

PRESS RELEASE RELATING TO THE FILING OF A DRAFT PUBLIC BUYBACK OFFER (THE "OFFER")  
INITIATED BY



OF 6,000,000 OF ITS OWN SHARES IN VIEW OF THE REDUCTION OF ITS SHARE CAPITAL

presented by



PRESENTING BANK, GUARANTOR AND FINANCIAL ADVISOR



PRESENTING BANK AND FINANCIAL ADVISOR



PRESENTING BANK AND FINANCIAL ADVISOR

and advised by



FINANCIAL ADVISOR

OFFER PRICE: €37.50 PER SHARE  
OFFER TERM: 21 CALENDAR DAYS



This press release, prepared by Assystem, is published pursuant to the provisions of Articles 231-16 and 231-17 of the general regulations of the *Autorité des Marchés Financiers* (the French financial markets authority, hereinafter the "AMF").

**THE OFFER AND DRAFT INFORMATION NOTE REMAIN SUBJECT TO AMF REVIEW.**

### Important notice

In accordance with the provisions of Article 231-32 of the AMF's general regulations and Articles R. 225-153 and R. 225-154 of the French Commercial Code, the Offer will be open following, on the one hand, Assystem's publication of a press release specifying that the resolution necessary for the share capital reduction via a public buyback and cancellation of shares was validly adopted by Assystem's extraordinary shareholders' meeting dated November 22, 2017 and, on the other hand, Assystem's publication of the purchase notices in a legal notices journal and in the *Bulletin des annonces légales obligatoires* (French mandatory legal notices bulletin).

The draft version of the information note is available on websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and Assystem ([www.assystem.com](http://www.assystem.com)), and can be obtained free of charge from:

- Assystem: 70 Boulevard de Courcelles, 75017 Paris ; and
- Crédit Agricole Corporate and Investment Bank: 12 Place des États Unis, 92120 Montrouge;
- BNP Paribas: 4 rue d'Antin, 75002, Paris;
- Société Générale: CORI/COR/FRA, 75886 Paris Cedex 18.

Information of a legal, financial and accounting nature in particular relating to Assystem will be made available to the public, in accordance with the provisions of Article 231-28 of the AMF's general regulations, no later than the day preceding the Offer's opening day pursuant to the same terms and conditions.

The board of directors of Assystem, a French *société anonyme* (public limited company) with a share capital of €22,218,216, having its registered office at 70 boulevard de Courcelles (75017), Paris, France and registered in Paris (RCS No. 412 076 937), (hereinafter "**Assystem**" or the "**Company**"), at its meeting dated October 16, 2017, decided to submit to the extraordinary shareholders' meeting to be held on November 22, 2017 (hereinafter the "**Extraordinary Shareholders' Meeting**"), a resolution for the reduction of the Company's share capital by a maximum nominal amount of €6,000,000 via the buyback of a maximum number of 6,000,000 Company shares of a nominal value of €1 each, purchased in the context of a public buyback offer (hereinafter the "**Offer**"), in view of their cancellation, pursuant to the terms of Articles L.225-204 and L.225-207 of the French Commercial Code. The Company's shares are admitted to trading on Compartment B of the Euronext regulated market in Paris (hereinafter "**Euronext Paris**"), under ISIN Code FR0000074148.

This Offer is governed by the provisions of Book II, Title III and, in particular, Articles 233-1 (5<sup>th</sup> paragraph) *et seq.* of the AMF's general regulations.

At the price of €37.50 per Assystem share, the Offer concerns a maximum number of 6,000,000 shares representing, as of the date of the draft information note, (i) 27% of the share capital and at least 27.29% of the voting rights, based on an aggregate number of 22,218,216 shares and 35,996,906 theoretical voting rights of the Company<sup>1</sup> and (ii) 28.35% of the aggregate number of shares of the Company outstanding on October 16, 2017, based on the total number of shares outstanding on this date of 21,160,644 shares (i.e., the total number of shares making up the Company's share capital after deducting own shares held in treasury on this date).

Pursuant to the provisions of Article 231-13 of the AMF's general regulations, the Offer is presented by Crédit Agricole Corporate and Investment Bank, BNP Paribas and Société Générale (hereinafter the "**Presenting Banks**"), it being specified that only Crédit Agricole Corporate and Investment Bank guarantees the Company's commitments in the context of the Offer, as well as the irrevocable nature of such commitments.

