960	1,024	1,140	*116*	*11.3%*

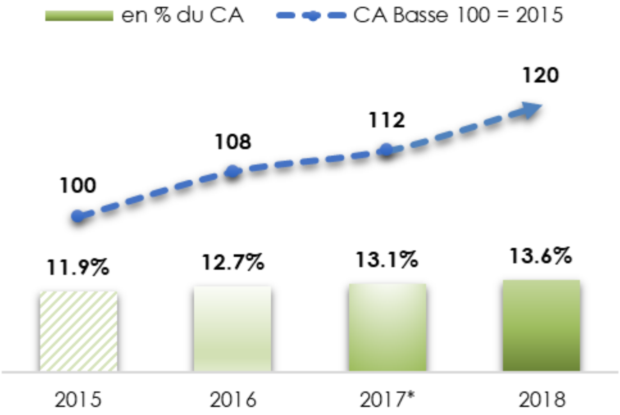
** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ The increase in revenue on a constant-currency basis between 2017 and 2018 is due to growing demand in the Digital and Cloud sectors.
  - o This performance highlights the match between the services portfolios within these businesses and the new needs of the Group's clients.
- ✓ The operating margin rate from 2017 to 2018 was up 0.5 points to 13.6% of revenue.

Répartition du CA du Groupe en 2018 par secteur



Évolution de la Marge opérationnelle et du CA en base 100 = 2015



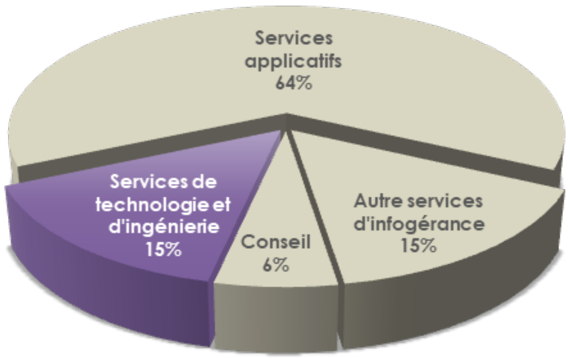
Technology and Engineering Services

The Technology and Engineering Services business (15% of Group revenue) recorded a 5.0% increase in revenue between 2017 and 2018 on a constant-currency basis.

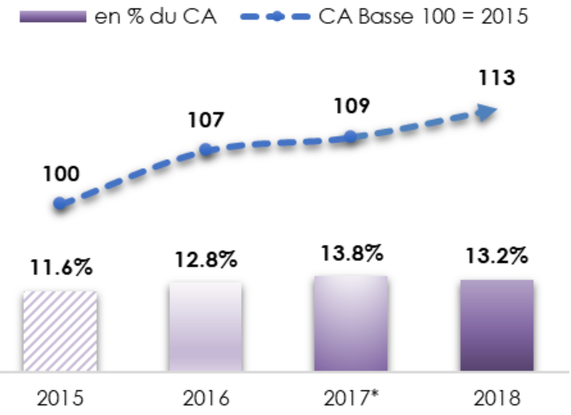
(in €M)	2015	2016	2017*	2018	*Change 17/18* *By value*	*Change 17/18* *As %*
Technology and Engineering Services revenue	1,744	1,873	1,905	1,974	*69*	*3.6%*
Op. margin	202	240	262	261	*-1*	*-0.4%*

✓ The operating margin rate reached 13.2%, slightly lower than the 13.8% recorded in 2017.

Répartiton du CA du Groupe en 2018 par secteur



Évolution de la Marge opérationnelle et du CA en base 100 = 2015



Other Managed Services

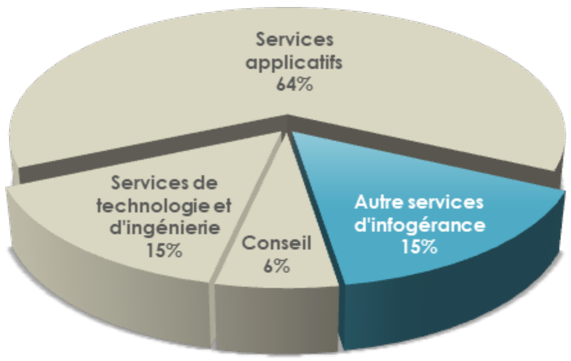
The Other Managed Services business (15% of Group revenue) recorded a 4.2% decrease in revenue on a constant-currency basis between 2017 and 2018.

(in €M)	2015	2016	2017*	2018	*Change 17/18 By value*	*Change 17/18 As %*
Other Managed Services revenue	2,694	2,603	2,209	2,045	*-164*	*-7.4%*
Op. margin	258	260	215	179	*-36*	*-16.7%*

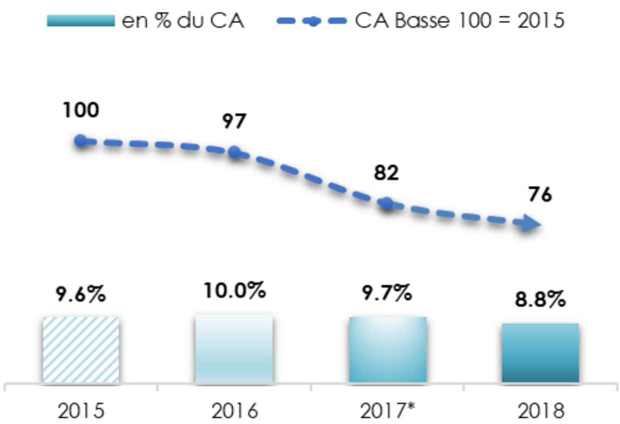
** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ The change in revenue is mainly due to a slowdown in Business Process Outsourcing activities.
- ✓ In relation to Infrastructure Services, the first half of 2018 was impacted by a contraction in UK public sector activity.
- ✓ Strong growth in Cloud integration and orchestration services reduced the decline due to infrastructure services in the second half of 2018.
- ✓ The operating margin rate for Other Managed Services stood at 8.8% in 2018 compared with 9.7% in 2017.

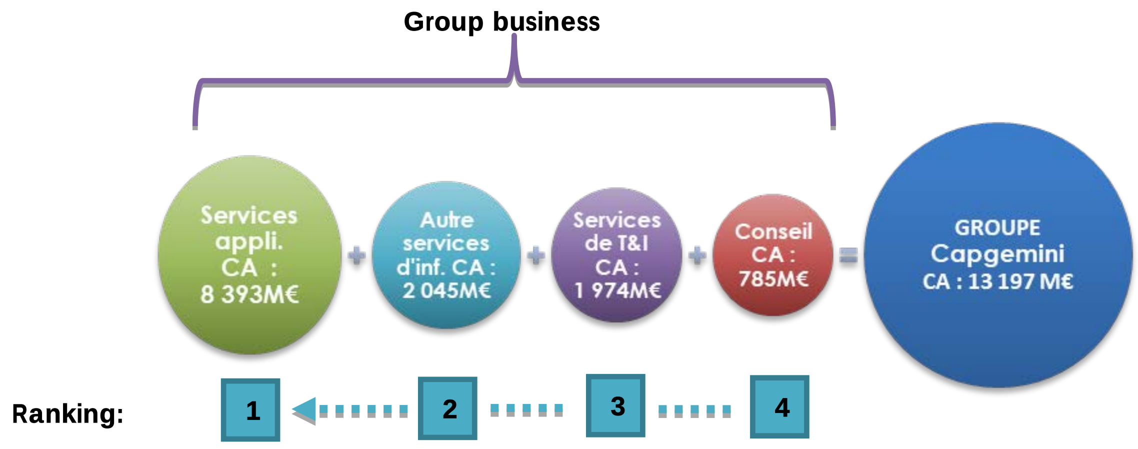
Répartition du CA du Groupe en 2018 par secteur

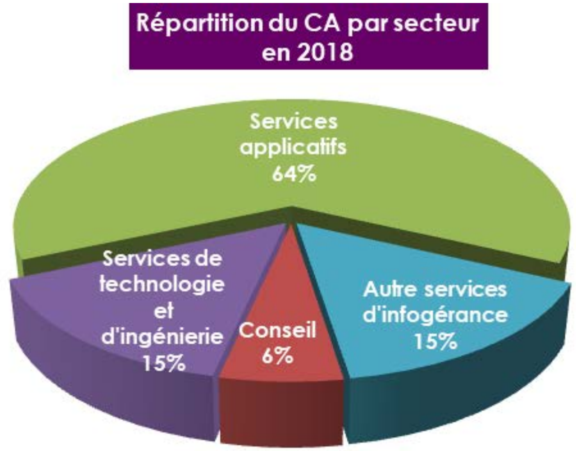


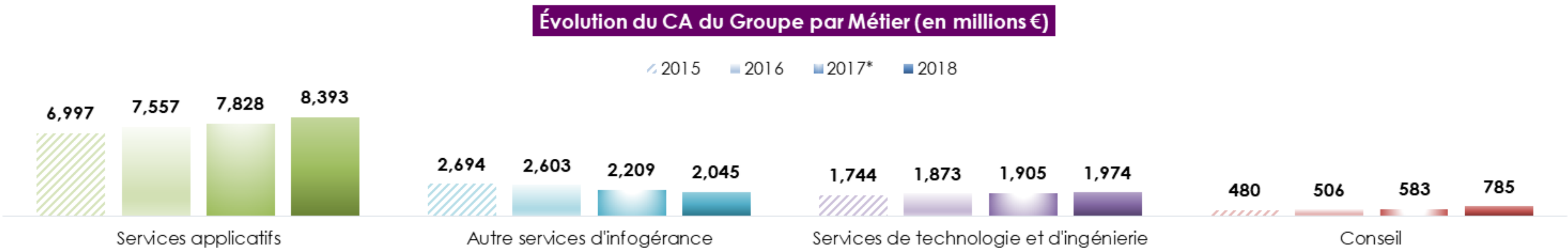
Évolution de la Marge opérationnelle et du CA en base 100 = 2015



Overview of revenue across the Group's businesses







Changes in the workforce

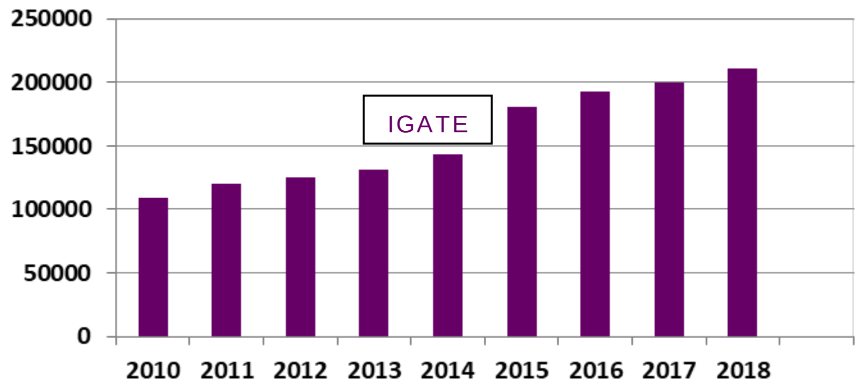
- ✓ **Workforce at year-end**
  - o Approximately 110,000 employees in 2010.
  - o Almost doubling to 211,000 by the end of 2018.
  - o Fairly steady growth
  - o **Purchase of IGATE in 2014**

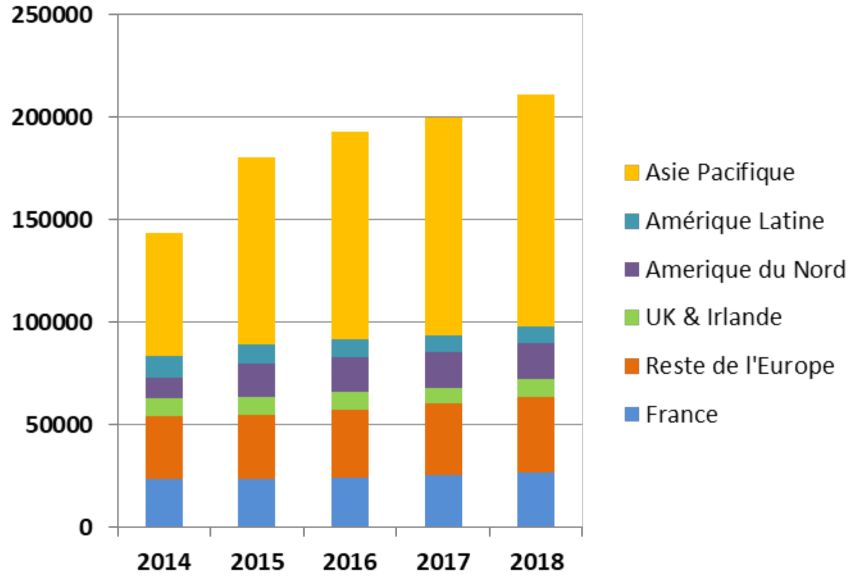
- ✓ **The acquisition of IGATE**

IGATE is a technology and IT services company based in Bridgewater, New Jersey. IGATE provides solutions to meet its clients' challenges and tailored to their business and sectoral requirements in North America, Europe and Asia-Pacific. IGATE achieves revenue of over $1.2B and has more of 33,000 employees.
The workforce is mainly located in North America (around 6,000) and Asia-Pacific (around 27,000).
Following the transaction, the workforce stood at 180,000 employees. This acquisition meant that in 2016 Capgemini broke through the 100,000 mark in terms of employees working in its production centres in India.

An enhanced services portfolio

In addition to its application services workforce, IGATE also has resources in infrastructure services (3,000 employees), sectoral BPO (3,500 employees) and engineering services (3,500 employees).





Overview of the Group's results

(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Revenue	11,915	12,539	12,525	13,197	*672*	*5.4%*
Costs of services provided	-8,838	-9,183	-9,141	-9,627	*-486*	*5.3%*
Commercial expenses	-955	-1,032	-1,019	-1,043	*-24*	*2.4%*
Overheads and administrative expenses	-860	-884	-872	-930	*-58*	*6.7%*
Operating expenses	-10,653	-11,099	-11,032	-11,600	*-568*	*5.1%*
Operating margin	1,262	1,440	1,493	1,597	*104*	*7.0%*
Other operating income and expenses	-240	-292	-310	-346	*-36*	*11.6%*
Operating income	1,022	1,148	1,183	1,251	*68*	*5.7%*
Cost of net financial debt	-55	-104	-18	-12	*6*	*-33.3%*
Other financial income and expenses	-63	-42	-54	-68	*-14*	*25.9%*
Financial income	-118	-146	-72	-80	*-8*	*11.1%*
Tax income/(expenses)	-203(1)	-94(2)	-303	-447	*-144*	*47.5%*
Net income	1,107	908	808	724	*-84*	*-10.4%*

** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

(1) Including €180M of tax-free income relating to goodwill resulting from legal restructuring.
(2) Including the revaluation of deferred tax assets on losses carried forward in the United States for €476M,

A perfectly healthy financial structure

Assets

(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Goodwill	7,055	7,176	6,830	7,431	601	8.8%
Intangible fixed assets	848	813	681	697	16	2.3%
Tangible fixed assets	763	754	749	785	36	4.8%
Differed taxes	1,412	1,473	1,283	1,128	-155	-12.1%
Other non-current assets	457	374	311	303	-8	-2.6%
Total non-current assets	10,535	10,590	9,854	10,344	490	5.0%
Contract costs	109	93	99	92	-7	-7.1%
Assets on contracts	1,037	1,012	1,029	1,123	94	9.1%
Accounts receivable	1,909	1,969	2,042	2,064	22	1.1%
Current tax receivables	64	132	107	94	-13	-12.1%
Other current assets	543	627	657	592	-65	-9.9%
Cash management assets	116	157	168	183	15	8.9%
Cash and cash equivalents	1,950	1,879	1,988	2,006	18	0.9%
Total current assets	5,728	5,869	6,090	6,154	64	1.1%
TOTAL ASSETS	16,263	16,459	15,944	16,498	554	3.5%

** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

Liabilities

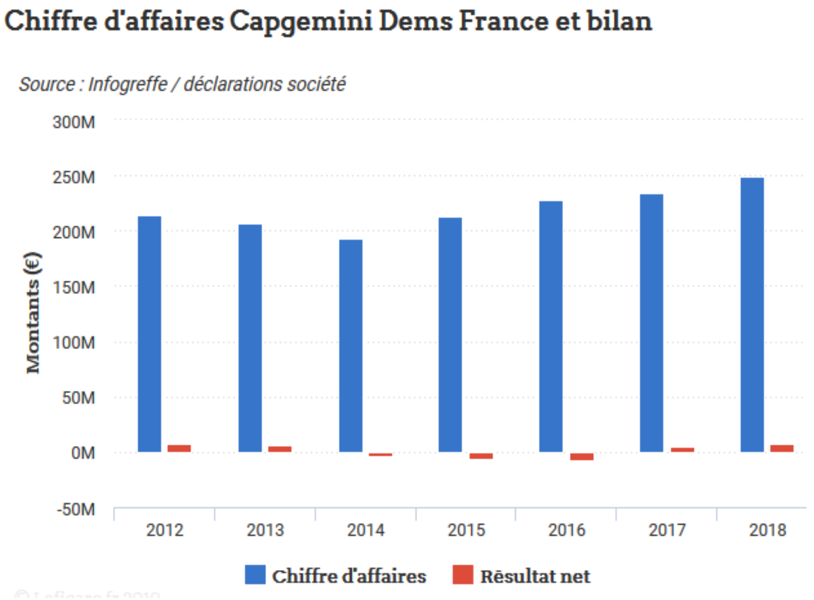
(in €M)	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Share capital	1,377	1,373	1,348	1,338	*-10*	*-0.7%*
Issue and contribution premiums	3,499	3,453	3,169	2,979	*-190*	*-6.0%*
Reserves and retained earnings	887	1,525	1,619	2,433	*814*	*50.3%*
Net income	1,124	921	820	730	*-90*	*-11.0%*
Equity (Group share)	6,887	7,272	6,956	7,480	*524*	*7.5%*
Non-controlling interests	26	13	4	-1	*-5*	*-125.0%*
Shareholders' equity	6,913	7,285	6,960	7,479	*519*	*7.5%*
Long-term financial debt	3,161	3,287	2,783	3,274	*491*	*17.6%*
Differed taxes	221	227	172	180	*8*	*4.7%*
Provisions for pensions and similar commitments	1,216	1,374	1,196	1,011	*-185*	*-15.5%*
Non-current provisions	28	26	25	19	*-6*	*-24.0%*
Other non-current liabilities	367	292	311	305		
Total non-current liabilities	4,993	5,206	4,487	4,789	*302*	*6.7%*
Short-term financial debt and bank overdrafts	652	125	589	83	*-506*	*-85.9%*
Operating debts	2,724	2,818	2,837	2,944	*107*	*3.8%*
Liabilities on contracts	739	737	795	864	*69*	*8.7%*
Current provisions	90	104	88	91	*3*	*3.4%*
Current tax liabilities	61	109	107	141	*34*	*31.8%*
Other current liabilities	91	75	81	107	*26*	*32.1%*
Total current liabilities	4,357	3,968	4,497	4,230	*-267*	*-5.9%*
TOTAL LIABILITIES AND EQUITY	16,263	16,459	15,944	16,498	*554*	*3.5%*

** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

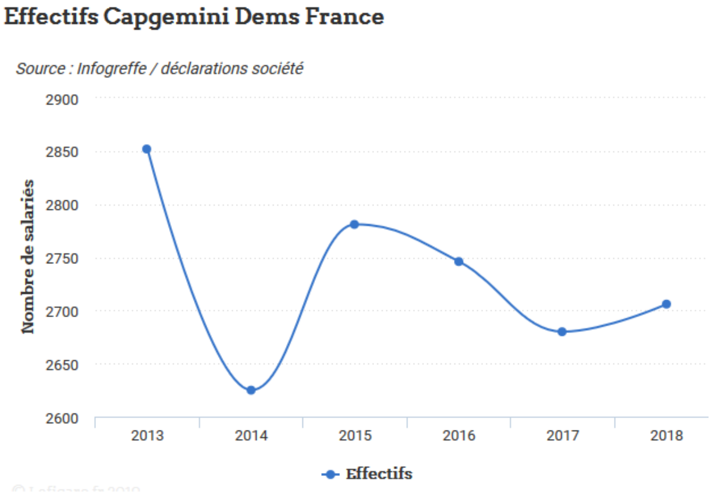
III. Focus on the DEMS (Digital Engineering & Manufacturing Services) scope

DEMS – Digital Engineering & Manufacturing Services – formerly Sogeti High Tech

- ✓ **In April 2019, Sogeti High Tech became DEMS France.**
- ✓ **A reminder of some financial information**



In €M	2012	2013	2014	2015	2016	2017	2018
Revenue	214.3	206	192.5	213.2	228.2	234.2	248.9
Net income	6.7	6.6	-3.6	-6.9	-7.9	4.9	6.9
Workforce		2852	2625	2781	2746	2680	2706



A possible explanation for the fall in revenue to 2014, with repercussions on the results, may be this remark contained in Altran's 2014 Registration Document:

"Cuts in the US and European defence budgets, coupled with the completion of certain large-scale R&D programmes focused on incremental developments in the Civil Aviation sector, should dent Research and Development spending in the Aerospace and Defence industries, where growth in R&D investment budgets is expected to stagnate or even decline."

Sogeti High Tech, which describes itself as a major aeronautics player, could be a victim of this slowdown.

How DEMS describes itself

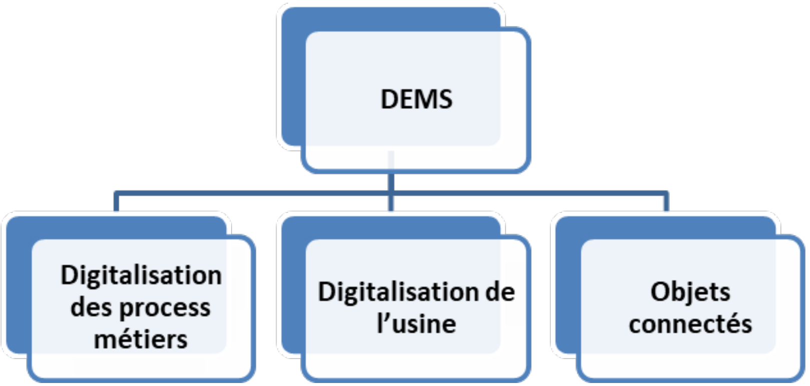
The teams:

1. **Product Engineering**

DEMS operates in the fields of software engineering (real-time software, embedded software, mobile applications, control and command) and systems (needs analysis, operational and prototyping studies, systems modelling and simulation), physical engineering (design offices and mechanical and thermal digital simulations, etc.), testing, consulting (cybersecurity and operational safety) and appraisal.

2. **Digital Manufacturing**

Professions mainly focused on PLM (Product Lifecycle Management), MES (Manufacturing Execution Systems), supervision and control and command.



Capgemini DEMS offers a range of high value-added services aimed at major industrial groups. It is an international company with more than 8,000 employees. Capgemini works in the fields of industrial innovation. They offer three main services:

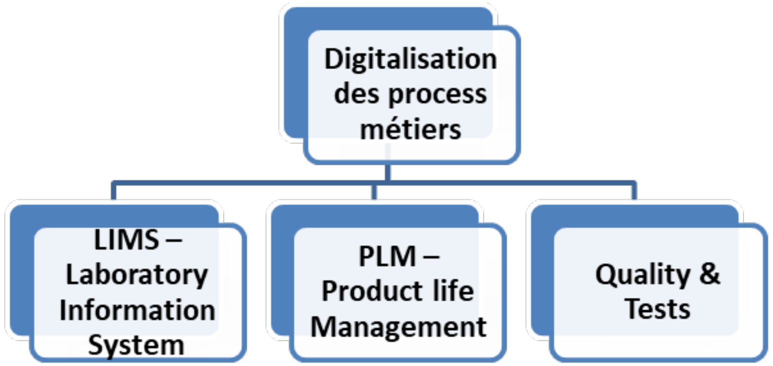
Smart Engineering, encompassing complex product and system development activities using the most advanced methods and technologies, particularly virtualisation, modelling and automation.

> **Product Engineering**. These roles are in the fields of software engineering (real-time software, embedded software, mobile applications, control and command) and systems (needs analysis, operational and prototyping studies, systems modelling and simulation), physical engineering (design offices and mechanical and thermal digital simulations, etc.), testing, consulting (cybersecurity and operational safety) and appraisal.

Digital Manufacturing, with PLM (Product Life Management) to manage products' life cycle, Supervision and Smart Factory services to optimise the efficiency of production tools in a broad sense, and operator support and prevention solutions.
These professions are in the fields of PLM (Product Lifecycle Management), MES (Manufacturing Execution Systems), supervision and command and control.

IoT & Connected Products, which aims to provide end-to-end solutions from product connectivity to data collection and analysis and a services platform promoting interactions between connected products, operators, operational centres and employees.

Digitalisation of business processes

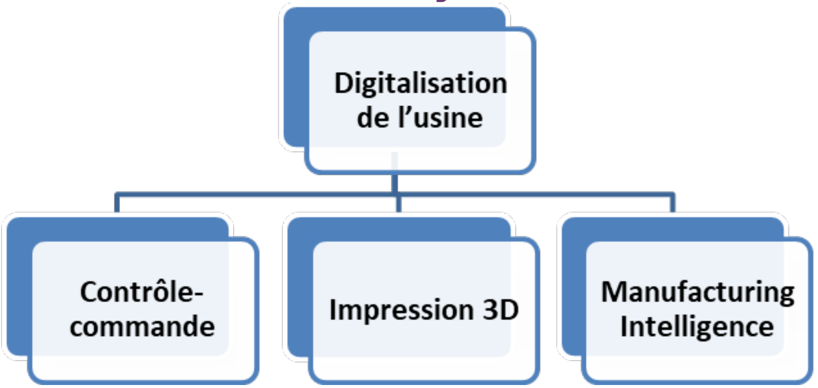


- ✓ **LIMS – Laboratory Information System**
    - Ensures product compliance in connected environments

- ✓ **PLM – Product Life Management**
    - PLM covers: computer-aided design (CAD), simulations, digital mock-ups, the digital factory and product data management (PDM). Ability to tackle every phase of a project

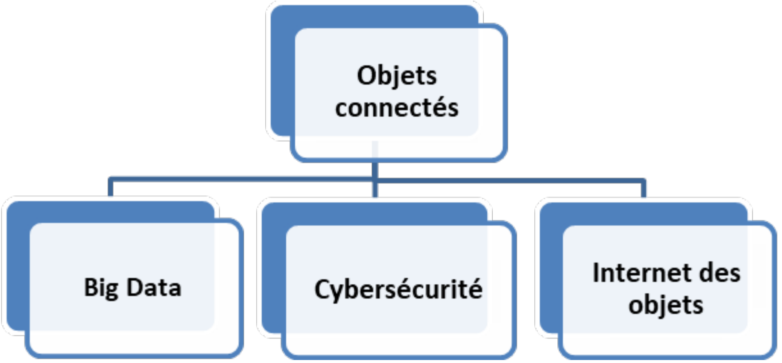
- ✓ **Quality & Testing**
    - Industrialised Managed Testing Services to develop and optimise testing and quality processes throughout a product's life, as part of a continuous improvement process
    - DevOps Quality Services, which aims to provide practical solutions that enable industrial clients to accelerate validation of tests by guaranteeing the expected level of quality.
    - Digital Testing Services, in order to facilitate the validation of operations and improve the performance and user experience of testing across multiple fleets of devices.
    - Product Verification & Validation and IoT Testing Services, dedicated to the V&V (Verification and Validation) approach to connected products or objects, to cover all testing needs in industrial environments which evolve alongside organisations' digital transformation.
    - Specialized Testing Services, demonstrating our ability to support businesses in their development, transformation and evolution by offering a range of bespoke testing services.

Digitalisation of the factory



- ✓ **Operational control and command**
  - o Provide overall project management for new facilities, modifications or maintenance in operational condition (MOC)
- ✓ **Security control and command**
  - o Develop applications and programmable equipment
- ✓ **Renovation of control and command**
  - o Offer audit and consulting services designed to preserve and adapt the industrial tool and integrate appropriate solutions based on what already exists.
- ✓ **3D printing**
  - o With 3D printing or Additive Layer Manufacturing, Capgemini guarantees its clients freedom of design, product optimisation, rapid prototyping and performance measurement... benefits that traditional manufacturing is unable to offer. Major breakthrough in product design and conception.
- ✓ **Manufacturing Intelligence**
  - o The range of Manufacturing Intelligence services includes infrastructure, development and integration of Cloud solutions to accelerate industrial performance.

Connected objects



- ✓ **Big Data**
  - o **Data analysis, a vehicle for growth**
    - ▪ Capgemini's range of Big Data solutions, harnessing the skills of more than 150 specialised scientists and analysts, responds to industrial companies' needs in terms of analysis, optimisation and innovation.
    - ▪ From data collection, storage, queries and data mining to analysis and presentation of results, being an expert in simulation exercises and conceptual complexity gives a significant initial advantage.

- ✓ **Cybersecurity**
  - o **Mastering new industrial risks**
    - ▪ The discovery of hacking attacks specifically targeting industrial and embedded control systems is encouraging manufacturers to rethink protection systems, in order to:
      - Address the widespread rise of IT security risks since 2010.
      - Ensure the security of critical infrastructure using industrial control systems (nuclear, oil, chemical and pharmaceutical industries, energy transmission and distribution networks, water treatment and distribution, power plants, transport infrastructure, etc.).
      - Ensure the security of embedded systems (planes, trains, cars, etc.)
      - Anticipate the strengthening of regulatory requirements, especially for OIVs (operators of vital importance).

- **Provide effective protection**
  - Effective protection of the industrial control system begins with appropriate organisational measures, along with the definition of a security architecture incorporating an industrial network compartmentalisation strategy. Appropriate technical protection measures, risk mitigation measures and operational and monitoring measures are implemented on this basis.
- **Unique know-how to ensure the security of the control system**
  - As a result of its expertise in all levels of the control system, from the actuator sensor to production management applications, Capgemini is positioned as a single point of contact for protection and security measures.
- **Involved at all stage in facilities' life cycle.**

✓ **Internet of Things – IoT**

- The Internet of Things involves extending this network to all objects in the physical world. Just as internet communication is based on an IP layer uniting all existing standards at a certain level, so the Internet of Things has protocols specific to certain businesses, which is a long way from being able to guarantee unified and secure communication between disparate devices.
- **For universal industrial communications:**
  - Capgemini therefore develops software solutions enabling devices to communicate with each other, with less interaction, including the possibility of making equipment with different communication protocols interoperable. This software environment also guarantees the security of these devices, through the use of development frameworks dedicated to security testing.
  - For this, our R&D units in Grenoble and Toulouse draw on the skills of our experts in software engineering, algorithms, embedded systems, real-time operating systems, object programming (C++ and Java) and protocols.
- **Independence**
  - "Agnostics" in terms of hardware platforms, technologies and languages, our research covers the entire usage spectrum of networks of objects: from temperature and pressure detection to GPS or RFID tracking of parcels or vehicles, piloting peripherals, advanced electrical networks, e-health, multimedia, home automation, etc. – any usage scenario is possible since our developments adapt to our clients' communication and production environment.
  - Our R&D teams are also developing new-generation ("zero configuration") communicating batteries (DPWS), which automate the discovery of equipment and services embedded in those devices without any prior human configuration.
  - The security of embedded systems is also among our areas of research, with the development of a Java security test suite that assesses the reliability of industrial equipment.

DEMS sites in France

DEMS France has about 20 sites in France.

- ✓ Internet searches provide the locations of some of them and give a rough idea of their numbers.

