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## **Update of the 2014 Registration Document**

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### **Including the half year financial report**

This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail. The original document has been filed with the Autorité des Marchés Financiers (AMF) on August 7, 2015, in accordance with Article 212-13 of the AMF's general regulations. It complements the 2014 Registration Document filed with the AMF on April 1<sup>st</sup>, 2015 under number D15-0277. This document has been issued by the Company and commits its signatories. This update of the Registration Document is available on the AMF website ([www.amf-france.org](http://www.amf-france.org)) et the one of the issuer ([www.atos.net](http://www.atos.net)).

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## A PERSONS RESPONSIBLES

### A.1 For the Update of the Registration Document

#### Thierry Breton

CEO and Chairman, Atos

### A.2 For the accuracy of the Update of the Registration Document

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Update to the 2014 Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements of Atos S.E., for the period from January 1 to June 30, 2015 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the company and all the other companies included in the scope of consolidation, and that the enclosed interim financial report gives a fair description of the material events that occurred in the first six months of the financial year and their impact on the financial statements, the main related party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the year.

I obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have read the whole of the Update of the 2014 Registration Document and examined the information in respect of the financial position and the accounts contained herein.

#### Thierry Breton

CEO and Chairman, Atos  
Bezons, August 6, 2015

### A.3 For the audit

#### Appointment and term of offices

Statutory Auditors	Substitute Auditors
<b>Grant Thornton</b> Victor Amselem <ul style="list-style-type: none"><li>Appointed on: May 27, 2014 for a term of 6 years</li><li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li></ul>	Cabinet IGEC <ul style="list-style-type: none"><li>Appointed on: May 27, 2014 for a term of 6 years</li><li>Term of office expires: at the end of the AGM held to adopt the 2019 financial statements</li></ul>
<b>Deloitte &amp; Associés</b> Jean Pierre Agazzi <ul style="list-style-type: none"><li>Appointed on: May 30, 2012 for a term of 6 years</li><li>Term of office expires: at the end of the AGM held to adopt the 2017 financial statements</li></ul>	Cabinet B.E.A.S. <ul style="list-style-type: none"><li>Appointed on: May 30, 2012 for a term of 6 years</li><li>Term of office expires: at the end of the AGM held to adopt the 2017 financial statements</li></ul>

## B ATOS IN THE FIRST HALF OF 2015

### January

Atos unveiled its vision and anticipates the technology shifts that will shape business through to 2018 in *Ascent Journey 2018 - The 3<sup>rd</sup> Digital Revolution: Agility and Fragility*, a unique research conducted by the 100 top business technologists from the Atos Scientific Community.

### February

On **February 18**, Atos announced its 2014 annual results. Revenue was € 9,051 million, +5.1% year-on-year and -1.1% at constant scope and exchange rates. In the fourth quarter, revenue organic evolution was +0.1%. Operating margin was € 701.9 million, representing 7.8% of revenue, compared to 7.5% in 2013. Order entry was € 9.1 billion representing a book to bill ratio of 101%. Full backlog increased by €+0.9 billion to € 16.2 billion, representing 1.7 year of revenue. Net cash position was € 989 million at the end of 2014. Free cash flow was € 367 million in 2014 compared to € 365 million in 2013. Net income was € 283 million, up +8.8% year-on-year and net income Group share was € 265 million, up +1.4% compared to 2013. The Group announced its objective in 2015 to increase revenue and profitability in line with the 3-year plan taking full advantage of 2014 achievements.

On **February 25**, PAI Partners sold to other investors via an Accelerated Bookbuilt Offering most of its remaining shares of Atos SE, i.e. 9,200,000 shares representing 9% of the share capital, at a price per share of € 63.25.

Atos and EMC announced plans on **February 26** to further strengthen their strategic alliance. Atos has decided to re-integrate the Canopy subsidiary and make it part of the Atos corporate structure. EMC and VMware intend to continue their strategic long-term investment, now as shareholders of Atos. These moves will allow the continuous support and strong collaboration of EMC and VMware with Canopy, while strengthening the partnership between the EMC Federation of strategically aligned businesses and Atos Consulting & System integration as well as the newly created Big Data & Cyber-Security Atos divisions.

### April

Atos announced on **April 22** its first quarter 2015 revenue. In the first quarter, revenue was € 2,427 million, up +17.6% year-on-year and up +0.2% at constant scope and exchange rates. Order entry was € 2,198 million, up +31.5% year-on-year, representing a book to bill ratio at 91%. Full backlog was € 16.6 billion, representing 1.7 years of revenue. Full qualified pipeline totaled at € 5.6 billion, representing 6.7 months of revenue.

### May

Atos SE held on **May 28** its Annual General Meeting chaired by Mr. Thierry Breton, Chairman and Chief Executive Officer of the Company. All resolutions submitted by the Board of Directors were approved. In particular, the General Meeting approved the annual and consolidated accounts for the financial year ended December 31<sup>st</sup>, 2014, the dividend payment of €0.80 per share, as well as the option for payment of the dividend in either shares or cash. The General Meeting also renewed the terms of office of Directors of Thierry Breton, Bertrand Meunier and Pasquale Pistorio, and ratified the appointment as Director of Valérie Bernis.

## June

Atos held on **June 18** an Analyst Day in its Headquarters in Bezons (France) to present its new positioning and profile. During the first half of its 3-year plan that will end in December 2016, Atos has accelerated its transformation with the completion of the Worldline IPO, the integration of the Bull operations and technologies, and the announcement of the project to acquire Xerox ITO in North America.

The Group provided an update on "2016 Ambition" targets, halfway through the 2014-2016 3-year plan and taking into account its recent achievements. Compared to 2014, the Group intends to double its net income Group share to circa €530 million in 2016. This strong increase will be led by the profitability improvement, additional operating margin from scope expansion, reduction in restructuring costs, and a new tax profile.

Atos announced the successful placement of its first bond issue on **June 26**. The bond issue has been significantly oversubscribed by a large and diversified European investor base, which allowed Atos to increase the size of the issue from € 500 million to € 600 million. This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%.

