

THE BIRTH OF A GLOBAL GROUP
1985-2015

This is a story driven by passion.

In invoking these thirty years, each a milestone in the development of the constantly evolving group, I sincerely thank the reader for taking the time to look through this anniversary overview of the Altrad Group, which has always moved with the times and demonstrated its ability to anticipate the future.

I would also like to express my gratitude to everybody from the past and present who have helped the company become what it is today.

I know their abilities, I know how the "Group" spirit lives within them, and I commend their dedication.

Mohed Altrad, CEO



... what constitutes the dignity of a craft is that it creates a fellowship, that it binds men together and fashions for them a common language. For there is but one veritable problem – the problem of human relations.

We forget that there is no hope of joy except in human relations. If I summon up those memories that have left with me an enduring savour, if I draw up the balance sheet of the hours in my life that have truly counted, surely I find only those that no wealth could have procured.

Antoine de Saint-Exupéry

The future belongs to those who believe in the beauty of their dreams

Eleanor Roosevelt

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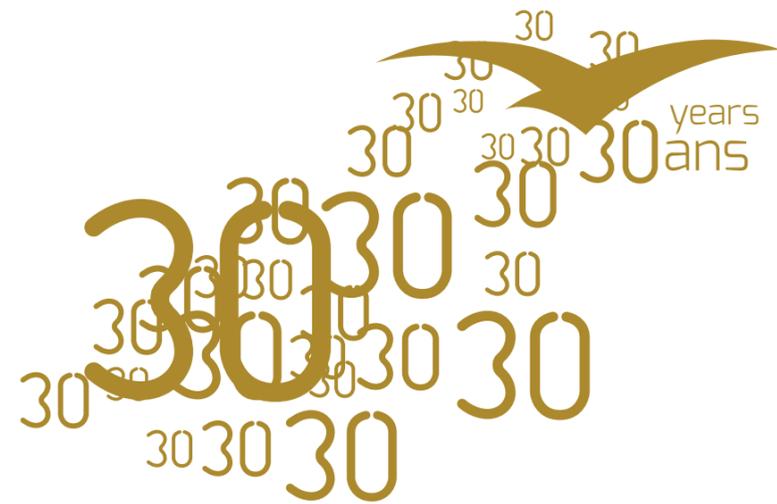
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THE PSYCHOLOGY OF BUILDING



Building a business is a unique experience. Many images may be used to explain it, but the one that appeals to me is that of creating an artwork.

Obviously a company does not develop in the same way as a book is written or as marble is sculpted. But if such a venture does not seek immediate profit, the similarities with art begin to show. Both are long struggles involving deep commitment and great pride as the work takes form: each innovation reinforces the edifice, each growth sees it rise. We see the life force that flows from the consolidation, coordination and solid effort of all the men and women involved. We must guide the work, support its progression toward maturity.

This is how, over the years, the Altrad Group has appeared to me.

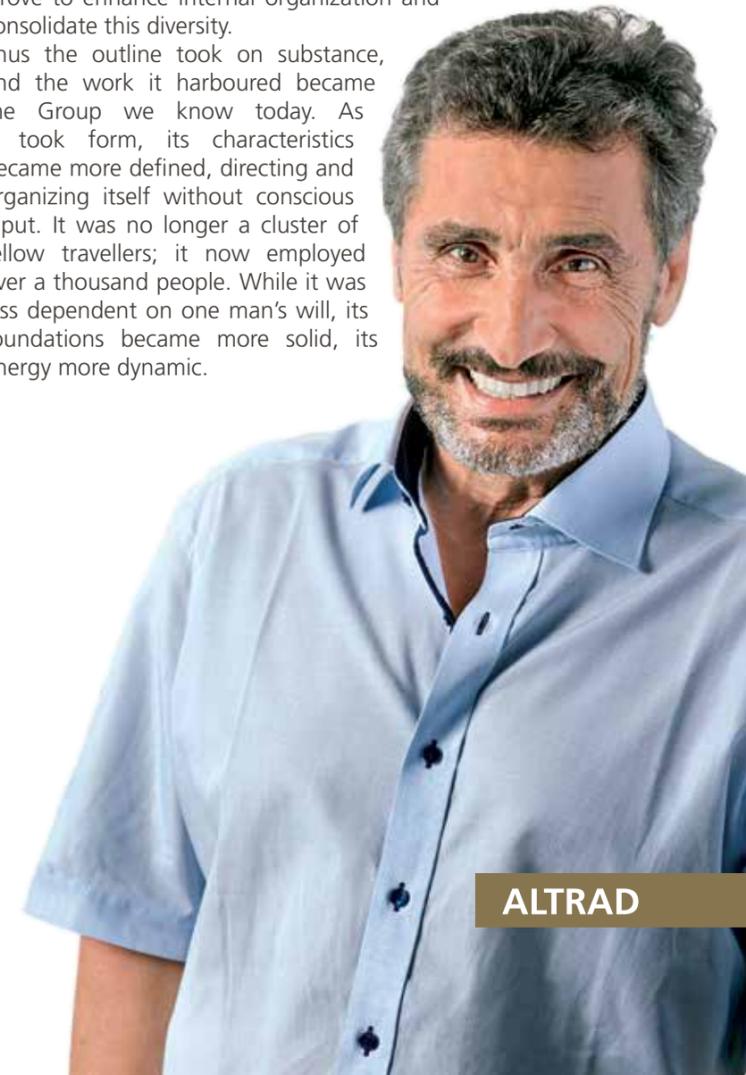
Initially, I confess, I had no definite plan. Of course, I was driven by an ambition to do "something", or I never would have awoken my inner-entrepreneur.

But in acquiring my first company, in Florensac in 1985, I had no desire to found an international group on it. I just wanted to help it on its way and let it grow.

The adventure appealed to me, a challenge for both myself and the people in the factory now dependent on me. Years passed and Florensac took on other plants; each time I used the same approach, and went through the same processes as at the beginning. The risks I had taken then could be repeated elsewhere and a pattern soon emerged: rather than acquire for the sake of acquisition, I had to find coherence. Not only did new acquisitions have to operate in the same sector, they also had to be complementary and be able to work together.

A direction began to appear, an outline. We had the momentum, a course of action: acquisition, stabilization, synergy, growth. These were the cornerstones, foundations in search of a structure, a future. This future took shape through adversity, the fruit of accretion; it was a structure composed block-by-block, which then spread internationally, beginning with Europe. All the while we constantly strove to enhance internal organization and consolidate this diversity.

Thus the outline took on substance, and the work it harboured became the Group we know today. As it took form, its characteristics became more defined, directing and organizing itself without conscious input. It was no longer a cluster of fellow travellers; it now employed over a thousand people. While it was less dependent on one man's will, its foundations became more solid, its energy more dynamic.



The moment finally came when I became aware of the autonomy of the work I had fashioned; I couldn't say however when this change took place, as it happened so gradually.

Today, in any event, an important stage has been reached. The Group now seems sufficiently solid to take care of itself. As surprising as this seems, it is also a source of secret satisfaction. Many sacrifices have been necessary over the last thirty years, which have been justified in the results.

The future is never guaranteed. Autonomy is no promise of longevity; the latter depends on constant daily endeavour. But the simple knowledge of the Group's maturity now makes me confident for the future.

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Talk of "passion" may seem unusual.

In the last few decades, the "machinery that breaks men" has gradually given way to a new, more complex concept of interdependency, which has blurred boundaries. Obviously profit remains the vital requirement for a company; the intensity of competition is a sufficient reminder of this. It is not, however, the only horizon and the economy ensures that this vision is constantly changing.

Once passion was frowned upon. To moralists it meant limitation. Those enslaved to a passion, whatever its nature, were incapable of reasoning and ready to sacrifice even their own existence. Thus passion had no place in economics, a world based, above all, on rational calculation.

The relationship to passion has developed more positive connotations in the collective consciousness, especially when it finds fulfilment in a work. Hence we now talk of passion in terms of artistic or political commitment.

It is time to integrate passion into our idea of companies. They should no longer be viewed

simply as moneymaking machines; they also merit consideration as *works* in themselves.

Companies have a social role to play in the regions where they operate. They help people set down roots, hence the importance of respecting different cultures within our Group. Such ambitions can only take form if those responsible feel a passion for their business and the work they create. If a business can be compared to an artwork it is thanks to the collective input of all involved. And here passion takes on a special significance. No one can ignore the imbalance created between a business's structure, in the abstract sense, and its personnel.

Productivity must be encouraged constantly, to create a competitive structure so that the business can live and survive. While competition is vital, it is a mistake to impose it unilaterally.

Imposing anything is never profitable or worthwhile. Such an attitude is an error of judgement. We end up believing that it is beneficial to impose constraints, challenges and ambitious objectives in order to bring out the best in people.

We forget however that people who arrive at their destinations draw their force from personal motivation: interest, vanity, individual satisfaction, ambition or ... passion. Of all motivations, passion is the most noble and most sustainable. But it contains something more: a person living their passion is elevated by it.

Interest and ambition are not concerned by the task at hand. They are but private *vices* that are profitable to businesses according to Mandeville's phrase, "private vices, public virtues"; indulgence in them however improves no one. People who feel passion also feel a bond with their work. The further their work progresses, the more people mature. Their success is their own and their personal success is reflected in the work.

Not only is passion beneficial for companies because people with a passion for what they do will always seek to surpass themselves, but it also benefits the men and women living it. Any imbalance appears surmountable, reinforcing rather than harming competition. A company can only be viable and develop in a sustainable way if, beyond their basic duties, employees find sufficient resources to develop their own passion.

Mohed Altrad, CEO



THE CREATION OF THE GROUP

1985-1996

Our story begins in a village in the Hérault region of France, where a small construction business was struggling for survival in a sector in the throes of crisis. Mohed Altrad knew nothing of the sector, and even less about manufacturing scaffolding. Welcome to Florensac! For a man from the world of IT and miniaturisation, the discovery of steel processing plants was a culture shock. Their presses, forming tools, acid baths. A world of pure force that he would have to appropriate if he were to master it. He did better: he learned to love the building trade, until it became his true passion.

following years, with one or two acquisitions per year. Rather than obeying some preconceived master plan, each acquisition represented a fresh opportunity. Each had its own story, requiring personal attention and special treatment, and each found its own place in his heart. Mefran, Socform, Mib, Mag, Etem, Sodetub, Ateliers de Saint-Denis and the many others that followed, are not just names on a list. They are individuals, each with their own personalities. They are members of a family, *our* family, better known today as the "Altrad Group".

Opportunity became a strategy for external conquest, as intuition and swift decision-making metamorphosed into a solid, structured process of acquisition and integration. Quality in management was just as important as the acquired company's balance sheets, fostering the development that we know and that we now see to be relevant and efficient.

In the presence of an entrepreneur who respected their culture, his new partners felt fresh hope. Mohed Altrad immediately set out to restructure the company without changing its foundations. Structural costs were re-evaluated and resources decentralised, thus enabling enhanced availability, client proximity, operational control of construction, rigorous budgetary monitoring and financial stabilisation. These became the cornerstones of Altrad management. Mefran became a laboratory where the future Group successfully drew up its blueprint for acquiring and integrating companies.

The following year a growth opportunity arose through the purchase of another regional company's assets and the creation of a subsidiary in Italy. This pattern continued in the

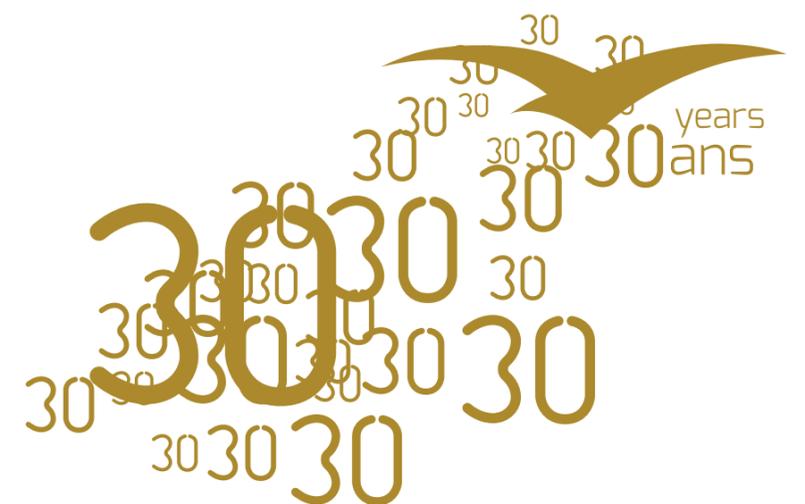
Today the development of industrial groups no longer obeys the law of the survival of the fittest; what counts is a productive mindset. This is the culture and spirit of Altrad, amongst which our most important values are subsidiarity and entrepreneurial autonomy, risk management and encouraging risk taking, which allow better adaptation to the world.

Altrad's takeover model was so effective that in the first five years it not only developed its scaffolding division, but also diversified into



the sale and manufacture of cement mixers and other similar machines, which it now dominates as world leader. Mohed Altrad then took two key decisions that were crucial for the future: the acquisition of two service companies and the expansion of the customer base, notably the creation of the local authorities division, Collectivités. The 1990s began with a deep financial crisis. Demand declined, recession hit home: it was a difficult period, during which the human factor predominated. A company must, by definition, be profitable – it is the minimal condition for survival. But profit is made *through* and *for* the men and women working for the company. Without these people, profit does not exist. Human concerns were, therefore, Mohed Altrad's priority. This is how the family of companies managed to overcome this critical phase, and was able to, in 1993, ahead of others, resume its development, acquiring struggling companies. Anticipation, awareness of opportunities and responsiveness were the cornerstones of this success. Effective management during this first recession enabled the Group to sustainably integrate the ideas that would become its strength: operational efficiency, fair value, limitation of structural costs and rigorous budgetary management. The ensuing years reinforced the structure and enabled Altrad to invest in acquisitions of companies working with local authorities, while diversifying into the props and shoring sector. The constant quest for synergies and rationalization helped the Group master better than anyone else its development resources and to become, through self-financing, the French leader in the manufacture of equipment for the construction industry. Its regional dimension gave way to a national company, with a solidly built network.

Audacity and courage carried the Altrad project. Courage is the art of starting and restarting; it manifests itself, mainly, through perseverance. Courage is not the absence of fear; it is the ability of a subject to confront fear, to master it and overcome it. Being courageous implies acknowledging there is a danger, whether physical, social, emotional, economic or financial. Courage implies conquering the self; it takes us beyond some hindrance within the self, born of fear. For the Altrad Group, courage is also synonymous with selflessness, altruism and generosity. Despite its unique structure and organisation, the company is part of the vast global economic system, and is therefore vulnerable to crises, emergencies, uncertainty, and internal and external dangers that threaten its very existence, its development and its balance. To confront these vulnerabilities, the Altrad Group has shown exemplary courage and determination both individually and collectively. Managerial courage has ten different criteria: the ability to confront reality, trust others, diverge from those incapable of success, challenge the status quo, test limits, live and promote your own values, make decisions, tell the truth, take calculated risks, and to be yourself. Managerial courage is in the making of decisions: what makes a decision difficult is the fear of its consequences. Thus managerial courage is in the will and ability of a director or manager to appraise the repercussions of their decisions, choices, actions or non-actions. The Altrad Group strives constantly to create the conditions in which courage can be expressed, so that it can spread, through the development of a culture of courage. It is this culture that has enabled the Group to flourish.



1985

17 MILLION EUROS TURNOVER
260 EMPLOYEES



2015
1.8 BILLION EUROS TURNOVER
17,000 EMPLOYEES



THIRTY YEARS OF PASSION AND GROWTH

1985 • Acquisition: Mefran024
 • Creation: Mefran Italia

1986 • Acquisition: Socform026

1987 • Acquisition: Mib, Mag028
 • Creation: Mefran Collectivités

1988 • Acquisition: Etem, Sodetub030

1989 • Acquisition: Ateliers de Saint-Denis,
 brands: Vito, Océane, LB, Richier Béton032

1990 • Merger: Ateliers de Saint-Denis with Socform, Mag with Mib034

1991 • Merger: Etem with Sodetub036

1992

1993 • Acquisition: Michel Frères040

1994 • Acquisition: Anjoumétal042

1995 • Acquisition: Samia, Soframat044

1996 • Acquisition: Devianne Duquesnoy046

1997 • Acquisition: Lescha Maschinenfabrik, Bada, Eurotol, Europea052
 • Merger: Soframat with Etem

1998 • Acquisition: Rennepont054

1999 • Acquisition: Lérin, Sacem, Conmix's clientele and Semme056
 • Creation: Altrad Collectivités
 • Merger: Samia and Devianne Duquesnoy's sales forces

2000 • Acquisition: Spomasz058
 • Creation: Altrad Tunisia
 • Merger: Altrad Holding with Altrad Développement

2001 • Creation: Altrad Groupe Logistics,
 Altrad Dis, Altrad International060

2002 • Acquisition: Baumann-Mostostal 48%062
 • Creation: Altrad Baumann, Altrad Baromix

2003 • Acquisition: Arnholdt064

2004 • Creation: Altrad Plettac Assco, Altrad Plettac Production,
 Altrad Elévation, Altrad Plettac France, Altrad Plettac Iberica,
 Altrad Havico, Altrad Liv066

2005 • Acquisition: Famea ECA, Vedif, Fort, Fort Canada,
 Altrad Alucon, Baumann-Mostostal 52%068
 • Creation: Altrad Richard Fraisse, Altrad Industrie,
 Altrad Financement, Altrad Color Evolution

2006 • Acquisition: Vabor, Balliauw, Faradit070
 • Creation: Altrad Asia, Shandong Altrad
 Zhongyuan Trade co, Altrad Cédria

2007 • Acquisition: Guy Noël, Roederer Distribution Solutions072

2008 • Creation: Altrad Comatex074

2009 • Acquisition: Belle Group080

2010 • Acquisition: Limex082

2011 • Acquisition: Agrimotor, Rodisola, AnD, Beaver 84, NSG084
 • Partnership: Montpellier Hérault Rugby

2012 • Acquisition: Generation, Poujaud, Jalmat, Hofmaninger,
 Bragagnolo, Atika, Servindustria, MTD, Socacen, Camac,
 Garrone, Comi Service086

2013 • Acquisition: Spectra, Trad090

2014 • Acquisition: Star Events, Prefix092
 • Award: EY French Entreprise of the Year
 • Acquisition: Dessa, Hertel094
 • Award :EY World Entrepreneur of the year

2015

1985

ACQUISITION
Mefran

CREATION
Mefran Italia

In July 1985, following liquidation, Mefran Entreprise buys out Mefran's assets: the majority of its staff, its brands and subsidiaries, production tools and stocks. Created in the 1950s, Mefran was a healthy regional company. Despite public subsidies, a downturn in the construction sector made it vulnerable.

Payment for Mefran (F4M/€0.6M) is staggered over four years. Banks and public authorities show little faith in such entrepreneurial risk. A sales force is developed: 65 exclusive and commissioned sales representatives visit a scattered clientele of 100,000 tradesmen and SMEs with ambitious objectives: 7 visits and 3 new clients per day. A debt recovery company, CCA, formed in December 1985, provides back up for Mefran Entreprise's strategy.

After this first acquisition, Mefran Entreprise introduces unique management and restructuring methods. The subsequent history of acquisitions and equity investments proves this policy to be both consistent and judicious. The acquisition of Mefran Italia's equity foreshadows the Group's international vision.

*

"I'm a recent recruit so I'm unaffected by the company's history. The fresh hope that motivates the employees is due to both the resources the entrepreneur has provided and to the respect he has for our culture. Structural costs have been reviewed and operational control has been prioritised – budgeting, rigour and financial stability (payments were a chronic problem for Mefran). A more grassroots approach has replaced the company's centralised sales division (which was divided into five sections)."

WORLD

Mikhail Gorbachev begins perestroika (restructuring) and glasnost (transparency), putting an end to the arms race with the USA.

The Jordanian-Palestinian agreement, the Amman Accord, is signed and quickly undermined by a series of attacks, including the hijacking of the Italian cruise liner, the *Achille Lauro*.

Garry Kasparov becomes world chess champion.

EUROPE

Spain and Portugal join the EEC.

The first Schengen Agreement is signed between Germany, Belgium, France, Luxembourg and the Netherlands.

FRANCE

Bernard Hinault wins his fifth Tour de France, the last Tour de France to be won by a Frenchman. The competition becomes more international.

An Anglo-French consortium is created to build the Channel Tunnel.

The bombing of the *Rainbow Warrior* (Greenpeace – Auckland harbour) by French secret services shocks the international community.



A FULL RANGE OF INNOVATIVE PRODUCTS AND SERVICES
FOR OUR CLIENTS AROUND THE WORLD

1986

The Mefran Group develops an excellent reputation thanks to its robust materials and high-quality products featuring innovations introduced by its research units. It's maxim: safety and productivity.

