



Atos   
Origin

# FULL YEAR 2010 RESULTS»

*Paris, February 16th, 2011*

MEDIA PRESENTATION

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# 2010: We reached our commitments

	Guidance	Achievement
<b>Operating Margin</b>	Ambition to improve by +50 to +100 basis points compared to 2009 i.e. 6.2% - 6.7%	6.7% ✓ with ■ H1: 6.0% ■ H2: 7.4%
<b>Cash Generation</b>	Objective to confirm the improvement achieved in 2009 by generating an operating cash flow in the same range in 2010	Operating Cash Flow : - 2009: EUR 117 M - 2010: EUR 143 M ✓ ➔ Net Debt at EUR 139 M
<b>Revenue</b>	Due to the Arcandor bankruptcy, slight organic decrease, however at a lesser extent than the one achieved in 2009 (-3,7%)	-3.5% ✓

## 2010 Highlights (1/2)

### Agreement with Siemens

- » Global partnership
- » To acquire Siemens Information Services (SIS)

### Improved commercial activity

- » Book to Bill ratio at 111% in 2010 (125% in Q4 2010) compared to 100% in 2009 (89% in Q4 2009)
- » Implementation of sales organization by market (GAMA)

### TOP Program delivered

- » Cost optimization
- » Account planning
- » Lean management
- » Well Being at Work

Net Result at EUR 116 M and Board's proposal for a dividend at EUR 0.50 per share

## 2010 Highlights (2/2)

### HTTS Strategy & Specialized businesses

- » Roll-out in new geographies
- » First signatures and increasing pipeline
- » WorldGrid

### Building the future by accelerating innovation

- » Scientific Community
- » New Global Key Offerings

## Improved commercial activity

- » Total order entry of EUR 5 590 M representing a book to bill ratio at 111%

Book to Bill	Total Group	Consulting	Systems Integration	Managed Services	HTTS
<b>FY 2010</b>	<b>111%</b>	109%	113%	93%	113%
<b>FY 2009</b>	<b>100%</b>	93%	96%	106%	119%

- » Full qualified pipeline at EUR 2.7 B, compared to EUR 2.8 B end of September 2010 and EUR 2.6 B end of June
- » Full backlog at EUR 7.5 B, representing 1.5 year of revenue



## Solid commercial activity in Q4 2010

- » Q4 2010 order entry at EUR 1,650 M representing +39% compared to Q4 2009

Book to Bill	Total Group	Consulting + Systems Integration	Managed Services + HTTS + Medical BPO
Q4 2010	125%	104%	139%
Q4 2009	89%	94%	85%

➔ Q4 Book to Bill ratio reached 125% compared to the 120% committed at the Q3 release on October, 13th, 2010

## Some customers' contracts won in Q4 2010

**France** : Rexel, EADS DGAC

**UK**, DWP, Royal Mail, Home Office et NHS Scotland.

**Benelux**, Philips, ING, ABN AMRO et Achmea.

**Atos Worldline** ING, Cortal Consors et ABN AMRO.

**Germany**, Karstadt , Neckermann

**Brasil**, Petrobras

**South africa** Vodacom



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- » **Operational performance**
- » Financial results

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## 2010 Financial Highlights (1/4)

### Operational performance

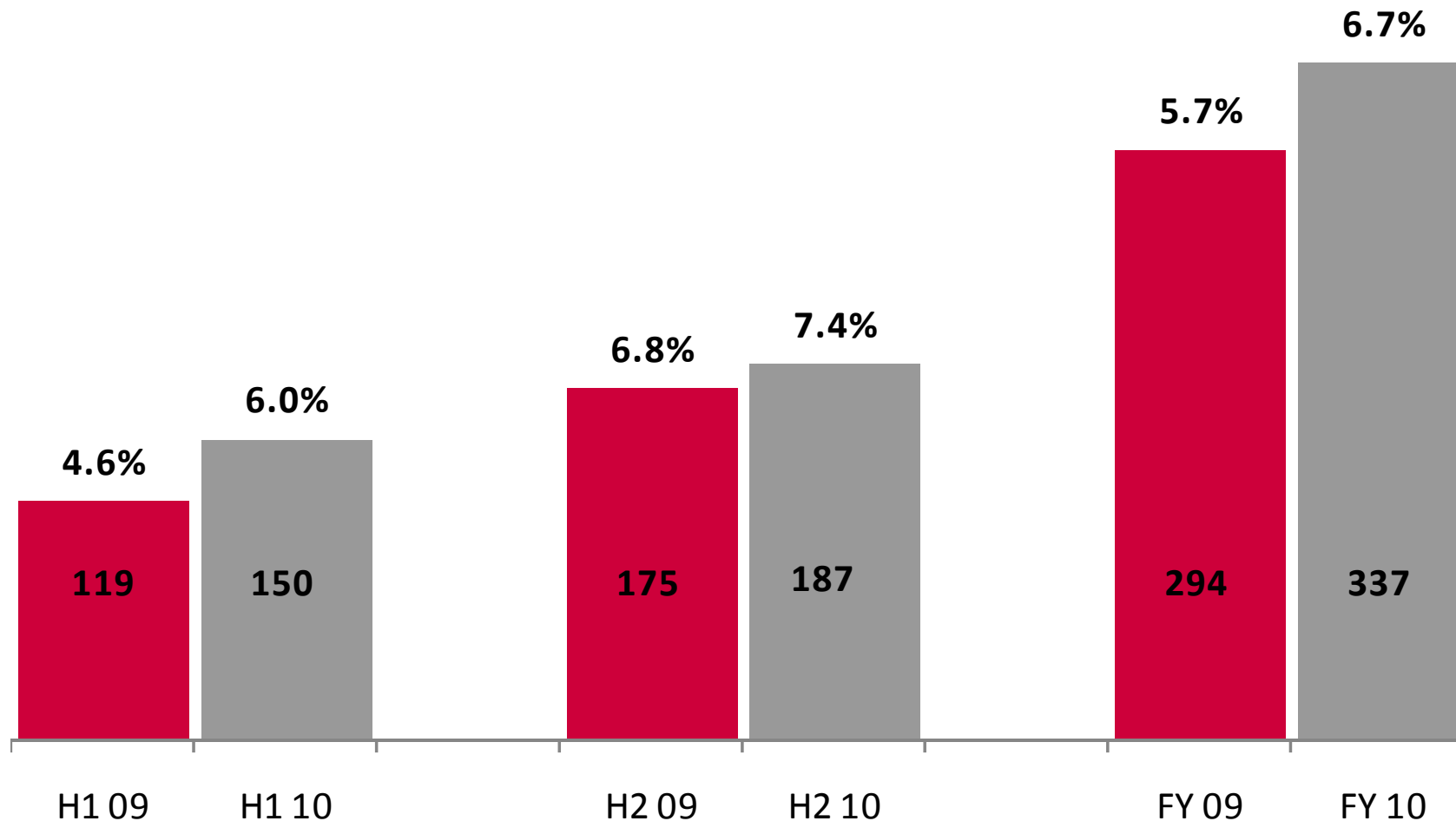
» Revenue at EUR 5,021 M with an organic decrease at -3.5%