On **June 30**, Atos completed the acquisition of Xerox ITO which reinforces its position as a global leader in digital services for a net purchase price which totaled US\$ 966 million (€ 811 million). With circa US\$ 2 billion revenue, North America becomes the largest geography for Atos where it is now ranked number 9 in ITO services.

## C FINANCE

### C.1 Operational review

#### C.1.1 Executive summary

Revenue in the first half of 2015 was € 4,941 million, up +18.3% year-on-year and up +0.3% at constant scope and exchange rates. Organic growth in the second quarter of 2015 was +0.3%, continuing the positive trend recorded in the fourth quarter of 2014 (+0.1% organic growth) and in the first quarter of 2015 (+0.2% organic growth).

Representing 50% of the total Group, **Managed Services** revenue was € 2,488 million, up +16.3% year-on-year and +0.8% organically. Growth was mainly generated in the United Kingdom benefiting from major BPO contracts. The Service Line also benefited from the ramp-up of several large Managed Services contracts in the United Kingdom, in France, in the US, and in "Other Business Units". Conversely, the Service Line faced several ramp-downs and scope reductions in Germany, North America, and Benelux. During the second quarter, the revenue trend of Managed Services significantly improved compared to the first quarter in most of the Business units. In particular, France benefited from the ramp up of large contracts won last year. Contracts recently signed also benefited to the improvement of the revenue evolution in Germany and Benelux & The Nordics.

Representing 33% of the total Group, revenue in **Consulting & Systems Integration** was € 1,612 million, up +7.3% year-on-year and down -2.4% at constant scope and exchange rates. The activity was strong in the Public Sector, mainly in the United Kingdom, in Central & Eastern Europe, and in France. As it was already the case during the first quarter, revenue decline was concentrated in Germany, largely attributable to lower volumes and price reductions in the telco sector.

Representing 5% of the total Group, **Big Data & Cyber-security** revenue was € 270 million, up +4.2% organically. Revenue growth was driven by strong demand on innovative products and stemmed from a strong activity in High Performance Computing in France, mainly in the Public sector, notably for the Ministère de l'Intérieur and for the defense and research sectors. Revenue growth was also led by Germany with High Performance Computing sales to DKRZ and University of Dresden. In Security, Cyber-security posted a robust performance led by France, compensating for Swiss governmental order delays.

On a standalone basis, **Worldline** increased its revenue by +4.1%. From a contributive perspective to Atos, revenue was € 571 million, up +3.9% compared to the first half of 2014. All Global Business Lines grew organically. In Merchant Services & Terminals, growth was primarily driven by Commercial Acquiring and by the dynamism of the Terminal business. Main growth drivers in Financial Processing & Software Licensing were Online Banking and Payment Software Licensing activities. Revenue increased in Mobility & e-Transactional Services thanks to e-Ticketing increased volumes and new projects in Latin America as well as e-Government collection with new contracts signed in the Benelux.

Operating margin was € 345.6 million, up +26% year-on-year and representing 7.0% of revenue, an improvement by +60 basis points on a like for like basis. Margin increased in several geographies benefiting from reductions in indirect costs, TOP Tier One savings initiatives, and the first synergies on Bull perimeter, coupled with the continuous actions since 2013 on pensions which materialized by a positive effect in the first half of 2015, in Germany by € 20 million and for Corporate by € 18 million. The improvement came from the United Kingdom where operating margin strongly improved, by Managed Services activities, beyond revenue performance and on the back of slippages on projects booked in the first half of 2014. In France, operating margin increase was led by the contribution of Big Data & Cyber-security, Managed Services, and related TOP Program actions combined with workforce management measures, compensating for missing revenue in Consulting & Systems Integration. Benelux & The Nordics and North America maintained their profitability level at 9.2% and 7.8% respectively, despite revenue evolution. Operating margin was affected in Germany by lower volumes and utilization rate in Systems Integration and in "Other Business Units" by the Swiss government order delays.

Managed Services improved its operating margin by +100 basis points, Big Data & Security remained stable at € 37.5 million, Consulting & Systems Integration and Worldline profitability decreased by -60 basis points and -120 basis points respectively while central costs decreased by € 22 million (50 basis points).

Operating income for the first half of the year was € 197 million (€ 129 million in H1 2014) as a result of the following items: expenses for reorganization, rationalization and integration costs reached € 116 million as the consequence of: 1/ the plan to generate Bull synergies, 2/ the adaptation of the Group workforce in several countries in continental Europe and more particularly in Germany; 3/the rationalization of offices mainly in Benelux and Germany. In the first half of 2015, € 31 million was recorded as amortization of Purchase Price Allocation (PPA). Financial result was a charge of € 11 million, down from € 21 million in the first half of 2014. Total tax charge was € 47 million, representing an effective tax rate of 25.2% compared to 27.0% in the first half of last year, starting to reflect the new tax profile of the Group. As a result, Net income was € 138 million, up +79% year-on-year. Non-controlling interests were € 15 million, related to Worldline following the IPO in June 2014, leading to a Net income Group share of € 123 million, +61% compared to € 76 million last year, up +61% year-on-year.

OMDA was € 459 million representing 9.3% of revenue. Reorganization, rationalization, and integration costs totaled € 142 million, in line with the full year amount expected at € 235 million. Net capital expenditures totaled € 215 million, representing 4.3% of revenue. Working capital contribution was € 49 million, resulting from the continuous actions of the Group and the improvement of the working capital of the Bull operations. Tax paid was € 58 million (€ 75 million last year). The Group generated a free cash flow of € 141 million. At the end of June, the Group paid € 811 million for the acquisition of Xerox ITO. The cash-out resulting from the payment in cash of the dividend on 2014 results was € 31 million. Group net cash position as of June 30, 2015 was € 354 million.