Sites	Workforce
Paris region	??
Toulouse-Blagnac	500-999
Aix-en-Provence	250-499
Grenoble-Montbonnot	100-199
Cherbourg-La Hague	100-199
Pau-Bordes	50-99
Bagnols-sur-Cèze	50-99
Nantes	20-49
Strasbourg-Schilltigheim	20-49
La Rochelle-Dompierre	20-49
Bordeaux-Merignac	??
Lyons	??
Mougins	??
Pierrelatte	??

Some comments on these sites:

- ✓ These sites correspond to those of client industries.
- ✓ A presumably important presence in the Paris region is logical and does not require any particular comment.
- ✓ DEMS France, and previously Sogeti High Tech, position themselves as the number 1 in engineering services dedicated to aviation.
- ✓ It is therefore normal to find large numbers of employees in Toulouse-Blagnac and, no doubt, in Bordeaux-Mérignac (without any indication of numbers).
- ✓ Similarly, the size of the Aix-en-Provence site is likely to be partially explained by the proximity of Airbus Helicopters.
- ✓ The Bordes site near Pau is explained by the presence of Safran-Turbomeca.
- ✓ The Cherbourg-La Hague, Pierrelatte and Bagnols-Marcoule sites can be explained by the acquisition in around 2014 of Euriware, which was the computer subsidiary of Areva (now Orano), which had an important industrial computing component, including control and command.

IV.The ALTRAN Group

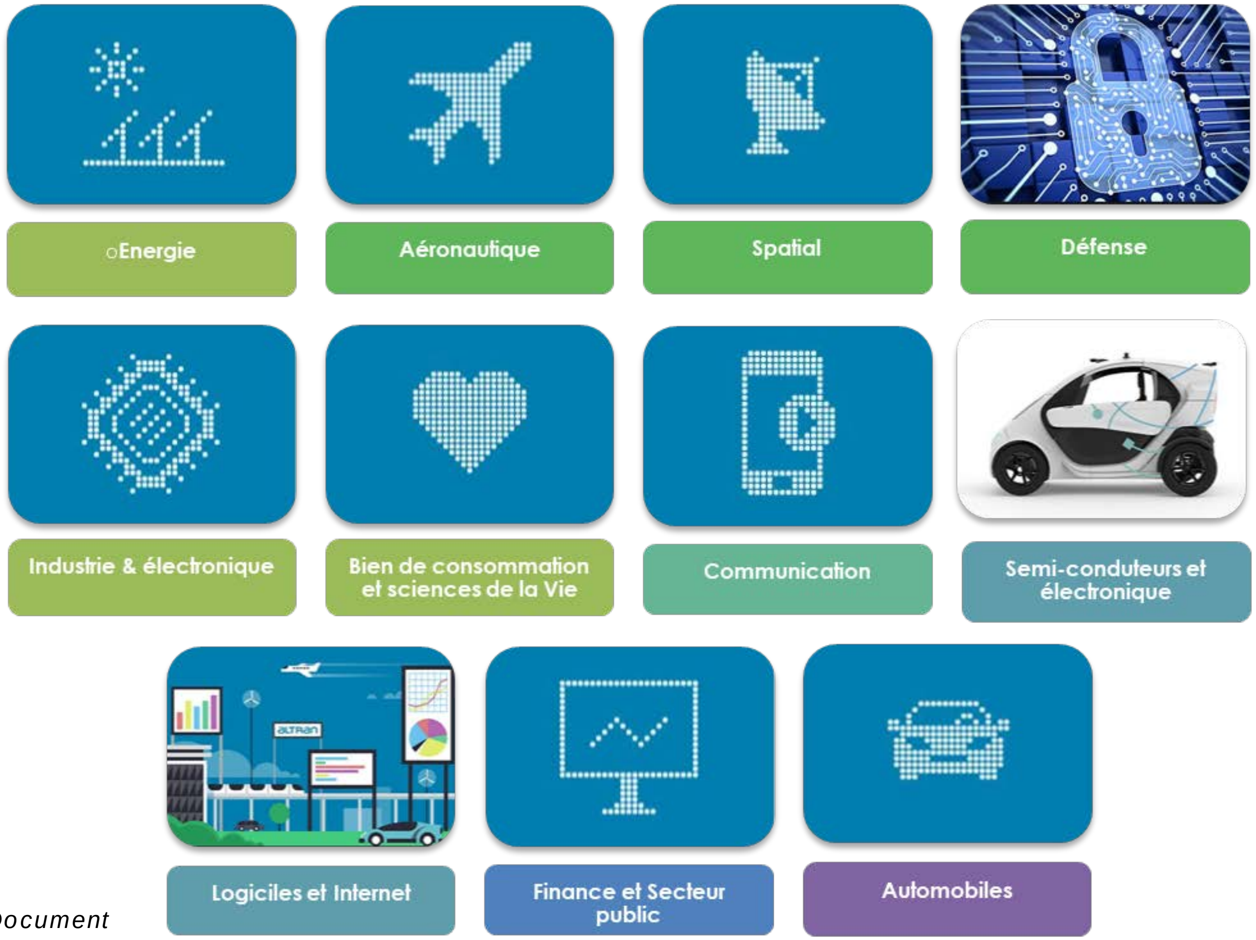
Presentation of the Group's six businesses

Altran Consulting	Altran Digital	Altran Engineering	World Class Centers	Industrialized GlobalShore	Cambrigde Consultants
Consulting in innovation and transformation strategy	Assists clients in their digital transformation	Helps develop new optimising systems and products (time/costs)	Services and solutions in advanced fields	Offers global expertise	Development of innovative products

Source: ALTRAN - 2018 Registration Document

Presentation of the Group's 11 business lines, divided into six main sectors

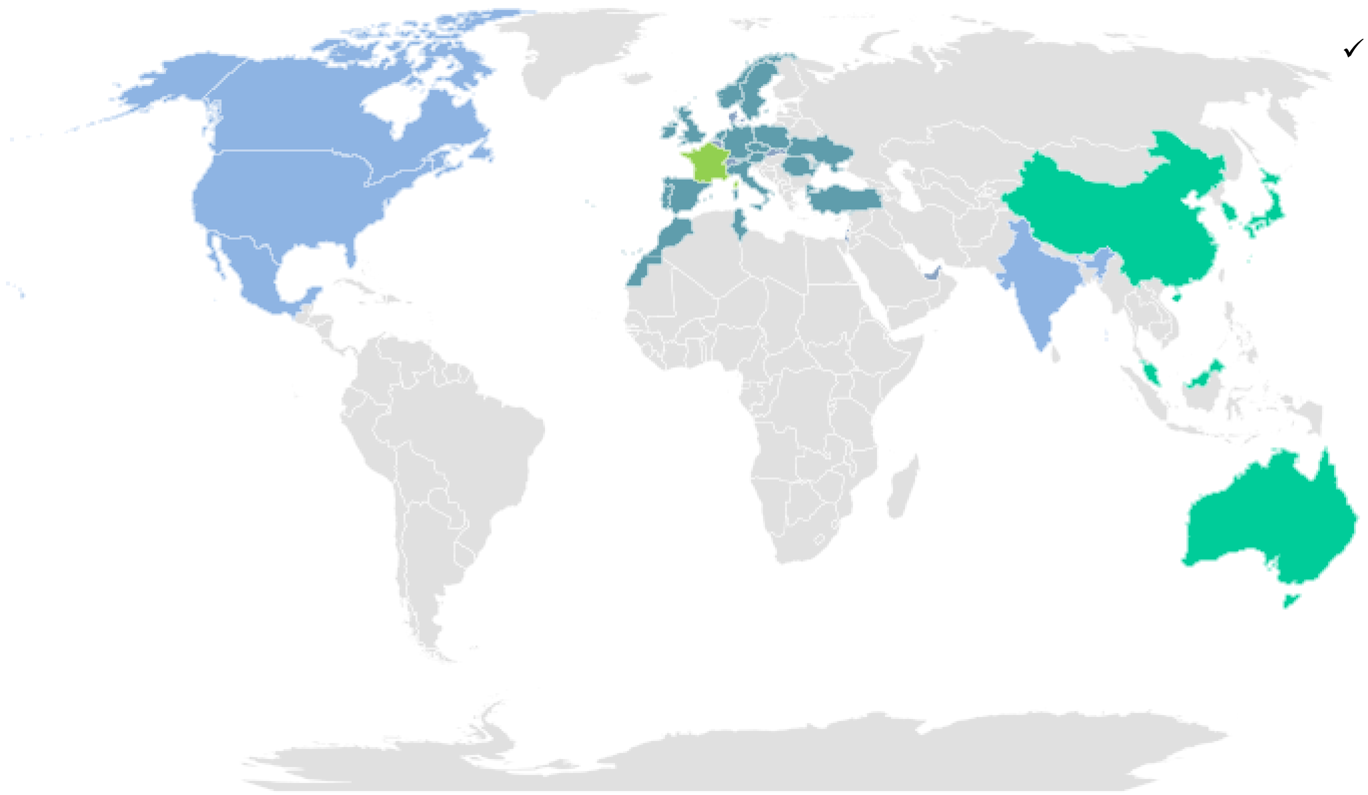
1. Energie / industrie & électronique / Bien de consommation et sciences de la Vie
2. Aéronautique/ spatial/ défense
3. Communicaton
4. Semi-conducteurs et Electronique / Logiciels et Internet
5. Finance et Secteur public
6. Automobile



Source: ALTRAN - 2018 Registration Document

Group locations

Implantation mondiale du Groupe ALTRAN



S

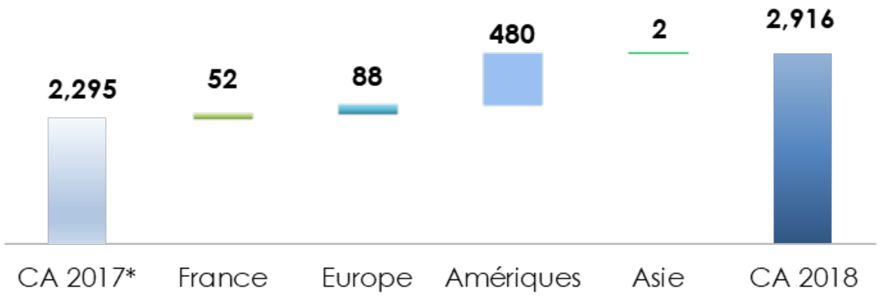
✓ The ALTRAN Group is divided between four geographical areas.

1 France
2 Europe
3 Amériques
4 Asie

Source: ALTRAN - 2018 Registration Document

Breakdown of revenue by geographical area

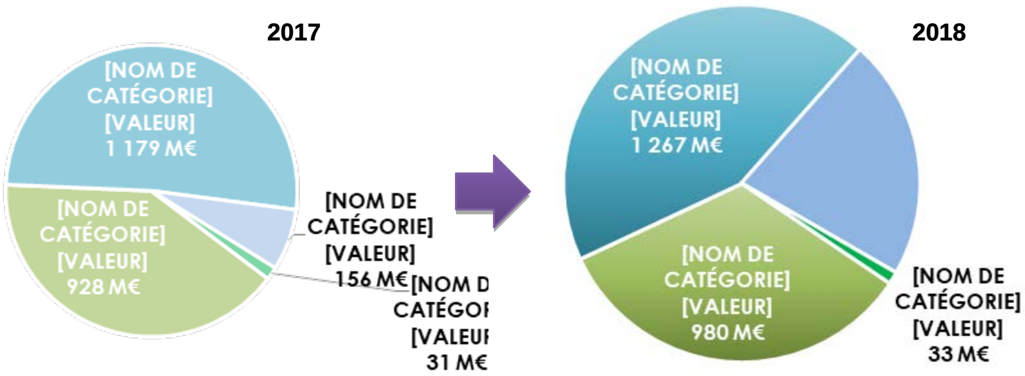
Groupe ALTRAN
Passage du CA consolidé 2017 au CA consolidé 2018
Par zone géographique en M€



** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

- ✓ In 2018, the ALTRAN Group's consolidated revenue was €2.9B, an increase of €621M (+27%) compared with 2017.
  - The €621M increase in consolidated revenue is largely due to the Americas zone, which quadrupled its consolidated revenue in a year.
    - This is due to the acquisition of Aricent and the contribution of Picol Technologies and Global Edge Software.

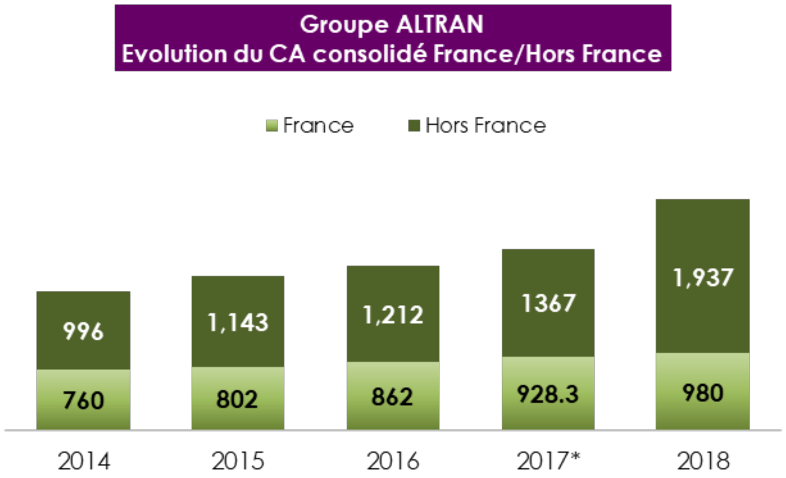
Breakdown of revenue by geographic area from 2017 to 2018

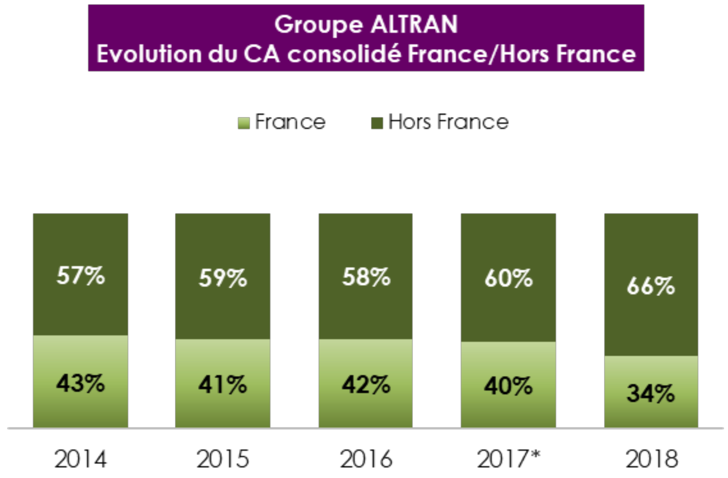


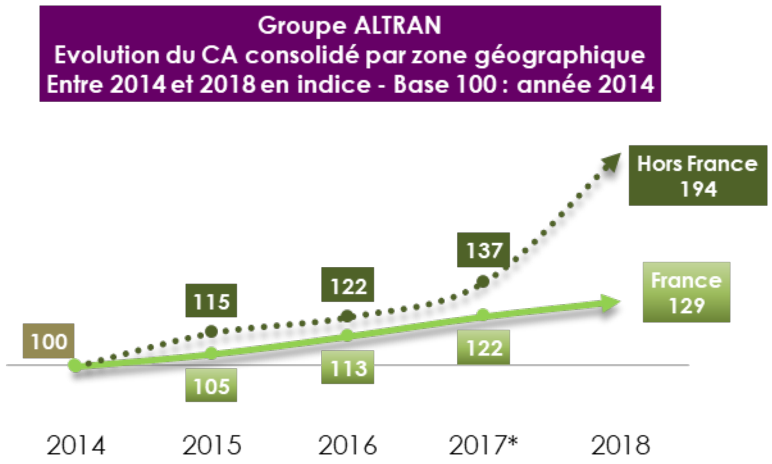
- ✓ Between 2017 and 2018, the contribution of the Americas zone to the Group's consolidated revenue rose from 7% to 22% – a 15-point increase.
- ✓ Over the same period, consolidated revenue in Europe and France grew by €88M and €52M respectively.

