
First quarter 2015

Wednesday, April 22, 2015

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Bezons

- ▶ This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2014 Reference Document filed with the Autorité des Marchés Financiers (AMF) on April 1, 2015 under the registration number: D15-0277. This document does not contain or constitute an offer of Atos' shares for sale or an invitation or inducement to invest in Atos' shares in France, the United States of America or any other jurisdiction.
- ▶ Revenue organic growth is presented at constant scope and exchange rates.
- ▶ Business Units include **Germany, France, United-Kingdom & Ireland, Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, Sweden, and Estonia), **Worldline, North America** (USA and Canada), and **Other Business Units** including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Switzerland and Turkey), Iberia (Spain, Portugal, and Andorra), Asia-Pacific (Australia, China, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), Latin America (Brazil, Argentina, Mexico, Colombia, Chile and Uruguay), India, Middle East & Africa (IMEA: Algeria, Benin, Burkina Faso, Egypt, Gabon, India, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Saudi Arabia, Senegal, South Africa and UAE), Major Events, and Cloud & Enterprise Software.

Agenda

**First quarter
2015**

April 22, 2015

1. Q1 2015 highlights
2. Operational performance
3. Commercial activity
4. Update on Xerox ITO acquisition
5. Conclusion
6. Q&A session

Thierry Breton, Chairman & CEO

Q1 2015 highlights

Q1: reaching important milestones

Well on track to achieve 2016 Ambition

First quarter
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Q1 2015
revenue

€2,427m

+17.6% year-on-year (+12.2% at constant exchange rates)
+0.2% organic growth

Q1 2015
order entry

€2,198m

+26% at constant exchange rates
(91% book to bill)

Cloud, Big Data
and Cyber-security

Reaching 10% of total revenue in Q1
Double digit organic growth

Offshore delivery

Reaching 40% in Q1
in Systems Integration

2015 objectives

First quarter
2015

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The Group confirms all its objectives for 2015 as stated in the February 18, 2015 release, i.e.:

► Revenue

The Group targets a **positive organic revenue growth**

► Operating margin

The Group has the objective to improve its operating margin rate targeting **8.0% to 8.5% of revenue**

► Free cash flow

Taking into account the cash-out to deliver Bull cost synergies, the Group expects to generate a free cash flow **above 2014 level**

The figures above exclude Xerox ITO contribution

Elie Girard,
Executive Vice President and Group CFO

Operational performance

Constant scope and exchange rates reconciliation

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| <i>In € million</i> | Q1 2015 | Q1 2014 | % change |
|---|--------------|--------------|---------------|
| Statutory revenue | 2,427 | 2,064 | +17.6% |
| Scope effect | | 259 | |
| Exchange rates effect | | 99 | |
| Revenue at constant scope and exchange rates | 2,427 | 2,422 | +0.2% |

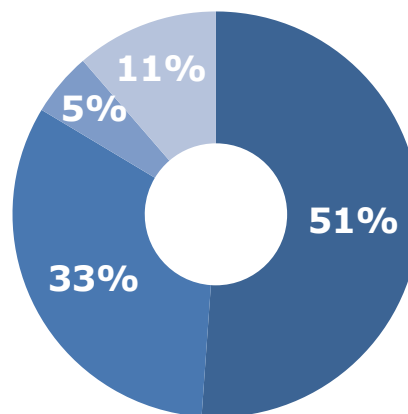
- ▶ **Scope effect** was related to the acquisitions of Bull (France, August 2014), and Cambridge Technology Partners (Other Business Units, June 2014), combined with the outsourcing of on-sites services activities in France (France, March 2015) and the early exit from the Work Capability Assessment BPO contract with the Department for Work and Pensions (United Kingdom, March 1st, 2015).
- ▶ **Exchange rates effect** mainly resulted from the British pound and the US dollar strengthening versus the euro by +11.2% and +21.2% respectively year-on-year.