<i>In € Million</i>	FY 2010	FY 2009	Δ%
<b>Revenue</b>	<b>5,021</b>	<b>5,127</b>	<b>-2.1%</b>
Exchange rates impact		75	
<b>Revenue at constant exchange rates</b>	<b>5,021</b>	<b>5,202</b>	<b>-3.5%</b>

# 2010 Financial Highlights (3/4)

## Full year 2010 Operating Margin evolution

» up by +107 pts compared to 2009



**NB:** all figures based at 2010 scope and exchange rates (M€)

## 2010 Financial Highlights

### Financial performance

- » **Operating Margin at EUR 337 M** (6.7% of revenue), representing an increase of +107bp compared to 2009 at same scope and exchange rates
- » **OMDA at EUR 532 M**, representing 11% of revenue
- » **EUR 65 M of staff restructuring** costs as part of the Group transformation compared to EUR 141 M in 2009. Cash out in 2010 was EUR 100 M.
- » **EUR 39 M of rationalization** costs compared to 86 M in 2009. Cash out in 2010 was EUR 68 M.
- » **Net Income Group share at EUR 116 M** vs. EUR 32 M in 2009.
- » **Normalized Net Income at EUR 218 M** up by +10% vs. 2009
- » **Net Debt at EUR 139 M**, same as end of 2009 after EUR 143 M of acquisition in 2010

## 2010 Performance by service line

### Revenue and Operating Margin

In EUR Million	Revenue			Operating Margin		Operating Margin %	
	FY 2010	FY 2009	% growth	FY 2010	FY 2009	FY 2010	FY 2009
Managed Services	1,847	1,945	-5.0%	146	104	7.9%	5.3%
Systems Integration	1,771	1,859	-4.8%	70	80	4.0%	4.3%
HTTS	1,035	991	+4.4%	171	158	16.6%	16.0%
Consulting	208	247	-16.0%	-5	2	-2.6%	0.9%
Medical BPO	160	159	+0.6%	18	20	11.6%	12.7%
Corporate Central (*)				-63	-71	-1.3%	-1.4%
<b>Total Group</b>	<b>5,021</b>	<b>5,202</b>	<b>-3.5%</b>	<b>337</b>	<b>294</b>	<b>6.7%</b>	<b>5.7%</b>

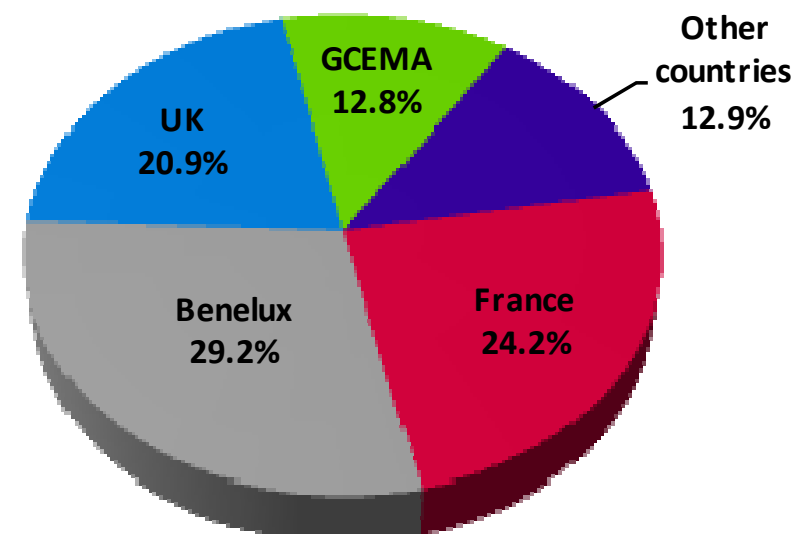
% growth: Organic growth at constant scope and exchange rates