Mefran Entreprise becomes market leader in tubular scaffolding and expands in three areas: the creation of scaffolding complements, broadening its client base to industry and local authorities, and penetration into large urban markets.

Following this trend, the takeover of Socform brings new perspectives, a broader range of products and a production facility that is swiftly assimilated into the Group. The new skills enrich Mefran Entreprise. Production facilities are based solely in the south of France.

The acquisition of a new form of distribution by resellers lays the foundations for the Altrad Group. This distribution mode is better adapted to foreign markets and promises good prospects for growth.

The diverse distribution system (direct sales and retailers) requires compliance with strict marketing rules based on differentiation in brands, product characteristics, price and various distribution networks.

In late 1986 the creation of a holding company helps consolidate the Group's structure following Mohed Altrad's acquisitions of equity in different companies, including Mefran Suisse.

WORLD

The nuclear accident in Chernobyl signals the dire state of the Soviet economy.

The *Challenger* space shuttle explodes shortly after take-off.

The price of oil falls below 10 dollars a barrel: Saudi Arabia's production surplus (the Oil Glut) stimulates economic growth.

EUROPE

With Spain and Portugal's inclusion, the EEC now has 12 members.

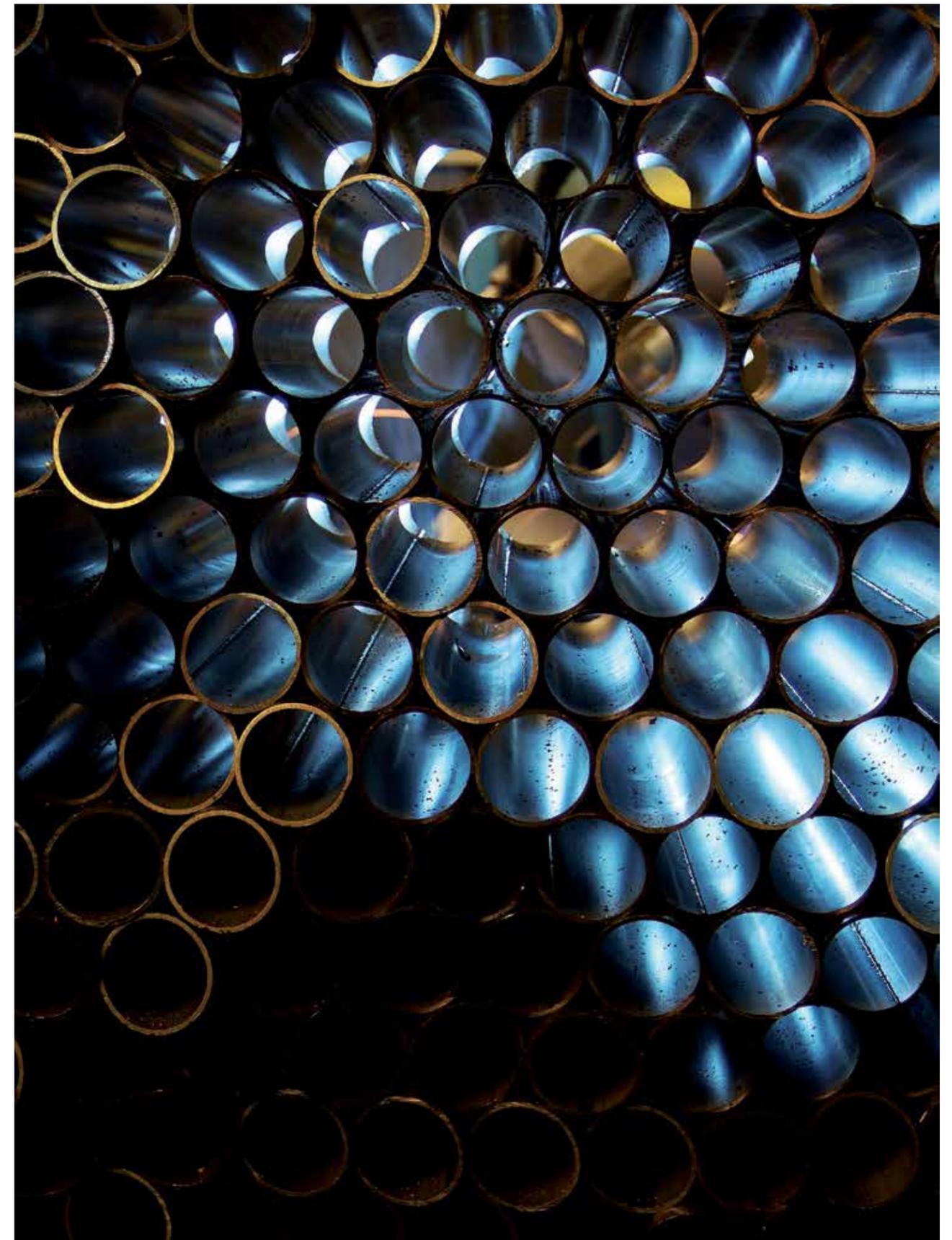
The Single European Act is signed, revising the Treaty of Rome of 1957.

FRANCE

A vast privatisation programme is undertaken, bringing the French treasury 100 billion francs through public share offers. Public banks (Société Générale, Paribas, Banque du Bâtiment et des Travaux Publics) and large construction companies (Saint-Gobain) are key sectors to be sold off.

The share offers attract nearly 20 million households.

ACQUISITION
Socform



A STRATEGY FOR EXTERNAL CONQUEST ALLIED WITH CONSTANT RESEARCH FOR SYNERGIES AND RATIONALISATIONS WITHIN THE GROUP: THE KEY TO DEVELOPMENT OF A WORLD LEADER

1987

The policy of customer-base diversification, begun in 1986, is consolidated with the creation of Mefran Collectivités, a structure that successfully targets France's 35,000 French local authorities, while boosting the workforces in factories. Efficient production, coupled with Mefran's distribution network enable swift supply of traffic barriers and podiums for public events. Immediate profitability enables the business to grow rapidly. The takeover of the companies Mag and then Mib are strategic, strengthening the Group through resellers and providing nationwide coverage through offices across the country. Mag has no production facility. Like Mefran Collectivités, the Mag takeover strengthens factory workforces and expands the Group's product range, introducing shoring props and trestles to the same clientele. In parallel, Mib's light scaffolding range develops Mefran's offer for artisans (painters and decorators).

Mib's own production unit is closed down. The Altrad Group creates a sales company employing Mib personnel and signs an outsourcing contract with the creator of Mib for production. The Group now has a national sales network with Socform in the south, Mag in the Paris region and Mib in the Rhône-Alpes. Encouraged by the prospect of the larger European market and the other major group's diversification policies, Altrad begins diversifying its activities and testing its limits. With promising profit forecasts for all companies and improved turnover across the board, the prospects for 1988 look good.

WORLD
The Earth's population reaches 5 billion.
The uprising by Palestinian youth against the Israeli army in the Gaza Strip marks the beginning of the Intifada.

EUROPE
The Hungarian economy is radically restructured. The relative political and economic liberalisation opens up trade relations with the West.
The Airbus A320 makes its maiden flight. With over 400 pre-orders, and 10,000 to come, the Airbus becomes the world's second-best-selling aircraft after the Boeing 737.

FRANCE
The opening of Futuroscope, "the park of the Future", a space dedicated to teaching, research and leisure in Poitiers. Despite its location, the park goes on to become France's second park in terms of turnover, behind Disneyland Paris.

Affected by events on Wall Street, the Paris stock exchange experiences two Black Mondays in October, stirring memories of the 1929 crash.

Birth of a major group in the luxury industry: LVMH.

ACQUISITION
Mib, Mag

CREATION
Mefran Collectivités



INNOVATIVE SOLUTIONS
FOR OUR CLIENTS

1988

The policy of external growth continues through the acquisition of Etem and of Sodetub, considerably reinforcing the Group and its catalogue.

Etem produces support structures for large-scale construction projects (scaffolding, shoring towers) from the Lot-et-Garonne region and offers extensive experience in working with major construction companies (Bouygues, Eiffage, etc.) as well as experience with major international projects. The nature of its clientele means it has a strong technical sales force. In addition, Etem leases its scaffolding in France.

Sodetub is a scaffolding hire business covering the Parisian market. Its professionalism in assembly and disassembly bring significant added value to the Group's hire activities, enabling it to provide a full range of scaffolding offers.

This swift growth is assisted by the input of major capital investors, BNP and Paribas, to a total of 4%.

The reputation of these key partners and the importance of their business network ensure solid support for the Group and the possibility of high-quality recourse.

Internal structures are further consolidated via the implementation of budgetary controls and the rationalisation of production sites.

The Altrad Group thus lays down solid foundations for the difficult years ahead: strict budgetary control, development of hire activities (which are more resilient than production activities), and the creation of strong synergies in production on the Mefran Entreprise and Etem sites.

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“We only take over companies that know how to do things and do them well, but that lack, for various reasons, the commercial dynamism or financial and technical resources needed today. Every business that joins us retains its characteristics and skills, and we work to enhance its qualities.”

WORLD

The Japanese economy experiences massive growth driven by exports and domestic demand.

The international markets see the launch of the first Russian loan since 1917.

The UN creates the Intergovernmental Panel on Climate Change (IPCC) to study global warming.

Following the Armenian Earthquake (25,000 dead), the UN adopts the principle: “Humanitarian assistance to the victims of natural disasters and similar emergency situations”.

EUROPE

A cooperation agreement is signed between the EEC and the member states of the Gulf Cooperation Council.

At the Luxembourg Summit, EEC Finance ministers decide to liberalise capital movements.

FRANCE

The Paris stock exchange is reformed and the previous management company is dissolved, a measure driven by the need to compete with exchanges worldwide

A new welfare allowance, the RMI, is created to combat rampant unemployment, financed by a new solidarity tax on wealth (ISF).

ACQUISITION

Etem, Sodetub



WORLD LEADER ACROSS
ALL OUR TRADES

1989

The multi-sector diversification of previous years is refocused on similar fields and synergies at the heart of the Group's activity. The process continues with the acquisition of the Ateliers de Saint-Denis (Vito, Océane, Loire Bétonnière), the French leader in cement mixers.

Ateliers de Saint-Denis consolidates the Group's position through its sales network, which provides access to individual customers via major retailers (Castorama, Mr. Bricolage, Point.P, Gedimat, etc.)

As the Group's diversity reaches a new level, it is also confronted by past difficulties. Everything must be reconsidered. Efforts are made to ensure coherence throughout the Group's operations, specifying each company's mission, reorganising sales teams, restructuring ranges and production sites, and updating management structures.

Streamlining manufacturing becomes a priority, requiring modernisation of plants and optimal stock management.

As its scaffolding and accessories divisions are already covered by other subsidiaries, Ateliers de Saint-Denis now begins to produce only cement mixers.

Solutions are tried as and when needed, and such difficulties provide the Group with considerable experience for devising and implementing the efficient management practices now in operation.

WORLD

The signing of the Canada-United States Free Trade Agreement lifts customs restrictions between the two countries.

An extensive plan to clean up the US banking sector brings back memories of 1933 and the New Deal.

The *Voyager 2* probe flies over Neptune, the last planet of the solar system.

The *Exxon Valdez* oil spill brings ecological catastrophe to the coast of Canada.

An unidentified protester blocks the progress of a column of tanks in China's Tiananmen Square.

The Dalai Lama, Tenzin Gyatso, wins the Nobel Peace Prize.

EUROPE

The fall of the Berlin Wall leads to the fall of the USSR. The liberation movement spreads rapidly in Eastern Europe.

FRANCE

A property bubble develops as the price per metre square doubles in four years.

The successive inaugurations of the Grand Louvre, the Louvre Pyramid and the Opéra Bastille put Paris in the spotlight.

Michelin becomes world's number one tyre.

ACQUISITION

Ateliers de Saint-Denis, brands: Vito, Océane, LB, Richier Béton



AN AGILE MANAGEMENT STRUCTURE RELIANT ON INDEPENDANT SUBSIDIARIES
EQUALS A STRONG ENTREPREUNERIAL CULTURE

1990

MERGER
Ateliers de Saint-Denis with Socform
Mag with Mib

The year sees the clarification of activities around four distinct structures: direct sales, sales via specialist distributor networks, materials for local authorities and hire activities. A targeted use of brands is implemented. Each brand has its own range, adapted for its own clientele. A new range of cement mixers is designed for DIY retailers: basic, light, multicoloured models. Altrad refocuses operations onto clients, while restructuring production facilities and their management entities. Ateliers de Saint-Denis merges with Socform, Mag and Mib, leading to major industrial investments, like Vito's rapid-colour change paint line. The Socform and Etem factories are transferred to Mefran. At the Socform factory the building of certain machines is taken over by an association encouraging social integration through employment.

The social impact of these changes (downsizing) is treated ethically.

The Altrad Group is obliged to regularly make adjustments and rationalizations, to best deal with the years to come. A large drop in planning permissions and building projects marked the late 1980s .

Internal and external growth are two parts of the same whole. The Group sets out to create hubs of activity around companies with their own distinct appeal. In order to succeed, the Altrad Group focuses on both external development – increasing market share and diversifying its ranges – and internal development, via stimulation of its subsidiaries' untapped potential.

WORLD
Nelson Mandela is freed: it is the symbolic end of apartheid in South Africa. Mandela continues negotiations (held in secret since 1984) with F. W. de Klerk and the apartheid government.

Iraqi forces invade Kuwait. The United States launches Operation Desert Shield. Troops, tanks and combat aircraft are sent to Saudi Arabia.

EUROPE
With the reunification of Germany, West Germany absorbs East. The total bill for the integration of the planned economy into a free market economy comes to DM1,000 billion.

In England, the reform of local rates, known as the Poll Tax, brings the demise of Margaret Thatcher, author of the restoration of liberalism in the UK.

FRANCE
As French welfare expands, a new social charge is levied to help finance it (CSG), applying to all income groups, whether wage earners or otherwise.

Violent rioting breaks out on French suburban housing estates, a sign of a chronic malaise among immigrants.

A number of major rivals in various sectors merge:
- the airline companies Air France, UTA and Air Inter;
- the water providers: Lyonnaise des Eaux and Dumez.



LONG-TERM DEVELOPMENT IN A COMPLEX ENVIRONMENT:
ECONOMIC CYCLES AND COMPETITIVE LANDSCAPES

1991

The Altrad Group's restructuring continues. Its nascent services division is proving unprofitable, despite the Group's close attention and its huge potential for development. After close appraisal, the buyout of Sodetub and Etem's services operations help the Altrad Group rethink its national presence: scaffolding yards, hire agencies, management methods, etc. Three services agencies are created in southern and western France (Venelle and Bordeaux, respectively) as well as in Paris. The development of this activity is made more difficult by the absence of financial resources and experience. The merger of two companies proves to be a culture shock. Sodetub is a small-scale family-owned company, poorly organised, with few procedures and methods. Etem is still suffering from the loss of its production plant and its commercial network, recently transferred to Mefran. And now its services division is to merge with Sodetub!

The new company struggles to find a scaffolding range suitable for its hire and services activities. The national context does not help: clients prefer buying products rather than hiring them. The construction industry is in crisis, with a large reduction in construction projects. Etem's sales activity, which has transferred to Mefran, retains its brand and product range. The Altrad Group rightfully begins to take a more prominent place on the French economic landscape. Its fundamentals, however, remain fragile in a lacklustre environment.

WORLD
The first Gulf War enables the evacuation of Kuwait.
Operation Desert Storm neutralises the Iraqi army and brings the coalition swift victory. Questions are posed about its real effectiveness.
Mount Pinatubo volcano erupts bringing global consequences; temperatures around the world cool by an average of 0.6°C over the next three years.

EUROPE
The USSR and Yugoslavia break up following demands for independence from their constituents.
The creation of the EBRD will help reform the economy of the former Eastern-bloc countries.

FRANCE
Edith Cresson becomes the first female prime minister of France.
CGE becomes Alcatel-Alsthom.
A bill is passed to tackle alcoholism and cigarette addiction, prohibiting smoking in public buildings and controlling advertising.

WORLDWIDE DEVELOPMENT: LESS VULNERABILITY TO LOCAL ECONOMIC FACTORS, DEPLOYMENT IN HIGH-GROWTH ZONES; MONITORING OF GLOBAL CLIENTS, SOURCING, CONTROLLED PRODUCTION COSTS



1992

The financial crisis, which began in 1990, hits France. The construction sector, the Altrad Group's main operating area, is deeply affected. 1992 sees a drop in turnover of around 30%.

Banks are reluctant to invest, despite the Group's stable finances. Financial institutions shun the Altrad Group and borrowing becomes practically impossible.

The Group's debts have been cut by half since the 1989/90 financial year, without any further borrowing. The share of working capital (WC) is reduced by almost 40% over the same period.

Financial management requires extra vigilance and careful deployment in order to resize the Group.

Priorities are re-evaluated. The Group is forced to lay off a third of its workforce and reduce stocks by 30%. Investments come to a halt.

This is the first recession the young Altrad Group negotiates and the experience helps develop its resistance, making it more robust. It is a steep yet necessary learning curve for all involved, to aid the Group's survival and its long-term development.

Operational efficiency, value assessment, tight budget management and cost limitations become the company's new cornerstones.

The Altrad Group's ability to anticipate prepares it for the challenges to come.

*

"To anticipate any further downturn in activity, we took advantage of the 1992/93 financial year to lower the company's break-even point, taking stock of all areas in all our companies.

We lowered the break-even point by over 11 million francs, i.e. roughly 4% of the Group's consolidated turnover."

WORLD

117 heads of state and government leaders meet in Rio de Janeiro for Earth Summit to define three areas for sustainable development: the environment, society and the economy.

China officially opens to a "socialist market economy".

The disintegration of Yugoslavia gives way to wars in Croatia and Bosnia-Herzegovina. Dubrovnik, a UNESCO heritage city, is destroyed. The city is defiant; its slogan: "Liberty is not sold for all the gold in the world."

The second round of the Algerian legislative elections is cancelled to avoid the possible victory of the Islamic Salvation Front. The military takes power.

EUROPE

The Maastricht Treaty is ratified by referendum after heated discussions in various states.

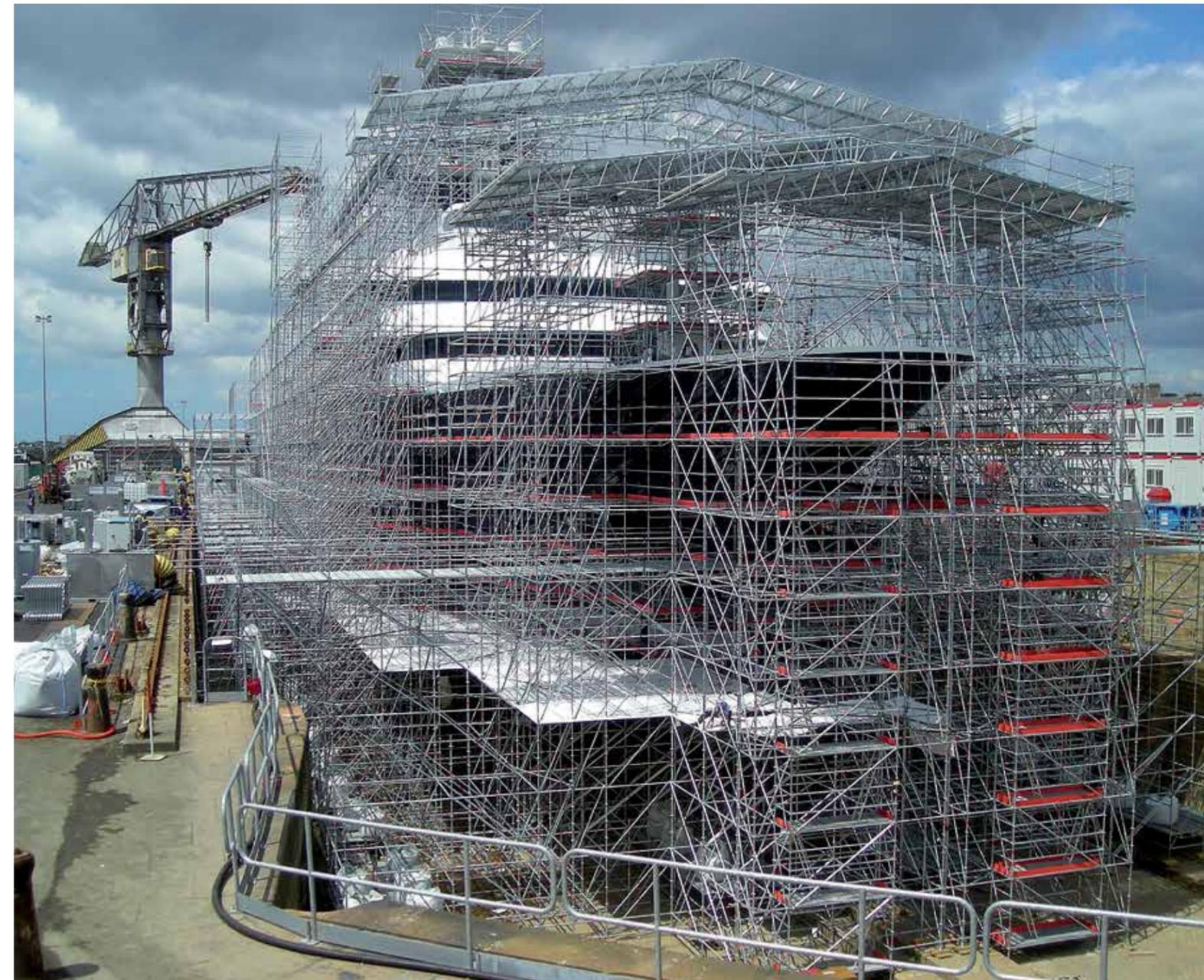
The Common Agricultural Policy is reformed to adapt to changes in agricultural markets over the past thirty years and the financial possibilities of the EEC.