The order entry during the first half of 2015 totaled € 5,088 million, up +16.7% year-on-year and representing a book to bill ratio of 103%. The commercial activity has been particularly strong in the second quarter with a book to bill ratio of 115%. The Group signed several important contracts enabling the digital journey of its clients by addressing the 4 key Customer Transformation Challenges: the Group enables Operational Excellence for several large clients including Siemens, BASF and a global leader in the optical industry in Germany, in the Public Sector in the United Kingdom, and a telco operator in the Middle-East. Atos is supporting Business Reinvention and helping renew the Customer Experience of - among others - AccorHotels in France, and global truck manufacturer in Benelux. Some of these deals also leveraged Worldline's expertise. Trust & Compliance is improved thanks to Atos' solutions being implemented on behalf of several Government Agencies in some European countries. At the end of June 2015, the full backlog was € 17.1 billion in line with the level reached at the end of December 2014, representing 1.7 years of revenue. The full qualified pipeline totaled to € 5.5 billion in line with the level reached at the end of December 2014, representing 6.6 months of revenue.

The total headcount was 83,602 at the end of June 2015. 2,138 employees exited the Group workforce following the early termination of the Work Capability Assessment BPO contract with the Department for Work and Pensions in the UK and the outsourcing of on-sites services activities in France. During the first half of 2015, 6,830 new employees were recruited while attrition during the first half was 11.1% at Group level and 20.6% in emerging countries. Number of staff in offshore countries increased by +22% year-on-year, reaching 20,537 people by the end of June 2015. Offshore in Systems Integration represented 41% of direct staff in line with the objective to reach 50% by the end of 2016. More than two thirds of the offshore workforce was located in Asia (57% in India), the rest being mainly in Central & Eastern Europe. On July 1<sup>st</sup>, 2015, 9,489 staff joined Atos from Xerox, with 4,309 in the US and Canada, 3,882 in India, the Philippines, and Mexico and the remaining 1,298 are mostly in the UK and in Germany. Including Xerox ITO, the total headcount of the Group was 93,091.

### C.1.2 Statutory to constant scope and exchange rates reconciliation

The table below presents the impacts on the half-year 2014 revenue of (i) internal transfers to reflect the Group's new organization, (ii) acquisitions and disposals, and (iii) change in exchange rates.

	Revenue					
	H1 2014 statutory	Internal transfers	H1 2014 new reporting	Scope effects	Exchange rates effects*	H1 2014 at constant scope and FX
<i>In € million</i>						
UK & Ireland	812		812	-16	96	892
France	505		505	319		824
Germany	784		784	40		824
Benelux & The Nordics	500		500	49	-1	549
North America	292		292	9	67	368
Other BUs	748		748	134	39	922
<i>of which Central &amp; Eastern Europe</i>	388					
<i>of which Iberia</i>	146					
<i>of which former Other BUs</i>	214					
<b>Total IT Services</b>	<b>3 641</b>		<b>3 641</b>	<b>536</b>	<b>202</b>	<b>4 379</b>
<b>Worldline</b>	<b>535</b>		<b>535</b>		<b>14</b>	<b>549</b>
<b>TOTAL GROUP</b>	<b>4 176</b>		<b>4 176</b>	<b>536</b>	<b>216</b>	<b>4 928</b>
Managed Services	2 138	3	2 141	177	149	2 467
Consulting & Systems Integration	1 503	-58	1 445	162	45	1 652
Big Data & Cyber-security		55	55	196	8	260
<b>Total IT Services</b>	<b>3 641</b>	<b>0</b>	<b>3 641</b>	<b>536</b>	<b>202</b>	<b>4 379</b>
<b>Worldline</b>	<b>535</b>		<b>535</b>		<b>14</b>	<b>549</b>
<b>TOTAL GROUP</b>	<b>4 176</b>	<b>0</b>	<b>4 176</b>	<b>536</b>	<b>216</b>	<b>4 928</b>

\* At average June 2015 YTD exchange rates

Internal transfers between Services Lines included (i) the transfer of € 55 million from Consulting & Systems Integration to the newly created Big Data & Cyber-security Service Line following the acquisition of Bull, (ii) the transfer of one contract in the US from Consulting & Systems Integration to Managed Services for € 3 million.

The exchange rates impact was €+216 million mainly resulting from the British Pound strengthening versus the euro (+12.1%), as well as the US Dollar (+22.7%), the Swiss Franc (+15.6%) and the Hong-Kong Dollar (+22.7%). On the opposite the Russian Rouble (-25.4%) depreciated versus the euro.

Scope effects were mainly related to Bull acquisition (€+574 million). Other changes in scope had a €-38 million net impact on the revenue. They were related to the acquisition of Cambridge Technology Partners (Central & Eastern Europe, May 2014) on one hand, and the outsourcing of on-site services (France, March 2015) and the early termination of the DWP WCA contract (United Kingdom, March 2015) on the other hand.



The effects of internal transfers, acquisitions and disposals, and change in exchange rates on operating margin were the following:

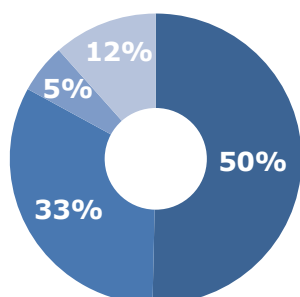
	Operating margin					
	H1 2014 statutory	Internal transfers	H1 2014 new reporting	Scope effects	Exchange rates effects*	H1 2014 at constant scope and FX
<i>In € million</i>						
UK & Ireland	54		54	3	7	64
France	1		1	23	0	24
Germany	52		52	1		53
Benelux & The Nordics	50		50	0	0	51
North America	23		23	0	5	28
Other BUs	56		56	4	8	69
<i>of which Central &amp; Eastern Europe</i>	33					
<i>of which Iberia</i>	3					
<i>of which former Other BUs</i>	20					
Global Structures	-43		-43	-13		-55
<b>Total IT Services</b>	<b>195</b>		<b>195</b>	<b>18</b>	<b>20</b>	<b>233</b>
<b>Worldline</b>	<b>80</b>		<b>80</b>		<b>2</b>	<b>82</b>
<b>TOTAL GROUP</b>	<b>275</b>		<b>275</b>	<b>18</b>	<b>22</b>	<b>314</b>
Managed Services	136	1	137	13	11	161
Consulting & Systems Integration	100	-11	89	-3	2	89
Big Data & Cyber-security		10	10	20	7	37
Corporate	-42		-42	-13		-55
<b>Total IT Services</b>	<b>195</b>	<b>0</b>	<b>195</b>	<b>18</b>	<b>20</b>	<b>233</b>
<b>Worldline</b>	<b>80</b>		<b>80</b>		<b>2</b>	<b>82</b>
<b>TOTAL GROUP</b>	<b>275</b>	<b>0</b>	<b>275</b>	<b>18</b>	<b>22</b>	<b>314</b>

