

# Q3 2016 revenue

October 20, 2016 - Bezons

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- ▶ Revenue organic growth is presented at constant scope and exchange rates. Operating margin is presented as defined in the 2015 Registration Document.
- ▶ Business Units include **Germany, France, United-Kingdom & Ireland, Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, Sweden, and Estonia), **Worldline, North America** (NAM: USA, Canada, and Mexico), and **Other Business Units** including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Turkey), Iberia (Spain, Portugal, and Andorra), Asia-Pacific (APAC: Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), South America (SAM: Brazil, Argentina, Colombia, Chile, Guatemala, Jamaica, Peru, and Uruguay), Middle East & Africa (MEA: Algeria, Benin, Burkina Faso, Egypt, Gabon, Israel, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Saudi Arabia, Senegal, South Africa and UAE), Major Events, and Cloud & Enterprise Software.
- ▶ Atos decided, as early as the acquisition date, to retain only part of the activity of Unify. As a result, the Software & Platforms business, along with the customers and the countries that were planned to be managed through indirect channels, have been accounted for as discontinued operations and are in the process of being physically carved-out to facilitate the disposal of this activity. Therefore, the 2016 and 2015 pro forma consolidated external revenue and operating margin reflect the retained scope of Unify only.

# Agenda

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1. Key figures, highlights & 2016 objectives
2. Commercial activity
3. Operational & financial performance
4. Conclusion
5. Q&A session

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**Key figures, highlights  
& 2016 objectives**