Source: ALTRAN - 2018 Registration Document

A stronger international presence, with 66% of its revenue generated outside France







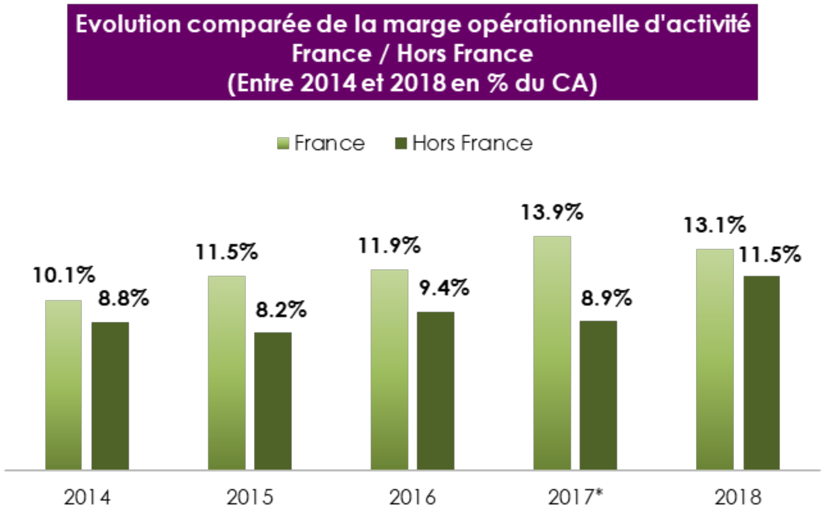
- ✓ In five years, the proportion of consolidated revenue generated outside France increased by 9 points (from 57% in 2014 to 66% in 2018).
- ✓ Over the same period, consolidated revenue in France grew by 29% to reach €980M in 2018.

** Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

<u>Source</u>: *ALTRAN - 2018 Registration Document*

In five years, operating margin outside France peaked in 2018 at 11.5%

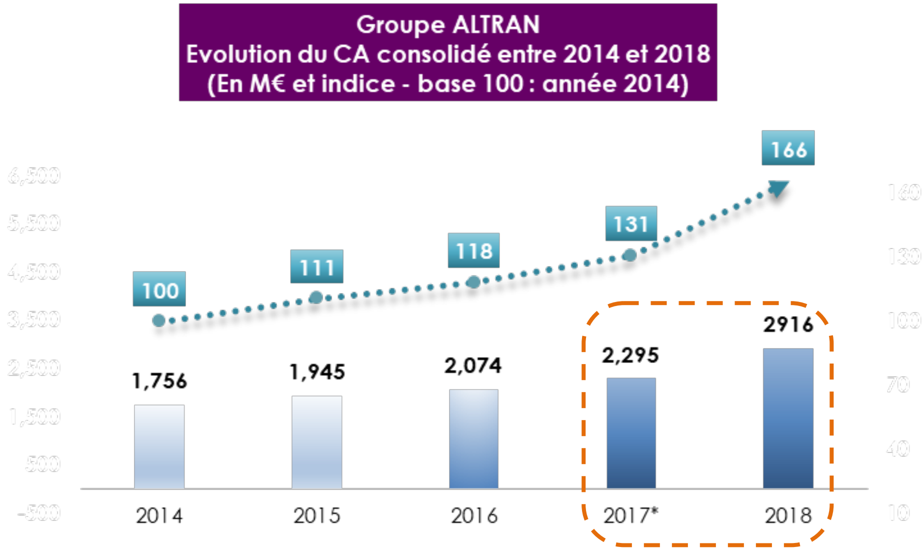
(In €M)	2014	2015	2016	2017*	2018	Change 17/18 *By value*	*As %*
Revenue France	760	802	862	928	980	52	6%
ROA France	77	93	103	129	129	0	0%
Revenue outside France	996	1,143	1,212	1,367	1,937	570	42%
ROA outside France	88	93	114	121	224	103	85%



- ✓ The operating margin outside France increased by 2.6 points between 2017 and 2018.
- ✓ Over the same period, France's operating margin remained stable (-0.8 points)
  - o This is also the second best rate in five years.

ALTRAN's revenue increased by 66% in five years

In 2018, the Group's consolidated revenue was €2.9B

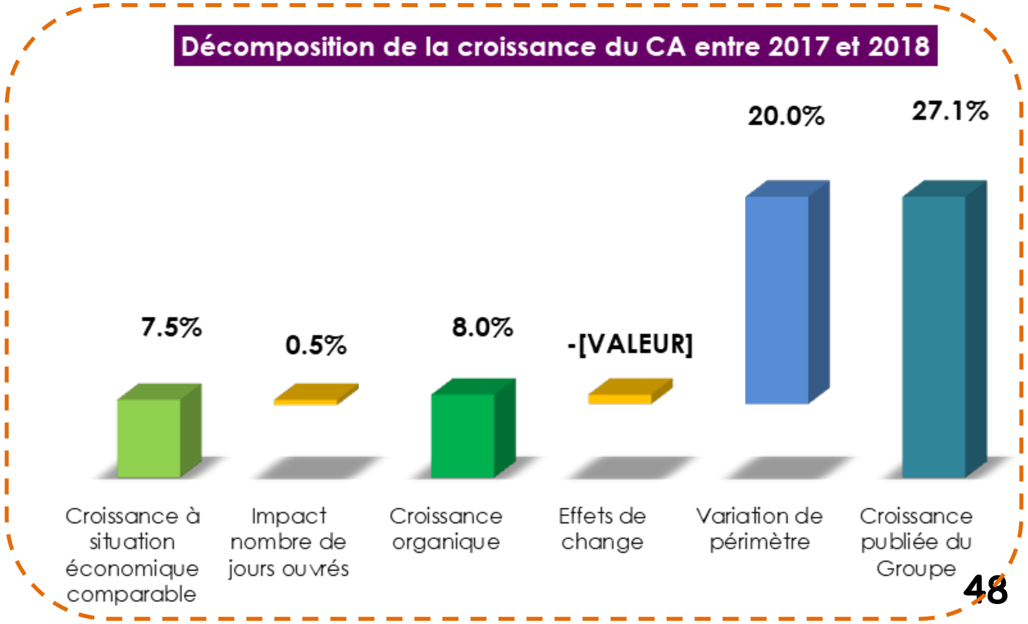


* *Data for 2017 has been restated for the retrospective application of standard IFRS 15.*

✓ Between 2017 and 2018, the Group's growth (+ 27.1%) was largely due to acquisitions made over the period, including ARICENT, Global Edge Software, Pricol Technologies and Information Risk Management.

✓ Exchange rate effects had an adverse impact on growth linked to the impact of the euro vs the US dollar and the Indian rupee.

✓ Organic growth and external growth contributed more or less equally to the increase in revenue.



Source: ALTRAN - 2018 Registration Document

Consolidated revenue growth achieved as the result of numerous acquisitions

Target company	Country	Workforce	Date	Speciality
Benteler Engineering Services	Germany/Sweden/Netherlands/Romania	700	2017	Technology consulting (automotive industry)
Pricol Technologies	India/USA/UK/Japan	520	2017	Technology consulting
Information Risk Management	UK	82	2017	Cybersecurity
Global Edge Software	India/USA	1,000	2017	Internet of Things
Aricent	USA	11,000	2018	Software development and product engineering and design services

- ✓ As a reminder, between 2017 and 2018, the Group's growth (+€621M) was largely due to acquisitions made over the period, including Global Edge Software, Pricol Technologies and Information Risk Management.

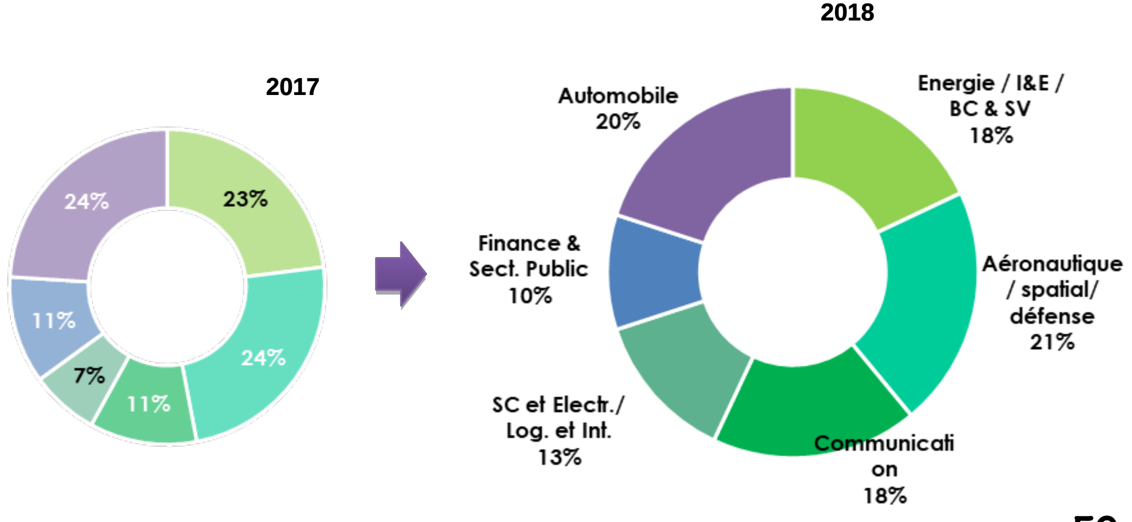
- ✓ The acquisition of Aricent by the ALTRAN Group in 2018 helped to strengthen the Group's three main industries:
  - o The Communication sector, traditionally Aricent's core business.
  - o The Semiconductors and Electronics sector, in which Aricent has a strong present following the acquisition of SmartPlay Technologie in 2015.
  - o The Software and Internet sector, in which Aricent also has a significant presence.

Revenue breakdown by business sector

(In €M)	2017*	2018	Change 17/18 By value	Change 17/18 As %
Energy/Industry & Electronics/Consumer Goods and Life Sciences	528	525	*-3*	*-0.6%*
Aerospace/Space/Defence	551	612	*62*	*11.2%*
Communication	252	525	*272*	*107.9%*
Semiconductors and Electronics, Software and Internet	161	379	*218*	*136.0%*
Finance and Public Sector	252	292	*39*	*15.5%*
Automotive	551	583	*32*	*5.9%*
Consolidated revenue	2,295	2,916	*621*	*27.1%*

- ✓ Between 2017 and 2018, the acquisition of Aricent increased the ALTRAN Group's client portfolio in the high-tech sectors.
  - o In fact, the proportion contributed by the Semiconductors and Electronics, Software and Internet sector increased from 7% to 13% in a year.
  - o Meanwhile the Communication sector increased by 7 points over the same period.

Revenue breakdown by sector from 2017 to 2018



Income statement

(In €M)	2014	2015	2016	2017*	2018	Change 17/18 By value	Change 17/18 As %
Consolidated revenue	1,756	1,945	2,074	2,295	2,916	*621*	*27.1%*
- Direct costs	1,253	1,387	1,464	1,634	2,068	*435*	*26.6%*
Gross margin	503	558	610	661	848	*187*	*28.2%*
- Structural costs	339	372	394	419	546	*126*	*30.1%*
= Operating income	165	186	217	242	302	*60*	*24.9%*
Operating income	132	155	188	203	217	*14*	*6.8%*
Cost of debt	10.5	10.7	13.4	11.8	60.0	*48*	*x5.1*
Net income	82	101	123	131	81	*-50*	*-38.1%*

** The data for 2017 is restated for the impact of IFRS 15*

- ✓ Between 2017 and 2018, operating income increased by €60M to stand at €302M.
- ✓ Over the same period, "exceptional" and financial income and expenses resulting from the acquisition of Aricent reduced net income to €81M, representing a decrease of €50M.
  - o Furthermore, the increase in the ALTRAN Group's debt resulting from the increase in interest charged linked to the financing of acquisitions also had a €60M negative impact on net income.

Assets

(In €M)	2017*	2018	Change 17/18 By value	Change 17/18 As %
Goodwill	902	2,363	*1,461*	*x2.6*
Intangible fixed assets	90	680	*590*	*x7.5*
Tangible fixed assets	92	144	*52*	*56.3%*
Non-current financial assets	39	50	*11*	*28.0%*
Deferred tax assets	218	198	*-21*	*-9.4%*
Non-current assets	1,341	3,435	*2,093*	*x2.5*
Clients	624	732	*108*	*17.3%*
Other current assets	13	23	*10*	*73.9%*
Cash and cash equivalents	373	473	*100*	*26.8%*
Current assets	1,009	1,227	*217*	*21.5%*
Total ASSETS	2,351	4,662	*2,311*	*98.3%*

** The data for 2017 is restated for the impact of IFRS 15*

Goodwill is the difference between the purchase price and the assets (tangible/intangible) of the company acquired by the Group. This difference cannot be explained and/or rationalised.

The increase in intangible assets is partly due to the IBM licenses held by Aricent (€252M) and intangible assets (including client relationships for €216M).

- ✓ In 2018, the ALTRAN Group's non-current assets increased by €2B to €3.4B.
  - This increase is largely due to the valuation of goodwill (+€1.4B) and the increase in intangible assets (€590M).
- ✓ Over the same period, the Group's current assets rose by €217M to stand at €1.2B.
  - This increase is the result of the increase in cash (+€100M) and in trade receivables (+€108M).

Liabilities

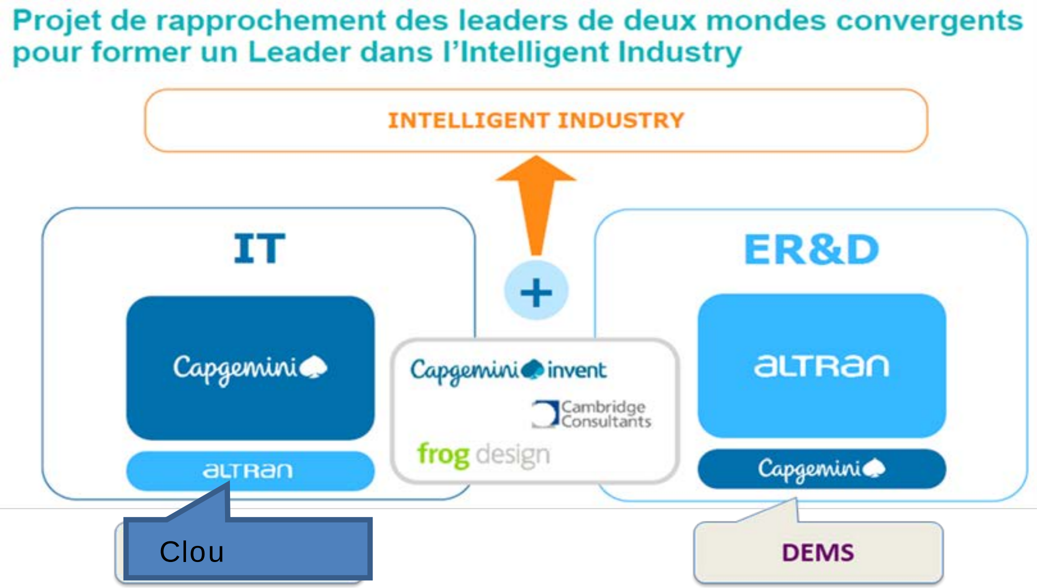
(In €M)	2017*	2018	Change 17/18 By value	Change 17/18 As %
Share capital	88	129	*41*	*46.2%*
Premiums	351	1,040	*689*	*x3.0*
Consolidated reserves	399	449	*50*	*12.6%*
Consolidated income	131	81	*-50*	*-38.4%*
non-controlling interests	-79	-6	*72*	*-91.8%*
Shareholders' equity	891	1,692	*802*	*90.1%*
Employee benefits	39	64	*26*	*65.6%*
Provisions	48	61	*14*	*28.3%*
Non-current financial liabilities	1	1,603	*1,602*	*na*
Other non-current liabilities	39	66	*28*	*71.5%*
Deferred tax liabilities	19	169	*150*	*x8.9*
Non-current liabilities	146	1,964	*1,818*	*x13.5*
Provisions for short-term contingencies	17	23	*6*	*32.9%*
Short-term financial borrowing	729	235	*-494*	*-67.8%*
Suppliers	472	648	*176*	*37.3%*
Other current liabilities	96	100	*3*	*3.3%*
Current liabilities	1,315	1,005	*-309*	*-23.5%*
Total LIABILITIES	2,351	4,662	*2,311*	*98.3%*

- ✓ In 2018, ALTRAN's shareholders' equity increased by €802M to stand at €1.7B.
  - o The increase in shareholders' equity is the result of the €41M increase in share capital in 2018, the €689M increase in premiums, the €50M increase in consolidated reserves and the €72M decrease in non-controlling interests.