### **1. Rationale of the Offer**

Following the completion on September 28, 2017 of the sale by Assystem of its outsourced R&D division - Global Product Solutions ("**GPS**") to Assystem Technologies Groupe, a French *société par actions simplifiée* (simplified joint stock company), held at approximately 60% by Ardian and 40% by Assystem (the "**Transaction with Ardian**"), the Company proposes to allocate to shareholders a portion of the sale's proceeds by means of a share buyback, with the remainder of the proceeds from the disposal to be used by Assystem to finance (i) the contemplated investment in New Areva NP under the terms of an agreement entered into between EDF, Areva and Assystem in early July 2017 and (ii) the acceleration in the growth of its "Energy & Infrastructure" division.

The Offer price represents a premium of 18.3% above the October 16, 2017 (last trading day before the filing of the draft Offer with the AMF) closing price and a 14.6% and 19.2% premium above the volume weighted average prices of the shares over, respectively, the one month and twelve months periods preceding October 17, 2017.

### **2. Intentions of the Company for the next twelve months**

#### ***Business strategy and objectives***

Upon completion of the Transaction with Ardian, the Company has decided to focus its activities on its Energy & Infrastructure division with a view to accelerating the growth of this division. This refocusing shall be accompanied, within the framework of a reinforcement of the partnership existing between Assystem and EDF, by the acquisition of a 5% minority stake in New Areva NP, the completion of which is scheduled for the end of 2017.

#### ***Composition of the governing and management bodies after the Offer***

The completion of the Offer will not result in any change in Assystem's governance bodies and executive management.

#### ***Impact on employment***

No change is expected with respect to employment as a result of the Offer.

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<sup>1</sup> As of October 16, 2017, calculated in accordance with the provisions of Article 223-11 of the AMF's general regulations and taking into account HDL Development's undertaking (see section 5).

### ***Treasury shares***

The Company contemplates to cancel, simultaneously to the cancellation of the shares purchased within the framework of the Offer, 550,000 of the 1,057,572 Assystem treasury shares held by Assystem as of October 16, 2017.

### ***Legal status of the Company***

The Company does not plan to make any changes to its articles of association following the Offer, with the exception of those required to reflect the consequences of the share capital reduction resulting from the completion of the Offer.

### ***Intention concerning the listing of the Company's shares following the Offer***

The Company does not plan to request the delisting of its shares on the Euronext Paris stock exchange following the Offer.

### ***Payment of dividends***

The Company's dividend distribution policy will be maintained according to a pragmatic approach based on the group's new configuration after the Transaction with Ardian, the investment in New Areva NP and in light of its results and outlook. On that basis, the Company currently intends to continue to distribute an annual dividend of €1 per share.

### ***Synergies, economic gains and merger plans***

In the context of a public share buyback offer enabling Assystem to repurchase its own shares in view of their cancellation, the Offer is not part of a plan to merge with other companies. Consequently, it does not entail the subsequent achievement of any synergies or economic gains.

## **3. Terms of the Offer**

Following the Extraordinary Shareholders' Meeting, and subject to its approval of the necessary resolution, the Company will offer to repurchase a maximum number of 6,000,000 Company shares from its shareholders, in cash, at a price of €37.50 per share, via a public share buyback offer with the intent to cancel said shares, pursuant to the terms of Articles L. 225-204 and L. 225-207 of the French Commercial Code.

On November 22, 2017, under the conditions set out in Article 231-37 of the AMF's general regulations, the Company will publish a press release specifying whether or not said Extraordinary Shareholders' Meeting approved the aforementioned resolution. The press release will be uploaded to the Company's website (<http://www.assystem.com>).

#### **4. Summary indicative timetable of the Offer**

October 17, 2017	Publication by the Company of a press release presenting the main characteristics of the Offer, before the opening of the trading day Filing of the proposed Offer and the draft information note with the AMF Publication of the draft information note on websites of the AMF and the Company Draft information note made available to the public at the registered office of the Company and from Presenting Banks
October 31, 2017	AMF publication of the statement of compliance of the Offer, entailing approval of the information note
No later than November 2, 2017	Publication of the information note approved by the AMF on the websites of the Company and the AMF Information note approved by the AMF made available to the public at the registered office of the Company and from Presenting Banks
November 22, 2017	Extraordinary General Meeting approving the capital reduction
November 23, 2017	Availability of the document containing legal, accounting and financial information relating to the Company provided for by Article 231-28 of the AMF's general regulations at the registered office of the Company and from Presenting Banks Publication by the AMF of the opening of Offer notice and timetable
November 24, 2017	Opening day of the Offer
December 14, 2017	Closing day of the offer
December 19, 2017	AMF publication of the notice on the results of the Offer
December 22, 2017	Settlement-delivery of the shares tendered to the Offer