(\*) Corporate Central excludes Global Delivery Lines costs allocated to service lines

# Managed Services

## Revenue breakdown by GBU

» 2010



## Revenue and Operating Margin

» Two-year comparison

<i>In € Million</i>	FY 2010	FY 2009	% Organic (*)
<b>Revenue</b>	1,847	1,945	-5.0%
<b>Operating margin</b>	145.7	103.9	+40.3%
<b>Operating margin rate</b>	7.9%	5.3%	+2.5 pt
<b>Headcount at closing (Dec)</b>	15,851	16,305	-2.8%

(\*) At 2010 exchange rates

# System Integration

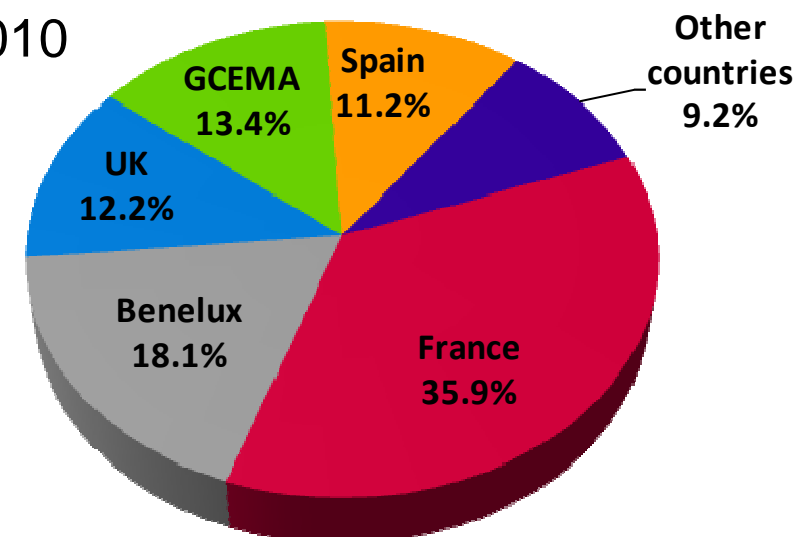
## Utilization rate

» Evolution by quarter

H1 2009	H2 2009	H1 2010	H2 2010
81%	81%	81%	80%

## Revenue breakdown by GBU

» 2010



## Revenue and Operating Margin

» Two-year comparison

<i>In € Million</i>	FY 2010	FY 2009	% Organic (*)
<b>Revenue</b>	1,771	1,859	-4.8%
<b>Operating margin</b>	69.9	80.2	-12.8%
<b>Operating margin rate</b>	4.0%	4.3%	-0.4 pt
<b>Headcount at closing (Dec)</b>	21,801	22,647	-3.7%

