

## Press release

22.03.18

### **Altran announces the launch and the terms of its share capital increase with preferential subscription rights for c. €750 million related to the refinancing of the acquisition of Aricent**

- **Subscription ratio:** 8 new shares for 17 existing shares
- **Subscription price:** €9.23 per new share
- **Rights trading period:** from March 23<sup>rd</sup>, 2018 to April 5<sup>th</sup>, 2018 inclusive
- **Subscription period:** from March 27<sup>th</sup>, 2018 to April 9<sup>th</sup>, 2018 inclusive

Altran (the “Company”) announces today the launch of a share capital increase with preferential subscription rights to existing shareholders (the “Rights Issue”), for a gross amount of approximately €750 million. The principle of the Rights Issue was made public on November 30<sup>th</sup>, 2017 when Altran announced the contemplated acquisition of Aricent, a global digital leader in integrated design and engineering services. The Rights Issue was authorized by the Company’s shareholders during the Extraordinary General Meeting held on January 26<sup>th</sup>, 2018.

The net proceeds of the Rights Issue will be exclusively used to redeem in full the €250 million Bridge Facility and part of the €2,125 million Term Loan B entered into in February 2018 in connection with the acquisition of Aricent and drawn in full.

The acquisition of Aricent, that closed on March 20<sup>th</sup>, 2018, enables Altran to become the undisputed global leader in the Engineering and R&D services.

The Rights Issue is underwritten pursuant to an underwriting agreement signed on March 21<sup>st</sup>, 2018 with Crédit Agricole Corporate and Investment Bank, Goldman Sachs International and Morgan Stanley & Co. International plc, acting as Joint Global Coordinators and Joint Bookrunners. This underwriting agreement does not constitute a firm underwriting (“*garantie de bonne fin*”) within the meaning of Article L. 225-145 of the French Commercial Code.

#### **Main terms of the Rights Issue**

The Rights Issue will result in the issuance of 81,220,840 new shares (the “New Shares”) representing a gross amount, including issue premium, of €749,668,353.20, corresponding to 46.2% of the Company’s share capital.

Each shareholder of Altran will receive one preferential subscription right for each share it holds (based on trading records) as of the close of trading on March 22<sup>nd</sup>, 2018. The preferential subscription rights will be detached from their shares on March 23<sup>rd</sup>, 2018. Existing shares will trade ex-rights from March 23<sup>rd</sup>, 2018. 17 preferential subscription rights will entitle holders to subscribe for 8 New Shares on an irreducible basis (*à titre irréductible*).

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Subscriptions on a reducible basis (*à titre réductible*) will be accepted but remain subject to reduction in the event of oversubscription. Any New Shares not subscribed on an irreducible basis (*à titre irréductible*) will be distributed and allocated to the holders of the rights having submitted additional subscription orders on a reducible basis (*à titre réductible*) subject to reduction.

Based on a closing price of Altran's share on March 20<sup>th</sup>, 2018, *i.e.* €13.90, the theoretical value of one preferential subscription right is €1.49 (it being reminded that this value may fluctuate during the rights trading period, in particular depending on Altran's ex-right share price development) and the theoretical value of the ex-right share is €12.41.

The subscription price for the New Shares has been set at €9.23 per share (nominal value of €0.50 per share and issue premium of €8.73 per share). The subscription price represents a discount of 25.6% to the theoretical value of the ex-right share price (TERP), and of 33.6% on the closing price (€13.90) on March 20<sup>th</sup>, 2018.

The Rights Issue will be open to the public in France only.

Altran has agreed to a lock-up period expiring 180 calendar days after the settlement and delivery of the Rights Issue, subject to certain exceptions.

At the date of the AMF's visa on the French Prospectus, Altrafin Participations SAS, Mr. Alexis Kniazeff (and his family) and Mr. Hubert Martigny, who respectively holds 8.42%, 1.42% and 1.42% of the share capital of the company, have confirmed their intention to subscribe<sup>1</sup> to the share capital increase and to exercise on an irreducible basis all the preferential subscription rights that will be allotted to them on the basis of their existing shares.

Altrafin Participations and the founders have each agreed to a lock-up period expiring 60 calendar days after the settlement and delivery of the Rights Issue, subject to certain exceptions.

## Indicative timetable of the Rights Issue

The preferential subscription rights will be listed and traded on the regulated market of Euronext Paris under the ISIN code FR0013324498 from March 23<sup>rd</sup>, 2018 until April 5<sup>th</sup>, 2018 inclusive. It will not be possible to buy or sell the preferential subscription rights after the close of trading on April 5<sup>th</sup>, 2018. The subscription period for the New Shares will run from March 27<sup>th</sup>, 2018 to April 9<sup>th</sup>, 2018 inclusive. The preferential subscription rights not exercised before the end of the subscription period, *i.e.* the close of trading on April 9<sup>th</sup>, 2018, will automatically become null and void.

