OUR INDUSTRY

AN OUTSTANDING
POTENTIAL

ALTRAN

AN UNDISPUTED
GLOBAL LEADER

OUR 2020 COMMITMENT

SUPERIOR
SHAREHOLDER VALUE
Altran 2020. Ignition

INDUSTRY SCENARIO

STRATEGIC PLAN

FINANCIAL OBJECTIVES
2020 industry scenario

1. Expansion, Globalization, Consolidation phase
2. New maturity and value stage
3. Emerging Labour/Asset-IP hybrid model
4. Pervasive influence of offshoring
5. Broader scope of client demand

2020 INDUSTRY SCENARIO
Expansion, Globalization and Consolidation phase

Global market size (in € bn)

- 2015: €130bn
- 2020: ~€220bn

5-year CAGR 6%

GROWTH LEVERS

- **TRANSFORMATIONAL OUTSOURCING ACCELERATION**
- **EXTERNALIZATION RATE INCREASE (+0.5 PT P.A.)**
- **GROWTH OF THE UNDERLYING (R&D SPENDING +6% P.A.)**

5-year CAGR by region:
- EU: 5% - 7% (FR ~2-3%)
- US: 9% - 11%
- Asia: 13-15%

Expansion, **Globalization** and Consolidation phase

**CLIENTS ARE LEVERAGING THE BEST OF THE PLANET...**

...AND ARE SELECTING PARTNERS WHO DO THE SAME

Expansion, Globalization and **Consolidation** phase

**EXPANSION AND GLOBALIZATION WILL LEAD TO AN ACCELERATED CONSOLIDATION ...**

**Until 2015 A VERY FRAGMENTED INDUSTRY**

**HISTORICAL FRAGMENTATION**

- Low barriers to entry
- Low bargaining power of clients
- Limited economies of scale
- Local client demand

Expansion, Globalization and **Consolidation** phase

Towards 2020 **INDUSTRY WILL CONSOLIDATE**

- Larger Profit Pool
- Globalization
- Industrialization

5 TO 10 GLOBAL LEADERS WILL EMERGE, SERVING ~20% OF A €220BN MARKET...

New maturity and value stage

CLIENTS AND ARE NOW CALLING FOR “CO-INNOVATION” AND A NEW LEVEL OF VALUE

- 1980: Staff Supplementation
- 2000: Capacity Augmentation
- 2010: Massification/Industrialization
- 2015: Joint Innovation

- Global footprint
- Cross-industry fertilization
- Transformational capabilities
- Asset-IP leverage
Emerging Labour / Asset-IP hybrid model

BENEFITS TO THE CLIENT
► Time-to-market
► Cross-industry fertilization
► Increased efficiency
► Cost competitiveness

BENEFITS TO THE PROVIDER
► Reusability/Productivity
► Barriers to entry
► Pricing power

OUR INDUSTRY HAS GENERATED LOTS OF ASSET-IP...
...BUT THESE ARE UNDER-LEVERAGED...

CLIENTS AND PROVIDERS WILL GREATLY BENEFIT FROM AN INDUSTRIALIZED LABOUR/ASSET-IP MODEL
Pervasive influence of Offshoring

Evolution of the addressed market (in €bn)

BY 2020, THE OFFSHORABLE MARKET SHOULD REACH €150BN

Source: Zinnov, McKinsey, Strategy & NASSCOM, Altran
Broader scope of client demand

BROADENING CLIENT DEMAND IS BECOMING MORE SPECIFIC...

...THEY EXPECT MORE SPECIFIC ANSWERS

CLIENT NEEDS

What should I do?  Help me do it.  Do it for me!

Innovation & research

Product & System engineering

Manufacturing Engineering & Operations

Historical scope of the market

LIFECYCLE

5
2020 industry scenario

1. Expansion, Globalization, Consolidation phase
2. New maturity and value stage
3. Emerging Labour/Asset-IP hybrid model
4. Pervasive influence of offshoring
5. Broader scope of client demand
2020 industry scenario: Facts and Figures

1. Expansion, Globalization, Consolidation phase
2. New maturity and value stage
3. Emerging Labour/Asset-IP hybrid model
4. Pervasive influence of offshoring
5. Broader scope of client demand
3 KEY DRIVERS FOR SUSTAINED R&D SPENDING GROWTH