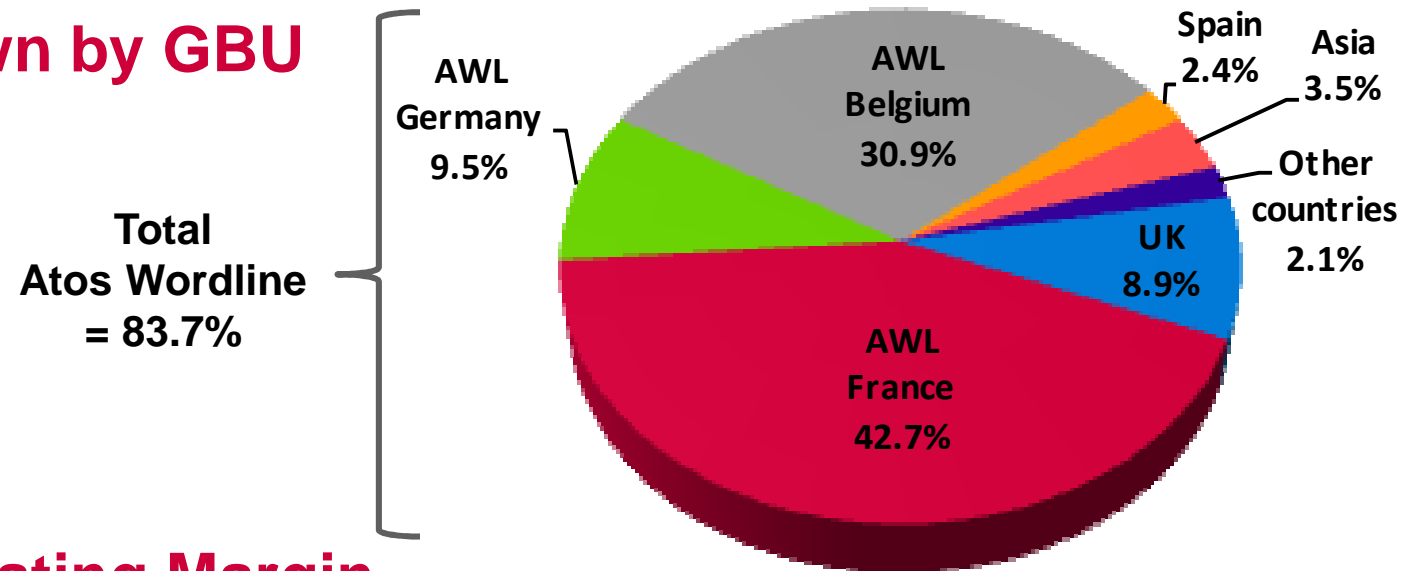
(\*) At 2010 exchange rates



# High Tech Transactional Services

## Revenue breakdown by GBU

» 2010



## Revenue and Operating Margin

» Two-year comparison

<i>In € Million</i>	<i>FY 2010</i>	<i>FY 2009</i>	<i>% Organic (*)</i>
<b>Revenue</b>	1,035	991	+4.4%
<b>Operating margin</b>	171.4	158.3	+8.3%
<b>Operating margin rate</b>	16.6%	16.0%	+0.6 pt
<b>Headcount at closing (Dec)</b>	<b>6,555</b>	<b>5,771</b>	<b>+13.6%</b>

(\*) At 2010 exchange rates

# Consulting

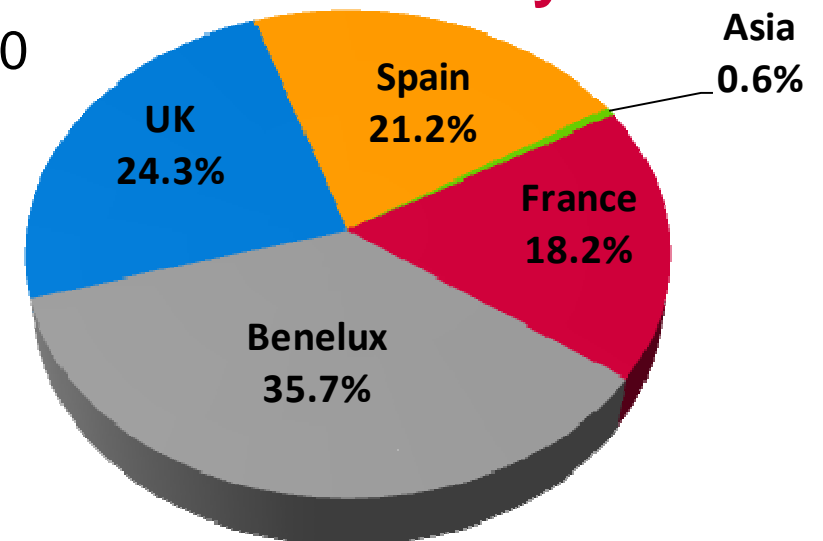
## Utilization rate

» Evolution by quarter

H1 2009	H2 2009	H1 2010	H2 2010
64%	67%	70%	69%

## Revenue breakdown by GBU

» 2010



## Revenue and Operating Margin

» Two-year comparison

<i>In € Million</i>	FY 2010	FY 2009	% Organic (*)
Revenue	208	247	-16.0%
Operating margin	-5.4	2.2	-344.6%
Operating margin rate	-2.6%	0.9%	-3.5 pt
Headcount at closing (Dec)	1,945	2,070	-6.0%

(\*) At 2010 exchange rates

# 2010 Performance by Global Business Unit

## Revenue and Operating Margin

<i>In EUR Million</i>	Total Revenue			Operating Margin		Operating Margin %	
	FY 2010	FY 2009	% growth	FY 2010	FY 2009	FY 2010	FY 2009
France	1,133	1,128	+0.4%	45	47	3.9%	4.2%
Benelux	938	997	-5.9%	92	84	9.9%	8.4%
United Kingdom	904	937	-3.5%	77	85	8.5%	9.1%
Atos Worldline	867	844	+2.7%	150	133	17.4%	15.8%
Germany/CEMA	475	578	-17.8%	10	23	2.2%	3.9%
Spain	300	334	-10.4%	-10	12	-3.3%	3.5%
Other countries	405	384	+5.6%	52	7	12.7%	1.8%
GDL costs (*)				-16	-26	-0.3%	-0.5%
Corporate Central (*)				-63	-71	-1.3%	-1.4%
<b>Total Group</b>	<b>5,021</b>	<b>5,202</b>	<b>-3.5%</b>	<b>337</b>	<b>294</b>	<b>6.7%</b>	<b>5.7%</b>