Settlement and delivery of the New Shares and start of trading on the regulated market of Euronext Paris (Segment A) are expected to take place on April 17<sup>th</sup>, 2018. The New Shares, which will carry dividend rights and will entitle their holders to any dividends declared by Altran from the date of issue, will be, as from their issue date, fully fungible with Altran's existing shares and will be traded under the same ISIN code as the Company's existing shares (ISIN code FR0000034639).

## Information available to the public

A French language prospectus including (i) the registration document (*document de référence*) of Altran filed with the French Market Authority (*Autorité des marchés financiers (AMF)*) on March 21<sup>st</sup>, 2018 under number D.18-0154, and (ii) a securities note (*note d'opération*) (including the summary of the prospectus) which was

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<sup>1</sup> It should be noted that this intention will be realized provided that until the end of the subscription period of the share capital increase there should be no new significant event that could have a significant impact on the market price of the Altran shares.

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filed with the AMF and received visa number 18-087 dated March 21<sup>st</sup>, 2018 is available free of charge from the Company (96, avenue Charles de Gaulle, 92200 Neuilly-sur-Seine – France) as well as from the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and the Company ([www.altran.com](http://www.altran.com)). All the press releases and other regulated information about the Company are available on the Company's website ([www.altran.com](http://www.altran.com)), including the press release dated February 28<sup>th</sup>, 2018, announcing Altran's 2017 annual results.

The public's attention is drawn to the risk factors included in chapter 2 of the registration document and in chapter 2 of the securities note, which should be carefully considered before making any investment decision. The materialization of all or any of these risks may have an adverse effect on the Altran group's operations, financial conditions, results or objectives, or the market price of Altran shares.

**Conference call on March 22, 2018 at 9:00 am Paris time (CET)**

**Telephone numbers :** +33172727403 or +442071943759

**Confirmation code:** 93094637#

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### **About Altran**

Altran ranks as the undisputed global leader in Engineering and R&D services (ER&D), following its acquisition of Aricent. The company offers clients an unmatched value proposition to address their transformation and innovation needs. Altran works alongside its clients, from initial concept through industrialization, to invent the products and services of tomorrow. For over 30 years, the company has provided expertise in aerospace, automotive, defense, energy, finance, life sciences, railway and telecommunications. The Aricent acquisition extends this leadership to semiconductors, digital experience and design innovation. Combined, Altran and Aricent generated revenues of €2.9 billion in 2017, with some 45,000 employees in more than 30 countries.

[www.altran.com](http://www.altran.com)

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### European Economic Area

The offer is open to the public only in France and only pursuant to a prospectus having received the visa of the AMF.

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended, in particular by Directive 2010/73/EU, and includes any relevant implementing measure (the "**Prospectus Directive**").

With respect to the member states of the European Economic Area ("**EEA**") other than France (each, a "**Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of the Securities (as defined in the Prospectus Directive) requiring a publication of a prospectus in any Member State. As a result, the Securities may only be offered in Member States to qualified investors, as defined in the Prospectus Directive, to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive, or in any other circumstances not requiring the Company to publish a prospectus as provided under Article 3(2) of the Prospectus Directive.

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This press release and the information it contains are not released and may not be published, released or distributed in or into the United States. This press release does not constitute or form a part of any offer of Securities or a solicitation to purchase or subscribe for Securities in the United States. The Securities may not be offered, subscribed or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof. The Securities of the Company have not been and will not be registered under the U.S. Securities Act and the Company does not intend to make a public offer of its securities in the United States.

### United Kingdom

This press release is directed only at and is for distribution only to qualified investors within the meaning of section 86(7) of the *Financial Services and Markets Act 2000* persons who (i) are outside the United Kingdom, (ii) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (iii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order (all such persons in (i), (ii) and (iii) together being referred to as "Relevant Persons").

This press release is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this press release relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

### Australia, Japan and Canada

The Securities may not be offered or sold in Australia and Japan, and subject to certain exceptions may not be offered or sold in Canada.

### General

In connection with any offering of the Securities, the Joint Global Coordinators and any of their respective affiliates may take up as a principal position any Securities and in that capacity may retain, purchase, sell or offer to sell for their own accounts such Securities and other related securities. In addition, they may enter into financing arrangements (including swaps or contracts for differences) with investors

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The Joint Global Coordinators and Joint Bookrunners are acting for the Company and no one else in connection with the offering of Securities and will not regard any other person as their respective clients nor be responsible to any other person for providing the protections afforded to any of its clients or for providing advice in relation to any offering of the Securities nor for providing advice in relation to the offering of Securities, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

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#### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares offered in the Right Issue (the "Offered Shares") have been subject to a product approval process, which has determined that the Offered Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offered Shares may decline and investors could lose all or part of their investment; the Offered Shares offer no guaranteed income and no capital protection; and an investment in the Offered Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Right Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offered Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.