In 2018, the Group's short-term financial debt decreased by €494M to €235M.

V. The merger project initiated by CAPGEMINI

The merger project – questions



A merger that may generate certain fears

- ✓ **Teams with similar skills, working in the same sectors. Restructuring to be expected.**
- ✓ **Possible duplicate positions,**
  - o For example, Altran's large account managers (KAM - Key Account Manager and GAM - Global Account Manager) no doubt have counterparts at Capgemini. About 20 to 30 people at a European level?.)
- ✓ **Search for optimisation – "synergies"**
  - o Research could be done into pooling some support functions or industrialisation through service centres. Altran's support functions in France represent 461 permanent contracts.

Difficult borders to determine in terms of IT, a little clearer for ER&D

- ✓ **It is difficult to identify what can be described as IT at Altran.**
  - o Differentiation is based mainly on business lines corresponding to the different industrial sectors, rather the use of IT technologies. IT in all its forms is generally only one of the means used to develop the solutions requested by clients.
  - o Nevertheless, worldwide Altran boasts more than 2,800 specialists dedicated to the Software and Internet sector.
  - o In 2017, it is noted (Registration Document) that Aricent contributes "*deep industry expertise in three main industries with solid growth potential: telecom, semiconductors and **softwaredevelopment***."
  - o A distinction should be drawn between embedded and non-embedded computing.
- ✓ **Until 2015, the Registration Documents presented an analysis of revenue by business, distinguishing between engineering and R&D services and organisation and information systems.**
  - o In 2015, as a percentage of revenue :
    - ▪ Engineering and R&D: 72%;
    - ▪ Organisation and IS: 28%.
  - o This breakdown was not very different in previous years, with the percentage of revenue achieved in Organisation and IS fluctuating between 26% and 31%.

Complementarity or competition?

- ✓ **Capgemini and Altran are both present in some sectors.**
  - At Altran, the Finance sector and the Public Sector employ 3,500 specialists worldwide. The Finance sector at Capgemini corresponds to the Global Financial Services SBU (Strategic Business Unit), itself composed of several Business Units, including the Banking BU and the Insurance BU.

- ✓ **The presence of Capgemini and Altran teams in the same market segments does not necessarily mean competition, but rather the combination of strengths. This is the case among very large clients like Airbus, for example, which all engineering companies work with on a massive scale.**

- ✓ **And in some markets, conversely, the complementarity is obvious. For example, Capgemini DEMS appears not to have a large presence in Automotive, unlike Altran, while Altran seems less active in Energy than DEMS.**

- ✓ **In fact, the teams are not in competition, their strengths are complementary. There may nevertheless be competition between organisations, however, with the long-term likelihood of either juxtaposition and coexistence or absorption of one structure by the other.**

- ✓ **For ER&D, the only Capgemini entity operating in this area is DEMS (Digital Engineering Manufacturing Services).**
  - The DEMS workforce within Capgemini is estimated at 7,000 engineers, broken down into 3,500 Innovation and Digital Transformation experts and 3,500 offshore engineers.

- ✓ **Note that in the below diagram, taken from the presentation to the CCUES, non-offshore Capgemini DEMS employees are presented as reinforcing Altran's high value-added services, rather than the "*traditional engineering and R&D services*".**

Accelerate implementation of Altran's strategy (see presentation to the CCUES on 4 July 2019)

Findings and vision of a shared future

For Altran and engineering:

- ✓ **General pressure on prices and costs;**
- ✓ **Pressure on engineering costs;**
- ✓ **Organisation required to support clients;**
- ✓ **The traditional activities are tending to become commodities and therefore moving offshore;**
- ✓ **Necessity of finding revenue sources with high value-added;**
- ✓ **Clients are defenceless due to the explosion in disruptive techniques;**
- ✓ **Possibility of supporting them by providing them with R&D and innovations: Engineering 4.0.**

For Capgemini, application services:

- ✓ **Traditional activities involving sales of business services are facing market saturation;**
- ✓ **Pressure on costs;**
- ✓ **These services are tending to become commodities and therefore moving offshore;**
- ✓ **Necessity of finding revenue sources with high value-added;**
- ✓ **Client requests for support in mastering and integrating new disruptive technologies: Industry 4.0.**

✓ **Extract from the Altran 2018 Registration Document:**

"*Moreover, we have strengthened our position in the software and internet , electronics and semiconductors, and new generation communications. Today, these areas have transverse applications and are fueling the great disruptions in all traditional industries.* Our presence in these high-growth market segments, along with the automotive and life sciences sectors, will *be a powerful engine for our Group's development, and they should account for 50% of our sales by 2022.*"

✓ **Extract from the Capgemini 2018 Registration Document:**

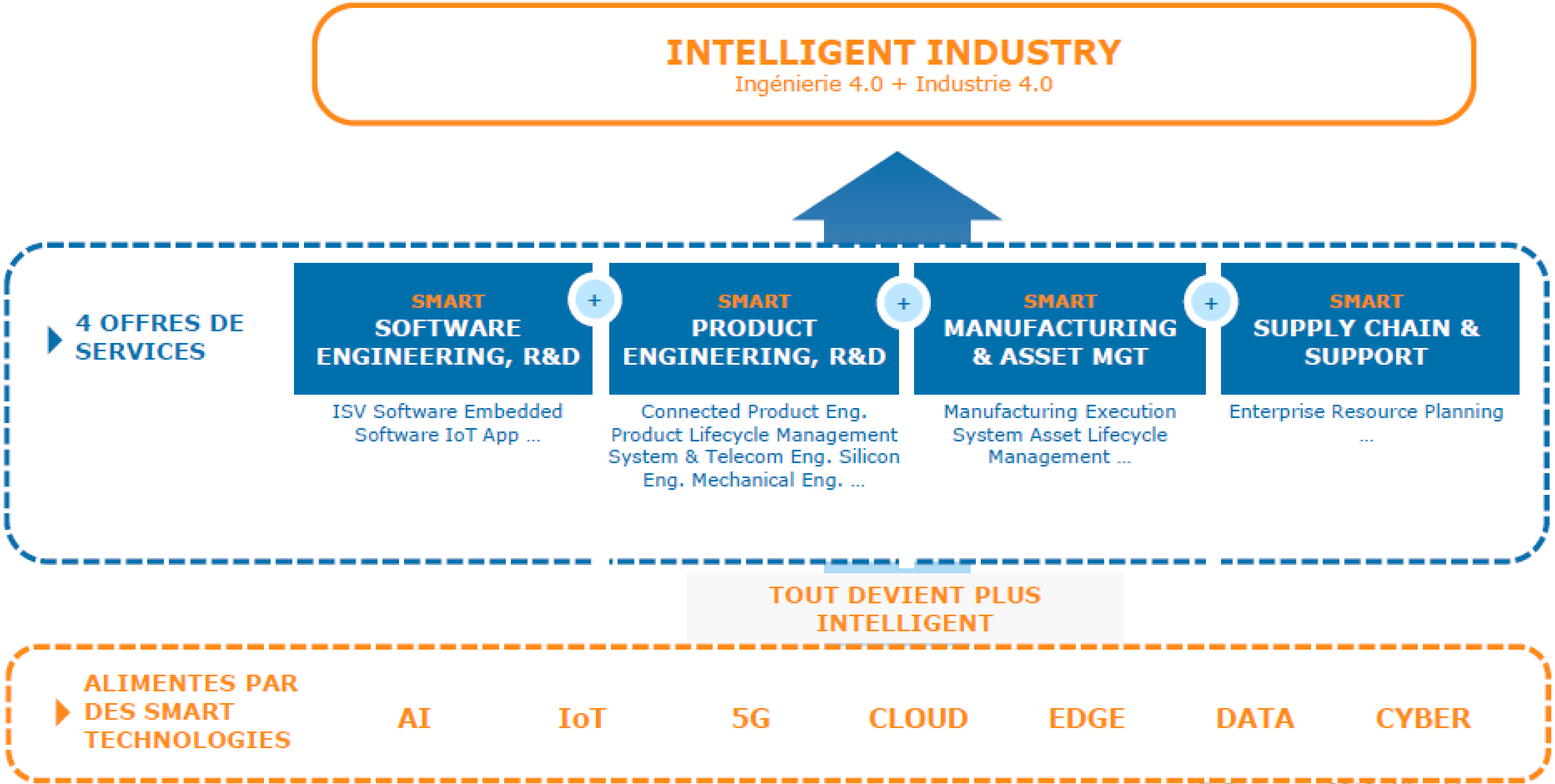
"*Capgemini sees a growing addressable market beyond the 'traditional' Chief Information Officer (CIO) perimeter driven by the business CXOs.*

"*The industrial revolution will become an increasingly fertile market space, with spend controlled by a range of CxO stakeholders.*

"*Across the market, we see an increase in new buying centers as digital transformation moves from the front- end customer experience to pervade wider enterprise operations.* "

Consensus on the findings and directions to take. It involves implementing smart industry via the digital transformation of companies

The goal is therefore to accelerate implementation of Altran's strategy.

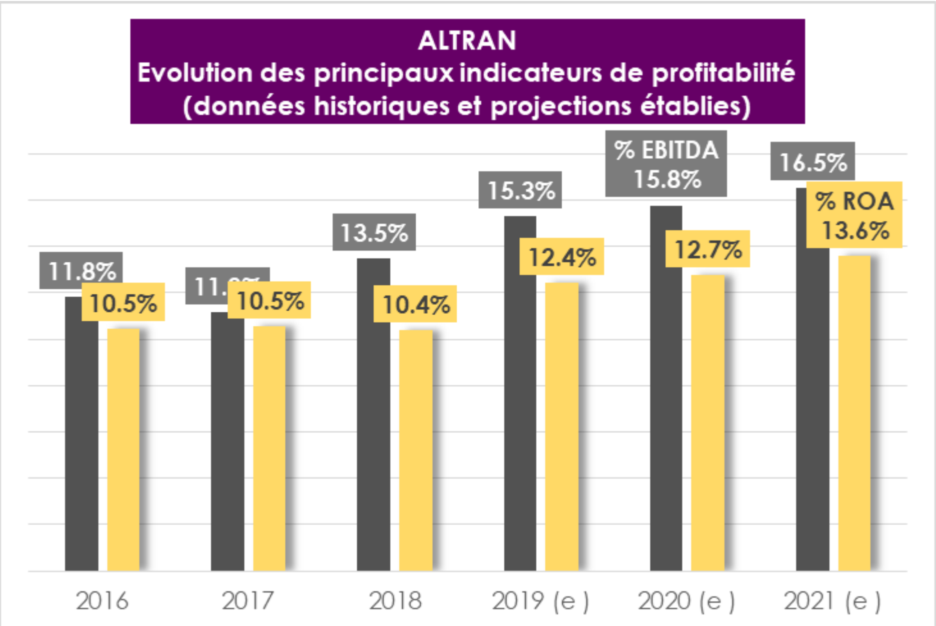


Market forecasts without the merger

For ALTRAN

(in €M)	2016	2017	2018	2019 (e)*	2020 (e)*	2021 (e)*
Revenue	2,074	2,295	2,916	3,249	3,431	3,648
SG&A	394	419	546			
EBITDA	245	256	393	497	541	603
ROA	217	242	302	403	437	496
Net income	123	131	81	166	213	252

With *(e) = forecasts prepared by S&P Global Market Intelligence – zonebourse.com



✓ Analysts' forecasts predict average annual growth in ALTRAN's consolidated revenue of around 7% to 8%.

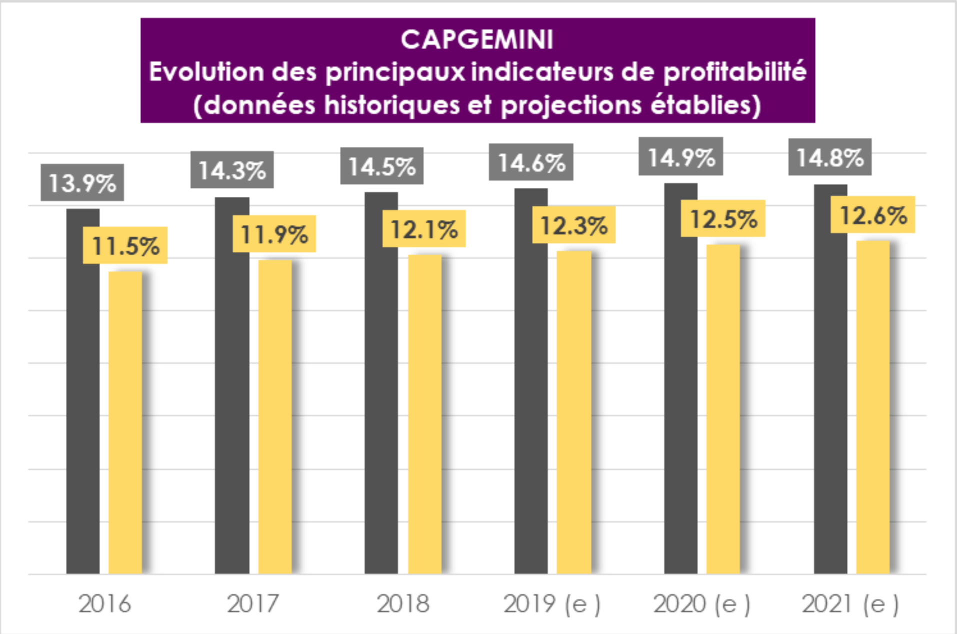
✓ While the ALTRAN Group has long displayed operating profit margin indicators of around 10%, the estimated income from the acquisition of ARICENT and diversification towards high value-added services offer the potential for significant income growth.