\* At average June 2015 YTD exchange rates

### C.1.3 Revenue profile

#### C.1.3.1 By Service Line

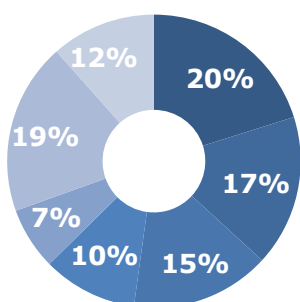
During the first half of 2015, 70% of the Group revenue was generated by multi-year contracts, deriving from multi-year Managed Services contracts (50% of total revenue including BPO), Worldline transactional services (12%), and Application Management contracts (8% reported in Consulting & Systems Integration).



<i>In € million</i>	<b>H1 2015</b>
Managed Services	2 488
Consulting & Systems Integration	1 612
Big Data & Cyber-security	270
<b>Total IT Services</b>	<b>4 370</b>
<b>Worldline</b>	<b>571</b>
<b>TOTAL GROUP</b>	<b>4 941</b>

#### C.1.3.2 By Business Unit

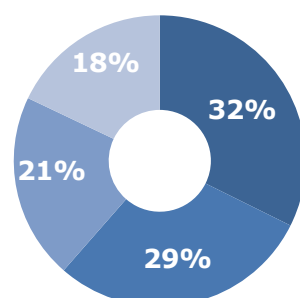
Europe remained the Group's main operational base, generating 86% of total revenue in the first half of 2015.



<i>In € million</i>	<b>H1 2015</b>
United-Kingdom & Ireland	995
France	825
Germany	759
Benelux & The Nordics	515
North America	340
Other BUs	936
<b>Total IT Services</b>	<b>4,370</b>
<b>Worldline</b>	<b>571</b>
<b>TOTAL GROUP</b>	<b>4,941</b>

#### C.1.3.3 By Market

The Group provides IT services and solutions to many industry sectors. Customers are addressed through four Global Markets which are Manufacturing Retail & Transportation, Public & Health, Telcos, Media & Utilities, and Financial Services.



<i>In € million</i>	<b>H1 2015</b>
Manufacturing, Retail & Transportation	1,598
Public & Health	1,438
Telcos, Media & Utilities	1,021
Financial Services	885
<b>TOTAL GROUP</b>	<b>4,941</b>

## C.1.4 Performance by Service Line

In € million	Revenue				Operating margin		Operating margin %	
	H1 2015	H1 2014*	% organic	% yoy	H1 2015	H1 2014*	H1 2015	H1 2014*
Managed Services	2,488	2,467	+0.8%	+16.3%	185.7	161.3	7.5%	6.5%
Consulting & Systems Integration	1,612	1,652	-2.4%	+7.3%	76.6	88.8	4.8%	5.4%
Big Data & Cyber-security	270	260	+4.2%		37.5	37.4	13.9%	14.4%
Corporate costs**					-32.3	-54.7	-0.7%	-1.2%
<b>Total IT Services</b>	<b>4,370</b>	<b>4,379</b>	<b>-0.2%</b>	<b>+20.0%</b>	<b>267.5</b>	<b>232.8</b>	<b>6.1%</b>	<b>5.3%</b>
<b>Worldline***</b>	<b>571</b>	<b>549</b>	<b>+3.9%</b>	<b>+6.7%</b>	<b>78.1</b>	<b>81.6</b>	<b>13.7%</b>	<b>14.9%</b>
<b>TOTAL GROUP</b>	<b>4,941</b>	<b>4,928</b>	<b>+0.3%</b>	<b>+18.3%</b>	<b>345.6</b>	<b>314.3</b>	<b>7.0%</b>	<b>6.4%</b>

\* at constant scope and exchange rates

\*\* Corporate costs exclude Global Delivery Lines costs allocated to the Service Lines

\*\*\* Worldline reported +4.1% organic growth on a stand alone basis

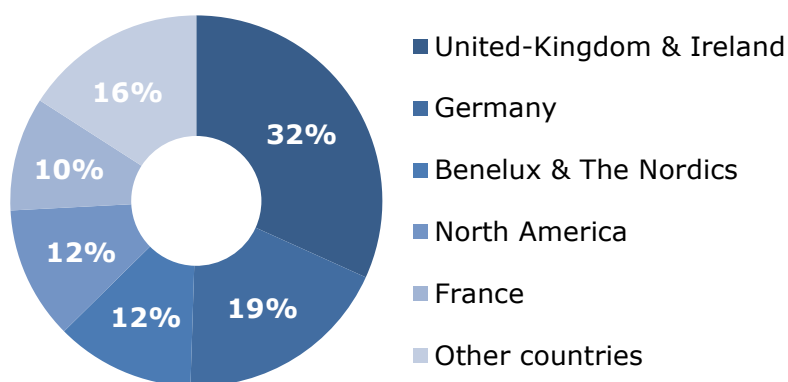
### C.1.4.1 Managed Services

In € million	H1 2015	H1 2014*	% organic	% yoy
Revenue	2,488	2,467	+0.8%	+16.3%
Operating margin	185.7	161.3		
<b>Operating margin rate</b>	<b>7.5%</b>	<b>6.5%</b>		

