

# First quarter 2016

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April 21, 2016

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Bezons

- ▶ This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors behaviors. Any forward-looking statements made in this document are statements about Atos' beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Atos' plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. 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 2015 Registration Document filed with the Autorité des Marchés Financiers (AMF) on April 7, 2016 under the registration number: D.16-0300. Atos does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law. 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, Canada, and Mexico), and **Other Business Units** including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Turkey), Iberia (Spain, Portugal, and Andorra), Asia-Pacific (Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), South America (Brazil, Argentina, Colombia, Chile, Guatemala, Jamaica, Peru, and Uruguay), India, Middle East & Africa (IMEA: Algeria, Benin, Burkina Faso, Egypt, Gabon, Israel, India, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Saudi Arabia, Senegal, South Africa and UAE), Major Events, and Cloud & Enterprise Software.

1. Q1 2016 highlights
2. Commercial activity
3. Operational & financial performance
4. Conclusion and Q&A session

# Q1 2016 highlights

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**Thierry Breton**  
Chairman & CEO

## Revenue

**€2,757m**

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*+1.6% organically  
+15.0% at constant exchange rates*

## Total number of employees

**96,298**

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*including c. 5,200  
staff from Unify*

## Order entry

**€2,794m**

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*+27% year-on-year*

## Book to bill

**101%**

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*compared to 91% in Q1 2015*



Organic growth in each Service Line with a strong commercial dynamic



Sustained positive trend in Managed Services driven by hybrid Cloud transformation and data management



Positive performance in Consulting & Systems Integration comforting full year growth



Acceleration of growth in Big Data & Cybersecurity and Worldline



Unify transaction closed in January: integration of Unify services within Managed Services completed



Worldline: confirmed Equens closing expected end of Q2



Reinforcement of the Atos' Digital Edge strategy with the launch of new technological offerings such as Exascale HPC *sequana*<sup>™</sup> and *Atos Codex*<sup>™</sup>



*The Group confirms all its 2016 objectives as stated in the February 24, 2016 release, i.e.:*

- ▶ **Revenue:** to continue to improve organic growth compared to 2015. Objective of a revenue growth at constant exchange rates above +8%.
- ▶ **Operating margin:** between 9.0% and 9.5% of revenue\*
- ▶ **Free cash flow:** circa € 550 million\*\*

*The figures above include Unify Managed Services from February 1<sup>st</sup>, 2016 and exclude Equens contribution.*

*\* excluding the amortization of equity based compensation plans representing circa 30 basis points in 2015 and 2016e*

*\*\* excluding proceeds from equity based compensation which represented € 57 million in 2015 and circa € 50 million in 2016e*



