

ALTRAN GROUP

Feedback on Offshore Survey

OFFSHORE CORE TEAM
JANUARY 30th, 2006



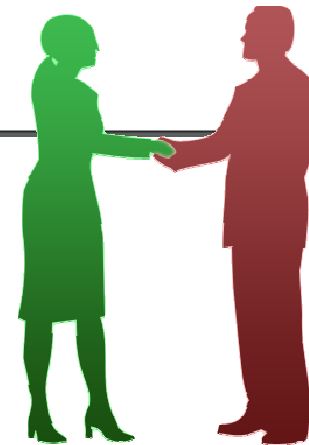
We have received 35 questionnaires, and directly interviewed 10 companies

Companies

- | | |
|------------------|------------------|
| ■ 4COM | ■ INOQUANT |
| ■ AGS | ■ LOGIQUAL |
| ■ ALPLOG | ■ LORE |
| ■ ALTRAN EUROPE | ■ MAP |
| ■ ALTRAN SDB | ■ NORMA |
| ■ ALTRAN LUX | ■ O&I |
| ■ ALTRAN TECH | ■ POLEN |
| ■ ALTRAN TECH NL | ■ POOL CONS. |
| ■ ALTRAN TECH UK | ■ PRAXIS-HIS |
| ■ ASKON | ■ REALIX |
| ■ ATLANTIDE | ■ RSI |
| ■ CCL | ■ SEA |
| ■ CONSIGNIT | ■ SEGIME |
| ■ CONSULTRAN | ■ STE |
| ■ CSI | ■ STRATEGY CONS. |
| ■ DEOS | ■ TCBR |
| ■ EUROSPACE | ■ TRININFOR |
| ■ EKAR | ■ USM |
| ■ HILSON MORAN | |
| ■ ICEACSA | |

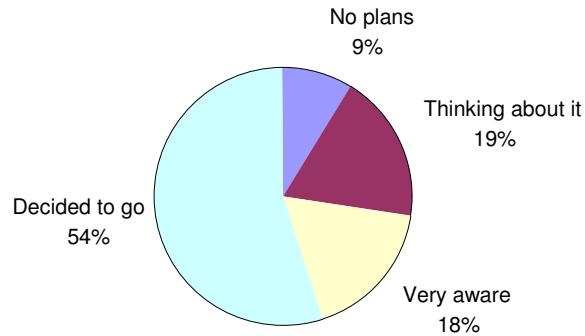
Topics

- Your customers & offshore
- Your offshore strategy (if any)
- Competitors
- Group support