\* at constant scope and exchange rates

Representing 50% of the total Group, Managed Services **revenue** was € 2,488 million, up +16.3% year-on-year and +0.8% organically. Revenue trend was contrasted as growth materialized primarily in the United Kingdom as BPO activity was sustained thanks to the ramp-up of the DWP PIP and NS&I projects. The Service Line also benefited from the ramp-up of several large Managed Services contracts in the United Kingdom, in France, and in the US. Managed Services performance was good in "Other Business Units", notably in Asia Pacific (+7.9%) thanks to higher volumes with a large customer in Financial Services and ramp-ups in existing contracts with Global customers, in Iberia (+6.1%) through increased scope of services and higher volumes achieved with BBVA, E.ON and in the Public sector, and in India, Middle-East & Africa (+5.9%) which benefited from new contracts such as Dynacons in India. Conversely, revenue declined in Germany, North America, and Benelux, mainly due to the successful delivery of several large projects last year that were not compensated by new business generation this year. In Germany, the activity fell due to ended projects, lower volumes and ramp-downs on delivered services notably within Financial Services. Benelux & The Nordics faced scope reduction on some accounts. The drop in North America was mainly related to the Metlife contract terminated last year, the base effect from the McGraw-Hill Education separation and several other contracts successfully delivered last year. In France the situation improved during the second quarter with the ramp-up of contracts in Manufacturing such as Airbus and PWC, while lower volumes in Financial Services impacted the first half. The revenue trend of Managed Services significantly improved compared to the first quarter in most of the Business units as contracts recently signed also benefited to the improvement of the revenue evolution in Germany and Benelux & The Nordics.

### Managed Services revenue profile by geographies



**Operating margin** in Managed Services was € 185.7 million during the first half of 2015, representing 7.5% of revenue, an improvement by +100 basis points compared to the same period last year. BPO activity in the United Kingdom strongly contributed to the Service Line improvement as well as the impact of various workforce actions, synergies on Bull perimeter, savings plans conducted in all Business Units, and pension plans optimization in Germany.

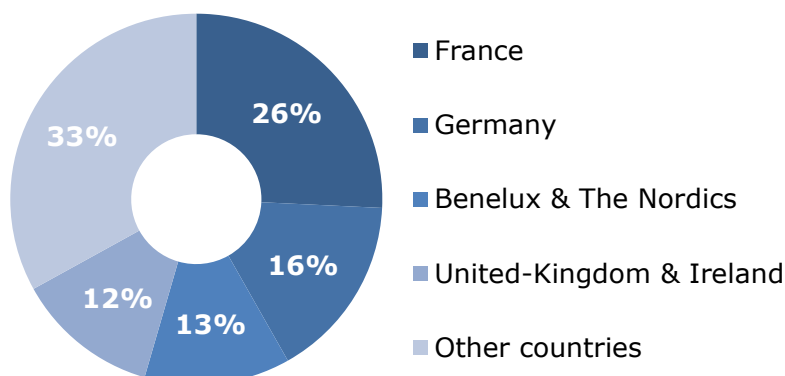
#### C.1.4.2 Consulting & Systems Integration

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	1,612	1,652	-2.4%	+7.3%
Operating margin	76.6	88.8		
<b>Operating margin rate</b>	<b>4.8%</b>	<b>5.4%</b>		

\* at constant scope and exchange rates

Consulting & Systems Integration **revenue** was € 1,612 million, up +7.3% year-on-year and -2.4% at constant scope and exchange rates. As it was already the case during the first quarter, revenue decline was concentrated in Germany largely attributable to lower volumes and price reductions in the telco sector, with Telefonica/E-plus and Nokia, and in Manufacturing, Retail & Transportation. The activity was strong in the Public & Health Market in most of the geographies, notably in the United Kingdom, in Central & Eastern Europe, and in France, leading to a healthy +5.5% organic growth in this Market. Revenue slightly grew in Financial Services, mainly in India, Middle-East & Africa. Finally, Manufacturing decline mainly came from the United Kingdom in the Transport sector as well as in Germany.

#### Consulting & Systems Integration revenue profile by geographies



Consulting & Systems Integration **operating margin** was € 76.6 million. Lower volumes and utilization rate in Germany and to a lesser extent project slippage in France accounted for most of the difference in operating margin with the first half of 2014. Conversely, operating margin significantly increased in the United Kingdom and in "Other Business Units".

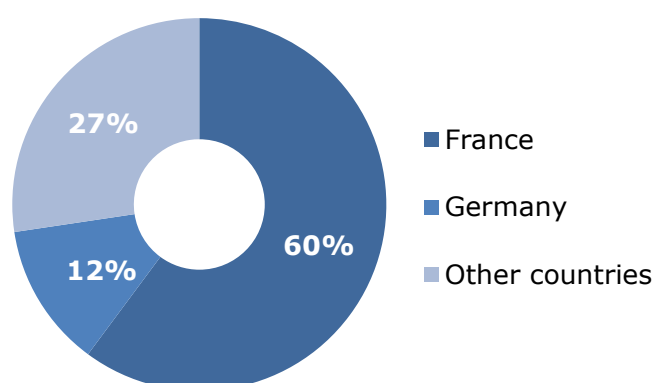
### C.1.4.3 Big Data & Cyber-security

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>
Revenue	270	260	+4.2%
Operating margin	37.5	37.4	
<b>Operating margin rate</b>	<b>13.9%</b>	<b>14.4%</b>	

\* at constant scope and exchange rates

Big Data & Security **revenue** was € 270 million, up +4.2% organically. Revenue growth was driven by strong demand on innovative products and stemmed from strong activity in France (+9.1%) in High Performance Computing, mainly in the Public sector driven by the contract renewal of Ministère de l'Intérieur and Norway Police (delivered from France), combined with increased activity in Extreme Computing (with the French Ministries in the defense & research area), Cyber-security, and High-end servers, which more than offset less revenue in Mission Critical Systems. Revenue growth was also led by Germany with High Performance Computing sales to DKRZ and University of Dresden. Most of other Business Units grew, notably Asia Pacific, Iberia, and Benelux & The Nordics. Central & Eastern Europe was impacted by the drop in Switzerland due to orders delayed in the Public Sector, only partly compensated by new HPC activity in Poland and Croatia.

### Big Data & Cyber-security revenue profile by geographies



Big Data & Security **operating margin** stood at € 37.5 million for the first half of of 2015, stable compared to last year, the decrease in Central & Eastern Europe, being compensated by significant growth in the other Business Units, notably France and Germany.