Q1 2015 revenue performance by Service Line

First quarter
2015

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- ▶ **Managed Services slightly up thanks to the UK**
- ▶ **Consulting & Systems Integration stable outside Germany**
- ▶ **Continuous traction of Big Data & Cyber-security**



- Managed Services
- Consulting & Systems Integration
- Big Data & Cyber-security
- Worldline

In € million

| | Q1 2015 | Q1 2014* | % organic | % yoy |
|----------------------------------|--------------|--------------|--------------|---------------|
| Managed Services | 1,241 | 1,227 | +1.2% | +15.5% |
| Consulting & Systems Integration | 788 | 807 | -2.4% | +8.8% |
| Big Data & Cyber-security | 123 | 117 | +4.9% | |
| Total IT Services | 2,152 | 2,151 | +0.0% | +19.6% |
| Worldline** | 275 | 271 | +1.6% | +4.0% |
| TOTAL GROUP | 2,427 | 2,422 | +0.2% | +17.6% |

* at constant scope and exchange rates

** Worldline reported +4.0% organic growth on a stand alone basis

Q1 2015 revenue performance by Business Unit

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- ▶ Strong Managed Services growth in the United Kingdom
- ▶ Stable revenue in France
- ▶ Good momentum in India, Middle-East & Africa, Asia Pacific, and Iberia
- ▶ Germany and Benelux & The Nordics impacted by ramp-downs and contracts renewal

| <i>In € million</i> | Q1 2015 | Q1 2014* | % organic | % yoy |
|--------------------------|--------------|--------------|--------------|---------------|
| United-Kingdom & Ireland | 511 | 443 | +15.3% | +29.1% |
| France | 403 | 405 | -0.3% | +56.9% |
| Germany | 373 | 410 | -9.1% | -4.2% |
| Benelux & The Nordics | 256 | 277 | -7.8% | +0.1% |
| North America | 164 | 177 | -7.6% | +14.8% |
| Other Business Units | 445 | 439 | +1.4% | +24.1% |
| Total IT Services | 2,152 | 2,151 | +0.0% | +19.6% |
| Worldline** | 275 | 271 | +1.6% | +4.0% |
| TOTAL GROUP | 2,427 | 2,422 | +0.2% | +17.6% |

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** Worldline reported +4.0% organic growth on a stand alone basis

Headcount evolution

First quarter
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- ▶ **2,160 employees exited the Group workforce following:**
 - Sale of on-sites services activities in France
 - Early termination of the Work Capability Assessment BPO contract
- ▶ **Attrition at 10.6% at Group level and 19.0% in emerging countries**

