ALTRAN JOINS THE CAPGEMINI FAMILY

Pioneering Intelligent Industry together

People matter, results count.
On April 1, 2020, Capgemini and Altran completed a deal to come together as **one Group** with more than **270,000 employees** across the globe and **a combined revenue of €17 billion***, creating a global digital transformation leader for industrial and tech companies.

* Source: Combined view, 2019 FY results
“We would like to welcome the 50,000 Altran employees. Together, we will create a global leader in Intelligent Industry thanks to the complementarity of our expertise and the strength of our business.”

AIMAN EZZAT
CHIEF EXECUTIVE OFFICER, CAPGEMINI

“It’s a unique combination of expertise to support the digital transformation of industrial and technology companies.”

PAUL HERMELIN
CHAIRMAN, CAPGEMINI

A STRATEGIC VENTURE

Altran joins the Capgemini family, bringing its experience as the global leader in engineering and R&D services – a perfect complement to Capgemini’s global leadership in consulting, IT services and digital transformation.

Altran is the world’s leading provider of 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 new entity will be the world’s top player in engineering and R&D services by size (with particular strength in the US and in Europe).

Capgemini and Altran are positioned to offer clients world-class digital transformation services with the full power and scope of Intelligent Industry. The acquisition creates a Group with revenues of €17 billion and 270,000 employees. Through our enhanced scale and broad services portfolio, Capgemini now benefits from increased access to decision-makers from key accounts in dynamic industries such as aerospace, automotive, life sciences and telecommunications, including R&D, manufacturing and supply chain CxOs.

Together, Capgemini and Altran will leverage their combined business knowledge, ability to innovate, and their portfolios of services, in the fields of information technologies (IT) and operational technologies (OT). The combined Group is committed to putting forth a joint offering for current and future clients, while taking advantage of the finest disruptive technologies, including the cloud, the Internet of Things, cutting-edge IT, artificial intelligence and 5G. The deal also gives Capgemini a critical mass in software engineering through centers of expertise, particularly in India and Eastern Europe, allowing us to accelerate our development with major internet and tech companies.

The friendly tender offer was launched in June 2019 and was fully supported by both Boards of Directors. Following the successful outcome of the tender process on April 1, Capgemini now holds 100% of Altran. The initial onboarding of Altran’s 50,000 employees has already begun, and a new combined business model will be launched in January 2021. Capgemini and Altran have a similar corporate culture and aligned operating models that will facilitate this integration process. The combined Group will continue to invest massively in its talents, opening up a host of opportunities for the employees of both entities.

This is a landmark deal in the history of Capgemini. In a time of unprecedented technological change and innovation, it positions Capgemini to deliver the full power of new technology and data to industry and technology leaders around the world.

AIMAN EZZAT
CHIEF EXECUTIVE OFFICER, CAPGEMINI

PAUL HERMELIN
CHAIRMAN, CAPGEMINI

DOMINIQUE CERUTTI
CHIEF EXECUTIVE OFFICER, ALTRAN, PART OF CAPGEMINI

*Combined 2019 revenues
Intelligent Industry means leveraging digital technologies such as cloud, edge, AI, data platform, 5G, IoT and digitally transformed products and processes of industrial and technology companies to address ever increasing market requirements.

The rise of new digital technologies has:
- Changed client expectations (mass-customization, shift from product to experience, planet-centric-design, …)
- Increased competition among traditional market players (reduced time-to-market, product innovation, operations flexibility, …)
- Seen the arrival of new competitors, bringing disruption by leveraging data and platform
- Created stricter regulations and conformity requirements (cybersecurity, data protection, …)

We therefore need to help our clients anticipate, transform or react to this new context, to keep their competitive edge.

Driven by a data-centric approach, Intelligent Industry allows companies to market a new range of intelligent products, solutions and associated new services, and get fresh insights to unlock new areas for operational performance improvement, innovation, reliability, speed-to-market and to deliver exceptional experiences.

**Why Now?**

Data is rewriting all the rules and key digital technologies are converging at speed. New IT technologies can now interact with business technologies and operational technologies (OT). Early adopters of this digital convergence of technologies demonstrate higher competitiveness and can create new playing fields in their industries.

**Core Components**

Intelligent Products & Systems: Products and systems are now sources of data. With added intelligence and connectivity, products can unlock greater uptime, reduced costs, improved efficiency and real-time feedback loops for continuous improvement. They can also enable digital continuity across the value chain and within an ecosystem of partners, and digital convergence.

Products and systems are the result of engineering activities: from requirement specifications to verification and validation processes, to hand over, to manufacturing and supply chain activities.

