

First quarter of 2019: A good start to the year

Revenue at € 2,818 million*
+0.4% organic growth

Book to bill ratio at 86%
Strong pipeline for Q2 signatures

Syntel integration moving fast with first synergies materializing

Atos recognized as the Google Cloud Global Breakthrough Partner of the Year

All 2019 objectives confirmed

Paris, April 25, 2019 - Atos, a global leader in digital transformation, today announces the revenue of its first quarter of 2019.

Thierry Breton, Chairman and CEO said: "Our leadership in technology and services delivering orchestrated hybrid cloud, Big Data & Cybersecurity, as well as digital and automation projects supported Group sales in the first quarter. They form the foundations of our three year plan to provide our customers the innovation they need to develop technology powered strategies in a disruptive environment.

In this context, the integration of Syntel is moving fast with first synergies already materializing. For the first anniversary of the preferred partnership, Atos has been recognized as the Google Cloud Global Breakthrough Partner of the Year, which confirms the relevance of our strategy.

During the first quarter, the Group excluding Worldline performed a positive 0.4% revenue organic growth. The sales dynamic continued with a 86% book to bill ratio reflecting a high level of new signatures and the fact only a few contracts are up for renewal this year. In addition, the pipeline is strong with large signatures expected in Q2. After a good start to the year, we confirm all our objectives for 2019.

At the next Annual General Meeting to be held on April 30, 2019, our shareholders will vote on the distribution of c. 23.5% of Worldline share capital to Atos shareholders. A favorable vote would mark an important new step in the development of the Group with the creation of two listed pure player leaders in their respective market, Atos and Worldline."

Q1 2019 revenue was € 2,818 million, up +0.4% organically. The Group strategy focused on digital projects and on data management and security drove organic growth in Business & Platform Solutions at +3.5% and in Big Data & Cybersecurity at +11.4%. Alongside, Infrastructure & Data Management showed signs of improvement thanks to North America starting its recovery. The Group pursued its good commercial dynamism with **order entry at € 2,428 million** leading to a **book to bill** ratio of **86%**.

Q1 2019 revenue performance by Division

In € million	Q1 2019	Q1 2018*	Organic evolution
Infrastructure & Data Management	1,537	1,585	-3.0%
Business & Platform Solutions	1,065	1,029	+3.5%
Big Data & Cybersecurity	215	193	+11.4%
Total Group	2,818	2,808	+0.4%

* At constant scope and exchange rates

In **Infrastructure & Data Management (IDM)**, revenue was **€ 1,537 million, -3.0%** organically. Most of the decrease came from the Manufacturing, Retail & Transportation market, impacted by the Marriott International contract terminated last year due to the merger of the customer with another player, as well as Unified Communication & Collaboration activities which were down in North America and in Germany. In Financial Services last quarter, the base effect on the Standard and Poor's contract in North America was offset by the ramp-up of

* All figures in this release exclude Worldline, which is recorded as a discontinued operation since January 1st, 2019

the CNA contract signed in Q2 last year in North America and to a lesser extent by the Aviva contract in the United Kingdom & Ireland. Finally, Public & Health recorded higher volumes with governmental institutions in Germany and in Central & Eastern Europe, however revenue evolution was impacted by Transition & Transformation phases completed last year and less volumes in the United Kingdom & Ireland.

The Division continued to roll-out its transformation model by extending Hybrid Cloud Orchestration as well as increasing Digital Workplace implementation and Transformation projects. As part of its GOAL program, the Division also pursued through automation and robotization the digital transformation of its main clients.

In **Business & Platform Solutions (B&PS)** revenue was **€ 1,065 million**, up **+3.5%** organically. Growth was fueled by Manufacturing, Retail & Transportation market that benefitted from good performance in most of the geographies and particularly in Germany due to the ramp-up of the application management contract with Siemens as well as revenue growth generated by Syntel in North America. Financial Services also posted a solid growth coming from Syntel in North America and in the United Kingdom & Ireland in the banking sector. In Public and Health, Germany generated a solid growth which has more than compensated lower revenue in Healthcare in North America.

Globally, the Division benefited from an increasing number of digitalization projects.