### C.1.4.4 Worldline

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	571	549	+3.9%	+6.7%
Operating margin	78.1	81.6		
<b>Operating margin rate</b>	<b>13.7%</b>	<b>14.9%</b>		

\* at constant scope and exchange rates

Worldline reported +4.1% organic growth on a stand alone basis

Representing 12% of the total Group **revenue**, Worldline achieved a strong performance with revenue organic growth of +3.9%. From a standalone perspective, as a public company, Worldline posted an organic growth of +4.1%. All Global Business Lines achieved grew compared to last year at constant scope and exchange rates. Merchant Services & Terminals was up +4.6%, while Financial Processing & Software Licensing and Mobility & e-Transactional Services increased by +2.0% and +5.4% respectively. Merchant Services & Terminals performance was sustained by strong Terminals sales, reaching +14.7% in the first half of 2015, while lower volumes and non-recurring items recorded last year in Online Services and in Private Label Cards & Loyalty services fully offset the positive outcome in Commercial Acquiring which benefited from higher volumes and a favorable mix of the unit price per transaction. In Merchant Services & Terminals, E-ticketing was up by +7.8% thanks to volumes and new projects ramp-up. In Financial Processing & Software Licensing, Online Banking activities reached a double-digit growth thanks to higher volumes and a one-off termination fee in Germany, Licensing performance was driven by Germany and by a new integration project in France. Acquiring was up +0.7%, and Issuing Processing was stable.

Worldline **operating margin** reached € 78.1 million. The profitability of Worldline has been impacted by a strategic investment in commercial acquiring paving the way of future growth. Profitability increased in Financial Processing & Software Licensing as well as in Mobility & e-Transactional Services thanks to the combination of a better revenue mix, the implementation of the TEAM program, and efficiency gains realized on the IT infrastructure management.

### C.1.5 Performance by Business Units

In € million	Revenue				Operating margin		Operating margin %	
	H1 2015	H1 2014*	% organic	% yoy	H1 2015	H1 2014*	H1 2015	H1 2014*
United-Kingdom & Ireland	995	892	+11.5%	+22.5%	102.9	64.1	10.3%	7.2%
France	825	824	+0.1%	+63.3%	30.1	23.8	3.7%	2.9%
Germany	759	824	-7.9%	-3.2%	41.1	52.8	5.4%	6.4%
Benelux & The Nordics	515	549	-6.1%	+3.1%	47.6	50.6	9.2%	9.2%
North America	340	368	-7.6%	+16.7%	26.4	28.2	7.8%	7.7%
Other Business Units	936	922	+1.5%	+25.1%	59.9	68.5	6.4%	7.4%
Global structures**					-40.4	-55.3	-0.9%	-1.3%
<b>Total IT Services</b>	<b>4,370</b>	<b>4,379</b>	<b>-0.2%</b>	<b>+20.0%</b>	<b>267.5</b>	<b>232.8</b>	<b>6.1%</b>	<b>5.3%</b>
<b>Worldline***</b>	<b>571</b>	<b>549</b>	<b>+3.9%</b>	<b>+6.7%</b>	<b>78.1</b>	<b>81.6</b>	<b>13.7%</b>	<b>14.9%</b>
<b>TOTAL GROUP</b>	<b>4,941</b>	<b>4,928</b>	<b>+0.3%</b>	<b>+18.3%</b>	<b>345.6</b>	<b>314.3</b>	<b>7.0%</b>	<b>6.4%</b>

\* at constant scope and exchange rates

\*\* Global structures include the Global Delivery Lines costs not allocated to the Group Business Unit and the Corporates costs

\*\*\* Worldline reported +4.1% organic growth on a stand alone basis

#### C.1.5.1 United Kingdom & Ireland

In € million	H1 2015	H1 2014*	% organic	% yoy
Revenue	995	892	+11.5%	+22.5%
Operating margin	102.9	64.1		
Operating margin rate	10.3%	7.2%		

\*constant scope and exchange rates

**Revenue** was € 995 million, up +11.5%. The strong revenue growth was mostly attributable to the Public & Health Market and to BPO activities, benefiting from continued positive impact of new contracts ramp-ups since last year.

Revenue in Managed Services strongly grew on last year, largely pulled by the ramp-up and successful execution of the DWP PIP contract and increased activity with National Savings & Investments. Growth in the Public sector was also attributable to the Ministry of Justice through increased project work and resale volumes. The Manufacturing, Retail & Transportation Market also grew, notably thanks to the ramp-up of Royal Mail Group while Telcos, Medias & Utilities was impacted by lower volumes in Media and Energy.

Revenue in Consulting & Systems Integration was down -2.0%. Public sector improved by +6.2%, mainly driven by additional consulting activity notably through higher volumes in the defense sector, the ramp-up of the Post Office Application Management contract, and increased project activity with the Nuclear Decommissioning Authority and the Ministry of Justice. Manufacturing, Retail & Transportation Market was impacted by the Transport area due to off-boarding of legacy contracts and by other projects ended, still only partially compensated by the increase in SAP products delivered to new customers. The Telcos, Medias & Utilities Market slightly grew thanks to increased consulting activity for Pearson.

Big Data & Security activity was launched and revenue reached € 4 million, growing thanks to a cyber-security project with a company specialized in defense systems.

**Operating margin** was € 102.9 million, significantly improving compared to last year (€+39 million). The improvement came beyond revenue performance and on the back of slippages on projects booked in the first half of 2014. This improvement was largely driven by Managed Services activities with the ramp-up and successful execution of the DWP PIP contract, meeting successfully interim milestones. The margin performance was helped by savings from TOP program initiatives and some freeze on recruitments, coupled with benefits resulting from commercial negotiations with customers to recover costs from transition delays. Operating margin in Consulting & Systems Integration improved year-on-year thanks to the reduction of the cost base resulting from TOP initiatives. These savings were partly reinvested into new sales growth (presales and skilling of expertise) in order to drive new business growth in key market demand areas (such as analytics, cloud, digital...) and mainly for Manufacturing, Retail & Transportation and Financial Services Markets.

#### C.1.5.2 France

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	825	824	+0.1%	+63.3%
Operating margin	30.1	23.8		
<i>Operating margin rate</i>	3.7%	2.9%		

*\*constant scope and exchange rates*

France returned to **revenue** growth in Q2 thanks to an improvement in Managed Services and a continued positive trend in Big Data & Cyber-security.