# Commercial activity

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**Patrick Adiba**

Executive Vice President & Chief Commercial Officer

## Order entry

€2.794m

+27% year-on-year

## Book to bill ratio

101%

vs. 91% in Q1 2015

## Backlog

€18.9bn

1.7 years of revenue

## Qualified pipeline

€6.4bn

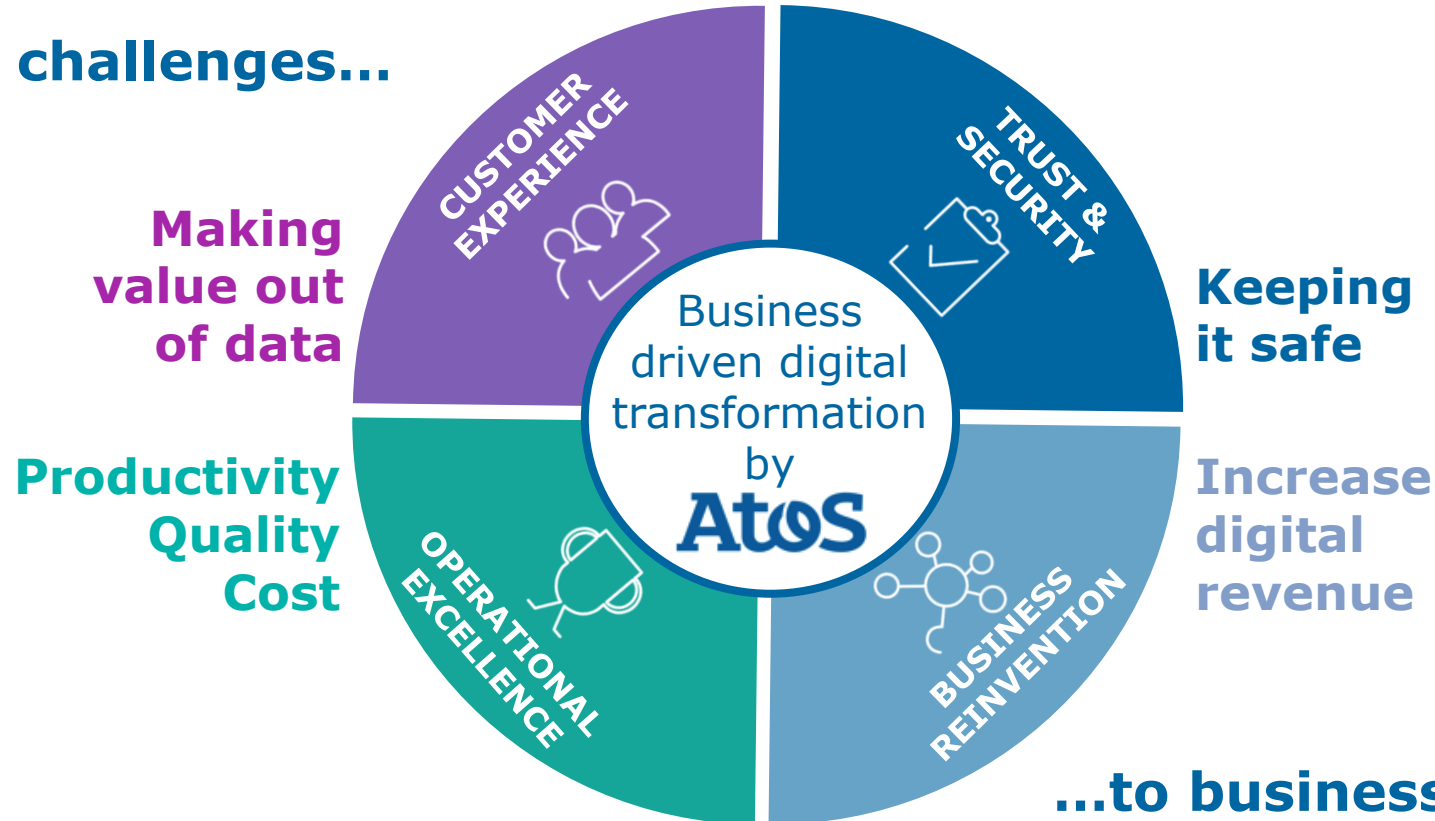
6.8 months of revenue

# We address tangible Customer Transformation Challenges

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**From challenges...**



**...to business benefits**

# Digital transformation wins across all markets and geographies

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**Elopak**



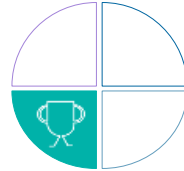
**New  
SAP HANA  
Benelux & The Nordics**

**University Rijeka  
BURA supercomputer**



**New  
Big Data  
Central & Eastern Europe**

**Société Générale**



**Renewal  
Infrastructure management  
France**

**Bank in Benelux**



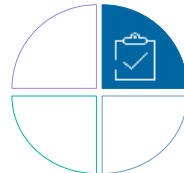
**New contract  
Payments  
Benelux & The Nordics**