#### **5. Undertakings of Assystem's main shareholders**

HDL Development indicated its intention to tender to the Offer 3,821,738 shares out of the total 13,478,407 shares that it holds, i.e., approximately 63.70% of the total number of shares concerned by the Offer, percentage equal to its share of the total number of Assystem shares outstanding on October 16, 2017, so as to maintain its shareholding level in percentage of the total number of Assystem shares outstanding in the case where the number of shares purchased and then canceled as a result of the Offer equals the maximum number of shares concerned by the Offer.

HDL which controls HDL Development, indicated its intention to tender to the Offer the 50,000 shares it owns in the share capital of the Company, i.e., approximately 0.83% of the maximum number of shares covered by the Offer.

With the exception of the commitments described above, the Company has no knowledge of any other commitment to tender or to refrain from tendering shares to the Offer.

#### ***6. Restrictions concerning the Offer outside France***

The Offer is intended for Assystem shareholders located in France and abroad, provided the local legislation to which such shareholders are subject enables them to participate in the Offer without requiring the Company to complete any additional formalities.

The circulation of this press release or the information note, the Offer, the acceptance of the Offer, as well as the delivery of shares may, in certain countries, be subject to specific regulations or restrictions. The Offer is not open or subject to the review and/or the authorization of any regulatory authority other than in France, and no actions shall be performed to this effect. Neither this press release, nor the information note nor any other document relative to the Offer constitutes an offer to sell or acquire financial securities or a solicitation to participate in such an offer in any country in which this type of offer or solicitation would be considered illegal, could not be validly carried out, or would require the publication of a prospectus or the completion of any other formality pursuant to local law. The shareholders of the Company located in countries other than France can only participate in the Offer insofar as such participation is authorized under the local laws to which such shareholders are subject. Therefore, the Offer is not made to persons directly or indirectly subject to such restrictions, and their participation cannot, in any way whatsoever, be accepted if originating from a country in which the Offer is subject to such restrictions.

Consequently, persons in possession of this press release or the information note are required to inform themselves regarding the local restrictions that could potentially apply, and to comply with such restrictions. Failure to comply with these restrictions could potentially constitute a violation of the laws and regulations applicable to financial markets. The Company hereby disclaims any liability for any person's violation of these restrictions.

In particular, the Offer is not made, neither directly nor indirectly, in the United States of America, to persons located in the United States of America, by means of the mails or any means or instrumentality (including without limitation, facsimile transmission, telex, telephone or electronic mail) available in the United States, or any facilities of a national securities exchange of the United States of America. Consequently, no copy or version of this press release, the information note, and no other document pertaining thereto or to the Offer can be sent via mail, or transmitted or disseminated by an intermediary or any other person in the United States in any way whatsoever.

No shareholder of Assystem may tender shares into the Offer unless such shareholder is able to represent that (i) it did not receive in the United States of America a copy of the information note or any other document related to the Offer and did not send such documents to the United States of America; (ii) it has not used, directly or indirectly, the mails or any other means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of the United States of America in relation to the Offer; (iii) it was not within the territory of the United States of America when it accepted the terms of the Offer or gave its order to tender shares; and (iv) it is neither an agent nor a fiduciary acting for a person other than a person who gave instructions from outside the United States of America. Authorized intermediaries may not accept orders to tender shares that have not been made in conformity with the provisions set forth above.

**7. Agreements that could have a significant impact on the Offer's assessment or its successful completion**

With the exception of the above, as of the filing date of the Offer the Company has no knowledge of any agreement or commitment that could have a significant impact on the Offer's assessment or its successful completion.

**8. Main criteria regarding the evaluation of the Offer price**

The appraisal of the Offer price of €37.50 per share presented below was established on behalf of the Company by the Presenting Banks, based on available public information relating to the Company, its sector and its comparables and additional specific information provided in the course of exchanges with the Company's management team. This information has been subject to no independent assessment by the Presenting Banks.