FRANCE

The homeless charity, "Restos du cœur", is registered as a charity by the French state.

The status of dock workers is reformed.

The Matra, Hachette and Lagardère group is created covering a broad range of industries: space, defence, communication, media and publishing.



INTEGRATION OF HIRE AND SERVICES, RECURRING ACTIVITIES,
PROVIDE FACTORIES WITH ADDITIONAL OPPORTUNITIES

1993

The Altrad Group has proved itself; though the scars are visible it emerges from the recession better than many in the sector, whose poor management has put them in a weak position.

The experience gleaned and results achieved over the last few years give the Group a distinct competitive advantage, facilitating new growth.

The recession forces many in the sector file for bankruptcy. Such is the case with Mefran's long-time "enemy", Michel Frères. The, company, created in the 1950s, is located a few kilometres from Florensac.

Michel Frères' scaffolding range is similar to Mefran's, however it has one competitive advantage: its modernised production line producing steel and aluminium footboards.

Michel Frères has its own direct sales network and a retail network.

The takeover of Michel Frères's assets is an opportunity. For the employees and managers it is a hard blow.

Michel Frères joins the Group as part of its already existing rationalisation policy.

The direct sales network is retained. The distribution network is closed down, due to a limited product range.

The skies begin to clear, but doubts and uncertainty remain on the horizon.

WORLD

The Oslo Accords demonstrate desire for peace between Israel and the PLO, who sign letters of mutual recognition. Hamas reacts by attacking the settlers, and Israel retaliates against Arab populations.

Russia plunges into recession. President Boris Yeltsin encounters opposition from the Duma but finally prevails after dissolving parliament and the election of a new one.

EUROPE

The European Monetary System (EMS) is troubled by speculative attacks on the most vulnerable currencies, and so introduces a new fluctuation band within the EMS of 2.25% to 15%. The measure brings a halt to speculation.

The opening of the single European market enables the free movement of capital, merchandise and services within Europe.

FRANCE

With the French economy in recession, unemployment, already a chronic problem for the last ten years, rises sharply.

A second wave of privatisation sees the sell-off of 21 national assets.

Mobile phones make their first appearance on the French market.

Although still nationalised, the Banque de France becomes independent.

ACQUISITION

Michel Frères



DEVELOPMENT OF HIGH ADDED PRODUCTS AND SERVICES FOR BETTER DIFFERENTIATION

1994

Company bankruptcies fall by almost 7%, especially in the construction and public works sector and business services, a first since 1989.

As the recession eases, aggressiveness in the market is often a sign of the end of a cycle. Anjoum etal, a struggling competitor, falls victim to the situation. The company specialises in products for local authorities and its range of "Platforms" is well respected.

It is the Group's first acquisition in the local authorities area. The Altrad Group takes over the brand, certain assets and some staff.

The Altrad local authorities division is now enhanced by the input of a new product range, skills and clientele.

The takeover inaugurates a series of acquisitions, and the future fulfils the hope this buyout generates.

Quality is declared the year's priority. For the Group it is an essential condition of longevity and penetration in certain markets, especially abroad.

Ongoing consultation between subsidiaries is the focus of concerns. Altrad instigates an annual seminar bringing together all the Group's executives, which becomes an integral part of the Group's calendar. The event fosters coherency and builds relationships between companies. It helps the smooth running of operations between companies and provides support for strategic changes to the Group's operations. Cohesion between directors is especially reinforced, a good sign of the Group's unity when confronted by the challenges of national and international competition.

*

"Consolidating what we had, while also leveraging development opportunities and resolving integration issues concerning new acquisitions was a huge challenge. Quality, financial independence and control were vital issues for the year."

WORLD

The North-American Free Trade Agreement (NAFTA) eliminates customs barriers between the United States, Canada and Mexico.

Genocide begins in Rwanda just as the United Nations ratifies a vast reduction in the number of peacekeepers on the ground.

The fundamentalist Sunni Muslim Taliban movement begins its "holy war" against the government in Kabul.

EUROPE

The Channel Tunnel is inaugurated.

The first meeting of governors of the European Monetary Institute takes place, an intermediary body that paves the way for the single European currency, monetary union and the creation of the European Central Bank.

FRANCE

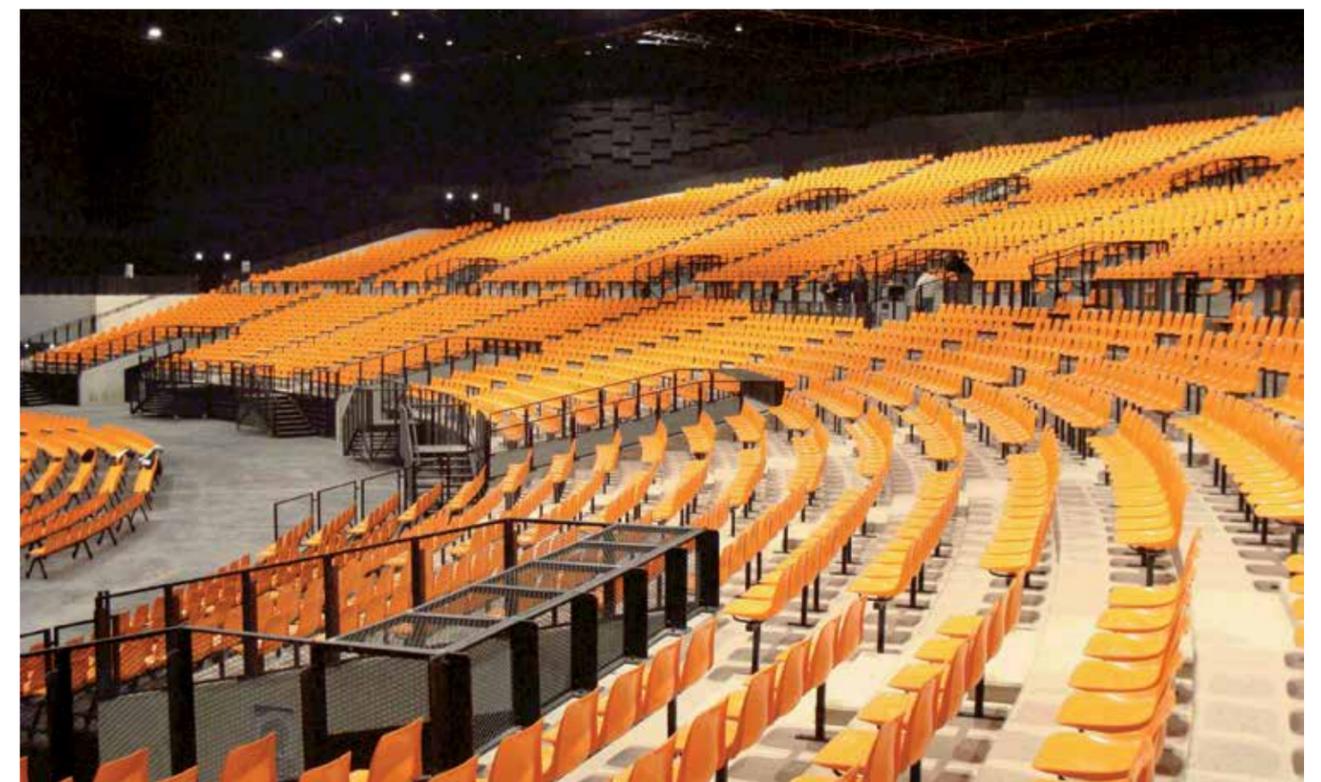
The Chauvet cave is discovered in the Ard che department, a treasure trove of cave art from the Aurignacian period dating back 36,000 years

Draconian measures are taken to reduce the budget deficit.

The Cr dit Lyonnais bank falls victim to risky management practices in recent years and the unsatisfactory control of ad hoc authorities.

ACQUISITION

Anjoum etal



CONSTANT IMPROVEMENT TO PROCESSES AND PROCEDURES IS AN INTEGRAL PART OF THE ALTRAD GROUP'S MANAGEMENT PHILOSOPHY

1995

The resumption of the Group's investment policy reflects a desire to ensure a new stage of growth.

Two new companies join the group, Samia and Soframat.

The first, Samia, has a long-established reputation providing products for local authorities and performances. Despite the innovative designs and materials of its products, the company has not managed to avoid liquidation.

Altrad takes over most of its assets, its commercial network and brands.

Recovery is swift thanks to lower fixed costs, a motivated workforce and the development of synergies with the Group's subsidiaries: Altrad Collectivités and Anjoumétel.

Today Samia is one of the Group's most dynamic subsidiaries.

The second, Soframat, specialises in formwork and shoring and was very hard hit by the downturn in the construction sector. This weakening, coupled with its high debts, led to bankruptcy.

By expanding its range Altrad extends its influence in the construction equipment market.

Soframat's integration into the Group is facilitated by its vast rental stock, a nearly amortised fixed asset. Soframat opens the door to major construction projects in competition with large enterprises.

The Altrad method for recovering companies is now known and proven.

*

"This year is part of a continuous consolidation and development. With the resumption of investments, it demonstrated our maturity and sharper thinking."

WORLD

The World Trade Organisation (WTO) is created in Geneva, an intergovernmental group of 77 member states set up to regulate trade under the GATT agreement. The central body provides a permanent organisation to replace the system of temporary contracts.

In South America, MERCOSUR is set up, a regional common market involving Brazil, Argentina, Paraguay, Uruguay, Chile and Bolivia.

EUROPE

Europe expands from 12 to 15 members with the entry of Austria, Finland and Sweden.

The plan for a single common currency takes form. The "euro" is due for introduction 1 January 1999.

The oldest British bank, Barings Bank, goes bankrupt following a single trader's risky positions on derivatives markets.

FRANCE

The social climate deteriorates due to lingering unemployment and job insecurity. The country experiences a wave of strikes. All partners agree that the welfare state requires immediate financial reform but bill debated in parliament is not to the liking of public enterprises.

Paris and Lyon fall victim to a wave of terrorist attacks.

ACQUISITION

Samia, Soframat



INTEGRATION OF THE NOTIONS OF OPERATIONAL EFFICIENCY, VALUE, STRUCTURAL COST LIMITATION AND BUDGETARY RIGOUR

1996

The Altrad Group consolidates its position among local authorities by taking over Devianne Duquesnoy. The Roubaix-based business is over one hundred years old. Its building is old, but has a vast surface area. Its production facilities however require modernisation. Its product range meets the quality criteria. Part of its catalogue is for electoral purposes – ballot boxes and polling booths; the remainder is similar to that of Mefran Collectivités, Samia and Anjoumétal. By reducing fixed charges and revising the product portfolio, recovery is swift and Devianne Duquesnoy becomes instantly profitable, like all other companies to join the Group.

The year sees reappraisal of the Altrad Group's local authorities division from two perspectives: cross-functional products and the transferral of production to different sites, with a low break-even point. Extension of the Group enables it to promote talent, offering greater career opportunities.

*

“We continued our projects begun the year before. The IT system was updated and linked up with a sales force equipped with laptops. After a year of study, Managment software was linked with Design software.”

WORLD

The Internet takes off (10 million computers connected compared to 100,000 in 1990).

The first ministerial conference of the World Trade Organisation (WTO). In 1996, world trade reaches 6,000 billion dollars, i.e. 21.5% of the world's GDP.

The triumph of the market economy boosts the globalisation process.

EUROPE

At the European summit meeting in Dublin, the European Fiscal Compact is set in place and will apply to all states adhering to the euro.

The emergence of mad cow disease results in the slaughter of many herds due to fears of contamination.

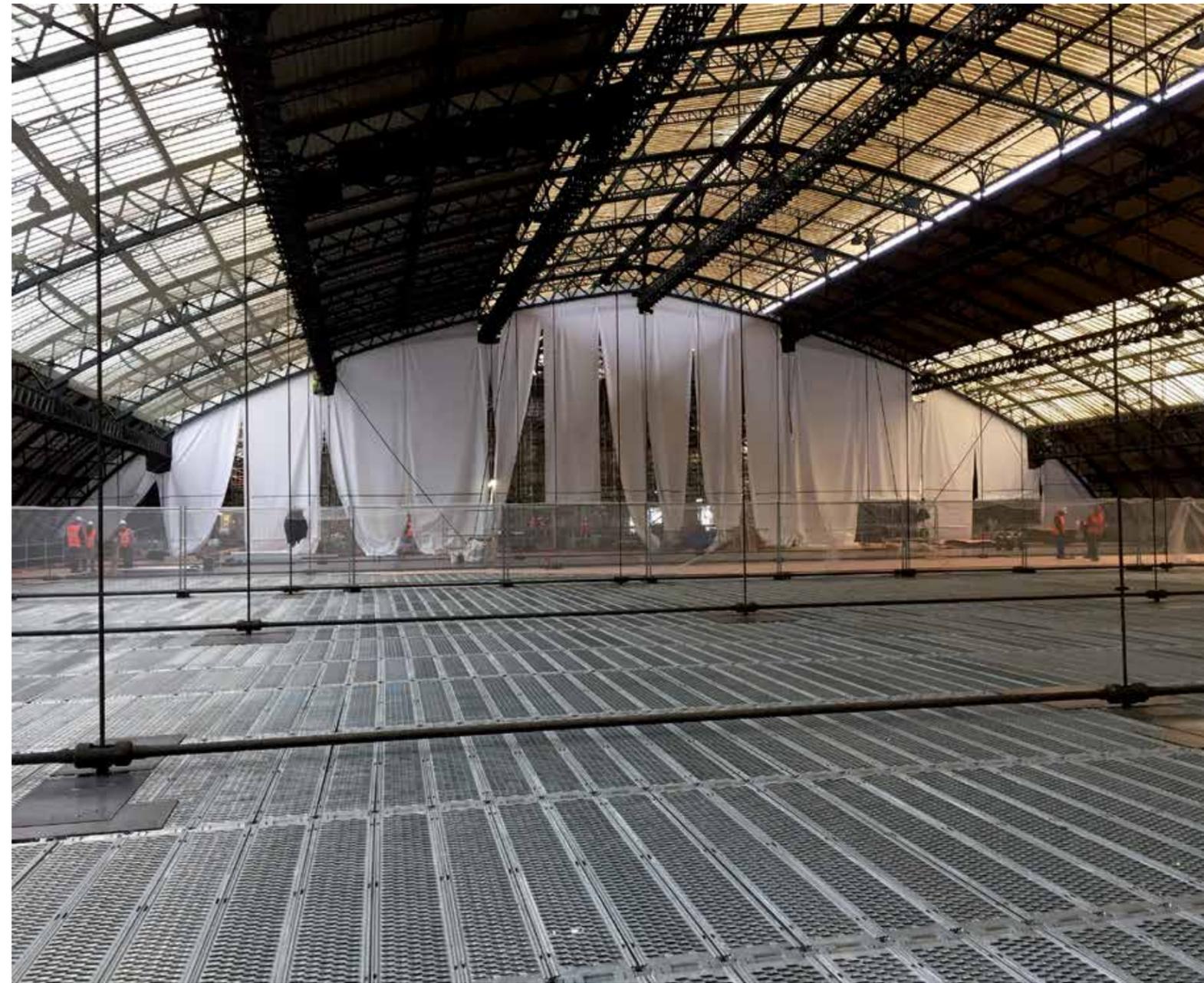
FRANCE

With the takeover of UAP, the AXA Group, itself a result of a series of mergers, becomes the second largest insurance group in the world.

France stops its nuclear testing.

ACQUISITION

Devianne Duquesnoy



OFFENSIVE DEVELOPMENT STRATEGY WITH THE SUPPORT OF LOYAL PARTNERS

THE GROUP GOES INTERNATIONAL

1997–2008

From the creation of the Italian subsidiary, Mohed Altrad knew, even before a plan had been formed, that the Group's path would lead to international takeovers. But there was something more, in the story of his own life, in his experiences, that made it even more inevitable: leaving the desert steppes to live in the city, he understood the immense wealth confrontation with another culture can bring, when we discover it, learn to respect and love it. Instinctively Mohed Altrad was thus infused with what would later become his great strength. His first discovery was that companies are not only economic tools; they also have a cultural role to play among communities in which they flourish. This dimension must be embraced or else companies risk losing touch with the men and women who are – second lesson – at their heart. Thus for Mohed Altrad it became doubly vital, on economic and human scales, to expand the Altrad family internationally.

With the purchase of dozens of businesses and business assets throughout Europe, as well as many new creations, this family of companies became the Altrad Group. Acquisitions remained, primarily, focused on core activities, production and sales, until 2005. The Group's first lesson in Europe were thanks to the Italian subsidiary, which served as a bridgehead from 1997. The opportunity

to consolidate the cement-mixer division, until now limited to Ateliers de Saint-Denis, first came in Italy, then in Germany and Poland. The two-stage international expansion strategy was then proposed: an initial experimental approach, with the acquisition of a subsidiary, enabling the Group to understand and quickly and productively test the viability of new markets; resources were then made available to make inroads into these markets. A series of tools were created: Altrad Tunisia in 2000 and Altrad Asia in 2006, for economically sustainable production; Altrad Groupe Logistics in 2001, to create a network connecting sites and territories; and finally in the same year, Altrad DIS, to expand the influence of local international subsidiaries on peripheral markets.

Internal and external growth were, as always, two parts of the same whole.

The Group also decided to unify activities around companies with some complementary forces in operation. To successfully create these connections, the Altrad Group combined external growth, based on its increasing market share and diversification of its offer, and internal growth based on stimulation the untapped potential of its subsidiaries.

The cement-mixer division, with its roots in Ateliers de Saint-Denis, was the first to benefit from this strategy; from developing locally, the company became a world leader in only fifteen years (1997–2012). Significant

acquisitions in economically dynamic markets and regions, like the German and English markets, enabled this development. These were rapidly followed by acquisitions in the Iberian Peninsula and Eastern European countries (Hungary and Romania). The fifteen “little” years were marked by a second recession, deep and lasting, which had a serious impact on the construction sector, while establishing the Group’s global leadership in this field.

From 1999 the scaffolding division followed the same route – Italy, Germany and Poland, then Benelux and the Iberian Peninsula. Via the creation of production subsidiaries the scaffolding division also expanded into Eastern European countries (Slovenia and Hungary). It took only six years for the Altrad Group’s scaffolding division to become the European market leader.

The range expanded: the wheelbarrow division – rooted in France with the Richard-Fraisse subsidiary – first internationalised into Benelux, then Austria and Italy.

Later the acquisitions of the cement-mixer companies Belle and Atika (UK in 2010 and Germany in 2012, respectively), then the wheelbarrow company Bragagnolo (Italy in 2012) completed the Group’s product diversification acquisitions, marking a return to its original markets, which it had mastered perfectly. This was a logical continuity of earlier developments, but it also brought a change in scale. Where in the past the Group had been able to draw on experience to help the streamlining and growth of each new family member, now more was necessary and the onus was on new horizons. In order to grow, the Group also had to change.

How to respond to this new challenge? Mohamed Altrad followed the same principles that had always guided him: dynamism, life and growth. Only this way could everyone

hold onto what they had gained was to open up to others and seize the chance to improve.

*

Ignoring the existence of the unique and diverse is not possible, particularly not within a company. You cannot deny them by brutally imposing a single culture – a common practice in the economic world, suppressing expression in the name of economics’ primacy – or organise their coexistence with adaptive measures, even if done in sincere respect for others.

This may seem trivial when the company is a global group. However, leaders sometimes spend a lot of time boasting of the number of different nationalities around the boardroom table, as though counting trophies, rather than creating a context where performance can thrive through difference. Valuing cultural specificity requires courage and daring. This also means (re-)considering the company’s men and women as assets rather than liabilities, going beyond numbers to afford employees their rightful place.

The true wealth of a business is derived from these differences, especially when a business is expanding and diversifying. They are not idle illusions, limits to overcome, obstacles to surmount or situations to tolerate: they have a real value.