**Agrochemical  
leader**



**New  
Hybrid Cloud  
North America**

**Leading Food & Drug  
group in Europe**



**New  
Security  
Benelux & The Nordics**

**French Telco  
Leader**



**Upselling  
Application Management  
France**

**European Investment  
Bank**



**Upselling  
Cloud  
Benelux & The Nordics**

**Pinellas County**

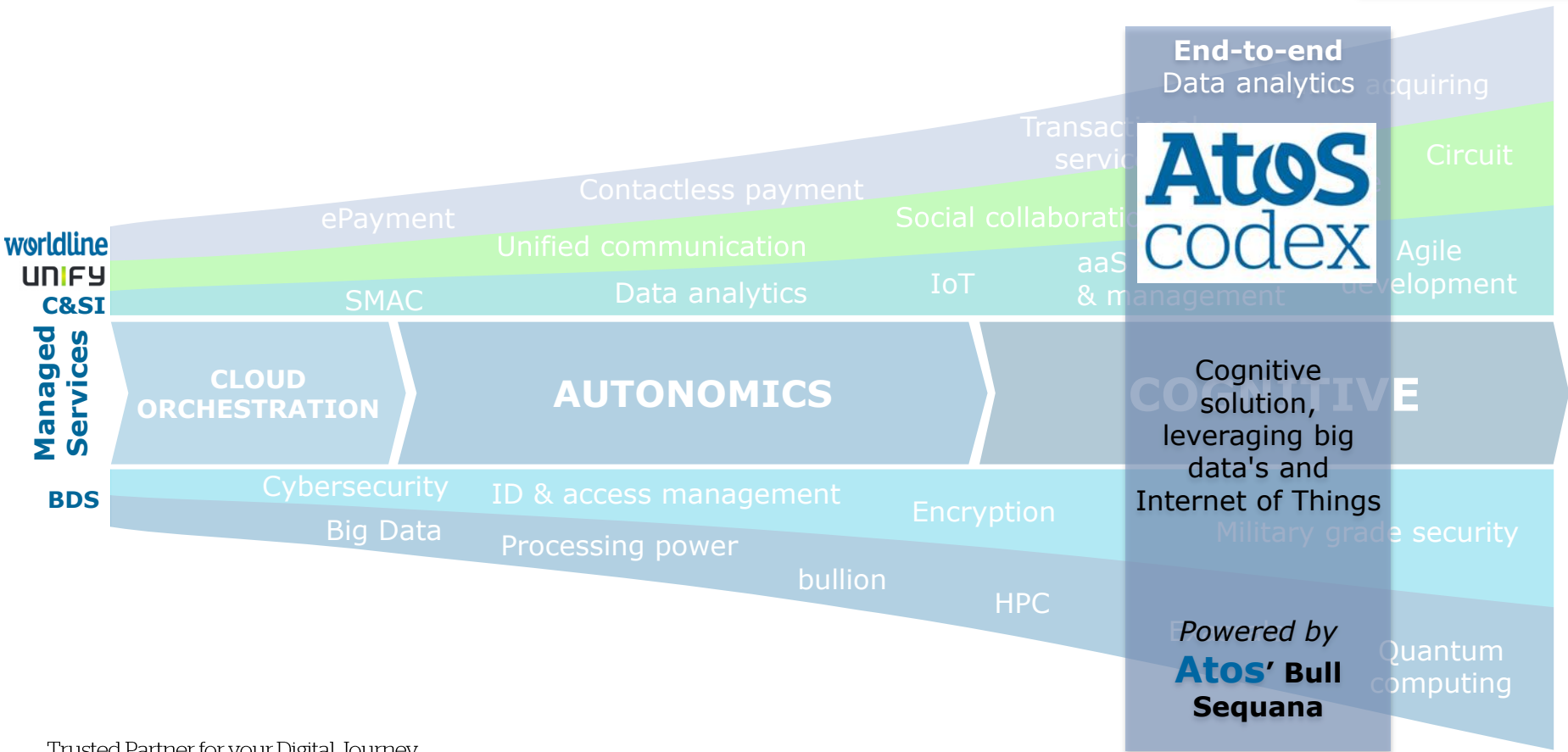


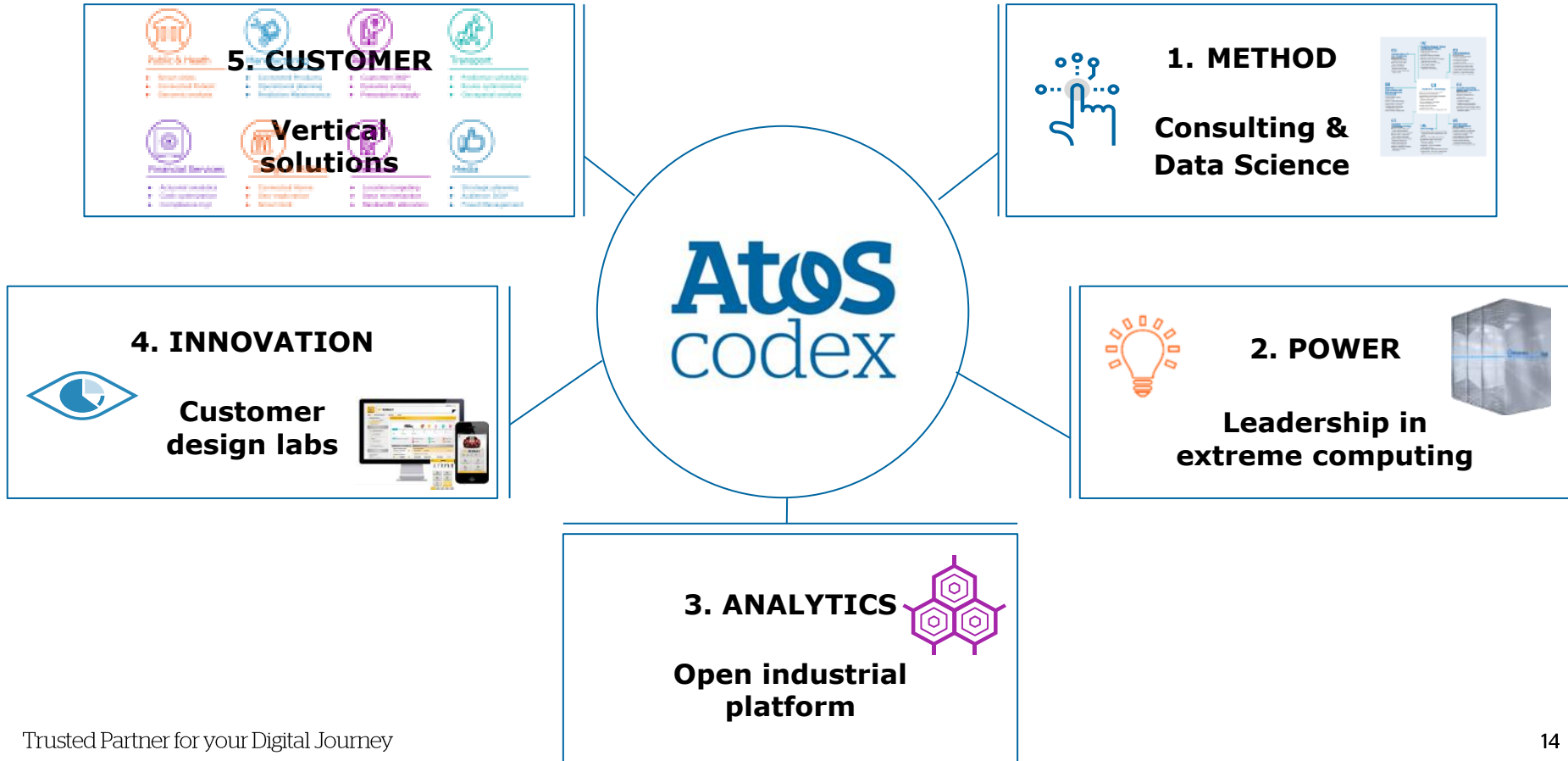
**New  
Unified communication  
North America**

# Atos Codex: transforming customer data into business outcomes

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# Atos Codex vertical solutions: delivering business outcomes of digital transformation