✓ Analysts at S&P Global Market Intelligence, for instance, expect an ROA representing 13.6% of revenue by 2021 (12.4% from 2019)

For CAPGEMINI

(in €M)	2016	2017	2018	2019 (e)*	2020 (e)*	2021 (e)*
Revenue	12,539	12,525	13,197	14,176	14,941	15,701
SG&A	1,916	1,891	1,973			
EBITDA	1,739	1,794	1,912	2,074	2,219	2,326
ROA	1,440	1,493	1,597	1,738	1,869	1,984
Net income	908	808	724	905	1,009	1,130

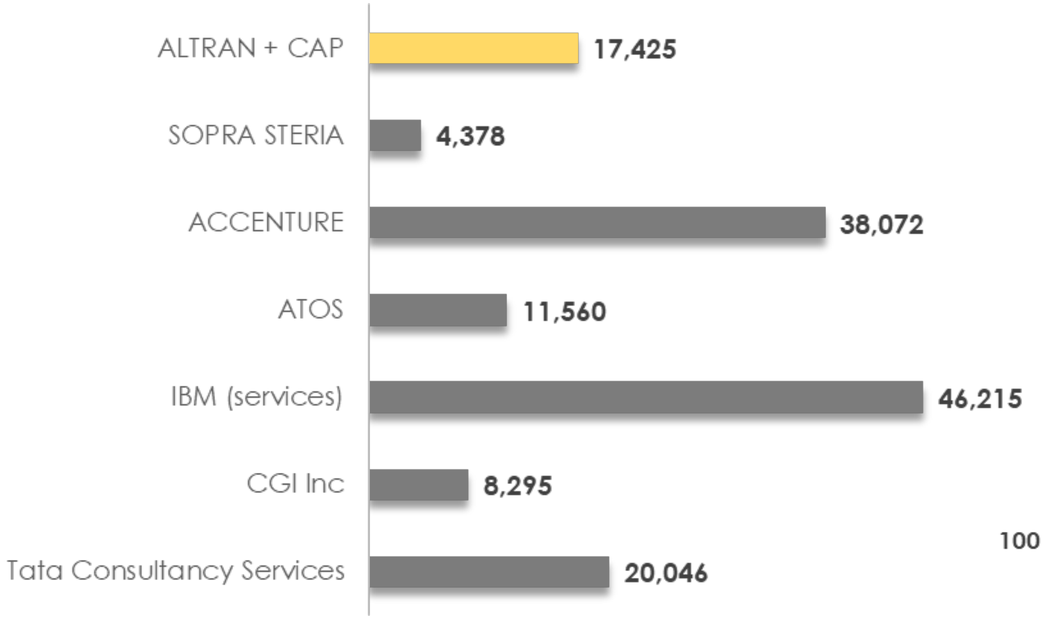
With *(e) = forecasts prepared by S&P Global Market Intelligence – zonebourse.com



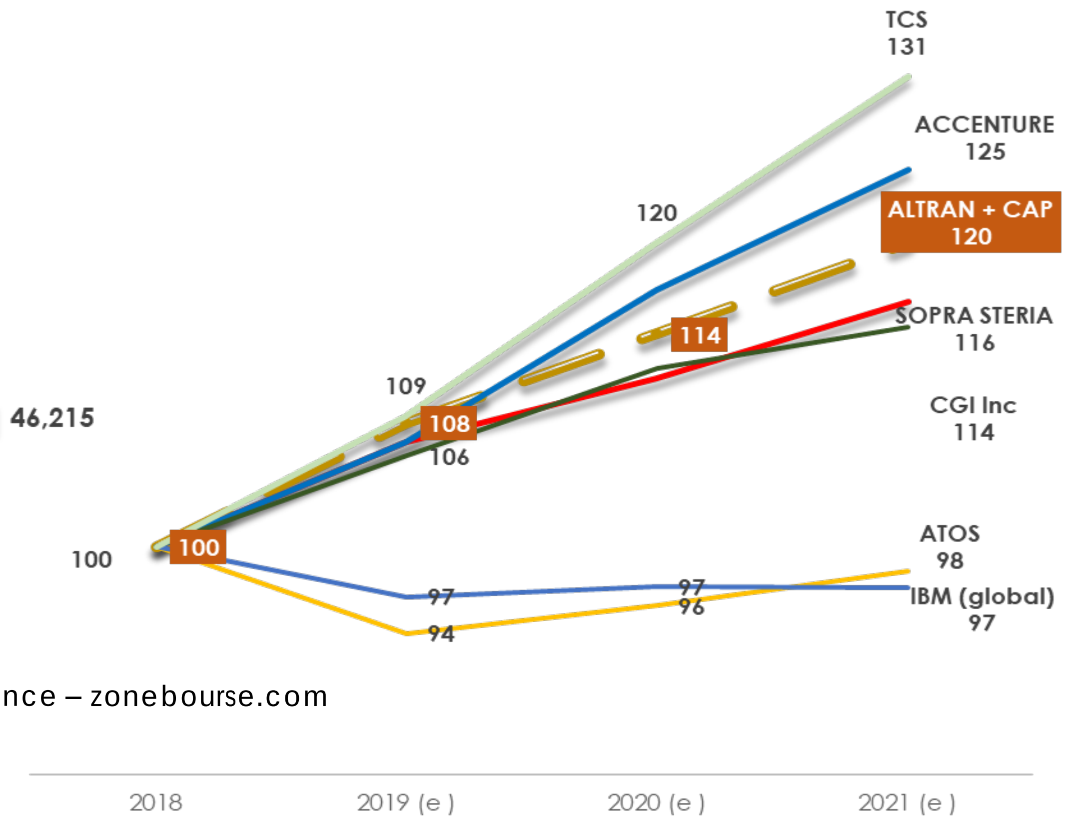
- ✓ Growth forecasts for CAPGEMINI are lower than those for ALTRAN.
  - o Average annual revenue growth is expected to be around 5% for target revenue of €15.7B by 2021.
- ✓ In terms of profitability, the forecasts expect steady growth in operating margin (+2 points per year on average).
- ✓ It should be noted that analysts expect ALTRAN's profitability to improve from 2019

The new group would rank in the top 5 global engineering/IT services companies

Chiffre d'affaires consolidé estimé 2019 des principaux concurrents du nouvel ensemble
En millions d'euros



Evolution estimée du CA consolidé des principaux concurrents de CAPGEMINI à horizon 2021
En indice: base 100: année 2018



Data from forecasts prepared by S&P Global Market Intelligence – zonebourse.com

Conversion rates applied	
USD/EUR	0.9
Canadian $/EUR	0.68
Rupee/EUR	0.014

VI.CAPGEMINI's Takeover Bid

General framework of Capgemini SE's proposed takeover bid to acquire Altran Technologies SA

The takeover bid: fundamental principles

- ✓ A takeover bid is a transaction that involves a company acquiring the securities of another publicly traded company in order to take over control of it.
  - o Note that Public Offers to Sell also exist, whereby a shareholder offers securities to the market (in the context of a privatization, for example)
- ✓ This procedure allows the bidder (or offerer) to make public its proposal to buy (or sell) securities in a listed company.
- ✓ Takeover bids may include proposals for cash transactions (OPAs – *Offres Publiques d'Aquisition*), exchange of shares (OPEs – *Offres Publiques d'Echange*) or a combination of these two methods of remuneration.
- ✓ A distinction can be made between several types of offers:
  - o *Offres Publiques Volontaires* – voluntary public bids
  - o Mandatory public bids
  - o

Source: *FUSAQ.com – Alexandre Brugière*

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- ✓ A distinction can be made between several types of offers:

Voluntary public bids

- ✓ For the initiating company, the board of directors (or executive board, as the case may be) is responsible for submitting a public bid document.

- ✓ The works councils of the initiating and target companies must be consulted.

- ✓ The initiator of the proposed bid submits a transaction note to the AMF, which must include the terms and conditions of the bid as well as information relating to the issuer's business, financial position, results and outlook and information concerning the rights attached to the financial instruments offered.

- ✓ The draft transaction note submitted by the initiating company is subject to approval by the AMF, which constitutes a genuine authorisation verifying the relevance and consistency of the information provided. The AMF may also issue notices to enhance public understanding.

- ✓ The opening of the public bid is subject to publication of an opinion by the AMF.
  - o The bid normally lasts 25 trading days. During that period, market access is restricted for the parties to the bid.
  - o The bid may be outbid during a period expiring on the fifth trading day prior to the closing. If faced with an unfriendly public bid, the target company may adopt defensive measures, including the launch of a counter-bid for the bidder's shares, or the issue of securities in favour of a third party ("the white knight").
  - o However the target company's margin for manoeuvre remains subject to limitations, particularly those imposed by the AMF in respect of the free play of bids. The effectiveness of defences against takeover bids therefore relies largely on the target company's proactive use of preventive mechanisms such as the inclusion of major holdings clauses in its articles of association.

- ✓ For the initiating company, the board of directors (or executive board, as the case may be) is responsible for submitting a public bid document.

Mandatory public bids

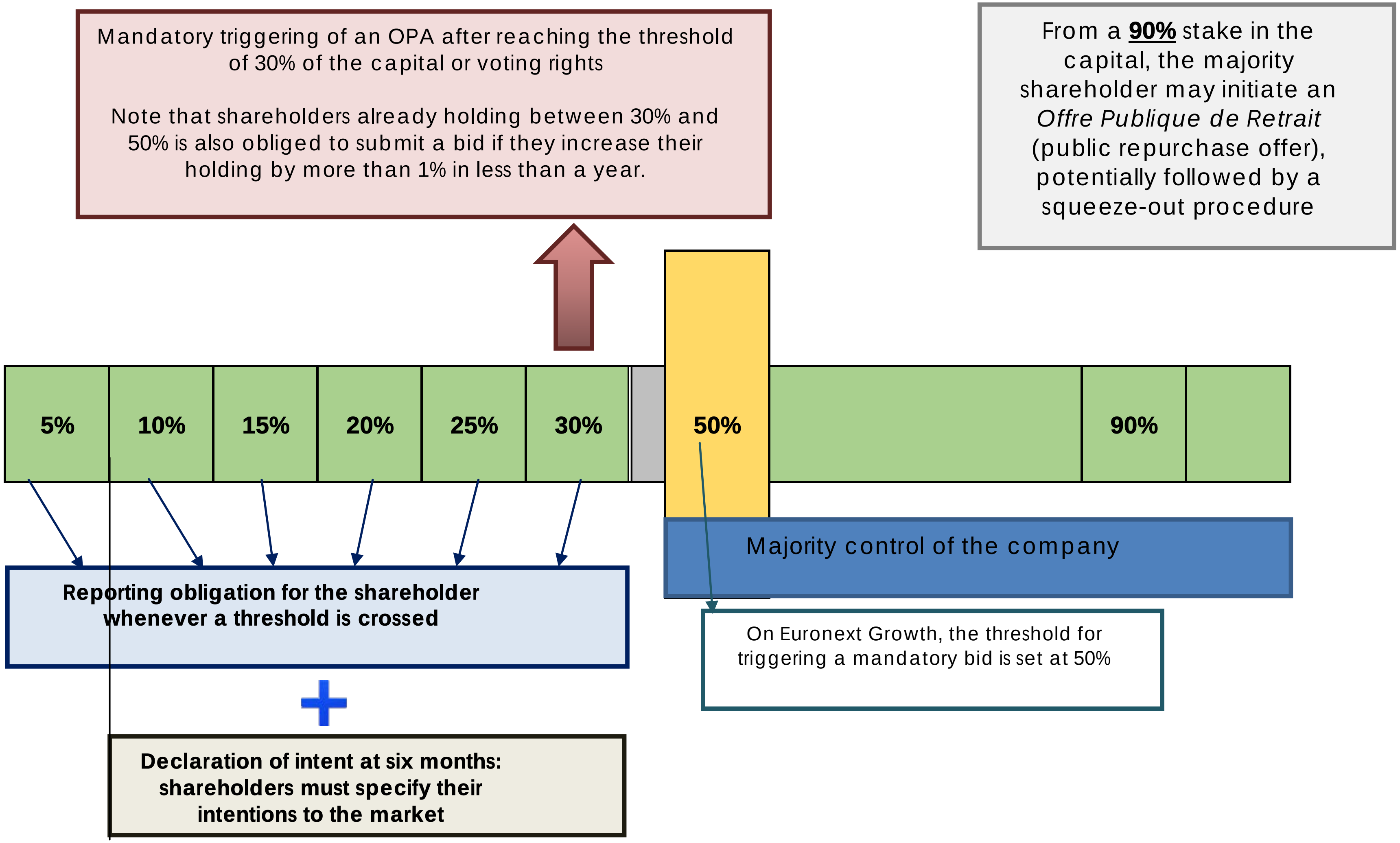
- ✓ Examples of compulsory submissions
  - In the case of crossing the threshold of one-third of the capital or voting rights. In this case, the reason the threshold is crossed is irrelevant (acquisition or double voting right), as is the number of holders (a single person or persons acting collectively) and even the nature of the securities acquired (shares in the capital only or with voting rights).
  - In the event a threshold is indirectly crossed, due to the acquisition of a non-listed company of which the majority of its assets are made up of securities in a listed company.
  - In the event of a "creeping" takeover, the submission is therefore mandatory when the holding is between one-third and one-half of the capital or voting rights and it increases by more than 1% in less than a year.

- ✓ Some situations leading to the crossing of a threshold may make it possible to avoid the mandatory submission however.
  - when the threshold is crossed due to a collective action that did not change control of the company
  - the free transfer between natural persons or the distribution of assets by a legal entity in proportion to the shareholders' rights
  - subscription to a capital increase carried out by a company in a difficult situation
  - mergers or contributions submitted for the approval of the shareholders' meeting
  - the cumulation of a merger or contribution transaction subject to the approval of the shareholders' meeting and a shareholders' agreement
  - the reduction in the total number of securities or voting rights
  - the holding of the majority of voting rights by the applicant or a third party acting alone or collectively
  - reclassification measures

N.B. the notion of collective action is defined by Article L.233-10 of the French Commercial Code as a coordinated initiative by several actors who have entered into an explicit agreement with a view to acquiring, disposing of or exercising voting rights to implement a common policy towards the company or to obtain control of that company.
➔The AMF examines these situations on a case-by-case basis

✓ Examples of compulsory submissions

Crossing thresholds and the obligation to communicate intentions to the market



General tender procedure process

Avant l'ouverture de l'offre

- **La société initiatrice** dépose auprès de l'AMF un projet de note d'information
- **L'AMF** s'assure de la conformité de l'offre
- **La société cible** dépose auprès de l'AMF un communiqué pour donner son avis favorable ou défavorable à l'offre

Ouverture de l'offre

- **Les actionnaires** acceptent, ou pas, d'apporter leurs titres à l'offre. S'ils échangent leurs titres, ils reçoivent en contrepartie du cash
- Les ventes à découvert sont suspendues et **toute opération** (achat/vente de titres) **doit être déclarée** publiquement
- **Surenchères possibles**

Clôture de l'offre

- Il faut attendre quelques jours avant de connaître la **publication des résultats de l'OPA**, diffusés par l'AMF
- Si la société initiatrice détient plus de 95% de la société cible, elle peut forcer les actionnaires minoritaires à lui céder les 5% restant (**retrait obligatoire**)

Threshold increased to 90% since June 2019

10% since June 2019

Source: zonebourse

Employee representative bodies informed and consulted: general principles and specific situation of the procedure in the context of a "pre-bid"

- ✓ When a company (or a group) is listed on the stock exchange, an OPA or an OPE can be used to take control of the company or increase the bidder's holding in the target company.

- ✓ As soon as the OPA or the OPE is submitted to the AMF, the management of the company or group targeted by the bid immediately convenes the Works Council (CE) or Social and Economic Committee (CSE).
    - o During this first exceptional meeting, the body is informed of the friendly or hostile nature of the OPA or OPE.
    - o The CE/CSE must indicate whether it wishes to invite the OPA or OPE bidder to a meeting it and receive assistance from a chartered accountant as part of that procedure (French Labour Code Art. L2312-42).

- ✓ Whether invited or not, the bidder must send the target company's CE/CSE its circular detailing, in particular, its strategy regarding employment.
    - o During the meeting, the bidder must also present to the CE/CSE its industrial and financial policy, its strategic plans for the company in question and the impacts of the bid on all interests and on employment (French Labour Code Art. L2312-43).

The scope of the body's analysis covers topics related to

- ✓ Understanding the industrial benefits of the transaction
    - o Accurate identification of the different businesses of each of the two groups and understanding the potential business complementarity
    - o Assessment of the new group's competitive positioning

- ✓ Understanding and analysis of the new overall strategy, particularly by examining
    - o the new strategic directions
    - o of the new strategic plan
    - o Identification of the potential impact of this new strategic plan on the Group's structure and its impacts on the workforce

As the situation stands, CAPGEMINI's takeover bid will not be submitted until the last quarter of 2019: the employee representative bodies have therefore been involved in the proposal from an extremely early stage (from the pre-bid stage): although information about the bidder, the benefits of the transaction and assessment of strategic benefits can be worked on already at this stage, the question of in-depth examination of the proposal, particularly based on an analysis of business plans or specific assessment of the potential impacts of the merger in terms of employment, would be difficult to undertake at this stage of the proposal.