Promoting cultural differences is the only positive, proactive position possible.

As in a cement mixer, the Group’s goal is to combine disparate materials (cement, sand, gravel and water) into a coherent whole, capable of adapting to variable constraints – the fluidity of liquid, the malleability of mortar and the solidity and durability of stone itself.

Applied to the scale of the Group, this same strategy led to the creation of the “Altrad spirit”, founded on strong, unifying common values: independence, combined

with a respect for differences – of nationality, language and religion.

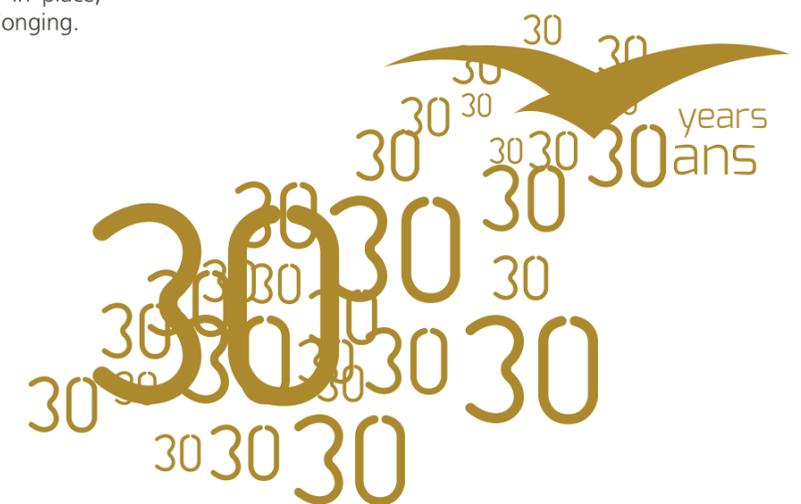
It is within this spirit that all members, regardless of site, profession or hierarchical position can find their place and recognise each other. All forms of interaction, at every level and by all available means, regardless of time and place, should foster this ambitious goal and be encouraged towards this end.

This is the only way to create a context where cultural differences can be promoted and where respect is a natural, spontaneous reflex, an instinctive way of being and doing. Only human exchanges are able to project, support and elevate this shared reality, built together for the benefit of all: the Altrad culture

This managerial philosophy began with the simple fact that before its integration into the Group, each business already has its own unique culture, history, values, ethics, strategies, language, community and psychology.

Throughout its history the Altrad Group has demonstrated its commitment to this principle of dynamic, positive integration, which not only ensures the preservation of the acquired company’s culture, but also takes advantage of this to enhance and develop its own global culture.

As proof, contrary to general business practices, following acquisition the management team usually remain in place, affording an important sense of belonging.



1997

The rate of acquisitions accelerates. 1997 is a dynamic year. The Altrad Group takes over four businesses, two in France and two in Europe.

The number one German cement-mixer manufacturer, Lescha, located near Munich, has not escaped the crisis in the sector, which also affects the whole of Germany. Lescha has a modern factory with quality machinery, and a highly qualified workforce. During the takeover, the Altrad Group strives to reduce the production facility's costs, despite the low takeover price. The workforce is reduced and debt eliminated. The Group makes commercial innovations, creating an entry-level range for mass retailers (GSB) to complement the high-end products sold via distributors.

Bada is an important distributor for the brand, and one of Michel Frères' key customers. Its buyout means taking on heavy unpaid debts, but it is also an opportunity to extend the Group's geographical perimeter and add valuable commercial skills.

Further upstream, and in the same vein, the takeover of Eurotol, a major local subcontractor enables the Group to take control of Michel Frères' entire production chain. Eurotol specialises in metalworking and surface treatment. These takeovers now mean the Group has secured the whole production pipeline. Mefran Italia strengthens its position in Italy by taking over Europea, a company well known in the cement-mixer market. It offers products that complement those of the Group. Its distribution network and commercial scope via direct sales are definite bonuses.

*

"Apart from our takeover dynamic and the maturity of our integration processes, the Group was actually functioning on several wavelengths. Each takeover offered more than fresh opportunities. It also offered us the chance to complement aspects of sales and production, and to extend our ranges and networks."

ACQUISITION

Lescha Maschinenfabrik, Bada, Eurotol, Europea

MERGER

Soframat with Etem

WORLD

Hong Kong is transferred to Chinese control – having been a British colony since 1842 – according to the terms of the Treaty of Nanking.

Recession bites in South Korea and the Republic is forced to ask the IMF for assistance (\$60 billion).

At the UN conference on global warming in Kyoto, 160 countries agree to a reduction of 5.2% in greenhouse gas emissions before 2012.

EUROPE

In response to the increase in unemployment and under pressure from its 15 member states, the European Union adopts a budget stability pact with a social chapter. This is the Amsterdam Compromise, which also prepares for the EU's expansion to include Central and Eastern European Countries (CEEC).

FRANCE

A law establishing a 35-hour working week is approved by the French parliament.

National service is abolished in France and replaced by the compulsory Defence and Citizenship Day.

The water providers, Lyonnaise des Eaux and Compagnie de Suez, merge.



REINFORCEMENT OF MANAGERIAL SKILLS: ANTICIPATION, AGILITY, CONTROL OF ENVIRONMENTAL CHANGES, RAPID DECISION MAKING

1998

Since its genesis, the Group has improved the safety standards of its equipment. Manufacturing processes have been improved, and productivity and working conditions have also been a part of this same dynamic. The Group has developed and implemented good practices in industry and commerce, economising resources and respecting its workforce. Quality, ambition and results have been the watchwords. Rennepont, a leading manufacturer and distributor of high-end shoring props and a division of a larger group specialising in sawmill products, flounders as a result of the crisis in the sawmill sector. The Altrad Group takes over its assets and workforce, and swiftly sets about investments. Rennepont's collaboration with the Group's sales network soon brings stability and, in line with expectations, the company grows. Rennepont brings the Group valuable know-how, and in the wake of the Soframat takeover, it makes inroads into the large enterprise market.

In considering the Group's development, the impact of the monetary revolution to come should not be forgotten, with the imminent switch to the euro affecting all economic agents, especially European companies. The Group prepares for the change to the euro. Despite the complexity of the procedure, the switch is ultimately set to facilitate the flow of capital. Monetary union contributes to commercial dynamism and intra-European competition is an essential part of strategy.

WORLD

Russia's regime meets with its biggest crisis since the break-up of the USSR, aggravated by social unrest and recession.

Two 25-year-old Americans launch Google, a powerful Internet search engine.

EUROPE

11 countries adopt the single currency. The European System of Central Banks (ESCB) becomes an umbrella for the Central European Bank (CEB) and central banks of the European States, including those outside the eurozone.

The euro is introduced on to financial markets and is due to become a single currency in February 2002.

FRANCE

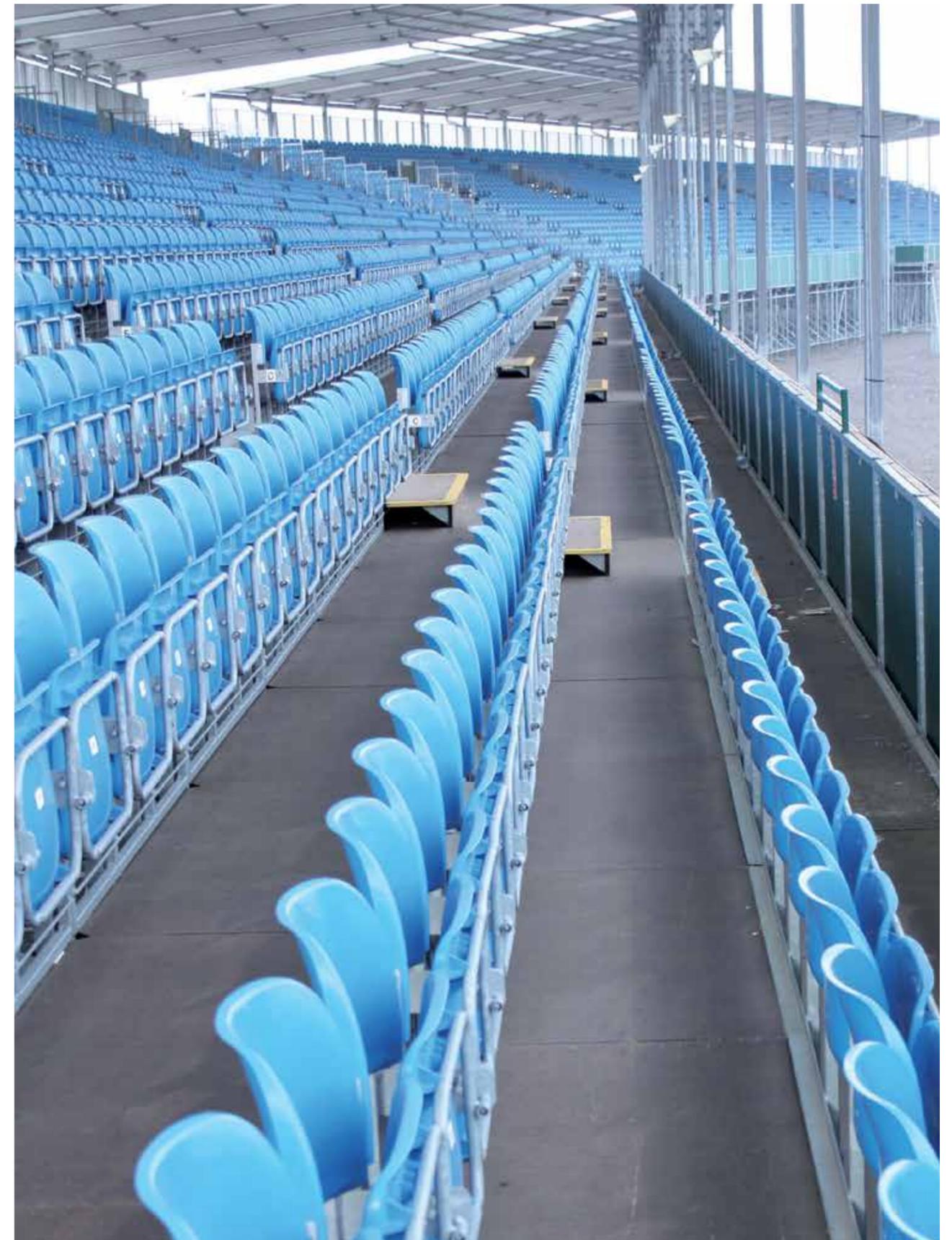
Assassination of the Corsican prefect, Claude Érignac.

Sell-off of the French state's last remaining assets in the finance sector. GAN is taken over by GROUPAMA, while Crédit Mutuel takes over CIC.

France wins the football World Cup for the first time in its history.

ACQUISITION

Rennepont



THE CLIENT IS AT THE HEART OF PREOCCUPATIONS: EXPERTISE, OPENNESS, RESPONSIVENESS, ANTICIPATION, EMPATHY, AVAILABILITY AND INVOLVEMENT

1999

ACQUISITION
Lérin, Sacem, Conmix's clientele and Semme

CREATION
Altrad Collectivités

MERGER
Samia and Devianne Duquesnoy's sales forces

1999 proves to be an eventful year. The formal creation of Altrad Collectivités, the local authorities division, enables rationalisation of operations, creating different divisions for commercial networks, products and the segmentation of its clientele with a range of catalogues.

The takeover of Lerin (in the Nantes region), a company in good financial health, supplements the Group's extensive range with products and accessories for the agricultural sector.

The Group also buys out Sacem, a shoring prop manufacturer based in Clermont-Ferrand, and merges it with Rennepont. The merger sees a revision of product catalogues, sales networks and customer segmentation. Sacem's production facilities are transferred to Rennepont.

The takeover of Semme, one of the Group's rivals in the scaffolding assembly and dismantling, enables it to expand its presence in the Parisian region to service activities.

Internationally, Altrad Italia strengthens its local presence, joining the export market via its acquisition of Connemix (in central Italy). The company outsources its production. Export is clearly its priority, while serving a share of the Italian market.

*

"It is not the Group's aim to be a giant of the industry. We have managed to stay loyal to our core business, while carrying out a ripple-effect strategy, gradually spreading our national and international presence. Our strategy is based on indisputable expertise in managing growth, whether internal or external, intra-Community or not. All stakeholders find advantages."

WORLD

Following the financial crisis of summer 1997 in Southeast Asia and certain South American countries, regulations are set in place for international financial markets: new prudential rules, the control of hedge funds and monitoring of monetary policies.

The WTO summit in Seattle constitutes a fresh start, with hopes and fears of globalisation and all its conflicts of interests. Consensus is, at best, minimal.

EUROPE

1 January sees the adoption of the euro, an important building block in the construction of Europe.

Portugal transfers Macau to China.

FRANCE

The "Internet" bubble boosts the stock exchange. The CAC 40 rises 5,000 points in one day. In early March a complex stock market battle takes place as BNP attempts a counter takeover of Société Générale Paribas, who had announced their merger a month before.

Over 13 years, the state has issued 400 billion shares through the partial or total sell-off of 18 companies.

An oil-spill from the *Erika* tanker pollutes the Finistère coast.

After heated debate, the Civil Solidarity Pact (PACS) offers same-sex couples civil union status.



THE STRENGTH OF AN INTEGRATED GROUP IN ALL THREE TRADES OF THE VALUE CHAIN: MANUFACTURE, DISTRIBUTION AND SERVICES. ALTRAD IS ALONE IN CHOOSING THIS DIRECTION

2000

ACQUISITION
Spomasz

CREATION
Altrad Tunisie

MERGER
Altrad Holding
with Altrad Développement

A new factory is built in partnership with a large Tunisian industrialist. The creation of Altrad Tunisia is an important stage in the globalisation process. Massive importation from China brings unfair competition for some products. The steady erosion of margins obliges a drop in production costs. Altrad Tunisia's inception proves effective: the subsidiary develops a solid place in the Group, and becomes a strategic asset. Turnover progresses steadily, driven by the Group's expansion. The company has a modest workforce of just over 120 people. The takeover of Spomasz, the number one Polish producer of cement mixers, allows the Group to extend its presence in Europe. Spomasz has a special role in Poland as a military supplier. It belongs to the state, providing it with silos and pressure cookers. The privatisation of Spomasz is subject to a call for tender coinciding with Poland's entry into the EU. It is viable but reforms are needed, including modernisation and a change of culture. The workload is low. Efforts undertaken bring the necessary changes and ensure its development.

The Group's streamlining continues with the merger of its two holding companies, which had been created for fiscal, legal and accounting purposes. This dual level of consolidation begins to prove costly.

*

"Absorbing other companies cannot be an end in itself. You have to have an idea of the kind of homogeneity you are trying to achieve, which requires taking control of the value chain. The group found itself in an opportune position thanks to its proven and credible strategy based on production capacity, an ability to innovate, product quality and tailored communication. The dynamics of the previous four years has led to the doubling of turnover, to €122M, while maintaining a significant return on investment."

WORLD

The greatly feared Millennium Bug does not materialise, but costs businesses billions of dollars in preventative measures.

Stock exchanges reach record levels as a result of the Internet bubble, before losing up to 80% of their value in the years to follow.

The Russian submarine *Koursk* sinks with 118 sailors on board.

The second Intifada begins in Palestine.

EUROPE

The plan to combat the Mad Cow epidemic sees the banning of bone meal across Europe.

AIRBUS joins forces with several European aeronautical firms to become EADS.

FRANCE

Following a referendum, the length of the French president's mandate is reduced from seven years to five.

The 35-hour working week becomes law for businesses with more than 20 employees.

An Air France Concorde flying to New York crashes into a hotel near Roissy: 113 people die.



VIGILANT GOVERNANCE: TRANSPARENCY OF FINANCIAL INFORMATION,
RISK MANAGEMENT, ETHICAL RULES, INTERNAL CONTROL
AND ADMINISTRATIVE INDEPENDENCE

2001

CREATION

Altrad Groupe Logistics, Altrad Dis, Altrad International

Thanks to its visionary spirit, Altrad begins the third millennium with a calm and confident outlook.

“Life is built every morning”* 2001 sees more companies and brands created to fulfil the business plan.

The company’s network of production and distribution sites requires more efficient connectivity for greater fluidity at a reduced cost, as rates for transport and logistics have increased.

Altrad Logistics is created to optimise costs and services, both for customers and within the company. The company can now call on a wide palette of partner transport companies.

In parallel, each subsidiary manages its own exports. The growth of the Group’s international turnover requires a structured and efficient strike force. From the outset, Altrad International becomes the spearhead of the Group’s presence outside France.

The acquisition of multiple international subsidiaries requires a series of different plans for adaptation to each market.

Selective inventory control is implemented to prevent international and local subsidiaries from competing.

In the same vein, the Group creates a specific brand, Altrad Dis, targeted at distributors and wholesalers of products for local authorities, a target as yet unexplored.

*

“The industrial structure has not been frozen in recent years. Its simplification has enabled us to focus the Group’s industrial core.

We have to defend this core by consolidating our foundations and resources across the board. It has become increasingly clear that the Group’s growth can only come from its internationalisation.”

* The Group’s slogan at the beginning of the millennium

WORLD

In the United States, the September 11 attacks kill more than 2,700 people, marking a new era of international terrorism and the resumption of conflict in Afghanistan.

The Russian MIR space station breaks up in the Earth’s atmosphere.

EUROPE

To facilitate access to new members, the European Council decides to create a convention in order to reform institutions.

Greece joins the eurozone.

The European Commission decrees an embargo on British cattle following the discovery of foot-and-mouth disease.

FRANCE

The explosion of the AZF factory in Toulouse kills 30 people, with thousands injured. The petrochemical company TOTAL is blamed.

Parliament passes the “Taubira law”, which acknowledges slavery as a crime against humanity.

A law governing new financial regulations for companies (NRE) is passed, and published in the official gazette for corporate social responsibility.



FLEXIBLE ORGANISATION WITH A LOOSE AND DECENTRALISED HIERARCHY FOR IMPROVED RESPONSIVENESS, TO SIMULATE CREATION AND INNOVATION

2002

The Group is in fine working order. Newly created subsidiaries (logistics and international development) enhance its already strong industrial network. Investments can begin again.

The year's first acquisition is Baumann, a major player in the scaffolding and construction industry equipment sectors in Germany and with a modern and efficient manufacturing plant in Poland, jointly owned with Mosostal, a leading steel producer. The company is very similar to Mefran, with equivalent products and distribution networks. An exclusive distribution network operates in Germany and for exports.

The Baumann group has had decades of growth and profitability, but the construction sector's crisis has severely undermined it. With both Lescha and Baumann in Germany, Altrad consolidates its position, expanding and intensifying its presence in Austria, Switzerland and northern Italy too, presenting opportunities to pass product ranges between networks.

The second acquisition concerns the British company Baromix. Great Britain's second biggest cement-mixer manufacturer is a rival of Belle, a major English cement-mixer producer. Baromix matches the Group's norms and product synergy is achieved. These two important acquisitions are the first in the major European countries. The impact on the Group's financial stability is neutral, and even, in terms of cash flow, positive. Appraisals and budget forecasts prove correct and the companies soon grow.

*

"Developing abroad is not a religion for us. Far from it. It is the translation of the vigilance with which we monitor opportunities arising elsewhere. If an opportunity to consolidate our product range or improve the efficiency or coherency of our already existing networks arise, we take it."

WORLD

Ingrid Betancourt, Colombian presidential candidate, is kidnapped by the FARC.

Shanghai is elected as home to the 2010 World Expo. It is the first time in 150 years that a developing country is to host the event.

EUROPE

Euro notes and coins are distributed in the 12 eurozone states.

The *Prestige* tanker sinks off Galicia producing a vast oil slick from the Spanish coast to Finistère.

FRANCE

In the space of five months, both President Jacques Chirac and Paris mayor Bertrand Delanoë survive assassination attempts.

President Chirac is re-elected in the presidential elections of 2002 with a majority of 82% of the vote, a result unusual for a western democracy, in response to the republican front blocking the extreme right.

The Eiffel Tower records its 200 millionth visitor since opening to the public.