1. Critical need for differentiation
2. Disruptive horizons provided by technologies
3. Draconian environmental and safety regulations
Expansion, Globalization and Consolidation phase

CRITICAL NEED FOR DIFFERENTIATION LEADS TO MORE PRODUCTS AND TIME-TO-MARKET PRESSURE

Number of models – BMW

- **18** models (2008) → **+100%** → **36** models (2016)

- **51** months (1990) → **-55%** → **23** months (2010)

Smartphone models released / year

- 2010: 172 models
- 2011: x4.3 → 733 models

Development lead time of a geostationary satellite

- 2010: ~33 months
- 2015: ~20 months
- -40%

**Source:** IHS DRIVEN by Polk; Bloomberg, Samsung, Altran

*not including different engine types, tuning models, or OEM-owned brands (e.g., Mini)*
Expansion, Globalization and Consolidation phase

DISRUPTIVE HORIZONS PROVIDED BY TECHNOLOGIES

Safest transports will be autonomous

Humans will live 1,000 years

Each of us will be a utility

Daimler Trucks ran a real-world automated driving test

“I just hope to live long enough not to die”

“With 900 million PowerWall (…) you can make all electricity generation in the world renewable”

Bill Maris
CEO of Google Ventures

Elon Musk
CEO of Tesla

Elon Musk
CEO of Tesla
Expansion, Globalization and Consolidation phase

More regulations...

E.U.
2021 objective of CO₂ emissions for passengers cars (gCO₂/km)

2010 2015 2021
142 → 95

...tighter controls...

U.S.
Medical devices
average 510(k) approval time (days)

2006 2013
90 → 146 +62%

...social scrutiny

Danone commitments by 2020

25% of bottles sold in recycled packaging
50% of greenhouse gas emission reduction (vs. 2007)
60% of water consumption reduction (vs. 2014)

Source: International Council on Clean Transportation (ICCT)
Source: McKinsey
Source: Company Website
Emerging Labour / Asset-IP hybrid model

Engineering Solutions are emerging...

- Expertise
  - Technology building blocks
  - Proprietary tools & methods
  - Labs & infrastructure

Example: VueForge

... generating new revenue streams

Engineering services revenues

- New revenue model
  - Fix fee
  - Pay-per-use
  - (Revenue sharing)

Associated benefits

- Time to market / Quality / Re-use
- Cost advantage for providers / price advantage for clients
- Non-linear & recurring revenue generation
Altran 2020. Ignition
CO-INNOVATION WITH JAGUAR LAND ROVER
Activities suitable for offshoring

1/3\textsuperscript{rd} of the ER&D activities are strong candidates for offshoring

Source: ISG (Information Services Group)
Propensity to offshore will increase by 40 to 50% by 2020

Propensity to offshore

- Concept development: +86%
- Detailed engineering: +58%
- Prototyping: +33%
- Testing and Validation: +28%
- Production: +32%
- Post introduction: +28%

Source: 2014 ER&D demand side survey & interviews, Strategy& (PwC/Booz), Nasscom
Pervasive influence of Offshoring

Each vertical presents offshorable activities

2015 offshore per vertical and expected growth

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Offshore %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>19%</td>
</tr>
<tr>
<td>Aerospace &amp; Defense</td>
<td>18%</td>
</tr>
<tr>
<td>Energy &amp; utilities</td>
<td>12%</td>
</tr>
<tr>
<td>Telecom &amp; High tech</td>
<td>31%</td>
</tr>
<tr>
<td>Medical Devices</td>
<td>7%</td>
</tr>
<tr>
<td>Others</td>
<td>2%</td>
</tr>
</tbody>
</table>

Verticals expected to fuel ER&D offshore growth by 2020

Source: KPMG, Strategy& (PwC/Booz), Nasscom, ISG, JP Morgan Reports
Pervasive influence of Offshoring

ENGINEERING AND R&D OFFSHORING IS EXPECTED TO REACH €75BN BY 2020

SEIZABLE UPSIDES
- Size and pace of transformational deals
- Captive vs. externalization arbitrage

Maturing demand

Maturing supply

ER&D offshore market (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Captives</th>
<th>Service Providers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>11</td>
<td></td>
<td>40</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td>75</td>
</tr>
</tbody>
</table>

5-year CAGR 13%
2020 industry scenario

1. Expansion, Globalization, Consolidation phase
2. New maturity and value stage
3. Emerging Labour/Asset-IP hybrid model
4. Pervasive influence of offshoring
5. Broader scope of client demand
Altran 2020. Ignition

STRATEGIC PLAN
The four engines of the Altran 2020 strategy

Augmented value

Engaged People

Operational excellence

Industrialized GlobalShore

Geographical expansion
Augmented Value

HISTORICAL ADAPTATION TO BROADER AND MORE SPECIFIC CLIENT DEMAND…

What should I do? Help me do it. Do it for me!