CAPGEMINI's bid: Current state of play

CAPGEMINI's bid

Les principaux termes du projet d’Offre Publique d’Achat

Les principaux termes du projet d’Offre Publique d’Achat sont les suivants :

- **Prix du projet d’offre** : 14,00 € par action (après le détachement du dividende de 0,24 € par action intervenu le 1er juillet 2019)

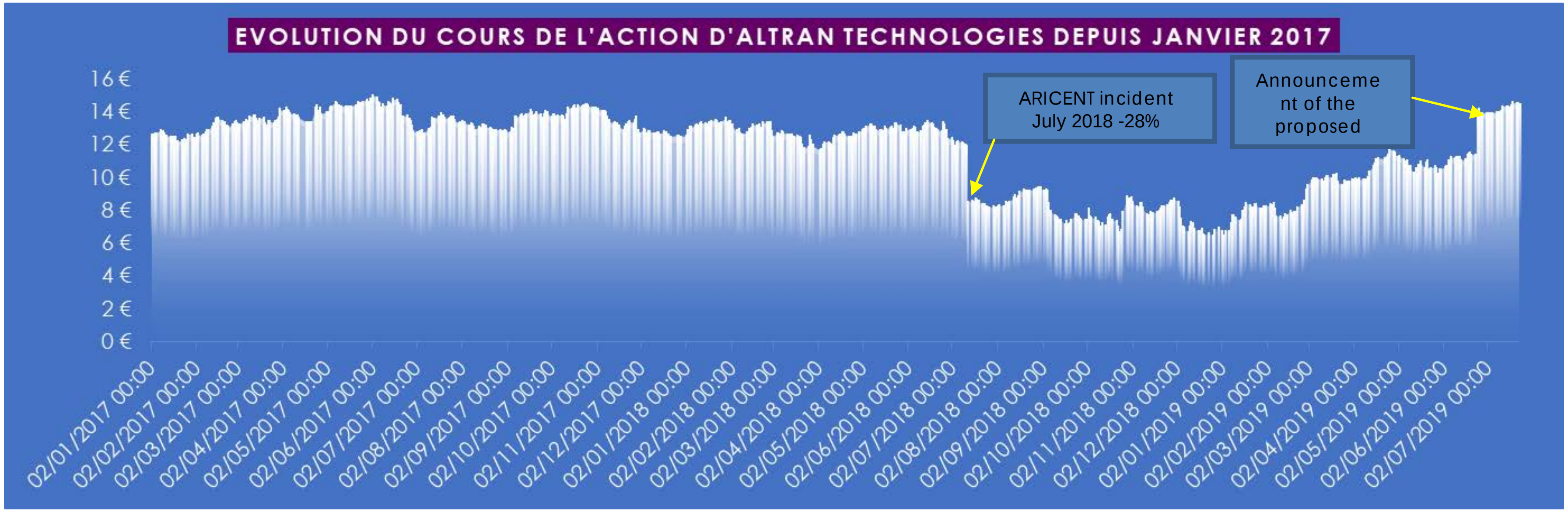
Ce prix représente une prime de :

- 30% par rapport à la moyenne des cours de l’action Altran pondérée par les volumes sur le dernier mois jusqu’au vendredi 21 juin 2019 (corrigé du dividende de 0,24 € détaché le 1er juillet 2019) ; et
- +33% sur la moyenne des trois derniers mois.

Pour information, prise de participation d’ores et déjà de Capgemini :
Capgemini a d’ores et déjà signé un accord définitif pour l’acquisition de 11% du capital d’Altran auprès d’un groupe d’actionnaires autour d’Apax Partners (comprenant d’éventuels compléments de prix usuels).

Source: document supporting the CCE information/consultation procedure

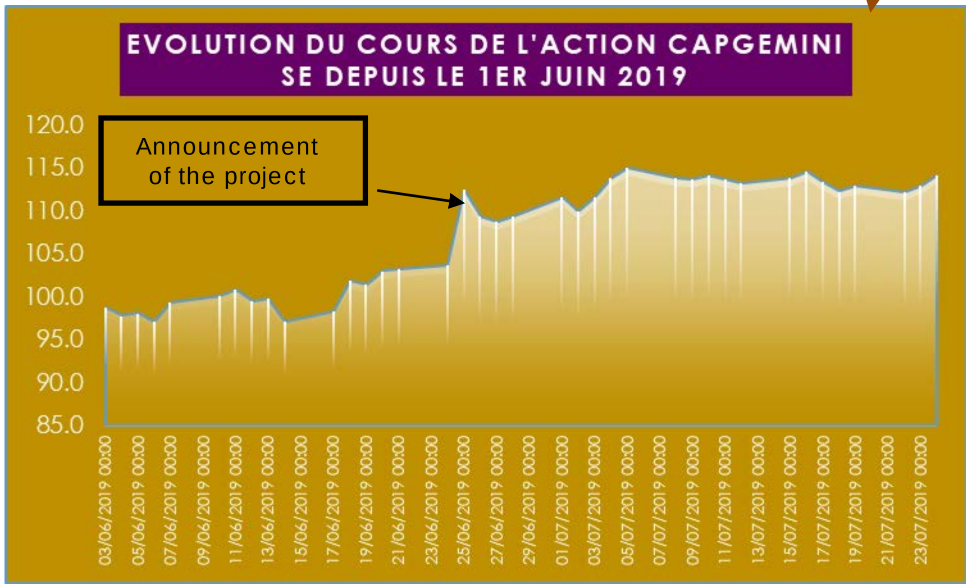
Unanimous agreement from the ALTRAN Board of Directors



- ✓ During the 12 months prior to the incident recorded following the acquisition of ARICENT, ALTRAN Technologies SA's average share price was €13.17.
- ✓ Following the discovery of irregularities in the ARICENT order book, the company's share price fell by 28% between 12 and 13 July 2018 to reach €8.6 at market close.
- ✓ It is only from April 2019 that the share price regularly traded at above €10, although without returning to the levels seen the year before the Aricent incident.
- ✓ CAPGEMINI’s proposal of €14 per share immediately raised the share’s value to that level.
- ✓ The price proposed by CAPGEMINI therefore represents
  - o more than double the average share price (uncorrected for detachment of dividends) over the previous 12 months,
  - o a 33% premium compared with the average share price over the last three months prior to the announcement.

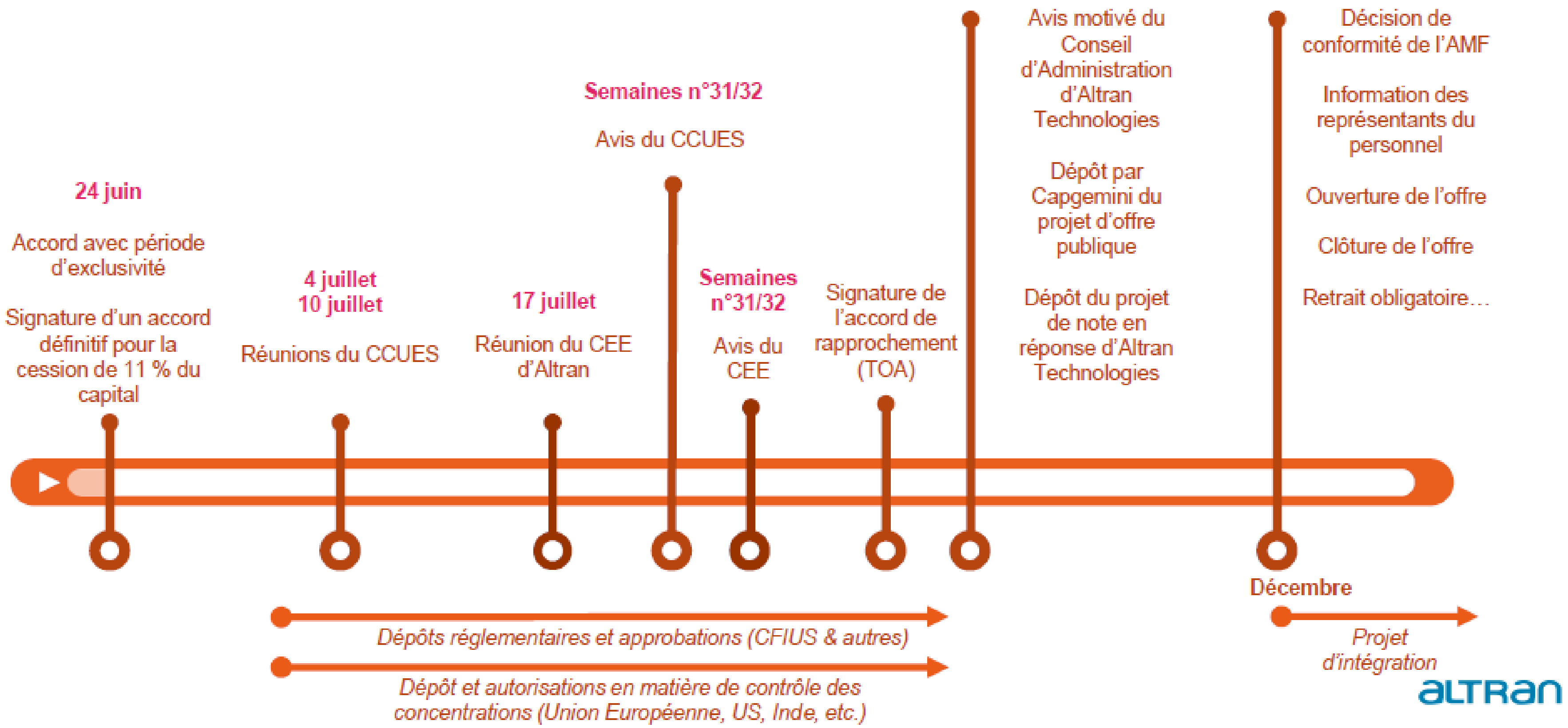
- ✓ The proposal won unanimous approval from the ALTRAN Board of Directors.

An initiative favourably perceived by the market



- ✓ Following the announcement of the proposed takeover bid, CAPGEMINI SE's share price gained 8% between 24/06/19 and 15/06/2019.
  - o After market close on the day of the announcement, the share price therefore stood at €112.5 compared with an average price of €104.6 over the previous 12 months.
  - o This returned the share price to its level of June 2018:
    - ▪ June 2018, a period during which the price reached five-year highs at €118.

Provisional timetable for Capgemini SE's takeover bid of Altran Technologies SA



Source: document supporting the CCE information/consultation procedure

General comments on the transaction

M&A transactions are risky

- ✓ Studies suggest that 40% to 80% of mergers and acquisitions do not achieve their objectives. The main risks are due to the following factors:
  - o Due diligence: these preliminary acquisition investigations concern the financial aspects, the strategic aspects and, more recently, the labour-relations aspects of the target company. If these steps are not sufficiently thorough – this is an opportunity to identify problems – it can lead to serious problems later on.
  - o The higher the purchase price compared with proven valuation criteria, the greater the risk of not being able to justify the acquisition premium.
  - o The acquirer's knowledge of the target's business: the risk is greater when the acquirer ventures into a business that is different from its own – in the case of diversification – or which appears to closer than it actually is.
  - o Differences between the acquirer's and the target's corporate cultures can become barriers to integration. Corporate culture is generally defined as: corporate values, management principles, management systems, remuneration systems, etc.
  - o The experience and ability of directors and managers to merge the organisations and implement the new organisation's strategic plan. In service companies in particular, the ability to motivate the acquired company's directors and employees is essential to avoid the flight of talent.

Risks of the CAP GEMINI-ALTRAN merger

- ✓ From a general perspective, from the angles set out above, most aspects of the merger between the two groups are favourable:
  - o The businesses are very close and complementary, with a juxtaposition in IT technical assistance.
  - o The directors know each other and the organisations and management systems are similar.
  - o The geographical locations are compatible and complementary – with ARICENT, ALTRAN acquires a significant presence in India, where CAPGEMINI is already strongly established.
  - o ALTRAN is in a very high-potential market where CAPGEMINI aims to increase its penetration
  - o Both groups have experience in acquisitions: for ALTRAN, nine acquisitions in the last five years; for CAPGEMINI, 17 acquisitions over the last 10 years.

Some issues to watch

The ARICENT unknown: the acquisition of ARICENT by ALTRAN in November 2017 raises several questions:

- ✓ The discovery in early 2018 of accounting fraud relating to ARICENT's order book raises the question of the quality of ALTRAN's due diligence and its understanding of ARICENT's business.
  - o In fact ARICENT offers several services besides the provision of human resources for R&D projects: ARICENT offers product design tools, user interface optimization tools as well as know-how concerning the programming of semiconductors (embedded software) mainly for the telecommunications sector.
  - o These services are ahead of those of ALTRAN and it may be assumed that ALTRAN's expertise in these areas is not the same as that of ARICENT. This therefore presents risks associated with the involvement and integration of ARICENT key personnel.

- ✓ Was too high a price paid for ARICENT? ARICENT is ALTRAN's largest acquisition to date.
  - o Indeed, ARICENT brings an additional revenue of approximately €560M (or one-third of consolidated 2017 revenue) at a cost of €1.7B (€980M in cash plus €720M of net debt) representing a multiple of three times the 2017 revenue.
  - o This price is roughly twice the valuation multiple of ALTRAN and ALTEN and corresponds to companies with high potential and high profitability.
  - o For example companies that manufacture software packages and whose profitability is around 30% of operating profit on revenue. Since ARICENT's profitability has so far been around 20%, this high price can only be explained by the strategic interest of ARICENT's activities.

- ✓ The risks associated with an acquisition in the US, in a services business, similar but with a different culture, are illustrated in CAPGEMINI's history by the acquisition of Ernst & Young Consulting for $11B in 2000, resulting in a catastrophic exodus of one-third of the workforce in the months following the transaction.
  - o Since then, based on that experience, CAPGEMINI concluded a major acquisition in the US in July 2015, i.e. IGATE, with revenue of €1.2B, for a price of €4B. IGATE brought 31,000 employees, including 25,000 in India, which radically changed the importance of India for CAPGEMINI.
  - o We can therefore look to CAPGEMINI’s India experience when considering the integration of ARICENT’s Indian workforce, i.e. around 8,500 engineers out of a total of 10,000

Consideration of the issue of price

	2018		2019 e	
	ALTRAN	ALTEN	ALTRAN	ALTEN
Revenue	2,916	2,270	3,249	2,613
ROA (EBIT)	302	218	403	256
% ROA	10.4%	9.6%	12.4%	9.8%
Number of shares	257,021,105	33,905,796	257,021,105	33,905,796
Share price*	14	112	14	112
Approximate valuation €M	3,598	3,791	3,598	3,791
+ Debt €M	1,400	-106	1,300	0
= enterprise value	**4,998**	**3,685**	**4,898**	**3,791**
in multiples of ROA	*16.5*	*16.9*	*12.2*	*14.8*
in multiples of revenue	*1.7*	*1.6*	*1.5*	*1.5*

Share price
€14 for ALTRAN based on the CAPGEMINI bid
€111.8 for ALTEN share price at 26/07/2019

- ✓ If we now consider the ALTRAN acquisition price proposed by CAPGEMINI, i.e. €5B (€3.6B plus €1.4B in debt)
  - o it corresponds to 1.5 times the estimated consolidated revenue in 2019, i.e. The same ratio as ALTEN.
  - o However, ALTEN's valuation does not benefit from the approximately 20% premium linked to OPAs. The price envisaged for ALTRAN is therefore “reasonable” and even inadequate for the Elliott fund, as it announced on 15 July.
  - o It may be added, to confirm this judgement, that this price corresponds to ALTRAN's market capitalisation at the end of 2017, before the acquisition of ARICENT, plus the net debt.

- ✓ That said, the market valuations for ALTRAN and ALTEN are high if we consider EBIT multiples.
  - o In the ICT sector, the high range is 10 and 12 for publicly listed companies. Yet the estimated multiples for ALTRAN and ALTEN for 2019 are 12 and 15 respectively.

- ✓ Finally, it should be added that ALTRAN’s operating income benefits significantly from the French research tax credit.
  - o However, this state aid may be partially or entirely reformed in the future.