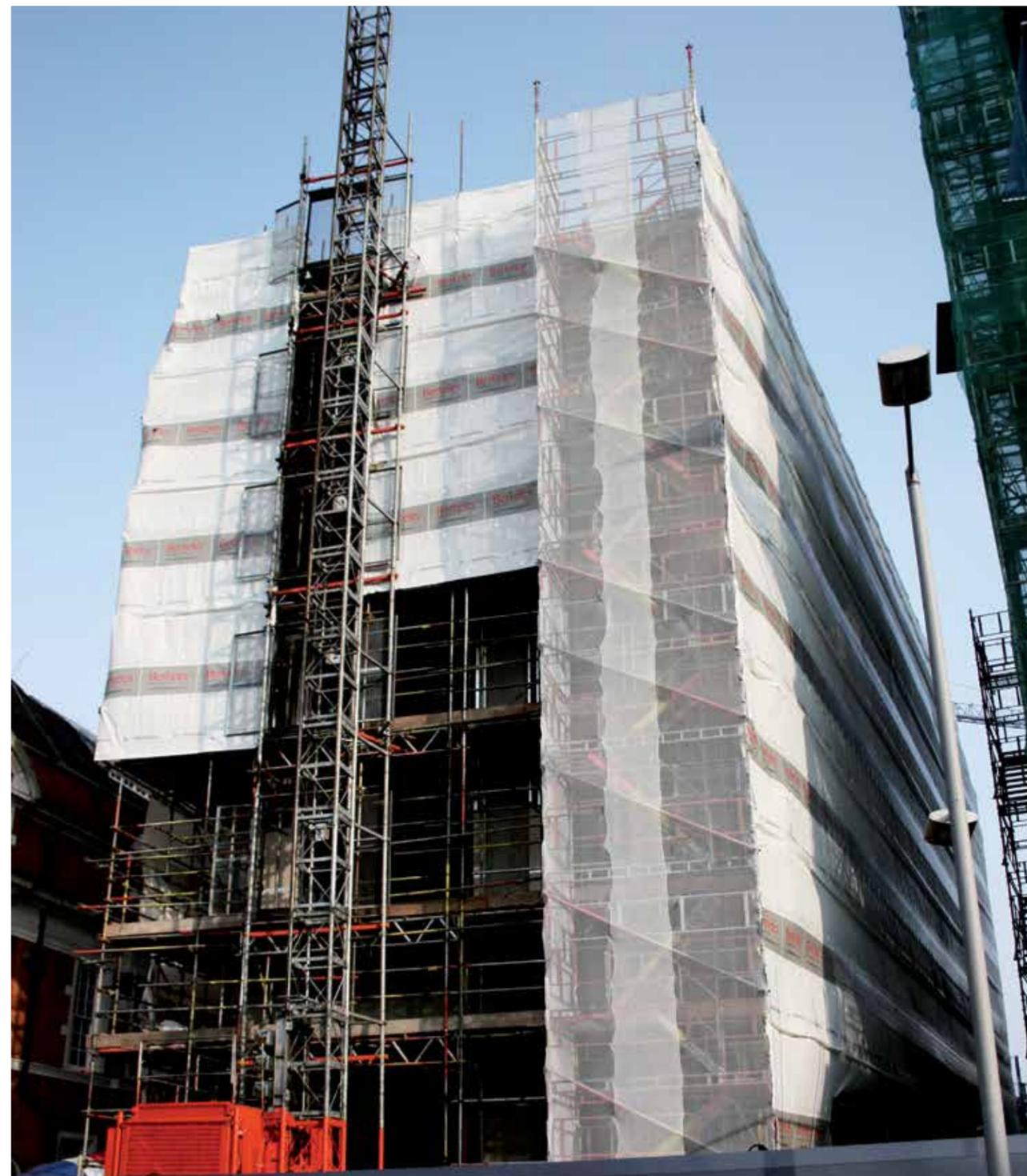
CO-RESPONSIBLE MANAGEMENT WITH RIGHTS AND DUTIES: A LIMITED RESTRICTION ZONE FIXING RULES AND PRINCIPLES, AN EXPANSIVE DEPLOYMENT ZONE DEFINING THE SPACE FOR FREEDOM

ACQUISITION

Baumann-Mostostal (48%)

CREATION

Altrad Baumann, Altrad Baromix



Berkeley
Designed for life
Stunning riverside development of
1, 2 and 3 bedroom apartments and penthouses
T +44 (0)20 7871 0011
www.onetowerbridge.co.uk

2003

Buying out Arnholdt is a major gamble. The Group's hire and services division (Sodetub, Soframat, Semme, Etem) compete directly and indirectly with some of the clients who purchase the Group's products to sell on to their own clients. Such activity remains sufficiently low key to avoid their discontent. With its network of agencies and national coverage, the takeover of Arnholdt changes everything. The hire and services division is in danger of becoming a threat to the Group's clients. The Group decides to transgress all marketing theories, which suggest closing the division. Altrad does not have the same influence in rental as its competitors and cannot realistically grow without a high-risk initiative on its part. The future of the hire division is still uncertain despite its potential. Sales still dominate: sales practices are ingrained. These conditions of uncertainty reign when Altrad buys out this key subsidiary from a German group.

The strategy turns out to be a stroke of genius. Altrad is quickly making its mark in the hire and services sector, effectively preparing for the Group's future. In the coming economic crisis, the Group's second, these activities will prove more resilient than others. The year marks the beginning of great changes: the transformation of an industrial group in the process of internationalisation into a global service provider, with a strong production base.

*

"Seizing an opportunity to strengthen power by taking advantage of a rival's weakness is justified. The conditions and compliance with objectives of each acquisition is researched in-depth, so that the transplant successfully takes hold."

WORLD

The American space shuttle *Colombia* disintegrated with seven crew members on board.

As part of the Iraqi crisis, an Anglo-American military operation is launched.

The Cotonou Agreement is signed by the EU and 77 African, Caribbean, and Pacific (ACP) states to replace the Lomé Convention.

Talks at the WTO conference in Cancun, Mexico break down.

EUROPE

Former French president Valéry Giscard d'Estaing proposes his reforms for EU institutions, in actuality a draft constitutional treaty for the future of Europe.

FRANCE

France declines to join forces with the United States in invading Iraq.

Like elsewhere in Europe, summer is marked by a severe heat wave. The number of deaths is estimated at 15,000 people, mostly elderly.

ACQUISITION

Arnholdt



RIGOROUS CASH MANAGEMENT IS ESSENTIAL TO THE GROUP'S CONQUEST STRATEGY AND PRESERVATION THROUGH PERIODS OF CRISIS

2004

The Group's international vocation takes on its full meaning this year. Acquisitions allow the Group to attain critical mass, supported by over twenty external growth operations. Altrad takes over Plettac, the second biggest scaffolding manufacturer in Europe. The Group wins a call for tender involving over 40 potential buyers. Plettac fail because of its policy of financing insolvent clients. Crisis in the construction sector and the reunification of Germany change the context. Plettac's assets are comprised of a production facility (APP) and a distribution network (APA).

The most recent of its two production facilities is most likely the world's most modern and best equipped.

The Group also buys out Plettac's Belgian, French and Spanish subsidiaries. Havico becomes Altrad Benelux, providing distribution in Belgium and the Netherlands. The Group also purchases Liv, a Slovenian-based manufacturer and distributor of concrete mixers and wheelbarrows covering the territory of the former Yugoslavia.

From the position of challenger, the Group becomes the de facto European leader in scaffolding. Its image is reinforced by its good reputation in the sector and its quality products.

Existing commercial networks open up previously inaccessible markets. The Group is able to consolidate its immediate presence and impact on markets in several European countries, especially Germany. Plettac's export policy enables inroads into a dozen other European countries.

Altrad also launches a new range of lift tables, under the Altrad Elevation brand.

*

"External growth remained compatible with the Group's financial capabilities, as new subsidiaries did not lack underlying assets, and their activities didn't encounter any major interruption."

WORLD

2004 is declared the International Year to Commemorate the Struggle against Slavery and its Abolition; commemorating the bicentenary of the beginning of slavery's abolition in America and the declaration of independence in Haiti and slavery's abolition in that new country.

The *Spirit* space probe beams back the first photos of the planet Mars.

A devastating tsunami in Southeast Asia claims more than 225,000 victims.

Nokia creates the first cell phone with an integrated camera.

Facebook launches its social network.

EUROPE

The EU expands from 15 to 25 members; all ten new members signed the Treaty of Accession on 16 April 2003.

Explosions in Madrid cause over 200 deaths with more than 1,500 wounded.

FRANCE

The monumental 2.5 km long Millau Viaduct, spanning the Tarn Valley, is inaugurated by President Jacques Chirac.

A bioethics law banning human cloning is voted through the National Assembly.

The battle against discrimination continues: 40 businesses sign the Diversity Charter. France creates the Equal Opportunities and Anti-Discrimination Commission (HALDE), chaired by Louis Schweitzer, Renault's former CEO.

CREATION

Altrad Plettac Assco, Altrad Plettac Production, Altrad Elévation, Altrad Plettac France, Altrad Plettac Iberica, Altrad Havico, Altrad Liv



GENERAL INTEREST DOMINATES WITHOUT CONFLICTING WITH INDIVIDUAL INTERESTS

2005

All the Group's activities experience growth this year.

The takeovers of Richard-Fraisie and Fort enable Altrad to become European leader in wheelbarrows, a sector that faces a sustained fall in prices. New large specialist retailers in DIY and gardening and the arrival of low-cost products from China disturb the balance of a sector already facing crisis.

This is the case with Richard, created in the 1950s near Bordeaux, which had just taken over Fraisie.

Altrad takes over all assets and begins major restructuring. The Group retains only the Libourne site and outsources certain components. Altrad networks replace distributor sales network. The company returns to profitability and becomes Altrad Richard Fraisie.

Fort, a Dutch company based in Tiel, and its Canadian subsidiary undergo the same process.

Altrad Saint-Denis creates the Color Evolution brand of cement mixers: a catalogue of lightweight attractively designed products for painters and decorators.

The takeover of two businesses sees the local authorities division expand. Famea Eca is created to take on board the assets of Agen-based Famea and Eca: commercial assets and a factory specialised in tubular products. It also buys out Vedif, a specialist in products for local authorities.

In scaffolding, the Group takes over Plettac's last remaining subsidiary. Altrad Alucon (Hungary) specialises in aluminium: footboards, as well as mobile and fixed scaffolding.

In acquiring the remaining 52% of the shares, the Group takes total control of Baumann-Mostostal, the leading scaffolding producer and service provider in Poland. It is a major exporter throughout Eastern Europe.

In addition, the Group also begins to offer new services to facilitate sales to certain customer, with financing through Altrad Finance.

WORLD

The death of Pope John Paul II causes great emotion worldwide.

Hurricane Katrina hits Louisiana in the United States, leaving 1,200 dead.

EUROPE

After a "no" to the referendum to the European Constitution, deemed "unreadable" by some, Europe is left without a constitution.

For the first time a woman, Angela Merkel, presides over the future of Germany.

After 35 years of conflict, the IRA lays down its arms.

FRANCE

Two teenagers being pursued by police are electrocuted in a substation. The rioting their deaths trigger in urban areas spreads throughout the country.

The largest passenger plane in history, the Airbus A380 is revealed to the fascination of all. Designed for long-haul flights, the craft is capable of transporting 555-853 passengers, depending on its configuration, and has an autonomy of 12,500 km, i.e. New York to Hong Kong.

ACQUISITION

Famea ECA, Vedif, Fort, Fort Canada, Altrad Alucon, Baumann-Mostostal (52%)

CREATION

Altrad Richard Fraisie, Altrad Industrie, Altrad Financement, Altrad Color Evolution



TRUST IS ESSENTIAL

2006

The Group has the resources to deal with globalisation's effects, in particular the virtually unrestrained price competition. The creation of Altrad Asia enables effective sourcing in China. Raw materials and products once sourced in Europe are now available at lower costs. Altrad Asia conducts quality controls to guarantee meeting the Group's rigorous requirements. Altrad Asia also takes majority control of Sazt to secure supply sources. Through its success, Altrad Asia confirms its strategic importance the Group. The takeover of Balliauw, a Belgian family group, marks a decisive turning point in services and position Altrad as a significant player in Europe. Balliauw is specialised in service provision to industry, such as scaffolding and insulation, on the Benelux market. Its French subsidiary operates in the same sector. Balliauw owns another subsidiary that provides construction services.

The acquisition also provides opportunities for its production subsidiaries. The hire division makes inroads into the closed market of large-scale plants, such as in the petrochemical and nuclear industries. Vabor, a wheelbarrow manufacturer in Belgium, is integrated and reorganised in collaboration with Altrad Fort. Vabor is profitable from the first year of its takeover. The development of Altrad Cedria consolidates Altrad Tunisia's manufacturing potential. The Group experiments with a vertically integrated operation, taking over the German company, Faradit, one of the last surviving creators of tubes from steel.

*

"Our products and services have to cover all uses and sales possibilities; above all they have to appeal to major industrial plants as well as international projects. The buyout of Balliauw responds to this need."

WORLD

Global exports exceed 10,000 billion dollars; globalisation is in full sway.

Germany remains the leading exporter ahead of the United States, a place that China takes over in the course of 2006 with the addition of Hong Kong.

Muhammad Yunus, who founded a microcredit body for the poor and marginal in Bangladesh thirty years before, wins the Nobel Peace Prize.

EUROPE

The Euronext and New York stock exchanges merge.

FRANCE

Musée du Quai Branly, dedicated to indigenous arts, is inaugurated in Paris in the presence of the UN Secretary-General, Kofi Annan.

La Banque Postale is created, taking over the French post office's financial services.

ACQUISITION

Vabor, Balliauw, Faradit

CREATION

Altrad Asia, Shandong Altrad Zhongyuan Trade co, Altrad Cédria



FREEDOM AND PASSION: "DARE TO DO", THE FREEDOM TO ACT AND INITIATIVE AS CORE VALUES

2007

The previous year was marked by Altrad's strong international expansion. Its reputation is excellent, while the external growth strategy is consolidated by good results among new acquisitions. New subsidiaries experience swift, or immediate profitability, coupled with respect for their own cultural diversity. Altrad becomes a key actor in the sector, and is much admired for its buyout and integration policies.

This is what drives shareholders at Guy Noël, France's last remaining cement-mixer manufacturer, to offer Altrad the opportunity to take over their company based in the Ain region. The due diligence phase, between audits and negotiations, proves the company's compatibility, and acquisition ensues.

There is instant synergy with Altrad Saint-Denis at all levels: merger of distribution networks, optimisation of production sites and rationalisation of product ranges.

After Liv, Lescha and Baromix, the takeover of Guy Noël brings restructuring of the cement-mixer sector in Europe and worldwide. Only a handful of independent rivals survive.

Guy Noël's takeover of Roederer only several months after its own integration is proof of the operation's success. Roederer is a small wheelbarrow assembler supplying the French market. The company's products incorporate various components from China and target large retailers.

*

"The moment had come, it seemed, to implement a more comprehensive governance framework, based on partnerships and a balance between free enterprise and regulation, performance and the respect of rules."

WORLD

The subprime crisis hits subprime mortgages in the United States, the precursor to the financial crisis and global recession in 2008.

Apple launches its latest star innovation, the iPhone outside the United States; touchscreen, Internet connection, GPS, etc.; its high price makes it prohibitive to many.

South Korea's Ban Ki-Moon takes over from Kofi Annan as UN Secretary-General.

EUROPE

Even though the European Union's functioning is still limited since the rejection of the constitution, it continues to expand: 27 members with the entrance of Bulgaria and Romania.

FRANCE

In October, the French government creates an environmental commission, the "Grenelle de l'environnement", focusing on three aspects: global warming, reducing pollution and preservation of biodiversity.

The management boards of Gaz de France and Suez agree to merge. An energy giant is born.

ACQUISITION

Guy Noël, Roederer Distribution Solutions



CULTURAL DIFFERENCE AS A CORE VALUE: RESPECT OF ALL AND INTEREST IN EVERYONE

2008

In spring the construction and real estate situation in Spain sets alarm bells ringing. In Germany, Altrad Lescha has to cope with the ongoing drop in planning permissions. Production output is adapted to this new environment.

Commodity prices soar and the effect on catalogue prices is not helped by low demand. The Group leans more on Altrad Asia and systematically encourages competition among suppliers.

The Group records a huge drop in profits in the autumn, affecting all sectors apart from sales to local authorities and scaffolding hire, which proves more resilient.

The hire activity remains stable, buoyed by long-term contracts with big industries and major construction projects, as well as building schemes implemented by some states to stimulate the economy.

The Group joins forces with a Romanian partner to create Altrad Comatex in Romania. Cement-mixer and wheelbarrow assembly for the Romanian market sees an increase in imports of components from the Group's own plants.

The company is soon merged with Altrad Romania, the Romanian subsidiary of Guy Noël, bought out a year before.

Similarly, mergers between the Group's companies take place in Belgium (Altrad – Havico and Vabor) and Tunisia (Altrad Tunisi and Cedria).

The Group also lets go of Altrad Fort, its Canadian subsidiary, and its German tube-manufacturing factory.

*

“A strategy of vigilance and responsiveness is prescribed to all sectors and subsidiaries.

We have accelerated efforts in reducing production costs, maintaining only the investment necessary for preserving manufacturing capacity at the highest productivity level. The workforce, distribution modes and stock levels have been adjusted accordingly.”

WORLD

Not unexpectedly, the financial crisis gradually sets in for the long term. Massive state intervention is deployed to deal with the banking and financial crisis.

Barack Obama is elected the United States' first black president.

EUROPE

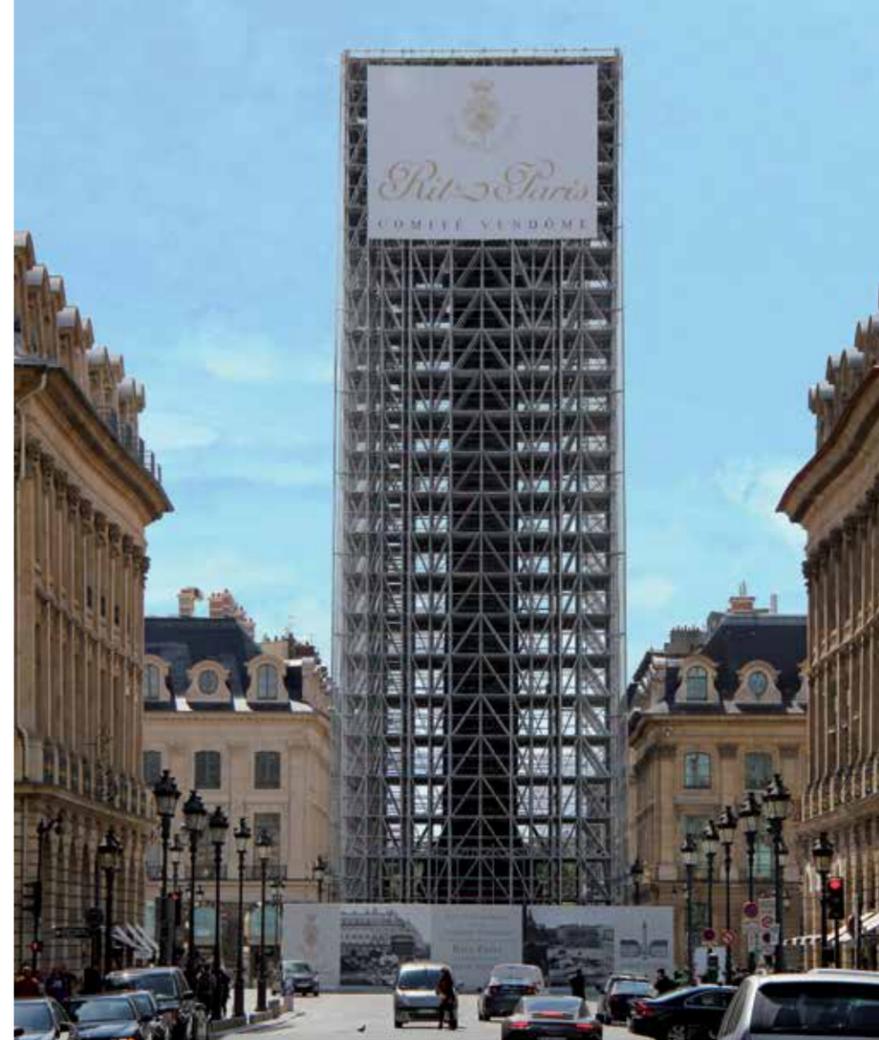
Remarkably, the president of the European Commission, José Manuel Barroso, announces that, “the strong euro is a sign of confidence in the European economy. If the European economy was not performing so strongly, the euro would not be at this level.”

Belgian-born Soeur Emmanuelle, an unparalleled example of dedication to the service of the poor, dies.

FRANCE

The world's most powerful particle accelerator is inaugurated on 21 October at CERN on the Franco-Swiss border. Scientists hope the new tool will reveal the secrets of matter.

The French film *Bienvenue chez les Ch'tis* breaks box-office records with in excess of 20 million viewers.



A HUMANIST APPROACH TO BUSINESS: “BUSINESSES ARE HUMAN CONSTRUCTS, MADE BY PEOPLE FOR PEOPLE”, WHERE INDIVIDUALS FLOURISH

YEARS OF CHANGE

2009–2014

During the 1990 financial crisis Altrad successfully managed to integrate notions of operational efficiency and fair value into the Group over the long term, while limiting structural costs and bringing in the strict budgetary controls necessary for the Group's internationalisation. This change of scale, allied with its constant drive to streamline operations and control finances, led the Group to develop other types of products for the construction industry. Sales networks were structured for each sector of activity, facilitating distribution of new product lines. At the same time, new subsidiaries developed a genuine sense of belonging, as benefiting from the added value brought by respect for their cultural identities and the continuity of management structures. Hence Altrad remained faithful to its principles and values and continued to build *with* and *for* the people who are its linchpins.