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## Manufacturing

### Embed analytics, IoT, Industry 4.0

- Connected living
- Predictive maintenance
- Supply chain management



## Retail

### Gain in-depth customer insight

- Real-time personalized offering
- Omni-channel customer relation
- Prescriptive supply chain management



## Telco

### Disrupt the telecom value chain

- Customer loyalty & retention
- Mobile advertising and location based offerings
- Real-time, congestion management



## Public & Health

### Improve social and welfare services

- Citizen 360° & smart city management
- Connected health & epidemiology
- Homeland security



## Financial Services

### Enable service & mitigate risks

- Insight driven customer interactions
- Transactions optimization
- Risk analysis and Fraud detection



## Transport

### Cope with increasing congestion

- Demand forecasting, customer 360°
- Traffic and route optimization
- Predictive maintenance



## Medias

### Connect with audiences

- Audience sentiment analysis
- Customer 360° , loyalty & personalized recommendations
- Strategic planning & advertising



## Energy & Utilities

### Shape usage & targeted interaction

- Customer loyalty by personalization
- Outage prediction
- Fraud, theft & loss management

# Operational & financial performance

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**Elie Girard**  
Group CFO



# Constant scope and exchange rates figures reconciliation

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<i>In € million</i>	<b>Q1 2016</b>	<b>Q1 2015</b>	<b>% change</b>
Statutory revenue	2,757	2,427	+13.6%
Exchange rates effect		-31	
Revenue at constant exchange rates	2,757	2,396	+15.0%
Scope effect		318	
<b>Revenue at constant scope and exchange rates</b>	<b>2,757</b>	<b>2,714</b>	<b>+1.6%</b>

- ▶ **Exchange rates effect** mainly coming from the British pound, the Brazilian real, and the Argentine peso, partly compensated by the US dollar strengthening versus the euro
- ▶ **Scope effect** mainly related to Xerox ITO and Unify

- ▶ All Service Lines grew in the first quarter 2016
- ▶ Continuous traction from Big Data & Cybersecurity and Worldline

<i>In € million</i>	<b>Q1 2016</b>	<b>Q1 2015*</b>	<b>% organic</b>	<b>% at constant exchange rates</b>
Managed Services	1,555	1,549	+0.4%	+26.4%
Consulting & Systems Integration	778	774	+0.4%	+0.4%
Big Data & Cybersecurity	137	122	+12.2%	+12.0%
<b>Total IT Services</b>	<b>2,470</b>	<b>2,445</b>	<b>+1.0%</b>	<b>+16.1%</b>
<b>Worldline</b>	<b>287</b>	<b>269</b>	<b>+6.7%</b>	<b>+6.7%</b>
<b>TOTAL GROUP</b>	<b>2,757</b>	<b>2,714</b>	<b>+1.6%</b>	<b>+15.0%</b>

\* At constant scope and exchange rates

- ▶ Revenue organic growth in most of the geographies
- ▶ Strong acceleration in Germany, France, Asia-Pacific, North and South America