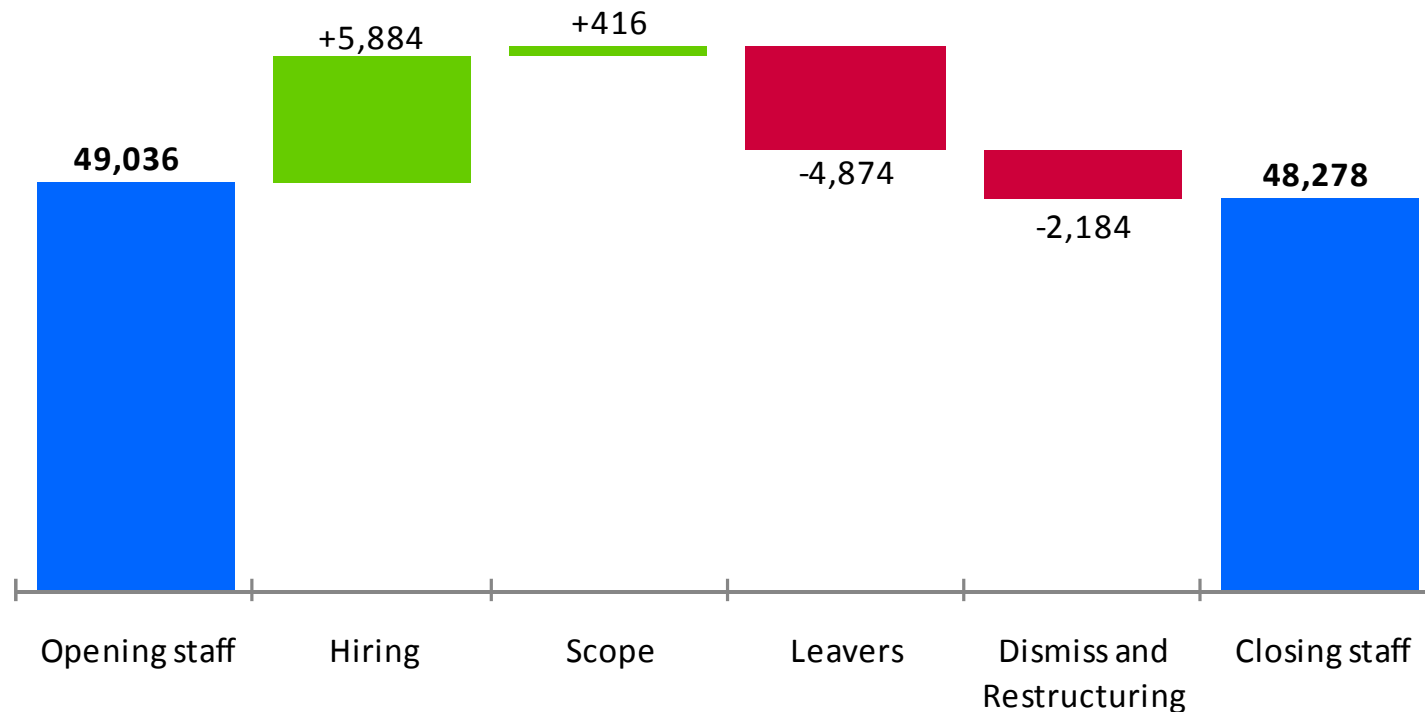
% growth: Organic growth at constant scope and exchange rates

(\*) Corporate Central and Global Delivery Lines costs not allocated to the Global Business Units

# Headcount evolution

## Over the year 2010

- » Increasing direct staff since May 2010 to stick to the evolution of activity
- » Decreasing indirect staff as an effect of restructuring to reduce cost base (TOP program)
- » Hiring: +5,884 new employees



## Statutory Income statement

<i>In € Million</i>	<b>FY 2010</b>	<b>FY 2009 Comparable</b>	<b>FY 2009 Statutory</b>
<b>Revenue</b>	<b>5,021</b>	<b>5,127</b>	<b>5,127</b>
<b>Operating Margin</b>	<b>337</b>	<b>291</b>	<b>290</b>
<i>% revenue</i>	6.7%	5.7%	5.7%
Staff reorganisation	(65)	(141)	(141)
Premises offices rationalisation	(39)	(86)	(86)
Other operating income and expenses	(34)	(32)	7
<b>Operating income</b>	<b>200</b>	<b>31</b>	<b>70</b>
<i>% revenue</i>	4.0%	0.6%	1.4%
<b>Net financial expenses</b>	<b>(24)</b>	<b>(24)</b>	<b>(24)</b>
Income tax expenses	(58)	1	(9)
<b>Net income</b>	<b>118</b>	<b>8</b>	<b>36</b>
<b>Group Share</b>	<b>116</b>	<b>4</b>	<b>32</b>
<b>Non controlling interests</b>	<b>2</b>	<b>4</b>	<b>4</b>

## Cash Flow statement

<i>(In EUR Million)</i>	<i>FY 2010</i>	<i>FY 2009</i>
<b>OMDA (*)</b>	<b>532</b>	<b>501</b>
Net capital Expenditures	(176)	(198)
Change in working capital	53	35
<b>Cash from Operations</b>	<b>409</b>	<b>338</b>
Taxes paid	(61)	(40)
Net costs of financial debt paid	(5)	(11)
Net interest of convertible bonds	(13)	(2)
Reorganisation	(100)	(117)
Rationalisation	(68)	(19)
Net financial investments	(143)	(14)
Dividends / Non controlling interests	(5)	(4)
Other changes	(15)	33
<b>Net cash flow</b>	<b>0</b>	<b>165</b>
<b>Opening net debt</b>	<b>139</b>	<b>304</b>
<b>Closing net debt</b>	<b>139</b>	<b>139</b>

(\*) *Operating Margin before Depreciation and Amortization*

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# Strategy designed to develop the 2 segments of the IT services market