**Thierry Breton**  
Chairman & CEO

# Q3 2016 key figures

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## Revenue

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**€2,777m**

+1.8% organically

## Total number of employees\*

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**96,396**

## Order entry

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**€2,845m**

+12% year-on-year

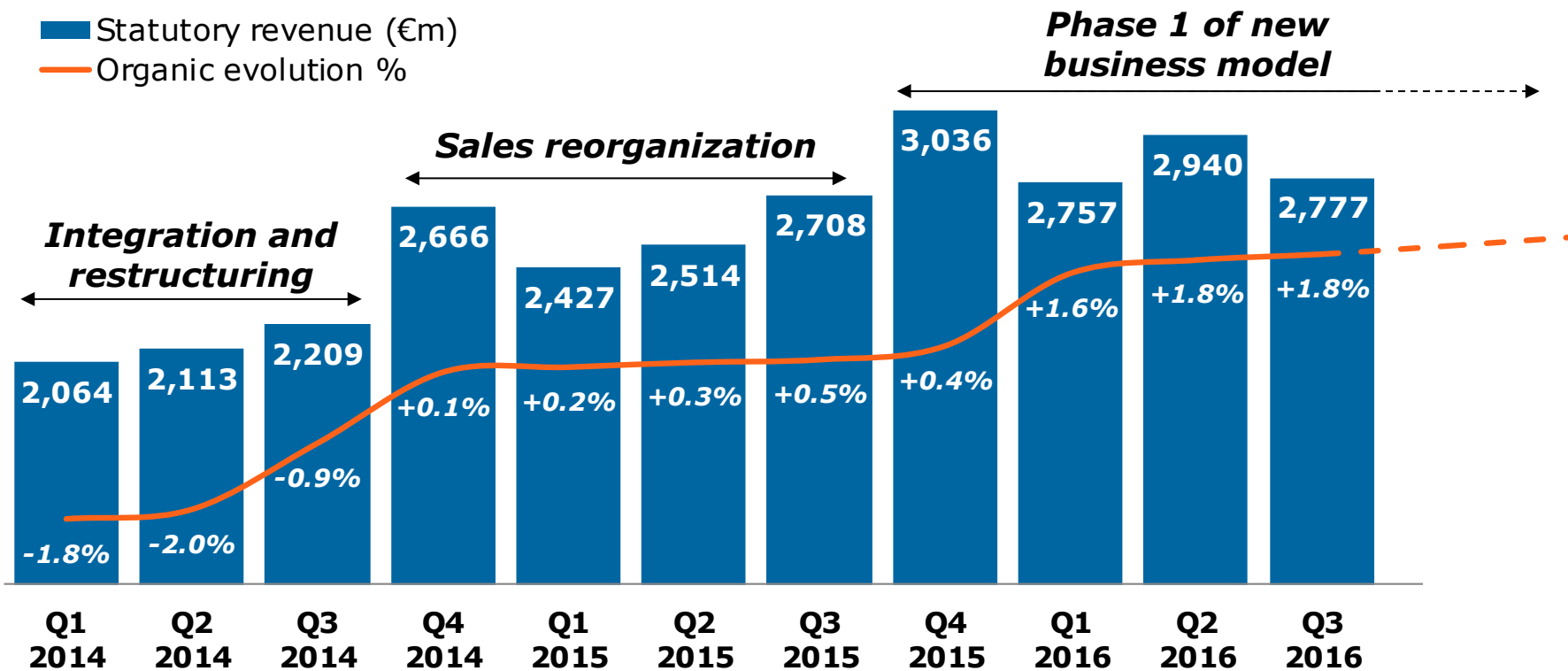
## Book to bill

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**102%**

vs. 93% in Q3 2015

# A sustained new trend of revenue organic growth



# Q3 2016 Highlights

## Large commercial signatures



## Strengthened partnership with

# SIEMENS

- ▶ Complete security solution for manufacturing industry
- ▶ Atos delivers digital services for the Cloud Platform MindSphere of Siemens

## CSR excellence recognition



Dow Jones  
Sustainability Indexes

## Closing of acquisitions

# EQUENS

# PaySquare



# anthelio<sup>®</sup>

A higher aim. A newer standard.

# All 2016 objectives confirmed

## 2016 objectives

The Group confirms all its objectives for 2016 stated in the July 26, 2016 release, i.e.:

- ▶ **Revenue:** Organic growth of +1.5% to +2.0%. Growth at constant exchange rates above +12% (vs. above +11% previously)
- ▶ **Operating margin:** Between 9.2% and 9.5% of revenue
- ▶ **Free cash flow:** Above € 550 million

*The figures above include Unify Managed Services from February 1<sup>st</sup>, 2016 and Equens, Paysquare, Komerčni Banka Smartpay, and Anthelio from October 1<sup>st</sup>, 2016.*



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## **Commercial activity**

**Patrick Adiba**

Group Chief Commercial Officer

# Commercial activity dashboard

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## Order entry

**€2,845m**

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*+12% year-on-year*

## Book to bill ratio

**102%**

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*vs. 93% in Q3 2015*

## Backlog

**€19.2bn**

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*1.7 years of revenue*

## Qualified pipeline

**€6.4bn**

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*6.7 months of revenue*

# Q3 wins: continued cross-markets, cross-geographies & cross-offerings commercial trend

## Rheinmetall

**Germany  
Defense**

New outsourcing contract  
IT-Infrastructure services including data  
center, workplace and communication

## UK Ministry of Defence

**UK  
Defense**

Full scale digital transformation of IT  
infrastructure and services establishing  
Defense as a Platform (DaaP)

## Aegon

**UK  
Financial Services**

New contract to manage all aspects of  
customer journey, from IT platforms to  
analytics

## GasTerra

**The Netherlands  
Energy**

Extended outsourcing contract  
for improved services & savings with strong  
sustainable dimension

# Atos is at the very heart of the European defense and security

## An extensive experience

**High Performance Computing**

**Intelligence**

**Tactical Information 4.0**

**Homeland Security**

**Cybersecurity**



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# **Operational & financial performance**