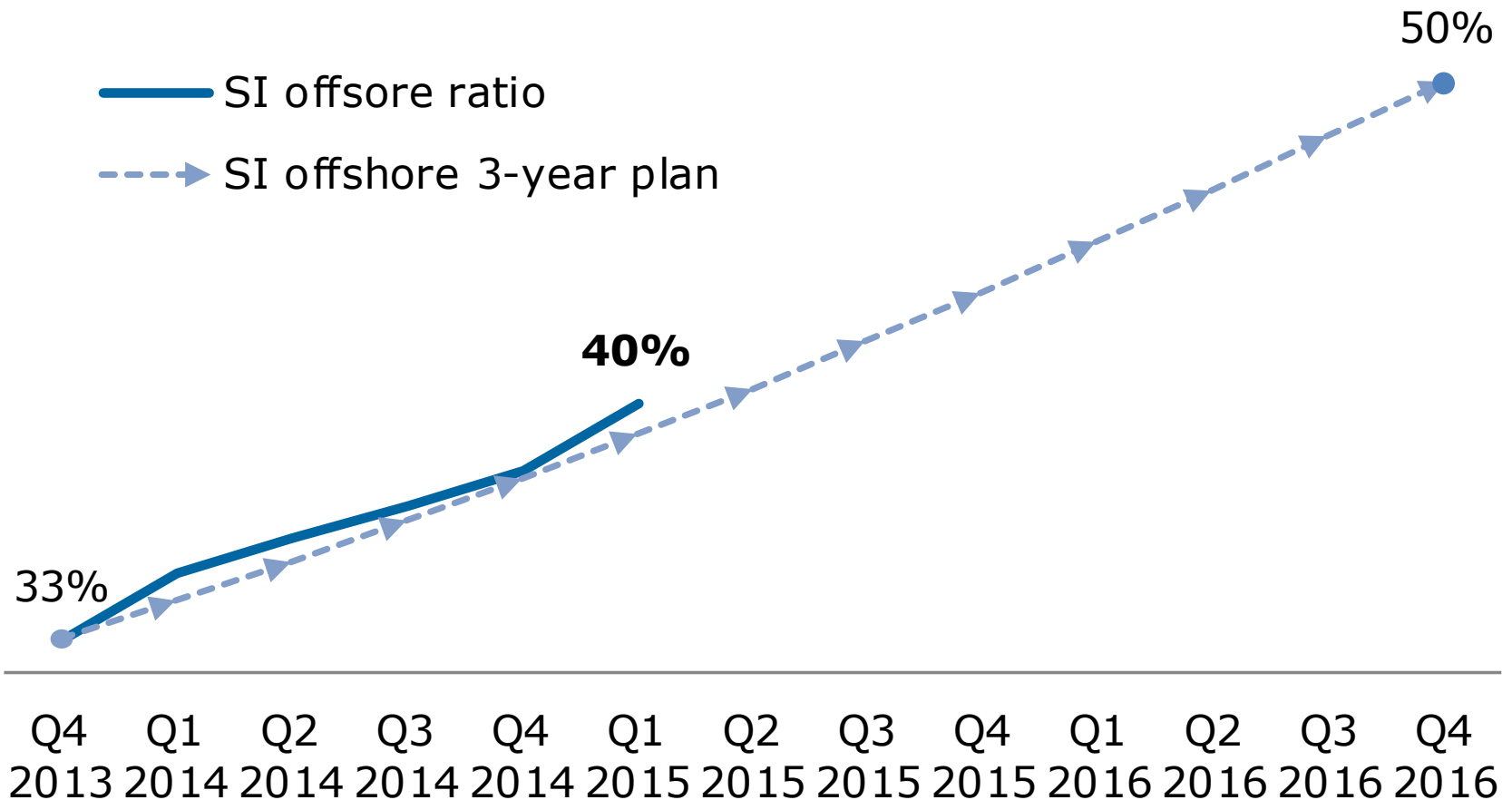


Offshore delivery evolution in Systems Integration

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2015

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- ▶ 40% of the Systems Integration direct workforce in offshore countries



Patrick Adiba,
Executive Vice President and Chief Commercial Officer

Commercial activity

Commercial activity dashboard

First quarter
2015

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2,198

Order entry (€ million)
+26% at constant exchange rates

91%

Book to bill ratio
(vs. 81% in Q1 2014)

16.6

Backlog (€ billion)
(1.7 years of revenue)

5.6

Qualified pipeline (€ billion)
(6.7 months of revenue)

Most relevant wins in Q1 2015

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Managed Services

*A global sportswear
company*

End-user Outsourcing Services
North America - renewal

Big Data & Cyber-security

*A major national research
institute*

HPC infrastructures and services
France - ext. of scope

Managed Services

*A leading global professional
services company*

*Service desk, Mobility, Enterprise
Change Control, and project services*
North America - renewal

Big Data & Cyber-security

**National
Police**

*Integrated Common Communication
System*
Switzerland - new

Managed Services

*Leading European
Media house*

*Server & Storage solution based on
Canopy Enterprise Private Cloud*
Germany - new logo