How would CAPGEMINI grow in strength compared with its main competitors following the acquisition of Altran?

(chiffres publiés FY 2018)	Capgemini	+ Altran	= COMBINAISON
Chiffres d'affaires (en Mds €) *% croissance monétaire constante (YoY)*	**13.2** +8,1%	**2.9** +8,0%	**16.1** +8,1%
Marge Opérationnelle (en M €) *% du chiffre d'affaires*	**1.597** 12,1%	**352** 12,1%	**1.949** 12,1%
Effectifs	**211.000**	**47.000**	**258.000**

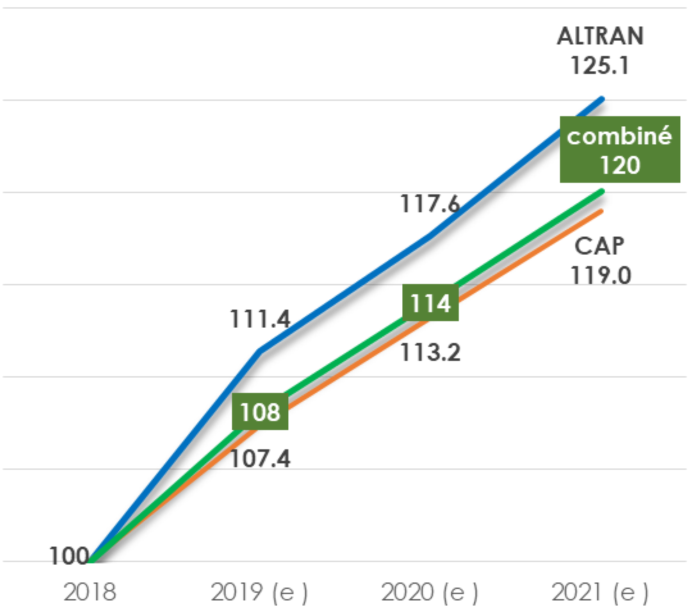
Tous les chiffres Altran incluent Aricent depuis le 20 mars 2018 et reflètent la mise en œuvre des normes IFRS 15.

Source: document supporting the CCE information/consultation procedure

The new group's target synergies and additional revenue are very conservative, but deserve to be discussed in detail

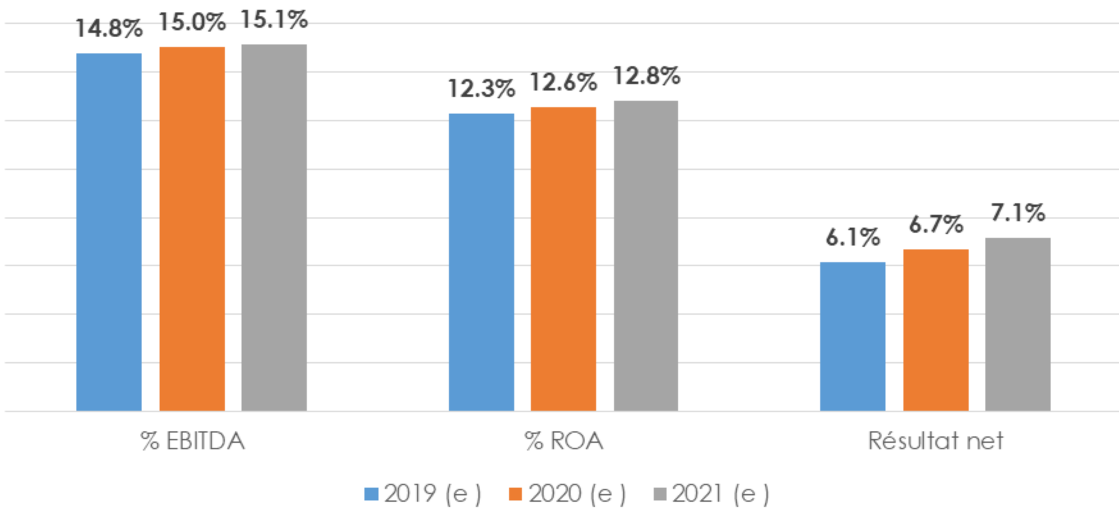
The new group would therefore have €17B in business volume

Evolution prévisionnelle du volume d'affaires combiné hors synergies annoncées
En indice: base 100: année 2018



(in €M)	2019 (e)	2020 (e)	2021 (e)
Revenue	17,425	18,372	19,349
EBITDA	2,571	2,760	2,929
ROA	2,141	2,306	2,480
Net income	1,071	1,222	1,382

Projection des principaux indicateurs de profitabilité combinaison CAPGEMINI/ALTRAN
En % du CA cumulé consolidé



Target cost synergies of between €75M and €100M

ALTRAN

(in €M)	2016	2017	2018
Revenue	2,074	2,295	2,916
SG&A	394	419	546
% SG&A	19.0%	18.3%	18.7%

CAPGEMINI

(in €M)	2016	2017	2018
Revenue	12,539	12,525	13,197
SG&A	1,916	1,891	1,973
% SG&A	15.3%	15.1%	15.0%

CAP+ALTRAN

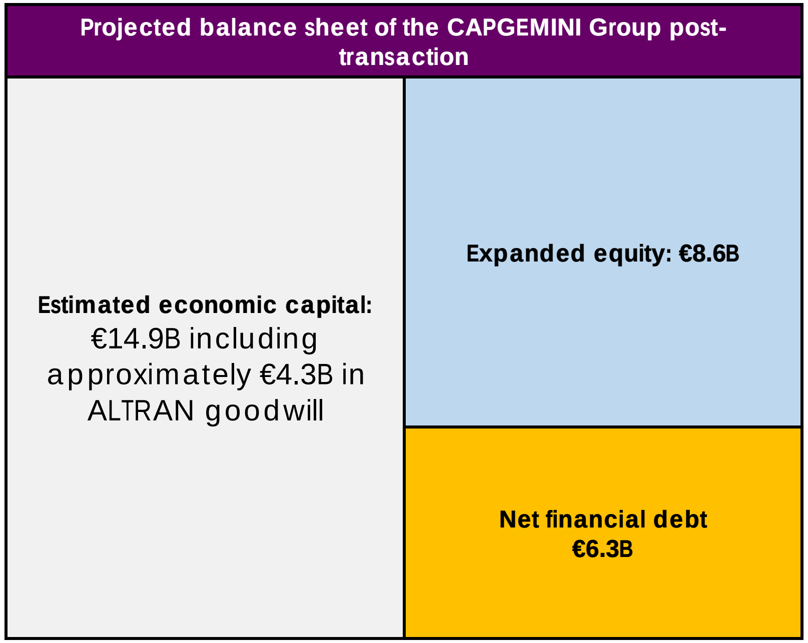
(in €M)	2018
Revenue	16,113
SG&A	2,519
% SG&A	15.6%

- ✓ The communication relating to the transaction initiated by CAPGEMINI mentions cost synergies of between €75M and €100M.
- ✓ ➔At first glance, this level of synergy is therefore not one of the project's major interests
- ✓ CAPGEMINI's initial modelling is mainly based on arithmetic estimates: the Group's management states that these are only estimated amounts and that no precise modelling has yet been carried out due to a lack of precise financial data at the present time.

As far as we can judge, the contribution of SG&A at ALTRAN with regard to consolidated revenue is 3.7 points higher than at CAPGEMINI.
➔ the combination of the two cost structures based on the 2018 results indicates an overall contribution by SG&A of around 15.6%, compared with 15.1% on average over the last three years at CAPGEMINI
➔ This differential is therefore not really destabilising for the new group

A transaction financed by the use of debt, although CAPGEMINI would maintain a perfectly healthy financial structure

Jobs	€B	Resources	€B
ALTRAN goodwill	4.3	ALTRAN debt	1.4
Residual assets	0.7	Debt contracted by CAPGEMINI for the acquisition of ALTRAN	3.6
	5.0		5.0



- ✓ CAPGEMINI will redeem ALTRAN's debt.
  - o A debt that substantially increased at the time of the ARICENT acquisition.
  - o ALTRAN's net financial debt fluctuated at around €1.4B at the end of 2019 (it was €1.7B at the end of 2018).
- ✓ The value of consolidated equity adjusted for ALTRAN's goodwill indicates that most of the Group's value lies in its business assets.
- ✓ CAPGEMINI's new financial debt could stand at around €6.3B.
  - o Compared with the new group's EBITDA (which can be estimated at €2.57B based on combined projections), this debt would represent 2.4 years of EBITDA, which is a reasonable level.

The objection from the Elliott fund does not appear able to destabilise the transaction, although it risks reducing CAPGEMINI's room for manoeuvre

Presentation of the ELLIOTT Fund

- ✓ Elliott Management Corporation is one of the oldest fund managers. It was founded in 1977.
- ✓ Since 1 January 2019, the value of financial assets held by the structure stands at $34B.
- ✓ The company employs 464 people, including 168 investment professionals, at its headquarters in New York and affiliated offices elsewhere in the United States, London, Hong Kong and Tokyo.
- ✓ The fund's main mission is to trade securities in all corporate capital structures, with the main objective of maximising the return of the companies in which it holds a stake.
- ✓ What is unusual about the ELLIOTT fund is its ability to influence the strategic and economic strategy of companies despite its relatively small shareholder weight, but important in influencing decisions.

What is the ELLIOTT fund's general strategy?

1. **Acquisition of equity interests**

   The strategy normally, although not exclusively, adopted is to take a large but minority shareholding in a company and then to block initiatives by the company's directors by invoking regulations protecting minority shareholders.

2. **Activism in respect of companies in which it holds a stake**

   The companies are urged to do all they can to create liquidity to be paid to shareholders by limiting costs, downsizing and selling a business line or the company itself.

3. **Any opposition or resistance is met by the use of legal and economic pressure**

   If the pre-existing administrative structure attempts to resist, the activist investor adopts stronger methods, demanding removal and replacement to suit its ends.

   - In this action, it finds valuable allies in other traditional investors, such as mutual funds and pension funds, which are very happy to “pull up a seat”, leaving others to do the hard work

   No stone is left unturned in pursuit of this strategy: economic and financial objections are replaced with those of a procedural and legal nature, before eventually resorting, in the most tricky cases, to very personal tactics.

   These initiatives are mostly successful, but in the case of the Elliott fund, at least until now, they have consistently paid off, enabling it to achieve **an average annual return of 14%** over the last 20 years.

The latest major actions by ELLIOTT around the world

- ✓ (First Israeli telecommunications company) whose founder Shaul Elovich was "convinced" to sell his majority stake

- ✓ The US company **Arconic** (operating in the aluminium sector) whose director Klaus Kleinfeld had to resign after a long battle that led to a nervous breakdown

- ✓ The Korean manufacturer **Hyundai** , which had to abandon restructuring plans last year, is now under pressure from the fund to generate more profit for its shareholders.

- ✓ Japan's **Hitachi** which, after three years of hard litigation, agreed to "liquidate" the fund by buying the minority stake held by the fund in Ansaldo STS, at a very high price

- ➢ Other US plants have faced the same pressure, including Novell, BMC, EMC with its famous VMware subsidiary, Riverbed Technology.

- ➢ Juniper Networks managed to avoid the sale to third parties, but was "convinced" to buy back $2B of its shares and significantly slash its workforce.

In Italy, ELLIOTT came into conflict with VIVENDI over TELECOM ITALIA

2018-2019

TIM

- ✓ Vivendi controlled TELECOM ITALIA with a 24% stake until last year and was headed by French financier Bolloré.
- ✓ This situation was unpopular with the Italian government, which feared a French "colonisation" of the sector, especially with regard to the strategic infrastructure network that had not been excluded during privatization of the company in the early 1990s.
- ✓ It is at this point that the Elliott fund intervened, **acquiring a 9% stake,** in anticipation of an agreement over possible transfer of the network to the State.
- ✓ **In a few months, Elliott, in alliance with other institutional investors and with the decisive support of the Italian *Cassa Depositi e Prestiti* (Deposits and Loan Fund), took control of the board of directors during the vote by Vivendi's AGM.**

Technologia Expertises

In France, the Elliott fund has attacked Pernod Ricard: the US fund claims to hold 2.5% of the family-owned spirits group

2018-2019

Pernod Ricard

- ✓ The fund also estimates that the company led by Alexandre Ricard, the grandson of its founder, has lost market share in many segments such as vodka, North American whisky and gin. It also highlights the acquisition of Absolut for €6B –
- ✓ a transaction that "did not meet up to expectations". Although it acknowledges that the timing was unlucky, since the transaction was completed in 2008, just before the financial crisis.
- ✓ Finally, **Pernod Ricard's corporate governance and culture are in Elliott's sights.** The fund considers that the Ricard family has more weight on the board of directors than it deserves in view of its shareholder weight. It now holds 15% of the capital and 20% of voting rights.
- ✓ **Pernod Ricard very decentralised and very "insular" culture is criticised as not being compatible with the challenges of a multinational company.**
- ✓ Representatives of the activist fund met Alexandre Ricard in November and presented their views. They demanded "a more ambitious operational improvement plan and the alignment of corporate governance with best market practices".
- ✓ **By making its position public, Elliott now aims to make it known to Pernod Ricard shareholders and is attempting to rally them together, taking another step in its battle of influence.**

Since the announcement of CAPGEMINI's desire to acquire ALTRAN, ELLIOTT has strengthened its shareholding in ALTRAN

ELLIOTT	equity swaps	As % of shares	As % of voting rights
12-July-19	5,070,000	2.0%	2.0%
15-July-19	6,140,000	2.4%	2.4%
18-July-19	7,808,000	3.0%	3.1%

✓ On 12 July, the ELLIOTT fund announced that it has acquired positions via share derivatives representing approximately 2% of the capital of ALTRAN Technologies.

✓ On 18 July, the fund strengthened its position with around 7.8 million equity swaps, representing around 3% of ALTRAN's capital.

✓ The transition from the 95% to the 90% threshold for triggering a squeeze-out procedure via enactment of the PACTE law meant CAPGEMINI was less exposed to crossing the threshold, blocking the withdrawal request.

VII. Questions regarding HR issues

What about the target structure of the Engineering business in the CAPGEMINI group

- ✓ CAPGEMINI's management states that it has not planned a target structure.
- ✓ The integration phase would begin with a six-week observation period in the first quarter of 2020.
- ✓ Two major questions deserve to be raised and closely monitored
    - o What system is in place within CAPGEMINI for managing overheads?
        - ▪ Although there are shared service centres outside France, it would appear, at the end of our interviews, that administrative functions are still fairly widely carried out in France
        - ▪ Therefore, apart from the attention which needs to be paid to the specific process of integrating ALTRAN support functions, attention must also be paid to CAPGEMINI's strategy for setting up Share Services outside France.
    - o What is the system for retaining "key people"?
        - ▪ Following the setbacks encountered during the acquisition of Ernst & Young Consulting in 2000, CAPGEMINI must have adopted specific measures to avoid the loss of critical and strategic skills: the success of the recent acquisitions (Igate being the biggest to date) seems to support this
        - ▪ The sharing of these arrangements with the CCE/CEE once the OPA has been completed is a major issue for two reasons.
            - • The effectiveness of this system will be essential to successful integration and achieving the target synergies
            - • And especially in anticipation of the establishment of a common commercial structure for the accounts/territories in which the Groups operate and where managerial choices will have to be made.

Technologia Expertises

The question of the ability of ALTRAN's employee representative bodies to exercise the *droit de suite* (resale right) must be a priority

- ✓ The future of the current CCE (and future CSE) of of ALTRAN’s Economic and Social Unit (ESU) is also a major issue when it comes to the exercise of the body's *droit de suite* post-OPA.
- ✓ The existence of an ESU at CAPGEMINI, in France, and the conditions for the exercise of the mandates of the “ALTRAN” body must be able to be discussed.
- ✓ As such, a quick clarification of the different potential options for the future organisation of the employee representative bodies would be optimal to ensure that the integration process at CAPGEMINI can be shared with the bodies in charge of ALTRAN's historical repositories.