Atos Origin operates IT in two domains which are at stages of reinvention

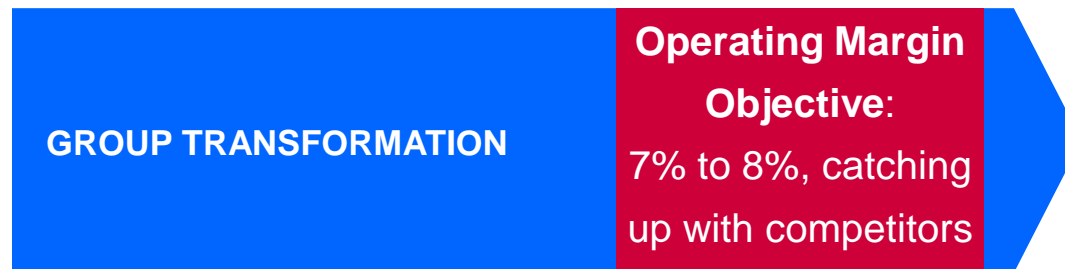
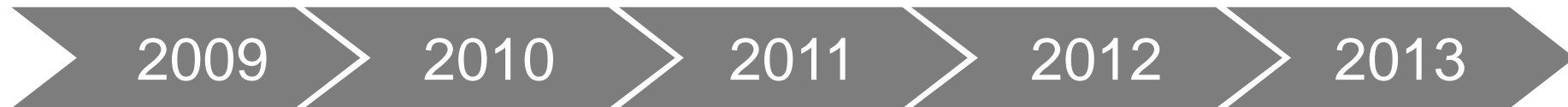
**BUSINESS CRITICAL IT**

- » IT services to support customers' top line growth for their :
  - Competitive positioning
  - Time to Market
  - Innovation
- » Atos Origin answers :
  - Industry expertise
  - HTTS portfolio roll out
  - Key Offerings, Atos WorldGrid, ...

**FUNDAMENTAL IT**

- » IT services for support systems delivering
  - Lower TCO's
  - Standardization
  - Pay as you Go
  - Agility & Reliability
- » Atos Origin answers :
  - Global factories, Global tooling
  - Offshore ramp up,
  - Atos Sphere

# Dynamics of the strategy



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# TOP, a dynamic transformation program: 30 global initiatives within the Group



## Top Sales: we have implemented a best-in-class account planning process

### Main achievements in 2010

- » **700 accounts** have account managers and proper account plans: for all above EUR 5 M yearly revenues, to be updated twice a year
- » **Account manager function** defined consistently across GBUs and extended to include Revenue, Operating Margin and Cash on a Global basis
- » All account managers have been through a **two-day training on account planning**
- » **2011 Objectives** have been built based **on account plans** and fully allocated to accounts
- » **Action plans for additional orders and revenue** have been defined through account planning process

# Showing Leadership in Corporate Responsibility

## Highly demanding commitment to be “best in class”

- » 1st IT Company Member of the GRI since 2009
- » Member of the UN Global Compact since 2010
- » 1st CR Report published in 2010 and qualified by GRI, world de facto reporting standard



## A zero carbon IT infrastructure

- » - 3% of CO<sub>2</sub> emissions (2009 figures constant scope)
- » Active Member of the Green Grid
- » Reporting to Carbon Disclosure Project since 2008
- » Global partnership signed with the Carbon Neutral Company to offset the CO<sub>2</sub> produced by our Data-centers



## Innovative green IT solutions

- » Launch of our innovative portfolio of services: *Ambition Carbon Free, Green IT, Intelligent Sustainability, Sustainability Roadmap, Sustainable Manufacturing*
- » We accompany our clients to transform towards a more sustainable operations, IT infrastructure and supply chain





# Well Being at Work

Imagine the new way of working and be recognized as one of the best companies to work for

## 2010 achievements



» Atos Campus concept to be deployed (Pune, Madrid, Frankfort, Grenoble)



» Innovation at work with smart collaborative tools



» “Reward and Recognize” as a key driver for our people



» Focus on new joiners with a global welcome and integration policy

## WbW Ambitions for 2011



***WbW as a leverage for SIS integration***





# HTTS: first successes and continued focused sales effort

**2010 effort** focused on building teams, and sales momentum, with a specific effort on closing first new significant deals in Q4 and preparing 2011 priority initiatives

**Sales activity** in Q4 was strong, both on local HTTS activities, and on leveraging of Atos Worldline assets with signature of first significant new deals