Consulting & Systems Integration

*A large company
of the energy sector*

Consulting infrastructure
Benelux - new

Consulting & Systems Integration



Software services
North America - ext. of scope

Consulting & Systems Integration Managed Services

*A large German
industrial company*

SAP Hana & Smart storage
Germany - new

Managed Services



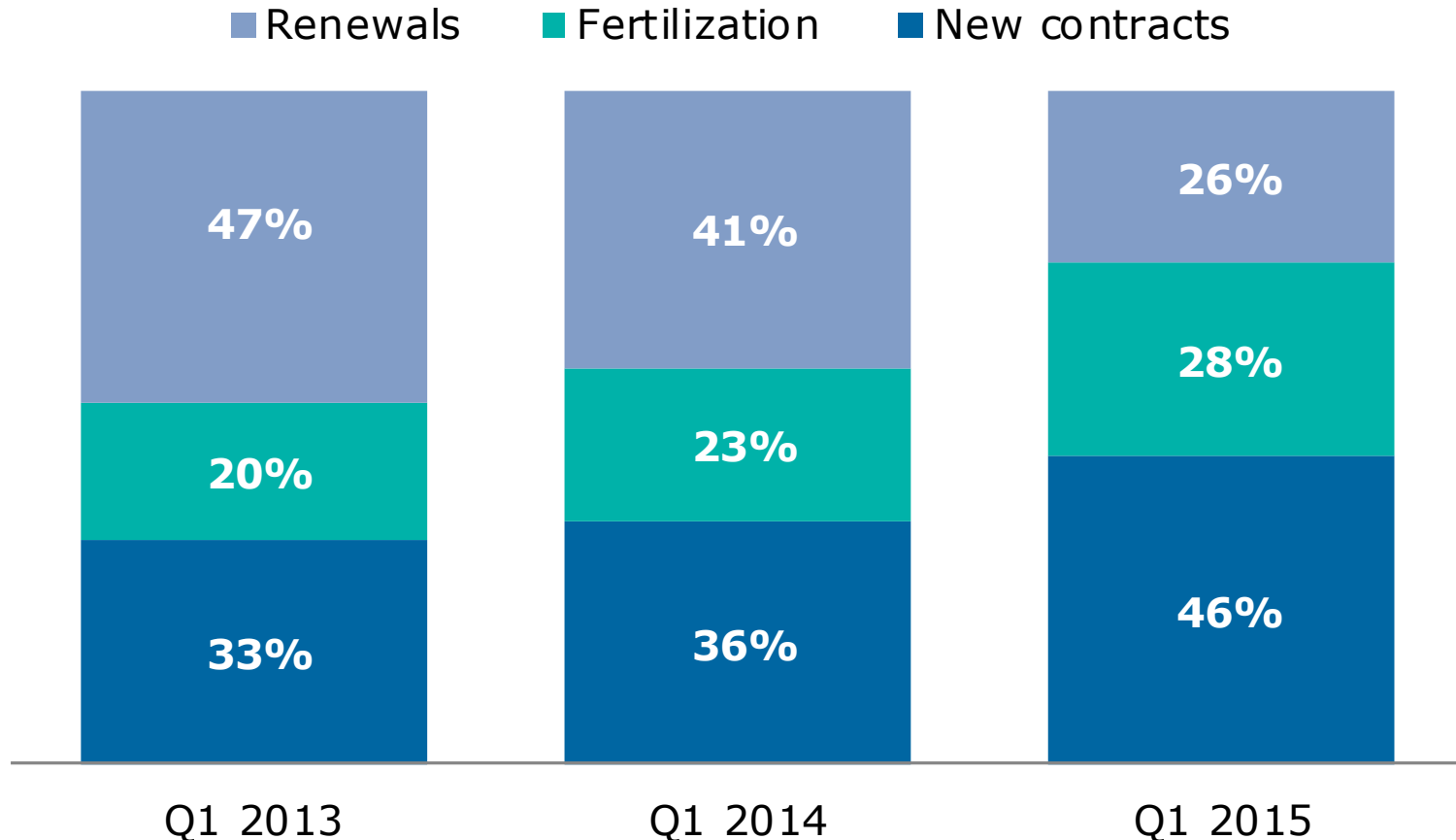
Remote backup with Canopy
Benelux - new

New commercial policy materializing in order entry mix

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► New businesses increased by +65%



Michel-Alain Proch,
Senior Executive Vice President, coordinating United States

Update on Xerox ITO acquisition

Day 1 commercial readiness and market dynamics

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2015

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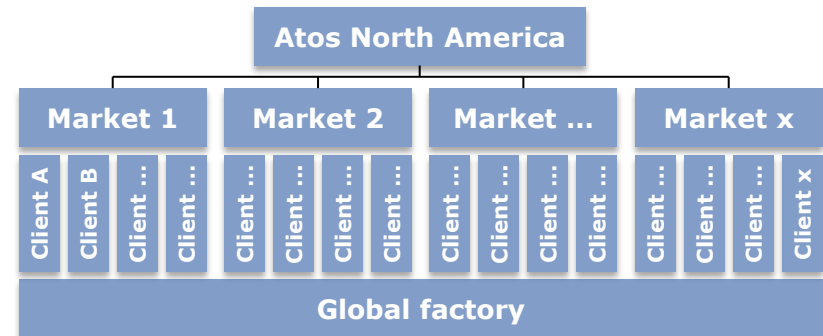
Complementary business approach

Xerox ITO customer
centric approach



Atos technological
and industrial capacities

A new go-to-market ready day 1



Appetite for digital transformation

- ▶ **Front-runner** clients and prospects in term of **technology adoption**
- ▶ Strong **appetite for** Atos expertise in **digital transformation**:
 - Cloud (Hybrid orchestration)
 - Big Data & Analytics
 - End-to-end automation

Revenue synergies confirmed

- ▶ All top clients visited
- ▶ **~30 opportunities** around Initial collaboration on cross-sell opportunities for Atos portfolio already being followed within Xerox ITO base
 - **Target of \$100m revenue synergies by 2017 confirmed**

Update on Carve out & closing status

(1/2)

First quarter
2015

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Integration Program **on track for H1 2015** expected closing date

Key dates

(as presented at the time of the announcement)

Status

December
18, 2014

- ▶ Announcement of transaction



End-
January 2015

- ▶ Employee Work's Council review



End-February
2015

- ▶ Anti-trust clearance



Q2 2015

- ▶ Expected closing
- ▶ Completion of carve-out of Xerox ITO

23 work streams
covering all aspects
of the integration

Update on Carve out & closing status (2/2)