**Elie Girard**  
Group CFO

# Q3 constant scope and exchange rates figures reconciliation

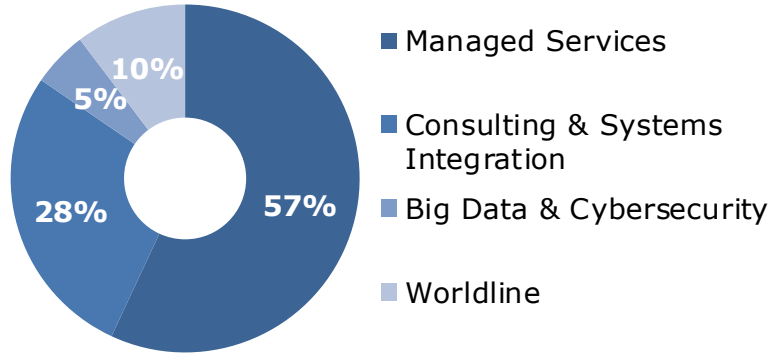
<i>In € million</i>	<b>Q3 2016</b>	<b>Q3 2015</b>	<b>% change</b>
Statutory revenue	2,777	2,708	+2.5%
Exchange rates effect		-95	
Revenue at constant exchange rates	2,777	2,613	+6.3%
Scope effect		117	
Exchange rates effect on acquired/disposed perimeters		-1	
<b>Revenue at constant scope and exchange rates</b>	<b>2,777</b>	<b>2,729</b>	<b>+1.8%</b>

- ▶ **Scope effect** mainly related to Unify Services
- ▶ **Exchange rates effect** mainly coming from the British pound

# 9M YTD Constant scope and exchange rates figures reconciliation

<i>In € million</i>	<b>9M 2016</b>	<b>9M 2015</b>	<b>% change</b>
Statutory revenue	8,474	7,649	+10.8%
Exchange rates effect		-203	
Revenue at constant exchange rates	8,474	7,446	+13.8%
Scope effect		893	
Exchange rates effect on acquired/disposed perimeters		-7	
<b>Revenue at constant scope and exchange rates</b>	<b>8,474</b>	<b>8,332</b>	<b>+1.7%</b>

# Performance by Service Line



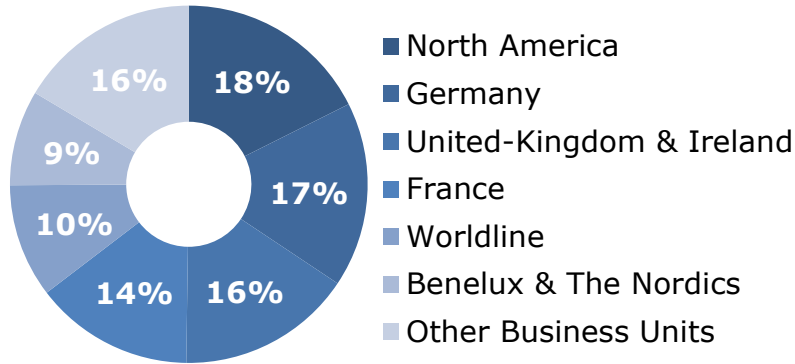
- ▶ Continuous successful transition to hybrid cloud infrastructures in Managed Services
- ▶ Revenue trend steadily improving in Consulting & Systems Integration
- ▶ Revenue growth acceleration in Big Data & Cybersecurity

<i>In € million</i>	<b>Q3 2016</b>	<b>Q3 2015*</b>	<b>% organic</b>	<b>9M 2016</b>	<b>9M 2015*</b>	<b>% organic</b>
Managed Services	1,603	1,583	+1.2%	4,824	4,787	+0.8%
Consulting & Systems Integration	757	750	+1.0%	2,341	2,326	+0.7%
Big Data & Cybersecurity	134	112	+19.1%	436	380	+14.7%
<b>Total IT Services</b>	<b>2,494</b>	<b>2,446</b>	<b>+2.0%</b>	<b>7,602</b>	<b>7,493</b>	<b>+1.5%</b>
<b>Worldline</b>	<b>283</b>	<b>283</b>	<b>+0.0%</b>	<b>872</b>	<b>839</b>	<b>+3.9%</b>
<b>TOTAL GROUP</b>	<b>2,777</b>	<b>2,729</b>	<b>+1.8%</b>	<b>8,474</b>	<b>8,332</b>	<b>+1.7%</b>