In Managed Services, Manufacturing, Retail & Transportation Market posted a solid growth thanks to a global aircraft manufacturer and PWC contracts ramp ups. This was however offset by a drop in the Financial Services and in Public & Health.

Consulting & Systems Integration revenue was impacted in the Manufacturing, Retail & Transportation Market by the end of one contract with Michelin. In the Telcos, Medias & Utilities Market, increasing volumes with GDF partly compensated lower project revenue with other customers in Telco and Energy. The Financial Services Market was almost stable. Finally, the Public & Health Market grew thanks to more business done for the European Institutions and to new contracts with local administrations.

Big Data & Cyber-security revenue increased by +9.1%, fueled by the Public & Health Market growing in France, notably with the Ministry of Defense, the CEA ("Commissariat à l'énergie atomique et aux énergies alternatives"; Commission for Atomic Energy and Alternative Energies), and the Social Security through Extreme Computing and HPC products sales. This was partly offset by revenue decline in the Telcos, Medias & Utilities and Manufacturing, Retail & Transportation Markets.

At € 30.1 million or 3.7% of revenue, France improved its **operating margin** by +80 basis points and €+6.3 million year-on-year. This improvement was led by the contribution of Big Data & Cyber-security thanks to revenue increase and savings on indirect costs. Managed Services operating margin improved year-on-year in spite of a revenue decrease, thanks to continued TOP initiatives, strengthened workforce management measures, notably through moving resources to Technology Services growing activities, and thanks to a strong indirect costs reduction. Operating margin in Consulting & Systems Integration decreased due to revenue evolution and increased pre-sales costs in order to strengthen commercial initiatives. This trend was mitigated by a drastic monitoring of indirect costs which were strongly reduced.

### C.1.5.3 Germany

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	759	824	-7.9%	-3.2%
Operating margin	41.1	52.8		
<i>Operating margin rate</i>	5.4%	6.4%		

*\*constant scope and exchange rates*

**Revenue** was € 759 million, down -7.9% on last year. The decline was attributable to both Managed Services and Consulting & Systems Integration Service Lines, mainly resulting from lower volumes with some long standing large customers. The second quarter still showed a better performance than the first quarter.

Managed Services revenue contracted compared to last year as Financial Services revenue evolution was impacted by less revenue generated with Talanx, and Telcos, Medias & Utilities had less activity with Telefonica/E-plus, as a consequence of the difficult situation of the customer environment. Revenue also decreased in Manufacturing, Retail & Transportation despite new contracts ramping-up with K+S and Airbus and Siemens slightly growing thanks to new projects.

Consulting & Systems Integration strongly decreased. This trend was largely attributable to the Telcos, Medias & Utilities Market, as a consequence of the Telco challenging environment, the end of some transitions partly compensated by new projects, and declining volumes especially in the Energy & Utilities sector. Manufacturing, Retail & Transportation faced several ramp-downs not compensated by the ramp-up of the BMW contract. Financial Services and Public & Health Markets remained stable.

Big Data & Security revenue reached € 34 million, strongly increasing thanks to HPC activity in Public & Health with DKRZ and University of Dresden.

**Operating margin** reached € 41.1 million or 5.4% of revenue, down €-11.7 million compared to the prior year, as a result of declining revenues. Operating margin in Managed Services improved despite revenue evolution, mainly thanks to strong savings actions to more than offset the negative impacts mentioned above, notably through significant cuts in SG&A expenses and optimization of the external workforce. Managed Services also benefited from an increased delivery from offshore locations. Consulting & Systems Integration profitability suffered from the revenue decline mentioned above. This was partially offset by strong costs savings actions as part of TOP Tier One program, notably through significant reduction in SG&A expenses, reorganization of staff, and also the impact of the closure of the Frankfurt site. In both Managed Services and Consulting & Systems integration, the Group continuous optimization program of its pension schemes contributed positively to the German operating margin by € 20 million in the first half of 2015. Finally, operating margin in Big Data & Security increased compared to last year, led by the strong increase of the activity, coupled with an improvement in SG&A expenses.



#### C.1.5.4 Benelux & The Nordics

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	515	549	-6.1%	+3.1%
Operating margin	47.6	50.6		
<i>Operating margin rate</i>	9.2%	9.2%		

*\*constant scope and exchange rates*

**Revenue** during the first half of 2015 € 515 million, down -6.1% year-on-year. As in Germany, revenue performance improved during the second quarter of 2015 compared to the first one. Revenue in Managed Services was down by -7.8%, a decrease mainly coming from the Telcos, Medias & Utilities Market impacted by decline on KPN contracts, and in Financial Services where higher revenue with new or existing customers such as Achmea or MN Services did not fully compensate a drop with ING. Consulting & Systems Integration revenue decreased -4.0%, despite a strong growth in Technology Services (+7.6%) representing 41% of Consulting & Systems Integration, following a commercial push initiated by the Business Unit. Telcos, Medias & Utilities concentrated most of the decline, related to KPN. Financial Services grew through ING and ABM Amro. Public & Health Market benefited from growth with several Dutch institutions. Manufacturing, Retail & Transportation slightly declined due to anticipated contract ramp-downs with some clients. Big Data & Cyber-security also posted a solid growth (+6.2%), mainly in Telcos, Medias & Utilities.

**Operating margin** reached € 47.6 million during the first half of 2015. The Business Unit managed to maintain its profitability level at 9.2% of revenue despite revenue evolution. This was achieved thanks to a strong monitoring of the cost base in Managed Services and specific actions in Consulting & Systems Integration, mainly on workforce management, and increasing utilization rates notably in the Technology Services business. Big Data & Security operating margin strongly increased thanks to revenue.

#### C.1.5.5 North America

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	340	368	-7.6%	+16.7%
Operating margin	26.4	28.2		
<i>Operating margin rate</i>	7.8%	7.7%		

*\*constant scope and exchange rates*

**Revenue** reached € 340 million, down -7.6% year-on-year. Revenue in Managed Services continued to be affected in Manufacturing, Retail & Transportation and Financial Services Markets, largely driven by the successful completion of several large projects in 2014 such as Metlife and McGraw-Hill Education separation project that have not been fully compensated yet. A significant growth was achieved with existing client such as Huntsman.