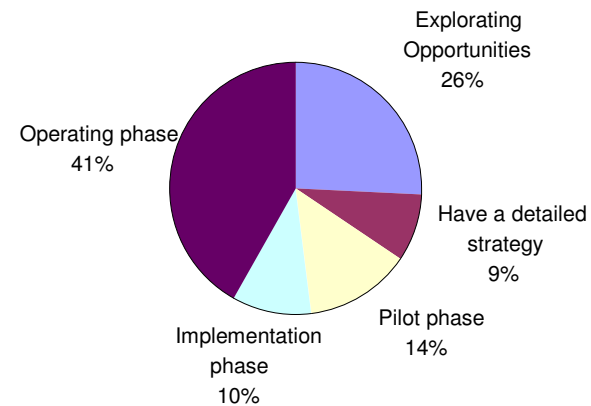


Overall client maturity & offshoring scope

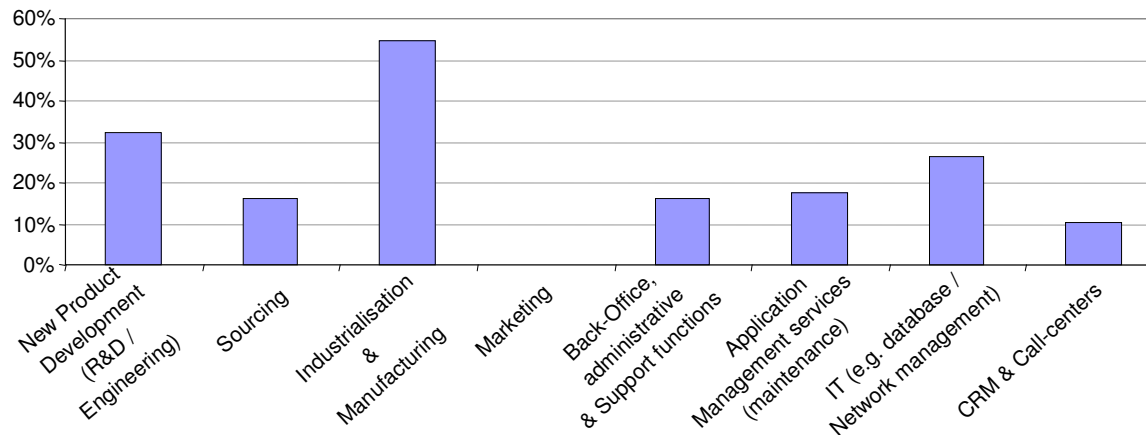
Client level of offshore awareness / maturity (80 replies)



Where are they in the process of offshoring ? (81 replies)



What functions of the client are being offshored ? (68 replies)

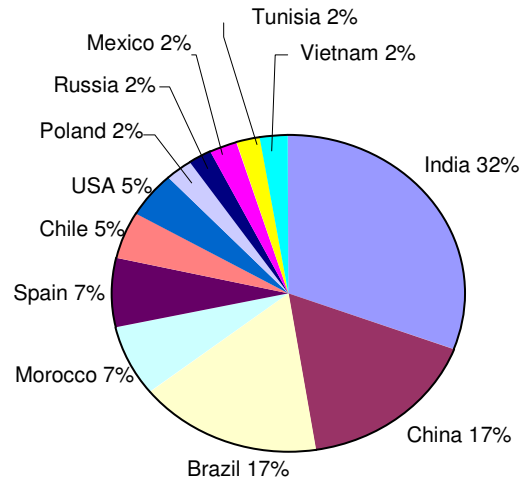


- 72% of ALTRAN clients are aware about offshore / have decided to go offshore . Most of them are already in an offshore process.
- Closer to ALTRAN core business, 30% of the mentioned companies offshore R&D, engineering or IT activities



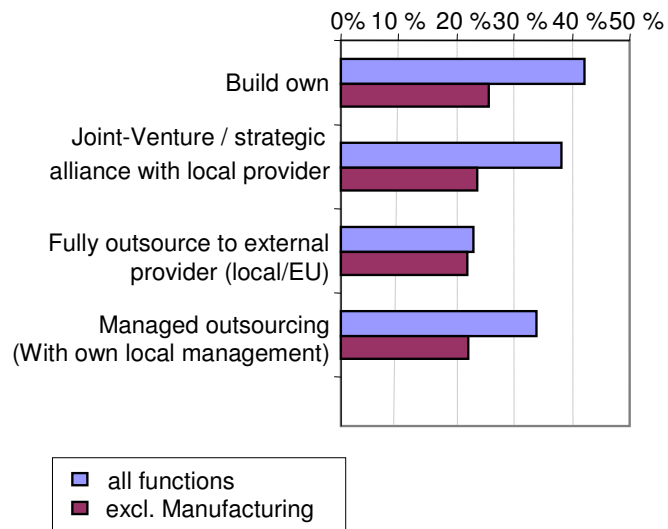
Target offshore destinations

Target Offshore Countries, excl. Manufacturing (42 replies)



- When focusing on offshore services, India is the main target country followed by China and Brazil with 17%

Client strategy for offshore implementation (50 replies)

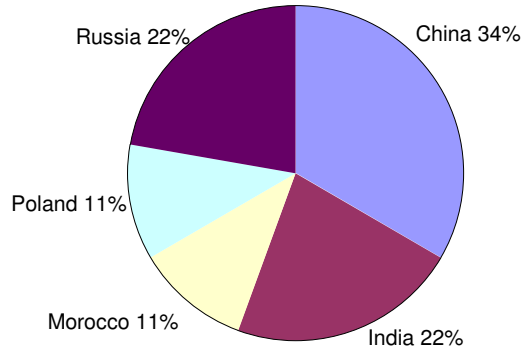


- Clients tend to keep control over their offshored activities.
- About 40% of them decided to build a captive local base or used a Joint-venture with a local provider. Managed outsourcing is also an option of choice.
- When excluding Manufacturing activity, all strategies are almost equally represented.