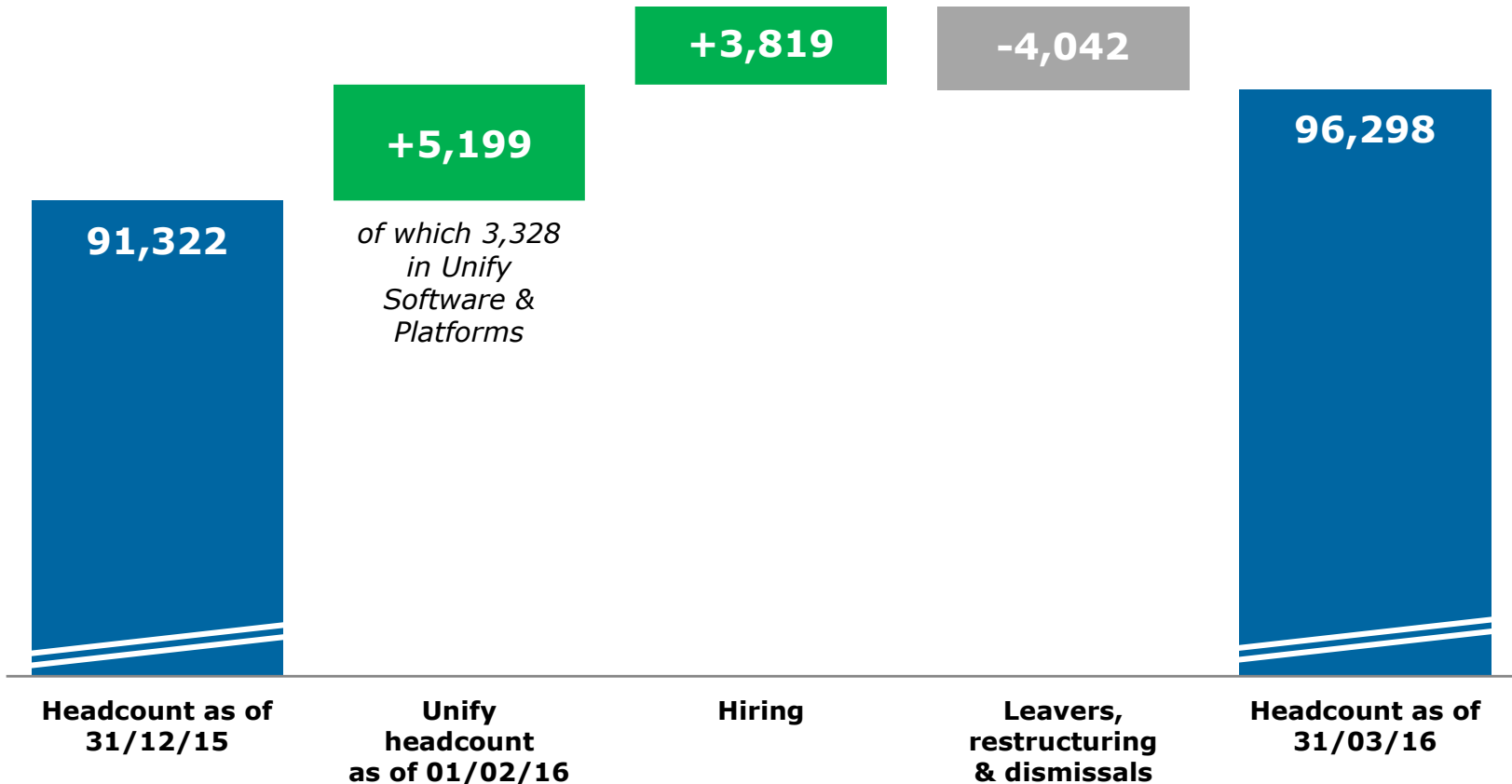
<i>In € million</i>	<b>Q1 2016</b>	<b>Q1 2015*</b>	<b>% organic</b>	<b>% at constant exchange rates</b>
North America	478	460	+3.7%	+174.0%
United-Kingdom & Ireland	447	485	-7.7%	-9.6%
Germany	442	412	+7.4%	+18.7%
France	410	397	+3.4%	+1.7%
Benelux & The Nordics	246	258	-4.4%	-3.6%
Other Business Units	446	434	+2.8%	+4.5%
<b>Total IT Services</b>	<b>2,470</b>	<b>2,445</b>	<b>+1.0%</b>	<b>+16.1%</b>
<b>Worldline</b>	<b>287</b>	<b>269</b>	<b>+6.7%</b>	<b>+6.7%</b>
<b>TOTAL GROUP</b>	<b>2,757</b>	<b>2,714</b>	<b>+1.6%</b>	<b>+15.0%</b>

\* At constant scope and exchange rates

# Q1 2016 headcount evolution

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## As soon as closing day end of January 2016:

- ▶ Unify services business in core countries integrated in Atos Managed Services
- ▶ Creation of Unify Software & Platforms (treated as a discontinued operation) led by Jon Pritchard, CEO and Atos Executive Committee member and a new strong management team closer to operations in core geographies