First quarter
2015

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23 work streams covering all aspects of the integration

| Between signing and closing | | From closing onward | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|-----------|----------------------------------|--|-------------------------------|--|-------------------------|--|-------------------------|----------------|-------------------------------|--|----------------------------------|--|-------------------------|--|------------------------|--------------|----------------------|--|------------------------------|--|------------------------|----------|---------------|
| Carve-Out Work stream weekly steerco: Xerox leads <ul style="list-style-type: none"> CO1 IS separation CO2 Network & Security CO3 Real Estate CO4 Soft/hardware, Xerox IP, and other vendor contracts CO5 TSA CO6 People transfer CO7 Legal restructuring CO8 Client consent | Joint transversal for Day 1 readiness Work stream weekly steerco: Atos leads <ul style="list-style-type: none"> I1 Sales Atos/XBS/ XIT working process Training & account plan I2 Purchasing datas preparations Managed Services master plan High level DC plan; Blue print GDC; Go forward I3 Capex/Technology/Tooling I4 Big Data and Security offer/org. I5 Systems Integration offer/org and GDC optimization (process training) I6 Cloud / Canopy offer/org I7 Financial & HR operations I8 Communication & Talents (Social process pre closing) I9 Country specific items | TOP work streams Monthly review <table border="1"> <tr> <td>TOP Sales</td> <td>T1 Quality/customer satisfaction</td> </tr> <tr> <td></td> <td>T2 Project margin improvement</td> </tr> <tr> <td></td> <td>T3 SI industrialization</td> </tr> <tr> <td></td> <td>T4 MS industrialization</td> </tr> <tr> <td>TOP Efficiency</td> <td>T5 IT process standardization</td> </tr> <tr> <td></td> <td>T6 Utilization rate optimization</td> </tr> <tr> <td></td> <td>T7 Finance optimization</td> </tr> <tr> <td></td> <td>T8 HR optimization/WFM</td> </tr> <tr> <td>TOP Indirect</td> <td>T9 SG&A optimization</td> </tr> <tr> <td></td> <td>T10 Real Estate optimization</td> </tr> <tr> <td></td> <td>T11 Standard of living</td> </tr> <tr> <td>TOP Cash</td> <td>T12 WIP/CAPEX</td> </tr> </table> | TOP Sales | T1 Quality/customer satisfaction | | T2 Project margin improvement | | T3 SI industrialization | | T4 MS industrialization | TOP Efficiency | T5 IT process standardization | | T6 Utilization rate optimization | | T7 Finance optimization | | T8 HR optimization/WFM | TOP Indirect | T9 SG&A optimization | | T10 Real Estate optimization | | T11 Standard of living | TOP Cash | T12 WIP/CAPEX |
| TOP Sales | T1 Quality/customer satisfaction | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T2 Project margin improvement | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T3 SI industrialization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T4 MS industrialization | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOP Efficiency | T5 IT process standardization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T6 Utilization rate optimization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T7 Finance optimization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T8 HR optimization/WFM | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOP Indirect | T9 SG&A optimization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T10 Real Estate optimization | | | | | | | | | | | | | | | | | | | | | | | | | |
| | T11 Standard of living | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOP Cash | T12 WIP/CAPEX | | | | | | | | | | | | | | | | | | | | | | | | | |
| Closing Work stream weekly steerco: Xerox leads <ul style="list-style-type: none"> CL1 Antitrust & Conditions precedent CL2 Monthly performances review (OE/ER/OM) vs Plan CL3 Interim governance CL4 Tax / Section 197 CL5 MOSA / PCV CL6 Finance items / Equipment Leasing | | Post Closing <ul style="list-style-type: none"> PCL1 Debt, WC, Deferred assets PCL2 Open contract items PCL3 Legal restructuring PCL4 MOSA | | | | | | | | | | | | | | | | | | | | | | | | |

For information purpose only and in compliance with competition rules

- Integration governance functioning with **positive and open relationships** at all levels
- All work streams are led by **Atos and Xerox top management** (co-leadership)
- **Weekly steering committees**

- Full **asset scope well identified** (x55 legal entities)
- **Customer and supplier consents** fully on track

Thierry Breton, Chairman & CEO

Conclusion

2014 transformation materializing in a strong Q1 2015

First quarter
2015

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1

$\frac{3}{4}$ of order entry are new businesses/fertilization

2

Strong momentum in our innovative offerings

3

Promising operations in the US

→ Start of the year well on track to **2015 objectives**

Atos will hold an Analyst Day in June

Management team

Q&A session

From Questions to Answers

Thank you

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