Intelligent Operations: Operations activities encompass smart factories and intelligent supply chains powered by data. Businesses use digital technologies and data to transform their core operations and their workforce to enable better and faster decision-making, production on-demand, better operational performance and cost efficiency.

Intelligent supply chains can respond instantly to delivery disruptions with assets tracked and monitored in real-time. This extends to city systems, such as transportation, healthcare and security management.

Intelligent Support & Services: This area encompasses two fields. First, the traditional aftersales and MRO (maintenance, repair and overhaul) services following the purchase of an item of hardware or software. Secondly, new data-driven services related to the use of a product and to a usage model, rather than a product-ownership model. There is an evolution in the revenue model of different sectors with hypergrowth expected from the new data-driven service world, generating higher margins. This new service market expands the traditional value chain and new competitors are entering the market—both tech giants and pure players.

**What’s Possible Now?**

In the automotive industry, disruptive forces such as connected, electric and autonomous vehicles and shifting attitudes toward mobility, greener energy and ridesharing, personalization and production on-demand are all changing the way the industry thinks about design, engineering manufacturing, supply chain, data analytics and the vertically integrated value chain.

The medical device industry is yet another fast-evolving sector for Intelligent Industry. The mass consumption of surveillance devices, the miniature of medical robots and the combination of medical device and drug delivery are key trends that will help transform healthcare services delivery while the worldwide population continues to age. The valorization of data will enable the delivery of more precise medicine, create new health services and facilitate feedback loops for product engineering enhancement.

In these ways, Intelligent Industry enables all sectors to achieve greater efficiencies, greener energy consumption, and greater customer satisfaction. It’s the future of industry—and it’s starting right now.

Together, Capgemini and Altran are set to deliver the next industrial revolution for leading companies throughout the world. Here we explore this new domain and what it offers our clients.
Altran’s 50,000-strong team joins Capgemini, creating a world-class pioneer of Intelligent Industry and digital transformation.

**CAPGEMINI + ALTRAN**

270,000 EXPERTS WORLDWIDE

*Source: Combined view, 2019 FY results  *All figures are before (i) any accounting standardization requirements, (ii) the impact on net finance costs of the acquisition financing, and (iii) the impact of acquisition-related costs.

**A GLOBAL LEADER, TOGETHER**

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<th>CAPGEMINI</th>
<th>ALTRAN</th>
<th>COMBINED GROUP</th>
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<tr>
<td><strong>Revenue</strong> €bn.</td>
<td>14.1</td>
<td>3.2</td>
<td>17.3</td>
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<td><strong>Operating Margin</strong> (AS % OF REVENUE)</td>
<td>12.3%</td>
<td>12.7%</td>
<td>12.4%</td>
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<td><strong>Free Cash Flow</strong> €bn.</td>
<td>1.3</td>
<td>0.2</td>
<td>1.5</td>
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**LATIN AMERICA**

**AFRICA AND MIDDLE EAST**

**EUROPE**

**NORTH AMERICA**

**ASIA PACIFIC**

**CAPGEMINI JOIN THE CAPGEMINI FAMILY**

**PIONEERING INTELLIGENT INDUSTRY TOGETHER**

**PIONEERING INTELLIGENT INDUSTRY TOGETHER**

**ALTRAN JOIN THE CAPGEMINI FAMILY**

**THE COMBINED GROUP**
Altran is an undisputed global leader in engineering and R&D services, delivering expertise in three primary domains: product and systems engineering; digital and software; and industrial operations. The company was founded in France in 1982 and has grown to a global group employing more than 50,000 people. Altran is fueled by ideas, and transforms research and innovation into value for blue-chip clients across 11 industries, helping them meet and surpass the needs of millions of customers around the world.

Meet Altran
DOMAINS OF EXPERTISE AND NEXT CORE SERVICES

The world's largest innovators engineer the products of tomorrow leveraging Altran's three domains of expertise, then accelerate and scale with its Next Core services.

PRODUCTS & SYSTEMS ENGINEERING
This is Altran's largest domain, with 40% of its engineers providing engineering solutions designed for the high velocity, volume, and complexity of today's increasingly-critical new products. Services include:
- Product Design & Development
- Systems Engineering
- Mechanical Engineering
- Silicon, Electronics & Embedded Systems
- Testing & Compliance

DIGITAL & SOFTWARE
Around 35% of Altran's engineers are dedicated to the Digital & Software domain, helping leading companies create new client experiences, build and deploy cutting-edge products, and deliver operational efficiencies at the continuous speed of today's markets, delivering services such as:
- Digital Experience Design
- Software Product Engineering & Cybersecurity
- IT & OT Systems Integration
- Advanced Network Technology & IoT
- Data Analytics & AI