The table below shows the conclusion of the valuations achieved through the various retained assessment criteria, as well as the premia inferred by the Offer price:

	Last price before the announcement describing the characteristics of the Offer (16/10/2017)	Implied premium / (discount) based on the Offer price (%)	Last price before the announcement describing the Transaction with Ardian (10/05/2017)	Implied premium / (discount) based on the Offer price (%)
Share price	€31.7	18.3%	€37.4	0.3%
	<i>Preceding 17/10/2017</i>		<i>Preceding 11/05/2017</i>	
1 month average*	€32.7	14.6%	€33.6	11.6%
3 month average*	€32.2	16.6%	€32.1	16.7%
6 month average*	€32.8	14.2%	€31.0	21.1%
1 year average*	€31.5	19.2%	€27.7	35.6%
	Low value (€)	Mid value (€)	High value (€)	Implied premium/(discount) based on the Offer price (%)
Average analysts target price	31.0	35.3	39.0	21.0% / 6.4% / (3.8)%
Trading multiples EV/ EBIT	36.6		37.1	2.5% / 1.1%
Discounted cash flows (sensitivity to WACC and to perpetual growth rate)	36.4	37.4	38.7	3.0% / 0.1% / (3.1)%

\* Volume weighted average price

## **9. Conclusions of the independent expert's report**

The below presents the conclusions of the report of Ledouble SAS, appointed as independent expert by the Company pursuant to Articles 261-3 *et seq.* of the AMF's general regulations, in order to provide an opinion on the fairness of the financial terms of the Offer and, additionally, of the sale of a controlling interest in GPS.

### **7. CONCLUSION**

As a result of the Multi-criteria Assessment of GPS and of the Assystem Share following the transfer by Assystem of a controlling interest in GPS to Ardian, we are in a position to conclude to the fairness, from a financial perspective of:

- the terms of the Transfer, on the basis of a Transfer Price of M€ 547, the subsequent Investment by Assystem in ATG, and to the lack of breach of equal treatment among Assystem shareholders in connection with the Transfer;
- the terms of the Offer, on the basis of an Offer Price of €37.5 in the context of a voluntary offer providing those shareholders willing to tender their shares with an exit opportunity.

We have not identified in the agreements entered into in connection with the Transfer and the operations related to the Offer any provision likely to prejudice the interests of those shareholders whose shares are targeted by the Offer.

Paris, le 16 octobre 2017

LEDOUBLE SAS

Olivier CRETTE

## **10. Reasoned opinion of the Board of Directors of the Company**

The Board of Directors of the Company, chaired by Mr. Dominique Louis, Chair-CEO of the Company, met on October 16, 2017 to (i) review the draft public buyback offer by the Company for its own shares and (ii) call the shareholders of the Company to an extraordinary general meeting. All of the members of the Board of Directors were in attendance or represented and voted.

The Board of Directors unanimously, (i) after considering the information contained in the draft information note presented to them, which includes the report of the firm Ledouble, an independent expert appointed by the Board of Directors of the Company on September 7, 2017 (the "**Independent Expert**") and the valuation report drawn up by the Presenting Banks (the "**Draft Information Note**") and (ii) after reviewing all the terms and conditions of the draft Offer, and after deliberating:

- duly noted that the Independent Expert provided an opinion as to the fairness of the terms of the Offer,



- duly noted (i) the intention of HDL Development, the controlling shareholder of the Company, to tender to the Offer 3,821,738 shares out of the total of 13,478,407 shares that it holds, i.e., approximately 63.70% of the total Offer, percentage equal to its share of the total number of Assystem shares outstanding on October 16, 2017 so as to maintain, in the event of a response rate to the Offer of 100%, its shareholding level in percentage of the total number of Assystem shares outstanding and (ii) the intention of HDL, which controls HDL Development, to tender to the Offer the 50,000 shares it owns, i.e., approximately 0.83% of the total Offer,
- duly noted that the Offer (i) represented an opportunity for the Company's minority shareholders to sell all or part of their shares at a price that includes a premium of 18.3% above the October 16, 2017 closing price and a 14.6% and 19.2% premium above the volume weighted average prices of the shares over, respectively, the one month and twelve months periods preceding October 17, 2017, (ii) was in the interest of the Company, its shareholders and its employees and (iii) will neither have any adverse consequences on the strategy the Company intends to implement, its dividend distribution policy, nor have any effects on employment,
- decided, in light of the above, to approve the draft Offer according to the procedures and terms and conditions thus presented and described in the Draft Information Note, subject to the approval by the extraordinary general meeting of the shareholders of the Company of the resolution required to reduce the capital by repurchasing shares through a public buyback offer in view of their cancellation.

#### **11. Contacts**

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