### Integration

#### Restructuring

Q1 2016: -292 headcount  
*Target: -792 in FY 2016*

#### Non personal costs

Real estate – Procurement – IT  
*Target: €-50m vs. 2015*

### Unify Software & Platforms

#### # partners in indirect sales channel

December 2015: 1,943  
→ March 2016: 2,146

#### # cloud based communication users

December 2015: 203k → March 2016: 214k  
*Target: +20% per year*

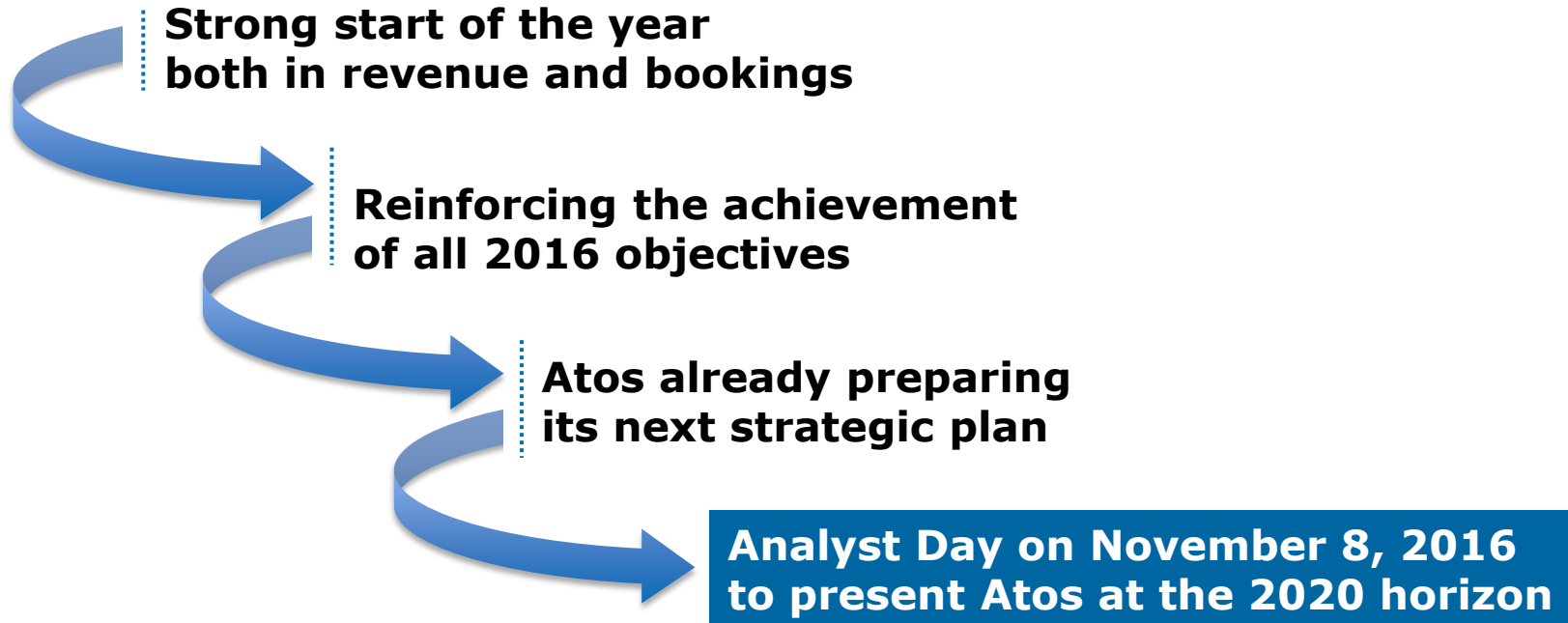
#### # Circuit users

March 2016: 20k  
*Target end of 2016: c. 500k*

# Conclusion

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**Thierry Breton**  
Chairman & CEO



# Atos

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## Questions & Answers



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# Thank you

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