The business in **Big Data & Cybersecurity (BDS)** remained strong with revenue up **+11.4%** organically at **€ 215 million** in the first quarter of 2019. The growth was primarily led by Public & Health market both in Big Data and in High Performance Computing in France and in the Benelux & The Nordics as well as the ramp-up of a National Police contract in Mission Critical Systems in Central & Eastern Europe. In Manufacturing, Retail & Transportation, growth was led by new Codex projects in Cybersecurity in Germany, High Performance Computer sales in Asia Pacific, as well as a stronger demand for High Performance Computing and Cybersecurity services in Central & Eastern Europe, while the United Kingdom & Ireland did not reiterate the sale of Cybersecurity licenses performed in Q1 last year.

Q1 2019 revenue performance by Business Unit

<i>In € million</i>	Q1 2019	Q1 2018*	Organic evolution
North America	662	698	-5.2%
Germany	511	503	+1.6%
France	438	422	+3.7%
United Kingdom & Ireland	423	430	-1.8%
Benelux & The Nordics	264	262	+0.5%
Other Business Units	520	491	+6.0%
Total Group	2,818	2,808	+0.4%

* At constant scope and exchange rates

During the first quarter of 2019, revenue grew in most Business Units:

- France grew by +3.7% fueled in particular by the strong performance in Big Data & Cybersecurity more particularly in Public & Health;
- Germany up +1.6% thanks to a strong activity in Business & Platform Solutions led by both digital projects and the new application management contract with Siemens;
- Benelux & The Nordics recorded a slight growth, mainly driven by its good performance in Big Data & Cybersecurity;
- "Other Business Units" grew by +6.0% organically thanks to a strong performance in the three Divisions. Central & Eastern Europe contributed for half of the growth thanks in particular to a solid activity in all the Divisions;
- In the United Kingdom, a strong activity in Business & Platform Solutions did not compensate lower sales of licenses in Cybersecurity and less volumes on contracts renewed last year in Infrastructure & Data Management; this revenue organic growth in this geography should improve along the year, thanks to contracts signed last year and ramping-up for example in Business Process Services, as well as the additional contribution of the ramp-up of the contracts signed during the first part of this year;
- North America was still impacted by Infrastructure & Data Management due to the ramp-down of two contracts terminated end of H1 last year but showed first signs of recovery thanks to the ramp-up of contracts signed last year, in particular CNA; North America is on track to the objective to return to positive organic growth in H2 (excluding Syntel); finally, this geography has now a much more balanced mix of activities thanks to the contribution of Syntel.

Commercial activity

During the first quarter of 2019, the Group **order entry** reached **€ 2,428 million** representing a **book to bill ratio** of **86%**, including a high level of new contracts.

During the first quarter, large Infrastructure & Data Management contracts were signed with new clients, like an integrated energy company active in North America and also in the United Kingdom & Ireland, an IT service provider and service integrator for a large insurance company in Germany, and National Health Service Trust in the Public sector in the United Kingdom & Ireland. The Division also recorded several renewals such as a UK postal service company in the United Kingdom & Ireland and a healthcare services provider in North America. New Business & Platform Solutions contracts were signed in the United Kingdom & Ireland with the Ministry of Defence, and in France with a major European airline, while a contract with a social services public agency in France was renewed. Finally, Big Data & Cybersecurity achieved additional sales with GENCI in France.

In line with the dynamic commercial activity, the **full backlog** amounted to **€ 20.8 billion** at the end of March 2019, representing **1.8 year of revenue**. The **full qualified pipeline** reached **€ 6.9 billion**, representing **7.2 months of revenue**.

Human resources

Excluding Worldline, the **total headcount** of the Group was **110,075** at the end of March 2019, decreasing by **-0.4%** at constant scope compared to end of December 2018 in line with the continuous progress in automation and robotization programs.

In the first quarter, the Group hired 4,639 staff mainly in offshore countries.

2019 objectives

The Group confirms all its objectives for 2019:

- **Revenue organic growth:** +1% to +2%.
- **Operating margin:** c. 10.5% of revenue.
- **Free cash flow:** between € 0.6 and € 0.7 billion.