\* At constant scope and exchange rates



# Performance by Business Unit



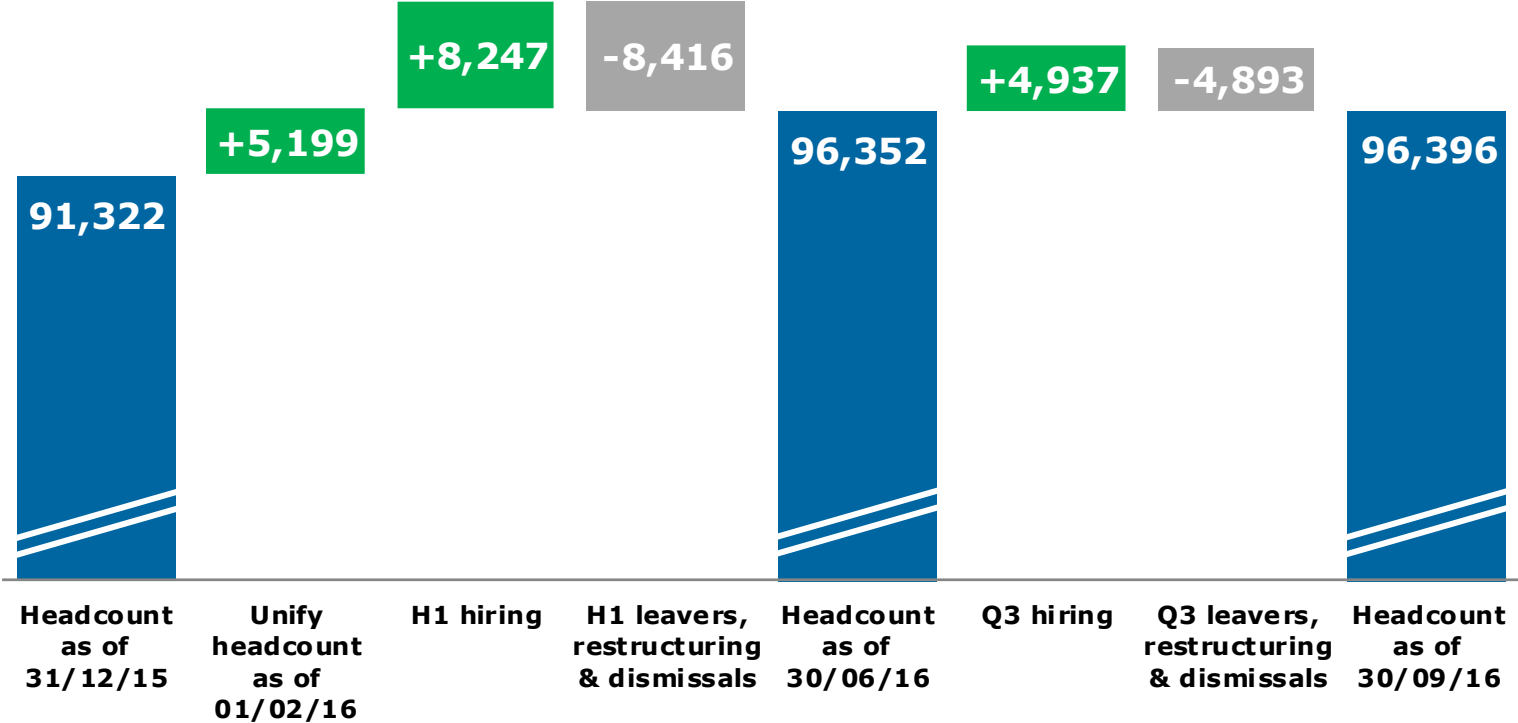
## Revenue growth in most of the Business Units

- ▶ North America: market share gains in Managed Services and strong start of Big Data & Cybersecurity
- ▶ Consulting & Systems Integration recovery in Germany
- ▶ Strong Managed Services activity in the UK
- ▶ Continuous traction of Big Data & Cybersecurity in France

