



## Altair Announces Pricing of Offering of Convertible Senior Notes

June 6, 2019

TROY, Mich., June 06, 2019 (GLOBE NEWSWIRE) -- Altair Engineering Inc. (Nasdaq: ALTR) ("Altair") today announced that it priced its offering of \$200 million aggregate principal amount of its convertible senior notes due 2024 (the "Notes") in an underwritten offering registered with the Securities and Exchange Commission (the "SEC"). The aggregate principal amount of the offering was increased from the previously announced offering size of \$175 million. In addition, Altair granted the underwriters a 30-day option to purchase up to an additional \$30 million aggregate principal amount of the Notes offered.

The Notes will pay interest semiannually in arrears on June 1 and December 1 of each year at the rate of 0.250% per year, beginning December 1, 2019. The Notes will mature on June 1, 2024, unless earlier repurchased, redeemed or converted. The Notes will be convertible prior to December 1, 2023 only under certain circumstances and during certain periods, and will be convertible thereafter regardless of those circumstances. The conversion rate of the Notes will initially be 21.5049 shares of Altair's Class A common stock per \$1,000 principal amount of Notes (equivalent to an initial conversion price of approximately \$46.50 per share of Altair's Class A common stock, which represents a premium of approximately 30% over the closing price of Altair's Class A common stock on June 5, 2019), subject to adjustment in certain circumstances. Upon conversion, the Notes may be settled, at Altair's election, in cash, shares of Class A common stock or a combination of cash and Class A common stock.

On or after June 6, 2022, Altair may redeem the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest if the last reported sale price of Altair's Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last day of such period) ending on, and including, the trading day immediately preceding the date on which Altair provides notice of redemption. Holders of Notes may require Altair to repurchase their Notes upon the occurrence of certain events that constitute a fundamental change under the indenture governing the Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of repurchase. In connection with certain corporate events or if Altair issues a notice of redemption, it will, under certain circumstances, increase the conversion rate for holders who elect to convert their Notes in connection with such corporate event or during the relevant redemption period.

J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC and RBC Capital Markets, LLC are acting as book-running managers for the offering.

Altair estimates that the aggregate net proceeds from the offering will be approximately \$192.8 million (or approximately \$221.9 million if the underwriters exercise their option to purchase additional notes in full), after deducting the underwriting discounts and commissions and Altair's estimated offering expenses. Altair intends to use a portion of the net proceeds received from the offering to repay outstanding indebtedness under its \$150.0 million revolving credit facility, which was approximately \$14.8 million as of March 31, 2019. Altair intends to use the remaining net proceeds for acquisitions of, or investments in, technologies, solutions or businesses that complement Altair's business and other general corporate purposes, including working capital, developing and building an addition adjacent to Altair's corporate headquarters facilities and related real estate development matters, sales and marketing activities, general and administrative matters and capital expenditures. Altair does not have any agreements or binding commitments for any such acquisitions or investments at this time.

The offering is expected to close on June 10, 2019, subject to satisfaction of customary closing conditions.

An effective registration statement relating to the securities was filed with the SEC on June 4, 2019. The offering of these securities will be made only by means of a prospectus supplement, any free writing prospectus that Altair may authorize in connection therewith, and the accompanying prospectus. Copies of the prospectus supplement and the accompanying prospectus may be obtained by contacting J.P. Morgan Securities LLC c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, by telephone: (866) 803-9204 or email: [prospectus-eq\\_fi@jpmchase.com](mailto:prospectus-eq_fi@jpmchase.com). Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, NY 10282, by telephone at (866) 471-2526, or by emailing [prospectus-ny@ny.email.gs.com](mailto:prospectus-ny@ny.email.gs.com) or RBC Capital Markets, LLC, Attention: Equity Syndicate, 200 Vesey Street, 8th Floor, New York, NY 10281; telephone: (877) 822-4089.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities, nor shall there be any sale of the securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

### About Altair

Altair is a global technology company that provides software and cloud solutions in the areas of product development, high-performance computing and data intelligence. Altair enables organizations across broad industry segments to compete more effectively in a connected world while creating a more sustainable future.

### Cautionary Note Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements relating to Altair's expectations regarding the completion and timing of the closing of the public offering and the use of proceeds from the offering. These forward-looking statements are made as of the date of this release and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "may," "can," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "seek," "estimate," "continue," "plan," "point to," "project," "predict," "could," "intend," "target," "potential", the negative and plural of these words and other similar words and expressions of the future. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Altair's control. Altair's actual

results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, risks detailed in the section entitled “Risk Factors” in Altair’s Annual Report on Form 10-K for the year ended December 31, 2018, and in the prospectus related to the offering filed with the Securities and Exchange Commission. Past performance is not necessarily indicative of future results. The forward-looking statements included in this press release represent Altair’s views as of the date of this press release. Altair anticipates that subsequent events and developments may cause its views to change. Altair undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, changes in Altair’s expectations or otherwise. These forward-looking statements should not be relied upon as representing Altair’s views as of any date subsequent to the date of this press release.

**Investor and Media Relations**

Dave Simon

Altair

248-614-2400 ext. 332

[ir@altair.com](mailto:ir@altair.com)



Source: Altair Engineering Inc.