

Press release

20 July 2016

Acquisition

Altran acquires Lohika, a software engineering services firm

- *The USA becomes the second largest region for the Group*
- *West Coast-based company offers premium software product development through superior offshore delivery model*

Altran has announced today the acquisition of Lohika, a premier software engineering firm whose elite engineering teams help accelerate the development of renowned software and SaaS products from established companies such as Microsoft, Cisco and HP Enterprise, to fast growing start-ups, including AudienceScience, BuzzFeed, Twilio and Okta.

Headquartered in Silicon Valley, Lohika is most active in North America with experienced delivery teams in Ukraine and Romania comprising more than 700 employees, most of them being software engineers.

The operation will grow Altran's revenues in North America by more than 40 % by the end of 2016. It will also make the USA the second largest region for the Group on a revenue basis (proforma basis, combined with Cambridge Consultants and Synapse's business in the United States).

The acquisition of Lohika will help accelerate the execution of Altran's Strategic Plan, '*Altran 2020. Ignition*' in several critical domains:

- **The combination of Lohika with Altran will create a superior value proposition**, enabling the Group to reach a leadership position in software product development on the US West Coast, which is the most important engineering and R&D market in the world. The acquisition contributes to expanding Altran's client portfolio via **access to current and future leaders in Silicon Valley's high-tech ecosystem, thus providing a new growth platform in the region**. This is in line with the strategic objective of achieving €500m in revenue in the US by 2020.
- At a time when software is ever more critical to success in an increasingly digital world, **Lohika brings unique expertise to software product development**, extending the current capabilities of the Group to include skills and client engagements in mobile, enterprise systems, big data solutions and cloud computing.

- **Lohika will expand and diversify Altran's Industrialized GlobalShore® delivery capabilities** through its global footprint and superior offshore delivery model for the benefit of all Altran's clients. With the acquisition of Lohika, Altran's Global Delivery Centers will reach 4,000 engineers, through additional delivery capabilities in Romania and new centers in Ukraine, a strong technology hub for software engineering.

Commenting on the purchase, Dominique Cerutti, Chairman and CEO of the Altran Group, stated: *"I'm thrilled with this acquisition, which is fully aligned with our Altran 2020. Ignition strategic plan. After the acquisitions of Tessella, which has operations in the USA, and of Synapse a few weeks ago, we take a new step with the integration of Lohika towards positioning Altran as a leader in software engineering and R&D in North America, a priority market for us. In addition, the acquisition of Lohika will enable us to expand and diversify our Industrialized GlobalShore® delivery capabilities. These capabilities will be leveraged across all sectors and geographies and will enhance our value proposition in software engineering, which is becoming prevalent in the R&D space."*

Daniel Dargham, President and CEO of Lohika, added: *"In our connected world, software has evolved from disrupting traditional businesses to interconnecting all industries. Altran's global leadership in innovative engineering, multi-industry knowledge and advanced software capabilities, coupled with Lohika's diverse software engineering expertise, will place us at the forefront of the digital transformation of the enterprise. We will be able to extend our services beyond our current client base in Silicon Valley, to the entire Altran portfolio."*

Founded in 2001, Lohika is privately held and funded by venture investors including Altos Ventures, Draper Richards, and several private investors. The acquisition is expected to be completed in 2016 and is subject to customary closing conditions.

Legal and Financial Information:

Altran advisors:

- Legal: Latham & Watkins
- Financial, Tax and Legal Due Diligence: EY

Lohika advisors:

- Sell-side advisor: Avendus Capital
- Legal: Fenwick & West

About Altran

As a global leader in Engineering and R&D services (ER&D), Altran offers its clients a new way to innovate by developing the products and services of tomorrow. Altran works alongside its clients on every link in the value chain of their project, from conception to industrialization. For over thirty years, the Group has provided its expertise to key players in the Aerospace, Automotive, Defence, Energy, Finance, Life Sciences, Railway, and Telecoms sectors, among others. In 2015, the Altran group generated revenues of €1.945bn. With a headcount of more than 26,000 employees, Altran has a presence in more than 20 countries.

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