The 2008 crisis brought great upheavals within the Group. Recession hit long and hard, bringing significant changes to the Altrad Group's activities. It reacted swiftly however, and anticipated the possible consequences. Production was the most affected, while service industries remained steady or even experienced growth.

To this point, construction activity remained subject to changing environments and the risks of the still-fluctuating markets, but

these were stemmed by the Group's rigorous approach. Conversely, other companies in the sector, weakened by their own problems in their own contexts, benefited from the Altrad Group's financial autonomy and acquisition expertise.

The Altrad Group thus defined an offensive development strategy for the resilience of its activities.

In 1988 the acquisitions of Etem and Sodetub, specialised in services, set the groundwork. It was with the acquisition of Arnholdt in 2003, however, that interest in these activities became concrete, laying down the foundations of a new strategy that culminated in the takeover of Balliauw in 2006.

The 2008 crisis proved to be a full-scale crash test, revealing how far the Group had come, while providing the stimulus to progress. Its ability to anticipate proved invaluable. The Group also demonstrated its resistance in the face of adversity, for the second time, which strengthened investor confidence. The Group was operational, while others were destabilised.

Acquisition projects followed a similar path to the earlier period of international expansion. After Arnholdt and Balliauw had enabled the Group to install service industries in Germany and the Benelux countries, the Group now focused on another major market, the highly



dynamic United Kingdom, while spreading across France and Spain. In record time – four years – the Group made a series of attractive acquisitions in the areas of service provision for industry (Generation, Trad, Beaver 84, NSG, Poujaut Group, Jalmat, Servindustria, etc.) and live performance (Spectra, Star Event, etc.).

The acceleration of acquisitions and associated changes were possible due to the steadfast support from investment banks and investors, until development reached a peak in 2012–13.

The Group took on a different dimension. Its business risks were calculated and controlled leading to greater development, geographical expansion and a broadening in its range of activities. Mohed Altrad was also crowned French Entrepreneur of the Year in 2014 and EY World Entrepreneur of the Year in 2015. The values advocated and implemented *by* and *for* the people of the Group are acknowledged worldwide, and translated with the same success to Montpellier Hérault Rugby Club – a finalist in France's rugby union championship decider in the first year that Mohed Altrad took over as president in 2012.

*

The idea of belonging implies two complementary notions: being a part of the Group, and participating, namely ownership of a project so as to effectively be co-designer of it (everyone is a part of the whole but the whole is more than the sum of its parts).

Belonging implies involvement, and involvement means action. Belonging is not to be static; it is dynamic. How then is this feeling of belonging created? How is a static attitude transformed into a dynamic movement? What is the impulse that can be set in motion?

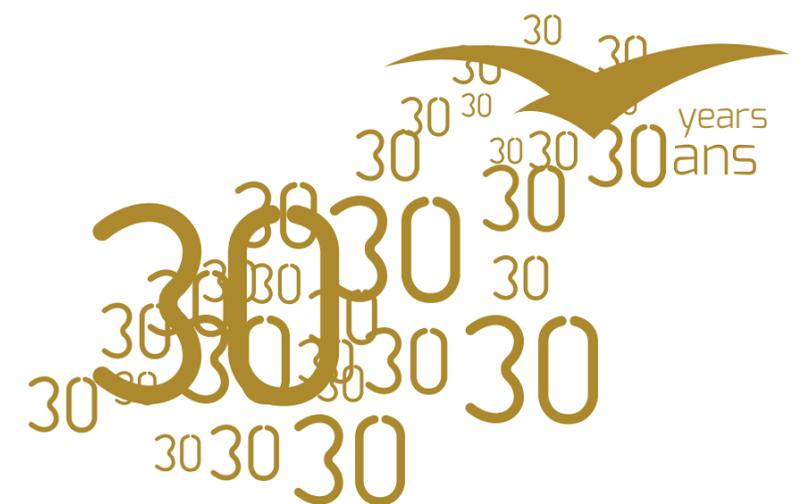
It is generally acknowledged that durable and efficient companies are those that inspire a strong feeling of belonging in their personnel. Some may wonder whether this sense of belonging is a genuine strength or a throwback to another age that has somehow managed to remain fashionable. Some may wonder whether it can genuinely guarantee the success of an enterprise. Statistics tell us however that the firms that can rely on the full commitment of over 90% of their workforce outperform those whose commitment levels fall to below 60%.

The feeling of belonging describes how attached employees feel to their place of work. It is an emotional bond that is developed by a specific form of management, one that encourages employees to adopt the best practices to benefit both the organisation and themselves. It implies a fulfilling emotional relationship involving the same rules and qualities as interpersonal relationships: good emotional ties, long-term loyalty, personal satisfaction, a strong basis of trust, reciprocity, tolerance, giving and taking, and a positive, constructive critical perspective.

Everybody has a fundamental need to feel part of a group. People like to know their place, feel useful, to be recognised. In companies the workforce needs to feel integrated, and management has to take an important lead: it has to set the tone, provide direction and define values so that information is transmitted throughout all subsidiaries at every level. Leading by example inspires confidence, which is indispensable for allowing a strong feeling of belonging to develop. To the Altrad Group, the dynamic of belonging has great importance. It has whole range of resources at its disposal to develop strong relationships with its subsidiaries and partners. The emphasis on quality products, customer service and efficient management are essential but not sufficient in themselves.

Information passed onto personnel about the Group's strategies, goals and activities must be understandable and inspiring. A workforce should feel respected and acknowledged by their superiors. Tasks should be stimulating. Missions and responsibilities should be clearly defined and explained. Acknowledging a job well done and the commitment involved requires openness and kindness. The hunt for these two implicit languages is a key factor in a company's success.

Major change is only possible if the structure draws its strength from cohesion and belonging.



2009

ACQUISITION

Belle Group

Despite freezing most of its investment budget in 2008, the Group has the potential to bounce back when necessary. In spite of a 20% drop in business, its business model proves successful in a situation of sudden crisis.

The acquisition of the Belle group early in the year marks a return to investment. With 90% market share, Altrad becomes the clear leader and virtually the sole producer on the British cement-mixer market. Seven years after its takeover, Baromix, the Group's first foothold in the English market, is integrated into the new entity, Belle.

Belle provides Altrad with a range of high-end products for cement processing (compacters, dumpers, etc) and expands its customer base to the hire companies and construction equipment dealers.

Belle products are distributed by Altrad's European networks.

Belle's integration in the midst of an economic and financial crisis justifies major restructuring. In the first months its production, sales networks, logistics, and the after-sales and administrative services are reorganised.

Belle has subsidiaries in Poland, Spain and France. Belle France and Altrad Saint-Denis quickly collaborate. The Polish structures and assets merge with Spomasz to form Altrad Poland. Belle Spain's structures and assets are closed and taken over by Altrad Plettac Iberica.

*

"The Belle group's integration has brought a solid foothold in the United Kingdom that will help us develop our scaffolding activities, which are not strong there. Increasing scaffolding sales in the UK will be one of our most difficult challenges but also the most promising for the year ahead."

WORLD

The International Year of Astronomy commemorates the works of Galileo who, 400 years ago, discovered sunspots, Jupiter's four largest satellites and the moon's craters.

EUROPE

A new strain of influenza A, H1N1 (swine flu) emerges in Europe, causing the World Health Organisation (WHO) and government health authorities to react.

FRANCE

A public broadcasting law bans advertising on public stations after 8 p.m.



COHESION AND TEAM SPIRIT: CONCERTATION AND THE POOLING OF EXPERTISE TO SURPASS THE SUM OF INDIVIDUAL ABILITY

2010

The policy of external growth continues, despite the continuing crisis. Acquisition of two competitors strengthens the Group's international position. The first is the takeover of Limex (Croatia), a specialist in the sale and production of barrows and cement mixers. Limex has great potential but its management methods have it fixed in permanent financial crisis. Restructuring takes place at all levels, and its three subsidiaries are directly integrated into the Altrad Group's local subsidiaries: Altrad Lescha in Germany, Altrad Saint-Denis in France and Altrad Alucon in Hungary. Alongside previous acquisitions (Richard Fraisse, Fort, Vabor, etc.), Limex's inclusion puts the group in an enviable position. Through strong synergies the new conglomeration is able to lower the break-even point and improve profitability among each of the Group's subsidiaries.

The second buyout brings in 67% of a Portuguese family company, Irbal, a cement-mixer manufacturer, with strong export capabilities (Algeria, Angola, Spain, France, Libya, Morocco, Romania, Russia, and Slovakia). With exports accounting for over 80% of turnover, they provide a cushion against the more sluggish Portuguese market. The merger coincides with the father passing the reins to his son, in a context of world financial crisis made more perilous by the Portuguese economy's structural weaknesses.

*

"Learning to think about the Group, means learning to trust. We see the importance of everybody, whatever their role. The company cannot be reduced to a head who decides and manages. It appears as a complex body of which no organ can be neglected. Managers driven by passion bring together men and women committed to the same adventure."

"CHANGE IS IN OUR GENES." CONTINUOUS IMPROVEMENT IS A SOURCE OF PROGRESS. OUR ENVIRONMENT REQUIRES FLEXIBILITY, ADAPTABILITY AND RESPONSIVENESS. WE CONSTANTLY CHALLENGE OURSELVES

ACQUISITION

Limex



WORLD

It is a year of natural catastrophes, during which nearly 300,000 people are killed worldwide. Haiti is struck by a violent earthquake, which transforms many districts into open cemeteries. The World Bank cancels Haiti's debt.

Apple announces the release of the iPad, a digital tablet with the features of Macintosh computers and iPhones.

India enacts legislation making school compulsory and free for all.

EUROPE

Herman Van Rompuy becomes the European Council's first full-time president.

Lech Kaczynski, president of the Republic of Poland, his wife and several other government and prominent figures are killed when the plane taking them to commemorations for the Katyn massacre in Russia crashes.

FRANCE

The Grand Paris project begins to take shape. The project aims at bringing Paris into the 21st century by involving local authorities in projects relating to the economy, town planning, culture and the environment.

UEFA selects France to host Euro 2016.

2011

As acquisitions intensify, the Group undertakes vertical integration of its most resilient sectors such as hiring and services. Agrimotor, a Hungarian company producing cement mixers is one of the last product-diversification acquisitions. Most of the company's sales are in the Ukrainian market. Altrad Agrimotor takes over its main assets: the business, brand, machinery and buildings. A subcontracting contract with a former partner enables custom fabrications. The business's commercial development is disturbed by conflict in Ukraine. In contrast, the takeover of Xervon Slain is part of a new approach. The Spanish company (part of the German Xervon group) specialises in services to the industry, such as scaffolding and insulation. An overhaul of accounts and development strategies aids recovery. Altrad Balliauw takes over AnD, a company founded in Belgium by former executives of the Group, specialising in services for new constructions and renovations (assembly/disassembly). The business is immediately merged with Euroscaff, a subsidiary in the same business as Altrad Balliauw. The Group takes over Beaver 84, a company renting scaffolding and other similar equipment. A major actor in England, it has a large stock of equipment that Altrad reinforces with its investment capacity and a range of modern, high-quality scaffolding. The acquisition of NSG (Northern Scaffold

Group), an acknowledged force in services to the chemical and oil industries, consolidates Altrad's presence in the UK services sector. The takeover of the Montpellier Hérault Rugby (MHR) club is part of Mohed Altrad's own story, part of the fundamental values of the sport: respect, loyalty, fighting spirit and team spirit. Mohed Altrad personally takes over the youngest club in the Top 14 in France, the toughest league in the world. Its modern sports complex, built in 2007, hosting Top 14 and European Cup games, is renamed Altrad Stadium. Mohed Altrad becomes the majority shareholder and club president. Professionalism at every level, both on the field and off, takes MHR to the finals of the Top 14 in his first year at the helm.

WORLD

The Arab Spring, which began in Tunisia in late 2010, continues in almost all Arab countries. These revolutions employ non-violent protests and modern communication methods – Internet, mobile phones and satellite TV. Transitions are difficult. In Egypt and Tunisia discussions about the new constitution are marked by confrontation in parliament and violence in the street.

EUROPE

An explosion in Oslo kills 8 and the massacre on Utøya kills 69 (most between 15 and 16 years old). The attacks, perpetrated by a 32-year-old Norwegian fanatic, are shocking. The Norwegian prime minister, targeted in the attack, manages to escape.

Eurozone heads of state instigate the Euro pact, introducing closer coordination of economic policy.

FRANCE

Christine Lagarde is appointed managing director of the IMF.

An 11 billion euro austerity plan is instigated to limit the public deficit. The deepening of the financial crisis and the fall in growth impose new fiscal measures.

The Intouchables attracts a box office of 19 million.

ACQUISITION

Agrimotor, Rodisola, AnD, Beaver 84, NSG

PARTNERSHIP

Montpellier Hérault Rugby



A STRONG VISION FOR THE FUTURE: THE GROUP'S MAIN OBJECTIVE IS LONG-TERM SUSTAINABILITY

2012

Development targets have a new dimension with the takeovers of major service companies. Naturally the acquisition of interesting industrial companies also continues.

Generation is a promising company operating in Great Britain, specialised in the hire and sale of scaffolding. Altrad becomes the majority shareholder retaining the founders on the board. An input of funding and implementation of the Altrad charter provides Generation with the underpinning to embark on a period of dramatic growth in profits, boosted by the availability of a high-end scaffolding range developed by Altrad Plettac.

The Group also acquires MTD in England, a company specialised in the hire and installation of scaffolding for local authorities. Its regional presence model is applied in other areas of the country. MTD and NSG implement a number of administrative and financial collaborations. MTD's own highly successful managing director is Tracey Hutton, one of the rare women in this male world.

In France, the Group takes over 60% of Jalmat, a major actor in formwork, shoring and accessories. Management retains a stake. An overhaul of the financial structure and a reduction in operational costs bring the company satisfactory profitability. The merger of some of its activities with Altrad Soframat-Etem (ASE) creates a coherent ensemble.

The Poujaud group is a top-level player in services to industry and construction. The holding company manages four subsidiaries (Poujaud, Socacem, Comi and Garonne), a dozen agencies in France, and a number of premises on the site of industrial clients. Altrad overhauls and simplifies its financial structures, while merging others. These provisions are complemented by the adoption of the Altrad Charter.

In Austria, the Group takes over Hofmaninger, specialised in the production and distribution of wheelbarrows. The business has its own automated industrial facility, enabling responsiveness and competitive cost price. The acquisition of its assets sees the creation of Altrad Hofmaninger.

Collaborations with Altrad Richard Fraisse, Fort and Bragnolo bring a decent level of profitability to all.

In northern Italy, prior to takeover Bragnolo has similar problems to Hofmaninger. The creation of Altrad Bragnolo enables the acquisition of all assets, while workshops and offices are leased from the Bragnolo family. Collaborations established with the Group's wheelbarrow division and the close Slovenian neighbour Altrad LIV significantly reduce production costs. Altrad Italia takes over distribution of Bragnolo products, thus limiting commercial costs. The merger of Altrad Bragnolo and Altrad Italia optimises administrative costs.

WORLD

Vladimir Putin resumes the Russian presidency following an interlude as prime minister, while in the United States Barak Obama is re-elected. Putin soon stirs up nationalist feelings by talk of possible expansion.

The music video for *Gangnam Style* by the Korean singer Psy is viewed over a billion times on YouTube.

EUROPE

Growth of GDP in the eurozone is -0.3%. France performs relatively well (0.5%) behind Germany (0.6%) and England (0.8%). Elsewhere recovery begins, with a worldwide average of 3.5% (2.1% in the USA) and nearly 10 points in China.

The Bank of Spain announces that the Q4 recession is the sixth consecutive negative quarter for the country's GDP, which has still not recovered from the bursting of the real estate bubble in 2008.

The cruise ship *Costa Concordia* sinks off Italy's island of Giglio after its captain takes his vessel too close to the shore in order to admire the coastline.

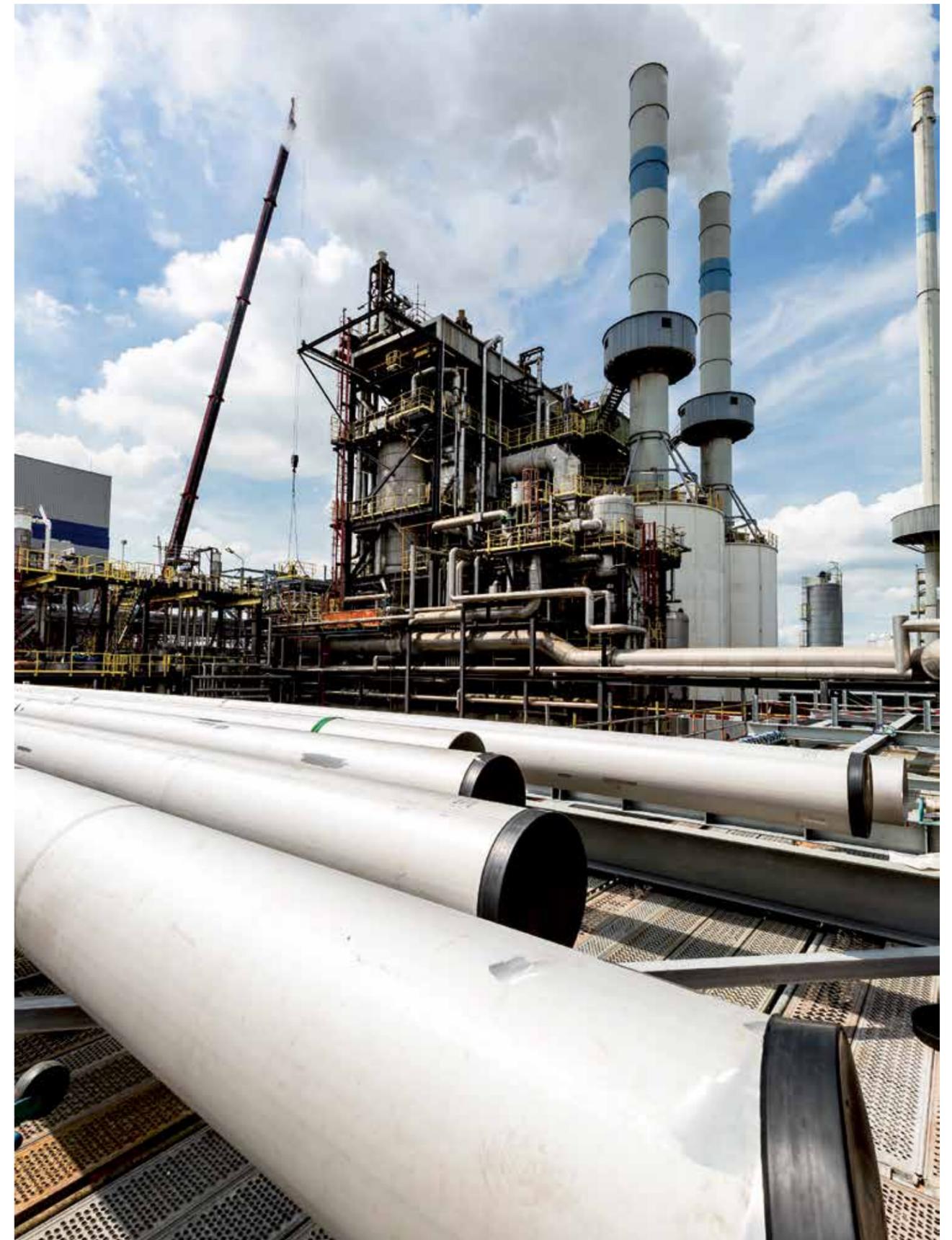
FRANCE

France celebrates the tercentenary of the philosopher Rousseau, who advocated man's inherent goodness.

Jean Dujardin becomes the first Frenchman to win an Oscar for Best Actor.

ACQUISITION

Generation, Poujaud, Jalmat, Hofmaninger, Bragnolo, Atika, Servindustria, MTD, Socacem, Camac, Garrone, Comi Service



A RESPONSIBLE ACTOR: LONG-TERM INVESTMENT, SECURITY, QUALITY, SOCIAL AND ENVIRONMENTAL RESPONSIBILITY, TERRITORIAL GROUNDING



The Group also integrates Atika, the last remaining German producer of cement mixers. On takeover, work is begun with Altrad Lescha to harmonise production, sales and administration. The Atika range for gardening professionals is immediately incorporated into catalogues across the Group's networks. Altrad Asia's support enables Atika to make real productivity gains, reinforcing the Asian sourcing initially envisaged for most of its products.