Appendix

Revenue and operating margin at constant scope and exchange rates reconciliation

<i>In € million</i>	Q1 2019	Q1 2018	% change
Statutory revenue	2,818	2,945	-4.3%
Exchange rates effect		38	
Revenue at constant exchange rates	2,818	2,983	-5.5%
Scope effect		-187	
Exchange rates effect on acquired/disposed perimeters		12	
Revenue at constant scope and exchange rates	2,818	2,808	+0.4%

Scope effects amounted to €-187 million for revenue, of which €-384 million related to the restatement of the contribution of Worldline to the Group revenue in Q1 2018, and +€17 million of revenue performed by Atos entities with Worldline in Q1 2018 which is no more neutralized in the Group consolidation but recognized as Group revenue. The remaining net positive amount of €180 million was mostly related to Syntel acquisition (3 months for € 200 million), the disposal of some specific Unified Communication & Collaboration activities, and the disposal and decommissioning of non-strategic activities within CVC.

Internal transfers mostly referred to Healthcare contracts in North America transferred to Syntel, previously reported within Infrastructure & Data Management and now reported within Business & Platform Solutions as of January 1st, 2019.

Currency exchange rates effects mostly came from the American dollar and positively contributed to revenue for €+49 million.

Q1 2019 revenue performance by Market

<i>In € million</i>	Q1 2019	Q1 2018*	Organic evolution
Manufacturing, Retail & Transportation	992	1,000	-0.7%
Public & Health	851	852	-0.1%
Telcos, Media & Utilities	472	459	+2.7%
Financial Services	503	497	+1.3%
Total Group	2,818	2,808	+0.4%

* At constant scope and exchange rates

Conference call

Today, Thursday, April 25, 2019, Thierry Breton and Elie Girard will comment on Atos' first quarter of 2019 revenue and answer questions from the financial community during a **conference call** in English starting at 08:00 am (CET - Paris).

You can join the **webcast** of the conference:

- on atos.net, in the Investors section
- by smartphones or tablets through the scan of:
- by telephone with the dial-in, 5-10 minutes prior the starting time:
 - France +33 1 76 70 07 94 code 8143346
 - Germany +49 69 2443 7351 code 8143346
 - UK +44 844 571 8892 code 8143346
 - US +1 631 510 7495 code 8143346
 - Other countries +44 2071 928000 code 8143346



After the conference, a replay of the webcast will be available on atos.net, in the Investors section.

Forthcoming events

April 30, 2019	Annual General Meeting
July 25, 2019	First half 2019 results
October 24, 2019	Third quarter 2019 revenue

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About Atos

Atos is a global leader in digital transformation with 120,000 employees in 73 countries and annual revenue of over €11 billion. European number one in Cloud, Cybersecurity and High-Performance Computing, the Group provides end-to-end Orchestrated Hybrid Cloud, Big Data, Business Applications and Digital Workplace solutions through its Digital Transformation Factory, as well as transactional services through Worldline, the European leader in the payment industry. With its cutting-edge technologies and industry knowledge, Atos supports the digital transformation of its clients across all business sectors. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and operates under the brands Atos, Atos Syntel, Unify and Worldline. Atos is listed on the CAC40 Paris stock index.

Disclaimers

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 2018 Registration Document filed with the Autorité des Marchés Financiers (AMF) on February 22, 2019 under the registration number: D.19-0072. 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.

All figures presented in this release exclude Worldline unless stated otherwise.

Revenue organic growth is presented at constant scope and exchange rates.

Business Units include **North America** (USA, Canada, and Mexico), **Germany, France, United Kingdom & Ireland, Benelux & The Nordics** (Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, The Netherlands, Poland, Russia, and Sweden), and **Other Business Units** including Central & Eastern Europe (Austria, Bulgaria, Croatia, Czech Republic, Greece, Hungary, Israel, Italy, Romania, Serbia, Slovakia and Switzerland), Iberia (Spain and Portugal), Asia-Pacific (Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand), South America (Argentina, Brazil, Colombia, and Uruguay), Middle East & Africa (Algeria, Benin, Burkina Faso, Egypt, Gabon, Ivory Coast, Kingdom of Saudi Arabia, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Senegal, South Africa, Tunisia, Turkey and UAE), Major Events, Global Cloud hub, and Global Delivery Centers.