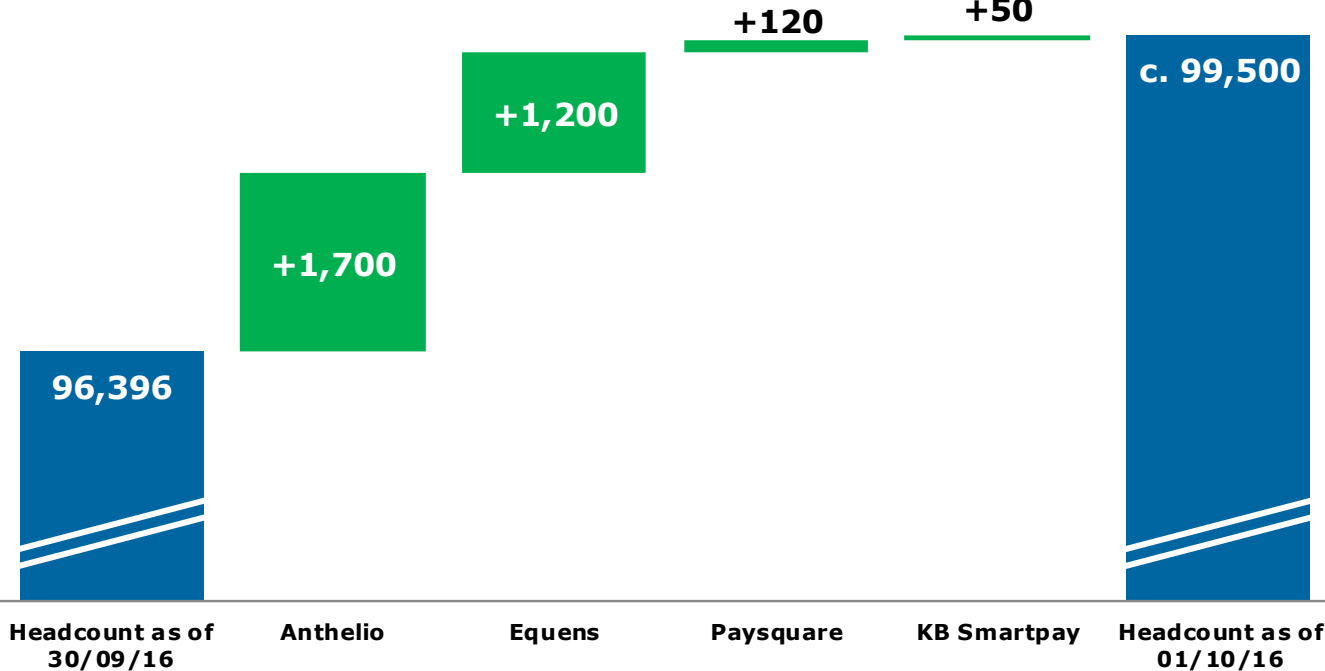
<i>In € million</i>	<b>Q3 2016</b>	<b>Q3 2015*</b>	<b>% organic</b>	<b>9M 2016</b>	<b>9M 2015*</b>	<b>% organic</b>
North America	501	476	+5.2%	1,491	1,425	+4.7%
Germany	491	473	+3.7%	1,420	1,359	+4.5%
United-Kingdom & Ireland	426	409	+4.2%	1,344	1,371	-2.0%
France	373	364	+2.4%	1,220	1,183	+3.1%
Benelux & The Nordics	239	255	-6.2%	732	776	-5.7%
Other Business Units	464	468	-0.9%	1,395	1,378	+1.2%
<b>Total IT Services</b>	<b>2,494</b>	<b>2,446</b>	<b>+2.0%</b>	<b>7,602</b>	<b>7,493</b>	<b>+1.5%</b>
<b>Worldline</b>	<b>283</b>	<b>283</b>	<b>+0.0%</b>	<b>872</b>	<b>839</b>	<b>+3.9%</b>
<b>TOTAL GROUP</b>	<b>2,777</b>	<b>2,729</b>	<b>+1.8%</b>	<b>8,474</b>	<b>8,332</b>	<b>+1.7%</b>

\* At constant scope and exchange rates

# Headcount evolution



# New staff joining Atos from recent acquisitions



# Unify integration

## Unify integration

**Restructuring plan**  
**Fully executed by end**  
**of Q3 2016**

9M YTD 2016: -988 headcount  
*Initial target: -792 in FY 2016*

### **Non personal costs reduction**

Real estate – Procurement – IT

**Savings target of €-50m in**  
**2016 vs. 2015 fully achieved**

## Unify Software & Platforms\*

### **# partners in indirect sales channel**

December 2015: 1,943 → March 2016: 2,146  
→ June 2016: 2,376 → **September 2016: 2,517**