Altrad consolidates its positions on the Iberian market with the acquisition of Servindustria in Tarragona. Servindustria operates in the same sector as Altrad Rodisola, so the companies merge.

This Iberian market enables Camac, another new acquisition, to take a key role in the manufacture and distribution of cement mixers and lifting equipment for construction. The business is drained after a long period of crisis in the sector across the country. Its assets and production facilities are partly transferred to Altrad Plettac Iberica and partly to Altrad Irbal (in Portugal), thus cancelling most fixed costs.

*

"Reinforced by its business model, the Group retains its dynamism despite difficult economic conditions. The choice of its operations for external growth, the constant streamlining of its sites and the strengthening of management practices are crucial in this respect.

In terms of investment, we could never have achieved the levels required without the input of funds made available by our financial partners who are responsive to our rigorous management and who respect our business plan."

2013

Vertical integration continues, stimulated by the efficiency of the Group's policy. 2013 is marked by two acquisitions, a relatively calm year in comparison to 2012. The Group strengthens its presence in the United Kingdom with the acquisition of the British Trad Group, specialised in the sale and hire of scaffolding, and associated services.

It is one of the best performing groups in Great Britain and Altrad buys out over two-thirds of its capital. Its management retains a minority shareholding and remains in place. The group is organised around three activities. Its sale and hire of scaffolding in the construction sector made it a serious rival to Altrad Generation. Its activities are completed by the sale of safety equipment. The Trad Group has a network of agencies across the United Kingdom.

As is the case for all new subsidiaries, the Altrad Group provides invaluable stimulus through capital investment, application of its charter of values and the supplement of a high-end scaffolding range. The results are immediate and the new acquisition sees double-digit growth.

The year's second acquisition is Spectra, specialised in the sale, hire and installation of safety and signalling equipment, as well as equipment for staging live performances. Spectra is taken over by one of the Group's subsidiaries, Beaver 84.

*

"Time passes, the months flow by, but the word 'crisis' always returns. But crisis situations are never felt at the same time and with the same intensity in each country. The Group's international expansion has never been solely driven by the search for new markets for our manufacturing base in France. It reflects a desire for broad diversification of external production. The policy we have followed has proven highly judicious for cushioning the jolts of economic conditions and been a source of opportunities leading to external growth."

WORLD

This is one of the ten hottest years recorded since the introduction of standardised temperature recording (1880); the previous record was in 2010.

Whistleblower Edward Snowden leaks revelations about the NSA's illicit activity.

Benedict XVI is the first ever pope to announce his resignation.

Nelson "Madiba" Mandela dies in Johannesburg. Mandela was one of the historic leaders of the struggle against South Africa's institutional political system of racial segregation (apartheid) before becoming the country's president.

EUROPE

In Greece the government unilaterally decides, without parliamentary approval, to close national television, leading to protests throughout the world, especially in Europe, and general strikes in Greece.

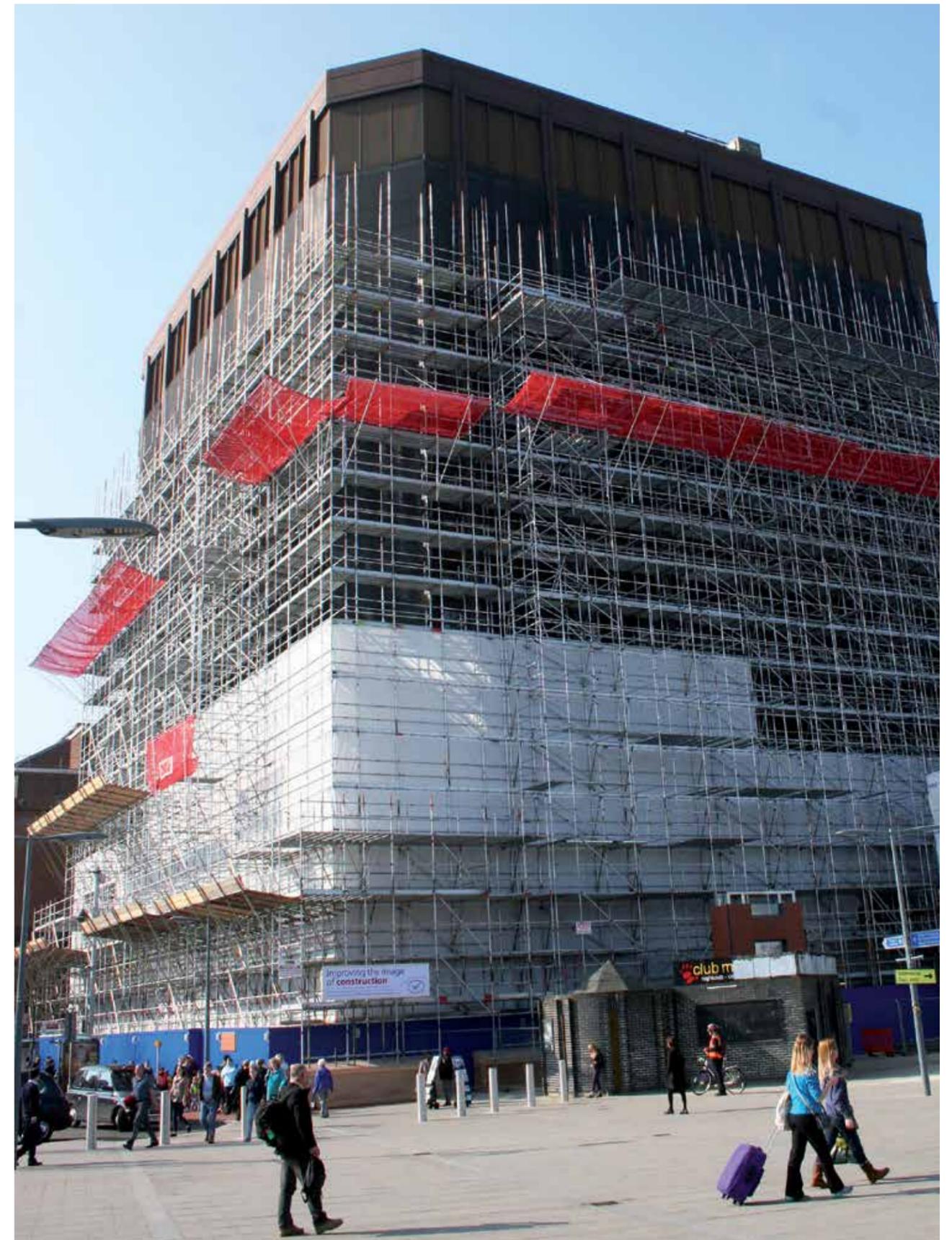
FRANCE

France commits troops to the conflict in Mali. Operation Serval begins. 4,600 troops are deployed on the ground, alongside Malian forces, to fight the jihadi groups MOJWA and AQIM.

Publicis merges with the American giant Omnicom for 26 billion euros. The merger with the world number two comes as a surprise to the whole advertising sector. A fresh series of mergers and acquisitions begins in France (Essilor, Schneider Electric, etc.), though far from the levels seen before the crisis.

ACQUISITION

Spectra, Trad



THE SPIRIT OF CONQUEST, MARKED BY AN ACCELERATION IN ACQUISITIONS, GENERATING AN IMPORTANT DYNAMIC FOR CHANGE

2014

ACQUISITION
Star Events, Profix

AWARD
EY French Entrepreneur of the Year

Having taken a resolutely European direction, the Group flourishes due to its unique dual character. The Group's activity is well defined, providing both equipment and hire services to the construction industry. Short-term economic trends in one country can be offset elsewhere. Its organisation is entirely focused on growth opportunities and the quest for optimum responsiveness to economic uncertainties. All acquisitions help consolidate the present and provide potential for the future. The takeover of Star Event supplements Beaver 84 and Spectra as Altrad Group's live events division in Great Britain. The sale and hire events equipment business joins Spectra in the Group.

His peers in France vote Mohed Altrad "EY French Entrepreneur of the Year 2014". The Group is regularly in the news, but 2014 is a year of recognition. While Altrad is known regionally and nationally for its performance, growth and exports, this award distinguishes the course of the company and its creator. The Entrepreneur of the Year award goes beyond economic, financial, social and commercial criteria, and issues of vision or strategy, as evidenced by the jury's questions:

WORLD
It is again one of the ten hottest years on record. The average global sea surface temperature is also at a record high, despite the presence of El Niño.
The Constituent Assembly of Tunisia adopts a new constitution.

EUROPE
Protest movements in Ukraine bring hope of freedom to which its Russian neighbours bring a swift halt. The stand-off between Ukraine and Russia sees the latter annex Crimea, on the pretext of protecting its residents. An offensive by separatists in the east of the country ensues.

FRANCE
The government announces the creation of a social welfare plan to provide more welfare support for the economic crisis the country is experiencing, and also presents measures for saving 50 billion euros.



Your first job?
As a five-year-old, without father or mother, my first business was to hire my bicycle to my friends in order to purchase books and pencils.

Two words to describe yourself?
Hardworking and determined.

What makes a good entrepreneur?
Ambition.

A piece of advice you still follow today?
Believe in what you do.

Your inspiration for the Group?
Be passionate and pragmatic.

Your sources of financing?
Free cash flow and controlled debt to avoid the red zone.

You most difficult experience and the lessons you learnt?
Making decisions alone during difficult periods. If you believe in yourself, you emerge wiser.

How have you kept your business innovative and entrepreneurial?
Initiating and instigating, organising and maintaining an innovative, entrepreneurial spirit at all levels. Acting in the interests of all.

If you weren't where are now, what would you do?
Working for charities or humanitarian aid. We support over thirty charities: La Ligue national contre le cancer, Médecins Sans Frontiers, children's' charities, etc.

SUCCESSFUL INTEGRATION RELIES ON MANAGEMENT OF LOCAL TEAMS, STRATEGIC COHERENCE, GOOD RELATIONSHIP DYNAMICS AND TRANSACTIONS AT THE RIGHT PRICE

2015

2015 began slowly, with the takeover of Dessa, an English company specialised in the design, manufacture and installation of temporary roofing for scaffolding, thus adding very technical and high-quality products to Altrad's already impressive catalogue. Manufacturing is outsourced.

*

On 16 March 2015 one major operation changes the Group's dimension: the acquisition of Hertel, a world leader in access solutions, insulation, corrosion protection and mechanical-systems maintenance. Hertel's offshore activities are not taken over. The acquisition is complicated and requires permission from the Belgian, Dutch and German merger-control authorities.

Since its creation, the Altrad Group has always aimed to be a leader in its core businesses, seeking to extend its geographical influence to reduce its vulnerability to economic cycles, while making the most of growth opportunities in the best-performing economies.

The acquisition of Hertel is within this dynamic; it enables the Group to become the leader in the services to industry sector in the major European countries.

To complement Altrad's strong presence in France and Spain, Hertel adds a significant position in the Dutch and German markets. Both Altrad and Hertel have activities in Belgium and the United Kingdom, where together they emerge as the unrivalled leader. Hertel also brings a strong presence to emerging markets, such as the Middle East, the Caspian, Southeast Asia and Australia, with controlled risk, since their main clients in these areas are major oil companies.

The two groups complement each other perfectly in terms of their commercial divisions.

Hertel offers a wide range of services to industrial clients, while Altrad's services activities are mainly focused on installing access solutions and insulation.

Hertel brings valuable new expertise to the Altrad offer – anticorrosion and the installation and maintenance of mechanical parts. The access solution division has benefited from its integration into manufacturing activities, bringing access to quality scaffolding at lower prices. Since it joined the Group, Hertel has benefited from the same conditions.

The addition of Hertel has instantly provided the equivalent of fifteen years of the normal, organic progression of the Altrad Group. Altrad plus Hertel together have a turnover of more than 1.8 billion euros. The new Group's size and visibility make it an unrivalled force with its commercial and financial partners.

Founded in Amsterdam in 1895 by a German immigrant, the Hertel group was originally a service provider to shipyards. After World War II, the group moved into industrial maintenance, first in the Netherlands then throughout Europe. In the 2000s the group started developing beyond Europe. The economic crisis brought significant financial problems between 2010 and 2014. Restructuring operations were undertaken, which refocused and cleaned up operations before integration into the Group. Much remains to be done to improve performance, however.

75% of activities are based in Europe (UK, Germany, Belgium and the Netherlands) and 25% outside Europe (Southeast Asia, Australia, Middle East and Caspian). All the group's services are provided to industrial sites. Processing industries, such as the chemical industry, account for 50%, oil and gas companies account for 30%, and energy (power plants) for 20%.

WORLD

The International Year of Light and Light-Based Technologies is a chance to celebrate the many scientific achievements in the field of optics, notably the millennium anniversary of Arab scholars' great discoveries in the 10th century, the anniversary of the discovery of lasers in 1960, and the use of fibre-optics in telecommunications in 1965.

The creation of the Eurasian Economic Union sees the return of the dream of an expanded Russia. The idea is based on the European Union and was the brainchild of Vladimir Putin when he was Russian prime minister.

EUROPE

Syriza's radical left win the Greek legislative elections, leading to a showdown with the partisans of austerity (the EU and IMF). Questions remain whether Greece will be able to pay back its debt and whether it will leave the euro.

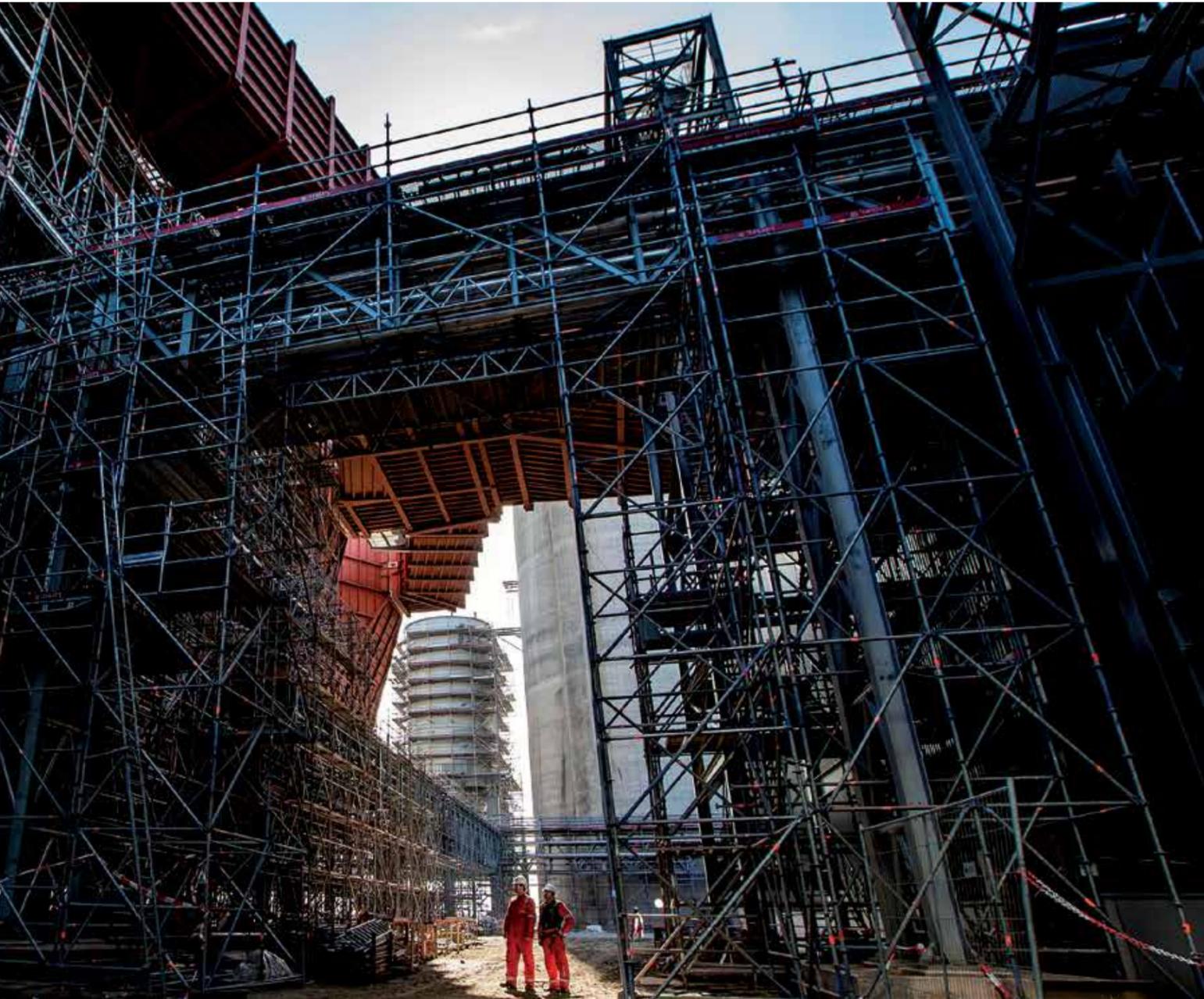
FRANCE

Two terrorist attacks, on the satirical magazine *Charlie Hebdo* and a Jewish supermarket, take place in Paris at the beginning of the year. A whole series of republican marches, with the slogan "Je suis Charlie", are held throughout France in commemoration of the victims.

ACQUISITION
Dessa, Hertel

AWARD
EY World Entrepreneur of the Year





Operational directions in each zone (UK, Germany, Belgium and the Netherlands, Southeast Asia, Australia, Middle East and Caspian) are very autonomous, with an operations model close to that of the Altrad Group's entities.

The integration of the Hertel group is perfectly in tune with our values. Hertel is not a juxtaposition of entities operating in distinct geographical zones, but a fully-fledged group with over 120 years of history and a strong culture based on values of security, customer service and the appreciation of its employees' contribution. Hertel has also developed great expertise that distinguishes it in its areas of activity.

The holding company in Rotterdam was conserved, streamlined and refocused on its new missions: the preservation and development of the Hertel culture and identity; the definition and implementation of strategy; and the application of Altrad's management principles and procedures. Reaching growth objectives and profitability in the medium-term remain the ultimate goal. The Altrad and Hertel holding companies, together with the operational entities, jointly conducted the budget procedure essential to the group.

Management control is performed by combining both groups' complementary skills: Altrad's expertise in cash management and operational control, Hertel's expertise in the legal and financial management of major projects.

Red zone operations, that is those requiring prior authorisation, have been established involving both Hertel's and Altrad's holding companies.

Financial reporting, control and performance improvement of operational entities are carried out directly by Altrad's holding company as part of its missions.

The participation of Hertel's managers in Group seminars and in Progress Units

stimulate direct exchanges between the two groups' entities in commercial and operational areas.

At the occasion of the acquisition of Hertel, the group was able to rely again on its long standing partners : equity investors, banks and bondholders with whom relationships of trust and mutual esteem have been established for many years, and who renewed their support enthusiastically. Through their accurate eyes, the shareholders representatives and the independent board members have highly contributed in helping us crossing this major stage in the group's development.

Year 2015, an award that acknowledges his exceptional career and the Altrad Group's exceptional success. It is the first time that a French CEO has won the award, leading to high acclaim from the French press and on social networks.

LE FIGARO: The Altrad Group's CEO reaps the awards

EY's chairman in France, Jean-Pierre Letartre, hailed the "exceptional career" of a businessman born into a nomadic Syrian tribe and who has "proved his courage, perseverance and audacity". Mohed Altrad's route is atypical.

MIDI LIBRE: What has been its effect on you?

Recently there was the *Charlie Hebdo* attack. This prize is way of say "I am Charlie". The award doesn't actually belong to me personally. When the award was announced, the name "Altrad" wasn't mentioned. All that was said was that France is the winner. That is a great source of pride to me.

MIDI LIBRE: Have these four days in Monaco been some of the toughest you've ever lived?

It was tough. I had 20 minutes to convince the jury, including two minutes to sum up my life. I had to focus on the essentials. But how? I told them I felt like I was 3,000 years old, from my early life in the desert to sitting in their company in a magnificent setting today. There is nowhere more luxurious than the Hermitage Hotel. It is so beautiful. There

was an extraordinary contrast between that moment and what I had lived as a child. I managed to explain this in two minutes. The answer unsettled the jury. One of them told me that from that instant his mind was made up.

LES ÉCHOS: The jury is also sensitive to the personal dimensions of entrepreneurs. ... How did you share what inspires you?

My story is unique and miraculous. You just have to look at my career – starting life in the Syrian desert in very difficult emotional and material circumstances before myself in this gathering of entrepreneurs in this beautiful place in Monaco ...

Naturally the person I have become wonders whether he is from the East or



MOHED ALTRAD: WORLD ENTREPRENEUR OF THE YEAR 2015

West, whether he is Bedouin, Arab, French or all three at once.

I gain a sense of serenity from everything we have built, even if I'm not totally sure who I am. Had I been Corsican or Breton, I would have had solid roots, and I'd know where to find them in a couple of hours. It's not at all like that with the desert. It's a situation I'm living pretty well. I try to fill any emptiness around or inside me through encounters.