INDUSTRIAL OPERATIONS
Further 25% of Altran's engineers deploy their combined expertise and hands-on technological experience to help industrial companies transform their operations and deliver quantified improvement in performance, flexibility and productivity, through services including:
- Manufacturing Engineering & Technology
- Supply Chain & Quality Management
- Operations & Asset Management
- Network Operations & Transformation
- Product Support & Services

NEXT CORE SERVICES
As a flagship in these engineering and R&D activities, Altran has built a portfolio of “Next Core” units and brands in growth market segments where clients are looking for the highest level of innovation. The Next Core units help clients turn disruption into differentiation, leveraging a pool of 4,000+ highly skilled experts in the following areas:
- Compliance & Performance
- IoT & edge computing
- Advanced networks
- Software frameworks
- Disruptive software products

RESEARCH AND INNOVATION

Across the world, Altran develops and implements research programs that mobilize its innovation teams, operational teams, and an ecosystem of academic and industrial partners from different disciplines. Research is currently driven by six core programs.

THE FUTURE OF HEALTHCARE
In this program, Altran develops technology platforms for pharmacogenomics, digital therapeutics and predictive medicine that revolutionize the way we cure and treat disease by considering variability in genes, lifestyles and response to therapies.

THE FUTURE OF MOBILITY
Altran accelerates the move to multi-modal transport, shared mobility and last-mile logistics by realizing a vision of safer, collaborative and autonomous vehicles for sustainable urban super cities.

THE FUTURE OF INDUSTRY
This program helps capture the benefits of sensing, connectivity and decision-making on the edge, to boost productivity and revenue growth across every industry.

THE FUTURE OF NETWORKS AND COMPUTING
Altran’s experts are helping companies eliminate the constraints on computing, network and storage for the next generation of immersive experiences and looking forward to the final frontier of the space economy.

APPLIED AI
This program is aimed at thoughtfully applying data-science and machine-learning technologies to scale industry-specific problems in precision medicine, autonomous systems, aerospace simulations and industrial automation.

These programs are engineered to enable Altran to co-develop innovations with its clients, and stimulate a culture of ideas and creativity to accelerate transformation in every sector.
PARTNERING WITH A NETWORK OF WORLD-LEADING CLIENTS

Many of the world’s largest and most dynamic companies rely on Altran to deliver end-to-end services, from R&D to the optimization of production, supply chain and distribution.

Altran’s portfolio of clients are drawn from 11 core sectors. From airlines to automotive groups, to banks and the communication companies that keep the world connected— together, they deliver services to hundreds of millions of customers around the world. Two-thirds of the world’s largest spenders on R&D partner with Altran, and the average tenure of its top 10 clients is more than 20 years. Altran is ranked as a strategic partner to more than 50 clients because it enables them to keep up with the frantic pace of innovation and change in the most dynamic industries of the 21st century. Across the world, Altran’s experts turn insights and innovation into value.

PIONEERING INTELLIGENT INDUSTRY TOGETHER

ALTRAN JOINS THE CAPGEMINI FAMILY
Global warming, new customer priorities and disruptive technologies are transforming the global energy landscape. To be a leader of this new industrial revolution, ENGIE has made digitization one of its four strategic priorities. It engaged Altran as an experienced partner to accompany its digital transformation, develop a vision and a roadmap for its industrial assets, and execute that roadmap with a focus on real operational results and measurable value. Altran's partnership will enable ENGIE to develop its current assets into a fleet of augmented tools primed for predictive maintenance, and to roll out a high-performance network for operators on the ground, working in an integrated environment.

Altran's international team combines design thinking with industrial and digital expertise to deploy a digital transformation roadmap that will strengthen ENGIE's business, positively impacting plant operation and maintenance with measurable impact on value and performance.

While global energy production is shifting towards renewables, the life sciences sector is shifting towards patient-centric models, and industrials are ramping up to smart manufacturing. All these sectors are evolving rapidly to capitalize on the impacts and possibilities of the digital revolution. Altran helps global leaders to evolve their product portfolios and geographic reach, while improving operational efficiencies and the sustainability of their businesses.

**SMART ENERGY**

With more than 1,800 energy specialists, Altran offers its clients industrial engineering, digitalization, and energy transition services that enable them to optimize their assets, generate new revenue streams, and improve performance. Its end-to-end engineering solutions help energy companies and their equipment manufacturers to increase engineering quality and performance while optimizing costs and meeting stringent compliance, safety and security standards.

**DATA-DRIVEN PATIENT CARE**

In the life sciences and med-tech sector, more than 2,600 experts help clients develop patient-centric, data-optimized devices and technologies, from innovation and design to development and the testing of new products. To address increasing digitization trends and the data explosion, Altran provides digital health, big data analytics and IoT solutions and services, helping life science companies transform their business and organization, and generate value from data. As a global leader in business process and manufacturing excellence, Altran also ensures best-in-class compliance and performance for manufacturers in this sector.