- » Nomura Asset Management
- » Rabobank

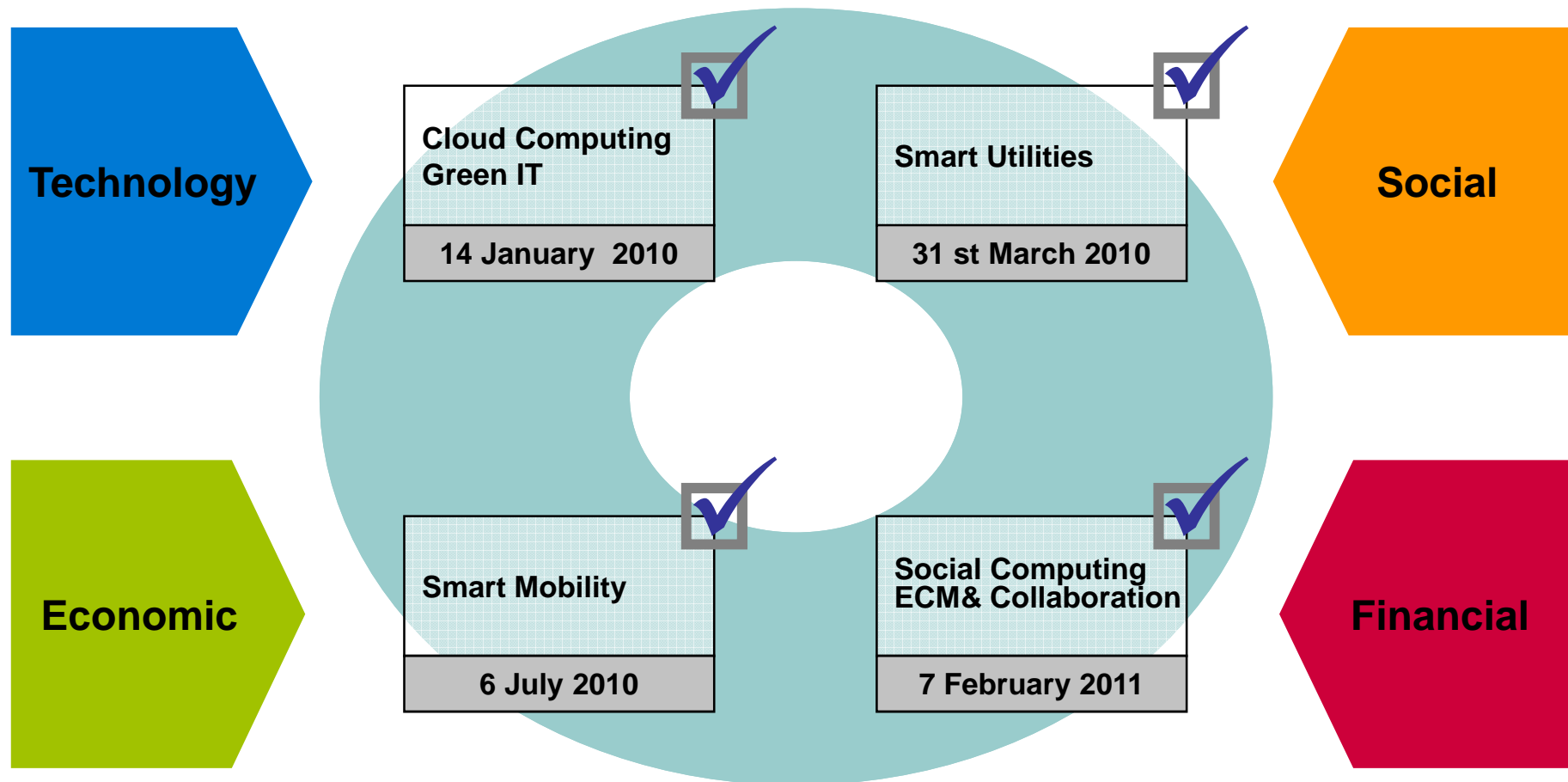
Even after Q4 signatures, unweighted **HTTS Pipeline** stable at around EUR 500 million

Looking forward, large opportunities in:

- » **the Netherlands** with existing Atos Origin clients in the energy sector, and new prospects in the Insurance domain
- » the **UK** with existing Atos Origin clients in the Government and Transport sectors
- » **Asia**, with strong interest in Atos Worldline offerings in Payments, Loyalty and Financial Markets
- » In **Spain** and in **South America**, for loyalty programs and transportation

**Ramping-up business development and sales activity for 2011 acceleration**

# Delivering on our innovation roadmap



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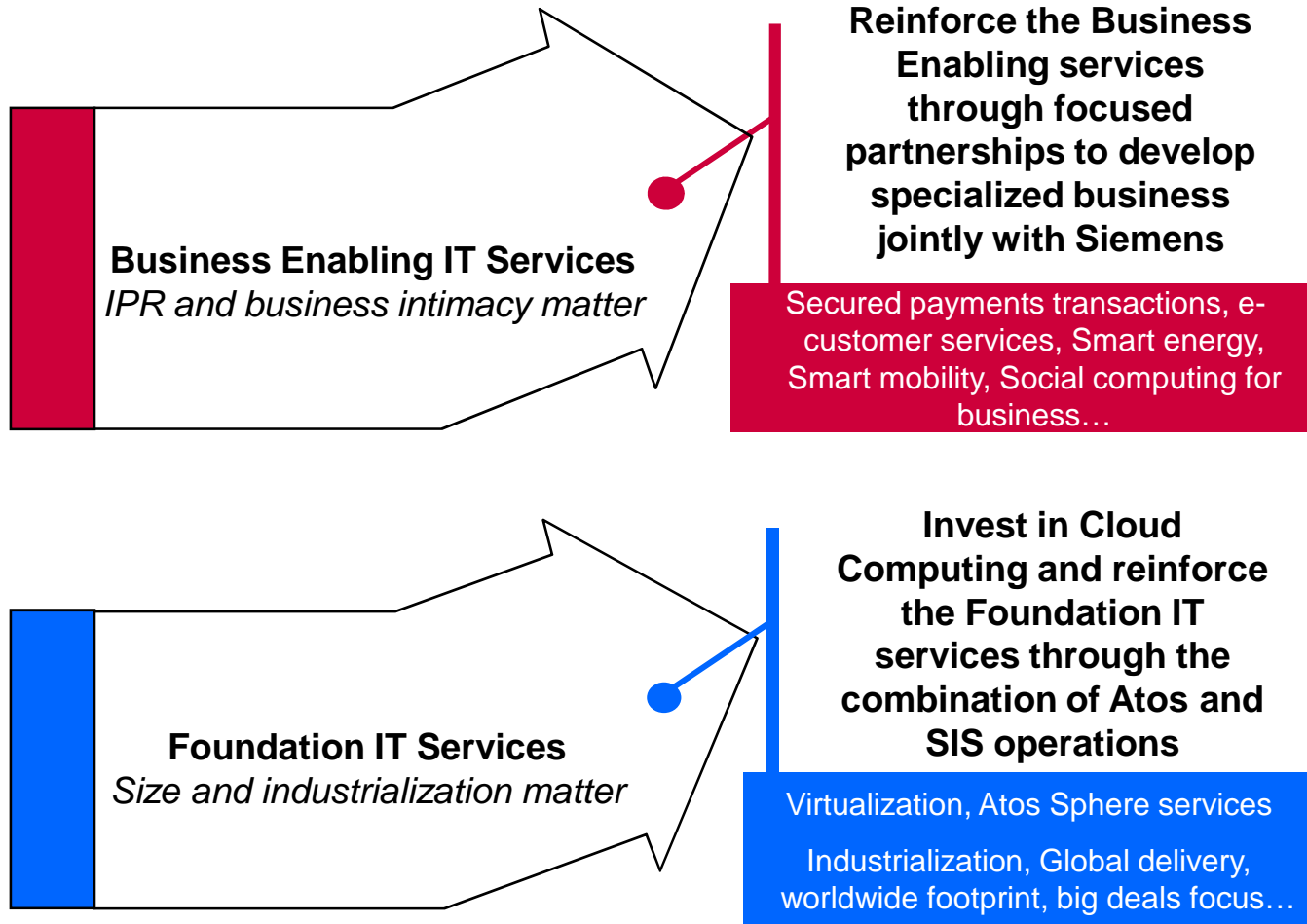
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# Creation of a European champion in IT services : New company combining Atos Origin and SIS