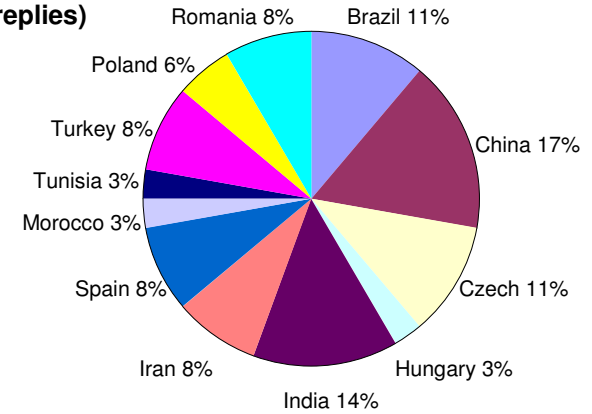
Analysis by Vertical markets: Target offshore countries for

Aerospace (9 replies)



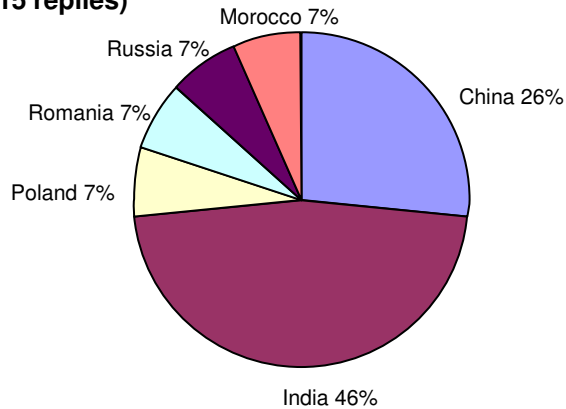
- Generally "decided to go" or "very aware" (83%), they are mainly at least in the "pilot phase" (57%).
- The strategy is either "Joint-venture" (67%) or "Managed Outsourcing" (67%).

Automotive (40 replies)



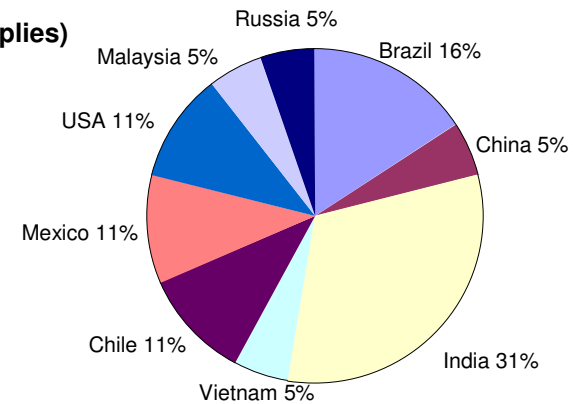
- Generally "decided to go" (83%), they offshore their "manufacturing and industrialisation" activity.
- They are mainly in the "implementation phase" (26%) or "operating phase" (48%).

Telecom (15 replies)



- Generally "decided to go" or "very aware" (65%), they are in the "operating phase" (47%).
- The offshore strategy, which is "build own" for the "manufacturing and industrialisation" activity, "Joint-venture" for the "New product Development" activity and "Fully outsource to local providers" for the "sourcing" activity

Finance (19 replies)



- Generally "decided to go" (54%), they are in the "pilot phase" (37%) or "operating phase" (36%).
- The strategy is decided at the "CEO/COO" and "Shared Corporate Services" levels.



Main facts and conclusions :

- 72% of our clients are aware about offshore / have decided to go offshore
- 30% of these companies offshore R&D and engineering
- The offshore destinations differ depending upon the vertical market the client operates in
- The results of our survey are very consistent with the various public/consulting studies (AT Kearney, Mc Kinsey, Neo IT,...) on offshore
- **76% of responding companies consider that Group support on Offshore is either necessary or mandatory**