### **# cloud based communication users**

*(Target: +20% per year)*  
December 2015: 203k → June 2016: 221k  
→ **September 2016: 251k**

### **# Circuit users**

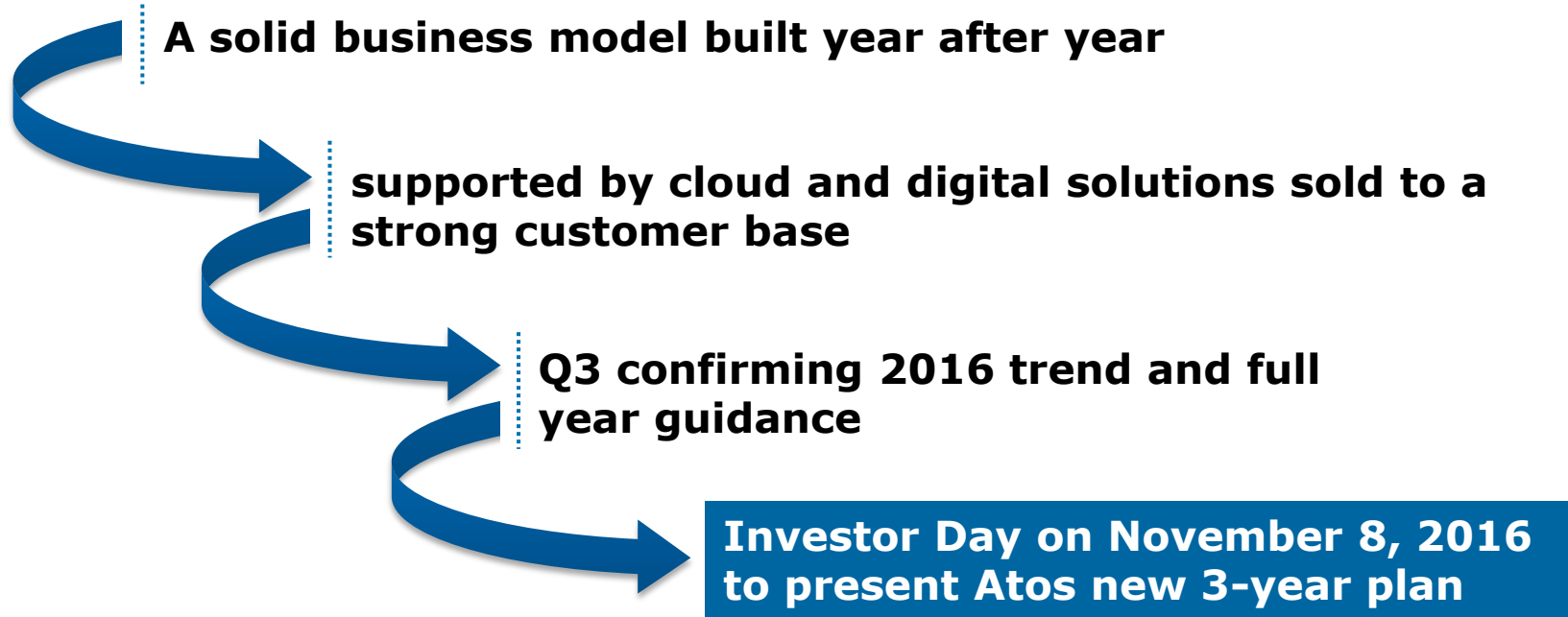
*(Target end of 2016: c. 500k)*  
March 2016: 20k → June 2016: 26k  
→ **September 2016: 66k**

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**Conclusion**  
**Thierry Breton**  
Chairman & CEO

# Conclusion

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**Q&A Session**

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# Thank you

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The Atos logo is displayed in white on a blue background. It features the word "Atos" in a bold, sans-serif font. The letter "o" is stylized with a white circle inside it.