» A “best in class” company in the two major IT domains



## New Company

**Leader in Europe**  
≈ 1 B€ ER in specialized businesses

**A new European leader in Managed Services**

# Integration timeline



*Instigating a top management vision*

- CEO kick-off (January 10<sup>th</sup>)
- TOP<sup>2</sup> kick off (February 3<sup>rd</sup>)
- Cluster visits by top management

*Designing the new organization*

- Design blueprint of new organization (February 15<sup>th</sup>)

*Capturing deal's synergies*

- First integration committee (January 24<sup>th</sup>)

- All day integration review (March 15<sup>th</sup>)
- Cluster visits by top management

- Launch of first wave of AVAs<sup>1</sup>
- Launch first lean project

- Process of appointment and validation of N-1 to N-3 managers

- Comfort client calls

<sup>1</sup> Activity Value Analysis

# Integration of SIS :

24 initiatives to achieve effective integration and operational efficiency

SIS activity will be included in one of these workstreams



Integration workstreams		TOP <sup>2</sup> workstreams	
I1	• Financial processes	TOP <sup>2</sup> Sales	T1 • Global account Plan
I2	• Social processes		T2 • Project Improvement Margin
I3	• Purchasing	TOP <sup>2</sup> Efficiency	T3 • SI industrialization
I4	• Internal IT		T4 • MS industrialization
I5	• Managed services (MS)		T5 • T&M industrialization
I6	• System integration (SI)		T6 • Utilization rate optimization
I7	• Growth action plan	TOP <sup>2</sup> Indirect	T7 • Finance optimization
I8	• Organization & Talents		T8 • HR optimization
I9	• Communication & WB@W		T9 • Other G&A optimization
			T10 • Real Estate optimization
			T11 • Standard of living
			T12 • WIP/CAPEX
Siemens global partnership		TOP <sup>2</sup> Cash	
S1	• Siemens partnership		
S2	• Siemens internal IT		
S3	• Deal closing		

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## Objectives 2011 (current Atos Origin Scope)

(1/2)

### Revenue

- » Considering the outcome from its large customers and an improving economic environment, the Group expects to return to a slight organic growth in 2011.

### Operating Margin

- » Operating Margin target is to increase by +50 to +100 basis points in 2011, third year of the three years transformation plan, and therefore to be in the range of 7.2 to 7.7 per cent.

### Operating Cash Flow

- » The Operating Cash Flow is expected to increase again by +20 per cent in 2011 compared to 2010.

## Objectives 2011 (2/2)

### With consolidation of SIS, expected as of 1 July 2011

(subject to anti-trust clearance and Shareholders' approval)

- » As soon as the transaction is completed, the new guidance for the year 2011 will include SIS (6 months expected in the second half of the year)
- » This guidance is expected to be in line with the figures already provided on 15 December 2010, date of the announcement:
  - » **Revenue** evolution in line with market growth
  - » An **Operating Margin** at circa 6 per cent
  - » A Neutral **EPS** effect compared to Atos Origin standalone
  - » A **Cash Flow**\* slightly higher than Atos Origin standalone in 2011

*\*before dividends and acquisitions / disposals*

## Objectives 2011 (2/2)

### With consolidation of SIS, expected as of 1 July 2011

(subject to anti-trust clearance and Shareholders' approval)

- » For 2011, with 12 months for Atos Origin (January to December) and six months for Siemens IT Solutions and Services (July to December), these targets are the following:
  - » **Revenue** evolution in line with market growth
  - » An **Operating Margin** at circa 6 per cent
  - » A Neutral **EPS** effect compared to Atos Origin standalone
  - » A **Cash Flow**\* slightly higher than Atos Origin standalone in 2011

*\*before dividends and acquisitions / disposals*



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*Paris, February 16th, 2011*

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