CLIENT NEEDS

- Innovation & research
- Product & System engineering
- Manufacturing Engineering & Operations

LIFECYCLE

Engineering services

Innovative Product Development

Ad Hoc Transformational deal Teams

Scattered consulting practices

What should I do? Help me do it. Do it for me!
Augmented Value

ALTRAN WILL SHARPEN ITS VALUE CREATION MODELS

What should I do? Help me do it. Do it for me!

CLIENT NEEDS

Engineering services

Augment the value of the core business by channeling our Asset-IP through World Class Centers

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

LIFECYCLE

What should I do? Help me do it. Do it for me!
Augmented Value

ALTRAN WILL SHARPEN ITS VALUE CREATION MODELS

What should I do? Help me do it. Do it for me!

CLIENT NEEDS

Innovative Product Development

Further expand the Cambridge Consultants Model through organic growth and focused M&A

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

Engineering services

LIFECYCLE
Augmented Value

ALTRAN WILL SHARPEN ITS VALUE CREATION MODELS

What should I do? Help me do it. Do it for me!

CLIENT NEEDS

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

3 Business Consulting

Structure an Altran Business Consulting group and leverage it as a High-Value entry point to the market

Engineering services
Innovative Product Development

LIFECYCLE
Augmented Value

ALTRAN WILL SHARPEN ITS VALUE CREATION MODELS

What should I do? Help me do it. Do it for me!

CLIENT NEEDS

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

Business Consulting
Engineering services
Innovative Product Development
Transformational Outsourcing

Deploy expert transformational Deals Teams

LIFECYCLE

What should I do? Help me do it. Do it for me!

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

Business Consulting
Engineering services
Innovative Product Development
Transformational Outsourcing

Deploy expert transformational Deals Teams

LIFECYCLE
Augmented Value

ALTRAN WILL SHARPEN ITS VALUE CREATION MODELS

CLIENT NEEDS

What should I do? Help me do it. Do it for me!

1. Engineering services
2. Innovative Product Development
3. Business Consulting
4. Transformational Outsourcing

Innovation & research
Product & System engineering
Manufacturing Engineering & Operations

LIFECYCLE

What should I do? Help me do it. Do it for me!
Augmented Value

AUGMENTING THE VALUE OF ENGINEERING SERVICES

LIFECYCLE

What should I do? Help me do it. Do it for me!

1. Engineering services
   - Business Consulting
   - Innovative Product Development
   - Transformational Outsourcing

2. Innovative Product Development
3. Business Consulting
4. Transformational Outsourcing

Innovative Product Development
Manufacturing Engineering & Operations
Product & System engineering
Innovation & research

What should I do?
Help me do it.
Do it for me!
The four engines of the Altran 2020 strategy

- Augmented value
- Industrialized GlobalShore
- Engaged People
- Operational excellence
- Geographical expansion
Industrialized GlobalShore

Rolling-out a Premier X-shore Capability

2015

- X-shore: 2 200+ staff

2020 Target

- 15% of Group revenues delivered through GlobalShore capabilities (~10 000 FTE)

Near/Offshoring main locations

- Build and deploy a scalable and industrialized supply chain
- Specialize our centers to create differentiated capabilities
- Globally standardize our delivery models
- Co-construct focused capabilities with clients
Altran 2020. Ignition

INDUSTRIALIZED GLOBALSHORE
The four engines of the Altran 2020 strategy

- Augmented value
- Engaged People
- Operational excellence
- Geographical expansion
- Industrialized GlobalShore
3 Geographical expansion

ALTRAN WILL EXPAND ITS LEADERSHIP IN KEY SELECTED MARKETS

1. Change dimension in the US and reach €500m by 2020
2. Fix, invest and grow Germany above €400m by 2020
3. Leverage the existing JVs in China (focus on Auto) Re-assess in 2017
4. India as cornerstone of the Industrialized GlobalShore strategy