**INDUSTRIAL EXCELLENCE**

With more than 2,100 specialists in this sector, Altran enables industrial clients to capture the efficiencies of smart equipment through the IoT monitoring of production lines and global connectivity. Its portfolio of solutions encompasses integrated product development from ideation, development and test to deployment, IoT solutions, analytics and Industry 4.0.
Altran has 9,000 specialists lending their expertise to the automotive sector: from electrification to autonomous driving to complete vehicle development.

In the face of new driver behavior, diverse powertrain technologies, stricter environmental regulations and a booming demand for connectivity, automotive players need to reinvigorate their role – focusing on core activities and creating efficient ecosytems with strategic partners.

Altran has over 9,000 automotive specialists around the world delivering the solutions that will shape the automotive industry in the decades to come, for clients including BMW, VW, Renault and FCA. Their expertise falls into three categories: sustainable mobility; autonomous driving and connectivity; and complete vehicle development.

All three areas show enormous potential for growth, Altran has unmatched expertise in hybrid and electric powertrains, from integration through to validation, including electric powertrain and powertrain testing. In the connected and autonomous space, Altran leverages its global expertise in data connectivity, advanced driver assistance systems, human-machine interface and automotive R&D to deliver safe, reliable solutions to those pioneering this emerging sector.

Its experts also support complete vehicle development projects with end-to-end capabilities for design and manufacturing, from systems through to complete vehicle derivatives such as: style and design; surfacing; body in white; passive safety; and manufacturing 4.0.

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The digital revolution has led to the rethinking of the whole aerospace value chain, the production system, and even the way products are designed. While leading players in aeronautics need to address production scalability issues, the defense industry is urged to answer new security challenges, and the space industry has been disrupted by non-traditional, private entrants.

Altran has more than 6,700 experts specialized in four domains: production ramp-up and industry 4.0; disruptive services and connectivity; advanced production and development; and security.

Altran accelerates production and time-to-market by combining agile methodologies and end-to-end services, from design strategies and disruptive product development to smart manufacturing and customer services. Its experts transform manufacturing to address the challenges of production ramp-up, drawing on deep expertise in the industrial environment, while co-developing new digital services and revenue streams, integrating cross-industry experience in industrial and IoT analytics. Closing the loop, they leverage big data to create end-to-end security services, from cybersecurity to homeland security.

Altran’s expertise enables its clients in the aerospace, space, and defense sectors to harness the full power of Intelligent Industry in the age of disruption.

**AEROSPACE AND DEFENSE**

**EMPOWERING HIGH FLIERS**

With more than 10,000 engineers helping some of the largest telecoms operators in the world, Altran is at the forefront of the new era of communications technology.

In the competitive telecoms ecosystem, customers expect enhanced network capacity and connectivity. With the arrival of 5G and IoT, the costs of maintaining and upgrading networks are forcing operators to seek new revenue streams in unfamiliar domains, such as applications and software services.

Altran is a global leader in facilitating these sector transformations and partnering with clients to ensure their continued competitiveness. Altran’s more than 10,000 telecommunications engineers are experts in transforming the possibilities of 5G and IoT into value for businesses and their customers.

From the maintenance and optimization of existing networks to 5G roll-out, connected factories, mobility, healthcare and smart city management, Altran delivers solutions that enable its more than 300 communications clients to accelerate their services and growth, while expanding into new domains.

Working alongside global leaders such as Vodafone, Telefonica, Nokia and Fujitsu, Altran provides next generation applications and customized systems integration spanning domains such as connectivity, digital, cloud, IoT and security.

**COMMUNICATIONS**

**DELIVERING THE CONNECTED FUTURE**

In 2018, Airbus and Altran were awarded the prestigious Crystal Cabin Award in the material and components category for their collaborative research project on printed electronics—a new digital technology that uses printed conductive inks and could replace current electrical cables in an aircraft.

A passenger aircraft contains around 100km of cables. This means high costs and workload during design, installation and maintenance. Airbus and Altran’s printed electronics could reduce weight and manufacturing costs, while increasing production efficiency.

**ALTRAN 2 AIRBUS**

**PRINTED ELECTRONICS**

**ALTRAN 2 GSMA**

**CONNECTED HEALTHCARE**

In Africa, information and advice was shared on topics such as nutrition, maternal health, sexual and reproductive health, and community health networks. Following the launch, 69% of mHealth users reported better health knowledge and improved nutrition practices.

**NEXT-GEN**

77% of industrial companies are ready to implement 5G by 2021

(Source: Capgemini Research Institute)
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