LES ÉCHOS: A key feature of your WEOY success is the company's social and environmental responsibility, around the idea, dear to organisers, of "giving something back". How do you give back a part of what Altrad has created to the company?

I set out from the principle written down in the group's charter, that a business cannot be disconnected from its land. It is made up of people who cannot just be considered in their company context, because when they leave, they become citizens once more. One of the company's most important contributions, which is integral to its success, is to pay attention to employees beyond the time they clock in and clock out. This means I have to be attentive to everyone's concerns, to their children's problems, to their misfortunes, without necessarily interfering in their lives. This means that a company should be there during the difficult times people go through, those times we need help.

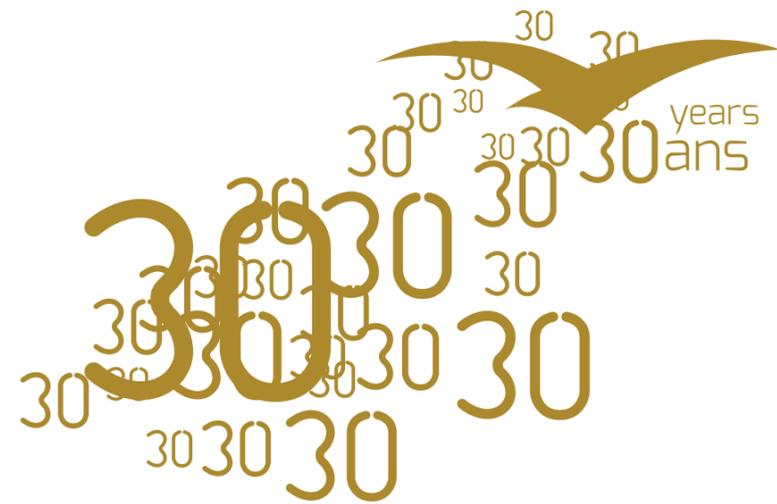
Outside the world of work, people generally need you, because you have the means to help them: single women who have been beaten, children who have been abandoned or disabled. Part of the company's wealth is donated to over thirty charities, in which I'm personally involved and to which I provide constant assistance, not only through material contributions, but also as a presence, through words. A business without this dimension deprives itself of something important.



"Mohed Altrad of Altrad Group from France named EY World Entrepreneur Of the Year", Times Square, New York 2015.

OPENING UP THE WORLD

2015...



The artificial boundaries between the Group's companies have disappeared. Foundations for mutual understanding, a process of continual learning and sharing, have been laid through multiple transversal exchanges. Unlike companies in the past, who were hostages of their certainty or prisoners of their obsessions with identity, the growth and affluence of the Group's companies has today opened the way to a new dimension, built on the appeal of others and a love of difference. Our role is to encourage diversity and give form to the fundamental plurality that creation brings. The time has now come to bring together the one and the many, to surpass our respective limits and find the right values on which to found our lives together, to meld our imaginations and find fresh horizons, beyond the frontiers of yesterday. And to give another face to the future.

The new global dimension ushered in by the acquisition of the Hertel group has given Altrad powerful leverage to build oases of life, places that foster the realization of dreams in satisfying work. For thirty years the Group has developed in a controlled, judicious way in relative but deliberate serenity, for the people that compose it and *thanks* to them. Thus they too can benefit from its products and services. With the recent acquisition of the Hertel group, Altrad has gained fifteen years: it guarantees Altrad a leading position

and helps it penetrate mature markets, like Australia, or those that are emerging, under controlled risk conditions and in compliance with the Group's values.

The size and visibility of the Altrad Group now makes it a privileged and essential partner for financial and commercial institutions.

The title of Rémi Bezençon's 2008 film *The First Day of the Rest of Your Life* summarises the challenges facing the new Group. Everything remains to be built, and Altrad is now equipped to achieve its destiny. From the rock comes the stone that builds the wall. The wall makes the building. The latter has been built slowly and patiently, methodically and precisely, as in the days of the pyramids, cathedrals and great mosques.

The building has been consecrated; this is clear from the two awards, "French Entrepreneur of the Year 2014" and "World Entrepreneur of the Year 2015". It now needs to be developed ... together. For the "whole is always greater than the sum of the parts", as system theory notes. "Take part and be a part of" this new direction and directions: *Pathways to the Possible*, as Altrad's code of values is called.

The American scholar and political theoretician, John H. Schaar perfectly expresses our philosophy: "The future is not some place we are going, but one we are creating. The paths are not to be found,

but made. And the activity of making them changes both the maker and the destination”, through a process of positive feedback.

*

It is often said that economics can be reduced to figures. Of course budgets, assessments, analysis and projections are formulated in curves and figures. Arithmetic and geometry are any group’s daily bread. Curves and figures are only one aspect of our reality, and the reality they describe, in their own clear, but partial way, is a human reality to which men and women have contributed, created by them and for them.

In our business, the human factor is not one variable among others. Classical or neoclassical economics would have it otherwise. Under the *homo economicus* denomination, humans belong to a predictable system as economic actors defined by the rationality of their choices. Even from a more refined perspective, which takes into account people’s passions or information deficits, *homo oeconomicus* is still an assignable variable. Whatever their conformities, however, humans are unique in their unpredictability. Which means that fitting them into a system is impossible. Humans are decision makers. They invent a future that cannot be mapped out through the past or the present. And this ability is humanity’s wealth. Decisions do not happen in a vacuum. An array of data – economic, financial, social, organisational and who knows what else – shapes the environment surrounding decisions. We move in a world with a plethora of operating instructions. But these instructions are not absolute. They do not bind us. They are available to us when we decide. We can either endure them or we can measure them and use them to invent unexpected solutions. In both cases, it is we

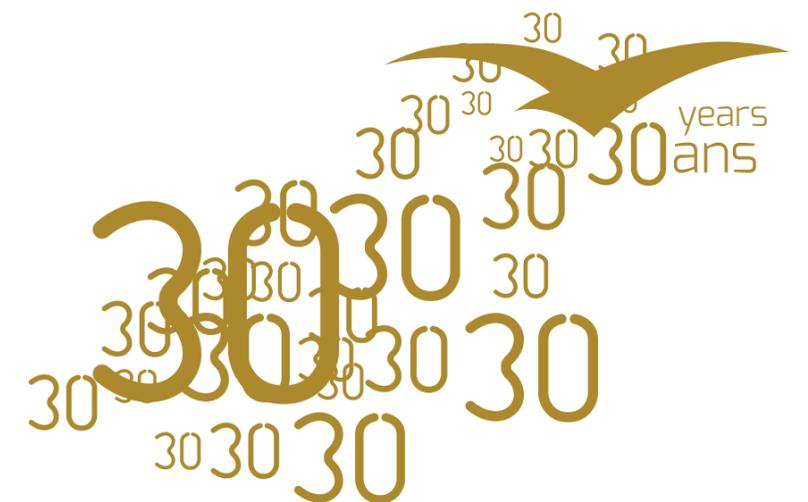
who decide. When we endure, we do what has to be done. If, however, we decide to invent, then we dare.

Daring rather than *doing* is difficult; it implies a degree of ignorance. Daring is born when there is something we don’t know, or when that ignorance has been tamed, when ignorance ceases to be powerlessness in our minds.

It is perhaps disconcerting to use the word “ignorance” in the same sentence as a business like the Altrad Group. But ignorance – our ignorance of what the future will bring – is the blind spot in our theories and management. We fear ignorance, we avoid it, and we strive constantly to diminish it. It seems like a flaw but it is actually a challenge. It becomes a hindrance to decision making while providing the perfect opportunity to decide. Ignorance of the future is the human part of our company. This is what we must learn to confront. If we only acted in the wake of infallible predictions we would not be entrepreneurs. We could not create anything new. We could not make decisions. We could not forge our futures. By “we” I mean those entrepreneurs who personify their project, not the speculators who seek only profit. Those with long-term vision. Those who are primarily interested in making their businesses last.

As the saying goes: “We are not what the world make us, but what we make of what the world makes us.”

Mohed Altrad, CEO

ANOTHER PATH

ALIA VIA

Fontaine-de-Vaucluse.

He is fond of gathering his thoughts in this Provençal town, through which many poets have passed, from Petrarch to René Char. It is so unlike the desert of his youth yet so close to the kind of sheltered solitude he seeks. He walks down in the early morning, sits on a rock and contemplates the green water of the resurgence. It is hard to believe that this huge reservoir is a spring! At the foot of the cliff the water is so deep and so calm before it charges out to the windmill and beyond. A constantly renewed, living water. *Like a life*, he sometimes tells himself; a happy life.

He has come alone today, at this matutinal hour.

He had wandered through the predawn glow, an unfocused chiaroscuro from which the contours of the rocks stand out like filigree. The air is fresh, moist, almost cold. The footpath completely empty.

He sits overlooking the spring, waiting for sunrise, feet in thin air. In accord with his current feelings.

It has been a month to the day since he put an end to his commitments. Some say on a whim; as happens to someone who suddenly breaks from their past. It would be more accurate to say that he has renounced that which is not, or that has ceased to be, real, those commitments that weighed him down.

He is at the crossroads where anything is possible.

Submerged by the roar of the nearby river, he thinks of his future. Not even a future. It is time to start over, he thinks.

Start afresh, springing forth like the water of the Sorgue, to bring form to the tumultuous river of life of which he still knows nothing.

Usually this does not frighten him. For that matter, he is no more frightened today than in the past. He is perplexed.

He has had to start and start again so many times that it feels almost inevitable; a constraint with him since childhood that he cannot shake off.

He was born with no place. Not in the sense of “a place of our own” as we might imagine, but rather “the” place that a child, teenager, or man occupies but that was never bestowed. A place he could not even claim to fill.

If he had accepted the fate reserved for him he would never have begun anything. He would have remained in the margins, crushed and powerless. For reasons he cannot remember – no doubt due to a combination of pride, circumstances, encounters, and a certain dose of imagination – instead of buckling in the wind, he resisted, and set out to build what fate had refused him.

He had his work cut out!

Feet dangling in mid-air, he knew, at that very moment, that he had not built anything.

He had faced the movement of dissolution that had dragged him down. He had drafted out directions. He had begun and begun again. He had even completed some of his drafts: his studies, his profession, but he had never found "his" place.

A cry makes him look up. He cannot see the bird it came from, only a pink light becoming deeper.

Beginning again is not hard.

What preoccupies him, feeds his solitude, and justifies his pilgrimage here is his project for a work of art; his need. He cannot keep drafting for ever. He cannot perpetually take flight. He feels a need to build a work, somewhere to find his place, somewhere giving him "a" place.

What kind of thing? He has no idea.

He didn't come to find answers but fresh energy.

*

The sea is dark, rough and violent. It is mid-morning, but the ship's lights are on. Mephitic rolls of clouds, heavy and tormented, blacken the day.

The ship pitches, plunges and recovers in a deafening roar. Its prow cleaves the rugged waves; their furious white spume sweeps the bridge. Steeped in flurries of drizzle, engulfed beneath its envelope, soused in the demented swell, the ship rises for a moment before plunging back into the abyss, in a strident shriek, primed for the next impact.

He could not sleep.

He clings to the small table in his small cabin to avoid being washed away.

His thoughts, like everything, toss, fragment and collide: fleeting glimmers, scraps of memory, faces that come and go at the whim of the elements, to the sound of the cracking of the hull.

Transitory images incapable of soothing his sense of apprehension, no less than the

certitude, hunkering in heart of the storm, that in the evening they would reach port, safe and sound, tired but happy.

Ten years later – ten years already! – he would contemplate the resurgent fountain as still and silent as rock, totally detached from the world. This long, lonely hour still haunts him. Amidst the din, it is an ever-returning counterpoint. In times of trouble, it has often reassured him.

A whole hour spent dreaming of a work, a construction spacious enough to live in.

He wandered off without any precise idea, but with the conviction that he had a project to fulfil. And as he walked against the tide of sightseers who had begun to appear, cleaving through them like a ship through waves, he had the sudden feeling that if this work of his were to take form – and it had to – it would be extraordinary.

Ten years later, this very abstract feeling became concrete.

For ten years he has been building. Like a master builder, he cuts the wood, adjusting each wooden batten to raise a solid, powerful building in view to constructing and strengthening an incredible industrial activity. And the structure rises.

Not without bumps and not without clashes, not without toil and struggle. Not without howling winds and the crash of the blades of the fragile skiff.

Nobody believed he had a chance.

He took over the wreck of a business. He was a novice; he knew nothing of the art of navigation. He had never sailed the ocean of industry or of the economy. What's more he was a foreigner; a man from the desert where water is a miracle. The weather was against him; storm, clouds and heavy squalls. Alongside many other reasons that would have made even the most stubborn quit long ago.

He was chasing a desire, though, with willpower as his guide. This willpower did not have profit as its goal but was a means to build a scaffold. It was this willpower that projected him into the future. It drew up plans for after the storm, beyond the present horizon, stretching it further.

Some naysayers muttered that it was all about luck, opportunity and happenstance. Other sceptics wondered if perhaps he was creating the impossible because he simply did not realise it was impossible.

He knew deep inside that there was another, more elementary cause. For personal motives, a private thing, he had a passionate desire to build. And this passion is what drives entrepreneurs. It is this passion that stirs them, presses them to commit and keeps them at the helm, giving them the strength not to relinquish. This personal motive fed into his function.

He plunges inside himself, while the ship topples into the abyss. His heart tightens. That sense of hanging over a void before crashing down. The moment before impact, struggling to stay afloat, before surging up again.

To confront the squalls not only must his willpower be strong but he also needs values. It is values that ensure coherence and longevity. And for the challenges ahead, above all, to demonstrate courage and perseverance, both integral to commitment. We might add honesty: not lying to yourself. When the boat lurches and rolls, when the waves strike, you have to rely on your crew mates; even though nothing is simple, if efforts made do not bring guaranteed success, then you have to look to each other.

Another violent jolt. As though never-ending.

He shores and shapes, as he decided to do that morning ten years earlier, but has he found a

place amidst the tumult, "his" place?

Yes!

Despite the ferment, the answer is yes. He has found a place, one that he never expected. Not a place that belongs only to him, disregarding the rest, but a place among others, in the service of others. Like the captain who never sleeps before reaching dry land.

The lamp in the cabin flickers out then bursts back into life. The day is at its peak. There are many hours before evening and arriving at port, many challenges he is ready to overcome.

*

The room slowly fills.

He has deliberately chosen a conference centre lost in the pine trees, far from the roads and from the "press and oppression".

Everything is clear, transparent. A glass building with a wood and metal frame, playing on the reflections of light and sky.

Behind the large bay windows, you can smell the musky scent of the pine trees heightened by the late September warmth. And if you venture beyond the knoll to the edge of the bougainvilleas and breathe in deeply, the salt air of the nearby Mediterranean is a surprise.

There is a holiday feel to these scents and to the gentle light that strikes a stark contrast with the studious atmosphere of the days ahead.

He appreciates the breaks, oppositions, when they are free from conflict. He himself is forged of disparities, dissonances, multiple legacies. He knows the wealth of this diversity. In the meantime, a diverse audience bustles about, an unsettled enthusiastic crowd, a Babel of languages and nationalities.

In a sunny corner he reads and rereads his inaugural speech. It is an exercise in which he is well versed.

For several years now the Group's seminar has been held in autumn. Recent months are

appraised, the perspectives for the coming months discussed.

He flicks through the document distributed to all participants.

With its columns of figures, complex coloured diagrams, curves, projections, developments, its series of baroque names, initials and acronyms, it is a cathedral, an architecture, rather, like this glass house, anchored on solid foundations, that elevates and dances before his gaze.

The hubbub from the audience reminds him that this cathedral is but a facade, a sign and indication of a more real cathedral, that of the men and woman before him who are settling down and awaiting his presentation.

Hundreds of people from all horizons, from Europe and elsewhere, working together, building together.

How much has changed since Fontaine-de-Vaucluse, and even that epic journey on a raging sea.

Years have passed. Another ten. The *work* he had dreamt of, without imagining its form, has taken shape. What was merely a local business has become an international group with subsidiaries, services, sites and multiple branches.

It would be vainglorious to claim that his work has been accomplished. Nothing is ever complete. Everything always needs new beginnings, expansion, development. This work, more than any other, and this dynamic has become his way of life.

Ordinarily, when we speak of works, we think of writers or artists. We imagine that a work is the creation of one person *alone*, through which they are tested and revealed. But that supposes that the creator is in sufficient possession of himself to take the stage and build the theatre where his *persona*, a combination of authenticity and fiction, will find its arena and audience.

This was the vague idea he nurtured to begin with. Because it is the most commonly held,

but with no more substance than that, as he was not sure himself.

The years of struggle, effort and perseverance he navigated to raise the Group to his dimension have revealed an unexpected depth: like a cathedral.

There, the work is collective, not that of one man alone. It does not spotlight only its creator but forges and shares a space where everyone can find their place, everyone who has collaborated in all professions: from the mason to the carpenter, from the treasurer to the sculptor, from the assistant to the contractor.

As the Group grew, so the palette of values, the indispensable cement that holds everything together, also grew. This does not mean that effort, solidarity and commitment ceased to be important. Challenges are always there. Size changes nothing. But new challenges emerged: how to organise diversity without cancelling out its wealth, how to articulate and order all parts without casting them in a single mould. Cultures and their original qualities had to be respected. Consultancy and dialogue were required to create a balance to preserve autonomy as much as possible. So that the men and women who contribute to the business feel at home, so that they feel the desire to build this communal cathedral as they would have done their own private chapel.

But this is not an issue yet. The sun is high in the pure afternoon sky. The doors slide open. Silence falls. He is about to give his speech. And address everyone, present and absent, who partakes in the building process so that the edifice may rise.

“A time comes when one says: that is enough, the future is merely a repetition of the past.

Juvenile passion peters out. It does not disappear. For me and in me, at least, it is always present,

even after so many years. But it does not have the power to order and spirit away the other worries whose insistent voice rings loud.

A time comes when passion is chastened. Maybe rather than a sign of fear, this is the beginning of wisdom.”

He lays down his pen.

Evening inevitably falls. The shadows lengthen. Parts of the garden have already shaded. The oleander groves draw back into calm obscurity. The thuja hedges darken. Their green turns to lead. Only the foliage of the hundred-year-old ash still reaches to the sky and the leaves at its peak capture the final rays of the sun, glowing at the close of day.

In the family home, dinner is being prepared. Behind the walls of the property, the final flurries of movement sound out before the silence of the night.

He has withdrawn.

He has chosen this twilight hour to surrender to his meditations.

He has started writing notebooks again.

“Writing” is a big word; he throws ideas down on paper in the hope that language rules and constraints will formulate them and offer meaning.

He is not convinced they will.

These blank-paged notebooks are an opportune place for fiction. Even memories take a different, more literary turn here. Fiction however does not say things as they are, nor as they should be. It strokes against their possibilities, ventures into their thickets and undergrowth.

But he has found no other way to set down thirty years of labour. The blank page is like the green waters of the resurgence, the movement inside, the words and phrases surge from the depths; nobody knows where they are going.

“I saw my work grow and become autonomous. It does not need me anymore,

except for transmission, to ensure prolonged existence to those involved.”

He looks up at the sky as it whitens and turns pink.

He is proud of what he has accomplished.

He hoped – a hope born to the rhythm of stones being laid, of recovery and of expansion as the structure consolidated – that this day would arrive. The day he could say: “What I have created, to which I have contributed, can now stand up on its own.”

He both hoped and feared this day.

“Thirty years! A lifetime! I have barely seen the years pass. Immersed in work, sometimes buried in it. Constantly meeting the demands.”

His hand becomes still. He cannot find the words.

“Everything that begins must end.”

We always build *sub specie aeternitatis*. But we know we are not eternal, we are in the process of becoming, we begin and end, we are born and die. “Under the guise of eternity” is one way of bypassing this condition.

What becomes of a work that one suspects will come to an end at any moment? Would it simply be a work? Would it be so lucky to achieve such a status?

Perhaps the time has come to retire. The idea torments him. It looms in his heart as a phantasmagoria of abandon.

Deep inside him, he feels he will miss the human adventure. There is something exhilarating in its progress, its growth, its joys. When he received the ultimate accolade, the title of World Entrepreneur of the Year, it was not of himself that he first thought. It was of the Group that was rewarded through him, and of all those who made that success possible, and who he represented.

It is sometimes harder to end than begin.

There are always words to redress, phrases to correct, passages to strike out, ideas to refine.

An author, however, has to know when to stop amending, and put a full stop to his manuscript.

He pushes his notebook away.

The sun has disappeared behind the horizon.

He gets up.

It is time to address other concerns. For the rest, the hour is not upon him yet. It requires preparation.



This book was printed in November 2015 by XXX
for the publisher Actes Sud, Le Méjan, Place Nina-Berberova, 13200 Arles.
Legal deposit 1st edition: December 2015