Altran presence
The four engines of the Altran 2020 strategy

- Augmented value
- Engaged People
- Operational excellence
- Geographical expansion
- Industrialized GlobalShore
Operational Excellence

**Principles of operations**
- Articulate **strategy** / align organization
- Leverage **action oriented culture** / accountability
- Define, measure, monitor performance
- Involve **clients**
- Focus on what matters

**Business KPIs**
- **Global** Accounts **growth**
- Average **deals size**
- Customer Satisfaction (NPS)
- **GlobalShore mix**
- Delivery > ADM2
- **Invoicing ratio**
- **DSO**

**Financial outcomes**
- Revenues
- Gross Margin
- EBIT
- FCF
- SG&A
- DSO
The four engines of the Altran 2020 strategy

Augmented Value

Engaged People

Operational Excellence

Industrialized GlobalShore

Geographical Expansion
Engaged people

25,000 EMPLOYEES

80 NATIONALITIES

90% ENGINEERS

34 years AVERAGE AGE

RECRUITMENTS

MORE THAN

4500 CONSULTANTS RECRUITED PER YEAR

OF WHICH

95% HAVING 5 YEARS+ OF STUDIES

Altran 2020. Ignition
Reveal our future, make it attractive and connect our people emotionally
Altran 2020. Ignition

FINANCIAL OBJECTIVES
Altran 2020: Financial objectives

- Revenue: >€3bn
- EBIT: ~13% of Rev.
- FCF: 7% of Rev.
1. Revenues: > €3bn
2. EBIT Margin: ~ 13% of Revenues
3. Free Cash-Flow: 7% of Revenues
4. EPS Growth: > 100% over the period
Revenue CAGR 8.5% (organic 4.5%)

Acquisitions in selected geographies (US, India, Germany)

5-year CAGR: 8.5%

*Growth net of the price impact of offshoring estimated at -1.5% p.a
**Non geographically focused acquisitions not included
2015 - 2020 EBIT margin bridge

2015 EBIT Margin: +0.5%
2015 EBIT Margin: +3%
2015 EBIT Margin: +1%
2015 EBIT Margin: +2%
2015 EBIT Margin: ~-1.5%
2020 EBIT Margin: ~13%

Impact net of local operational pressure in the Global Delivery Center locations estimated at 1%.
Solid Free Cash-Flow progression and healthy Balance Sheet

► Leverage <1.5x EBITDA at the end of each year (including M&A activity)

► Free Cash-Flow : 7% of Sales in 2020
Conclusion
A phased transformation…

2016
- Transition
  - Trigger all transformation enablers and early wins

2017
- Transform
  - Implement all key transformation projects

2018 - 2020
- Leverage
  - Accelerate with operational excellence
Altran 2020. Ignition

INDUSTRY SCENARIO

1. Expansion, Globalization, Consolidation phase
2. New maturity and value stage
3. Emerging Labour/Asset-IP hybrid model
4. Pervasive influence of offshoring
5. Broader scope of client demand

STRATEGIC PLAN

- Augmented value
- New maturity and value stage
- Emerging Labour/Asset-IP hybrid model
- Pervasive influence of offshoring
- Broader scope of client demand

- Operational excellence
- Geographical expansion
- Industrialized GlobalShore
- Engaged People

FINANCIAL OBJECTIVES

- Rev. >€3bn
- FCF 7% of Rev.
- EBIT ~13% of Rev.
This presentation does not constitute an offer of, or an invitation by or on behalf of Altran Technologies to subscribe or purchase financial securities within the United States or in any other country. Forward-looking disclosures are included in this presentation. These forward-looking disclosures are based on data, assumptions and estimates deemed reasonable by Altran Technologies. They include in particular information relating to the financial situation, results and activity of Altran Technologies. These data, assumptions and estimates are subject to risks (such as those described within the reference document filed with the French financial markets authority on March 31st, 2015 under number D. 15-0262) and uncertainties, many of which are out of the control of Altran Technologies and cannot be easily predicted. They may lead to results that are substantially different from those forecasts or suggested within these disclosures.

The strategic plan disclosed on November 23rd, 2015 could eventually be subject to changes / adjustments depending on the result of discussion to be lead between the Board of Directors and the Central Works Council which will be consulted on this draft strategic plan.