Revenue remained stable compared to last year in Consulting & Systems Integration thanks to higher activity for Daimler and Siemens, as well as delivered projects with several new clients such as Metropolitan Utilities District and Veritiv which compensated for the base effect coming from the successful completion of Johnson's contract in 2014, and the ramp-down of one project with Disney.

In Big Data & Security, revenue reached € 10 million, mainly stable compared to last year.

**Operating margin** was € 26.4 million representing 7.8% of revenue, slightly improving compared to 7.7% in 2014 despite revenue evolution. This was achieved thanks to TOP Tier One savings actions and a tight monitoring of indirect costs. This enabled an improvement of profitability in Big Data & Cyber-security and in Consulting & Systems Integration despite the revenue shortage on projects and higher pre-sales costs reflecting the dynamic bid pursuits. Managed Services operating margin was down despite strong savings initiatives.

### C.1.5.6 Other Business Units

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>	<b>% yoy</b>
Revenue	936	922	+1.5%	+25.1%
Operating margin	59.9	68.5		
<i>Operating margin rate</i>	6.4%	7.4%		

\*constant scope and exchange rates

In other Business units, **revenue** slightly increased, with a strong activity in Financial Services and Public & Health for both Managed Services and Consulting & Systems Integration and most of the geographies growing.

**Operating margin** benefited from actions related to workforce management and TOP program initiatives in all countries which partly compensated the margin effect resulting from the delay of orders from the Swiss Institutions. As a result, Asia Pacific, Iberia, and Latin America recorded an increase in operating margin.

### C.1.5.7 Global structures

Global structures costs amounted to €-40.4 million, which represented a positive variance of € 14.9 million over last year, mainly driven by savings resulting from synergies from the Bull integration combined with the positive outcome of the pension plan optimization (€+18 million). Some structure costs increased as a consequence of the globalization of the organization and the impact from the performance share plan and employee incentive plans compared to the first half of 2014.

### C.1.6 Revenue by Market

<i>In € million</i>	<b>H1 2015</b>	<b>H1 2014*</b>	<b>% organic</b>
Manufacturing, Retail & Transportation	1,598	1,649	-3.1%
Public & Health	1,438	1,293	+11.2%
Telcos, Media & Utilities	1,021	1,076	-5.1%
Financial Services	885	910	-2.8%
<b>TOTAL GROUP</b>	<b>4,941</b>	<b>4,928</b>	<b>+0.3%</b>

\* at constant scope and exchange rates

Manufacturing, Retail & Transportation is currently the largest market segment of the Group (32%) and reached € 1,598 million. It was down -3.1% compared to last year. Siemens account was limited to -2.2% despite some contractual price decrease granted in September 2014 and in January 2015.

Public & Health revenue reached € 1,438 million and accounted for 29% of the Group, increasing by +11.2% compared to last year, mainly thanks to the ramp-up of the PIP contract for the United Kingdom Department for Work & Pensions in the United Kingdom and to a lesser extent to Big Data & Cyber-security.

Telcos, Media & Utilities represented 21% of the Group revenue and reached € 1,021 million, down by -5.1% compared to the first half of 2014, main impact being related to significant ramp-downs and contractual price reductions with Telefonica/E-plus in Germany and with KPN in Benelux & The Nordics.

Financial Services revenue represented 18% of the Group and reached € 885 million, -2.8% compared to the first half of 2014. The decrease was mostly attributable to Germany impacted by the decline of Talanx, as well as North America and France both facing base effects on MetLife and BNP Paribas contracts.

## C.1.7 Portfolio

### C.1.7.1 Order entry and book to bill

The total Group order entries reached € 5,088 million, representing a book-to-bill ratio of 103% and notably 115% in the second quarter.

Order entry of the first half of 2015 included the renewal or extension of several contracts in Managed Services such as Siemens in several countries and more particularly Germany and the US, in the Health sector in the United Kingdom (Public & Health), a global leader in the optical industry in Germany (Manufacturing, Retail & Transportation) and McGraw-Hill in the US (Telcos, Medias & Utilities).

Managed Services achieved a book-to-bill ratio of 100% in the first half of 2015. The main contracts renewed over the period were Siemens, mainly in Germany and the US, NS&I (Financial Services) and a public health institution (Public & Health) in the United Kingdom, a global leader in the optical industry (Manufacturing, Retail & Transportation) in Germany and McGraw-Hill (Telcos, Medias & Utilities) in the US. Main new contracts were BASF (Manufacturing, Retail & Transportation) in Germany and Royal Mail (Manufacturing, Retail & Transportation) in the United Kingdom.

During the first half of 2015, Consulting & Systems Integration achieved a strong book-to-bill ratio of 105%, 118% during the second quarter, mainly benefiting from new contracts with Accor (Manufacturing, Retail & Transportation) and Orange (Telcos, Medias & Utilities) in France, global truck manufacturer (Manufacturing, Retail & Transportation) in Benelux & The Nordics, a Ministry of Interior (Public & Health) in Central & Eastern Europe, and Telco operator in Middle Operator (Telcos, Medias & Utilities) in IMEA.

Big Data & Security achieved a strong book-to-bill ratio of 128% over the period, with main new contracts related to HPC notably with CEA (Public & Health) in France.

Worldline achieved a book-to-bill ratio of 101%. Largest signatures over the period were in Germany.

### C.1.7.2 Full backlog

At the end of June 2015, the full backlog was € 17.1 billion in line with the level reached at the end of December 2014, representing 1.7 years of revenue.

### C.1.7.3 Full qualified pipeline

The full qualified pipeline totaled to € 5.5 billion in line with the level reached at the end of December 2014, representing 6.6 months of revenue.

## C.1.8 Human Resources

### C.1.8.1 Headcount evolution

The total headcount was 83,602 at the end of June 2015.

Headcount movements in 2015 are detailed in the table below:

	Opening January 2015	Scope	Hiring	Leavers	Dismissal, restruct. & other	Closing June 30, 2015
Managed Services	35,765	-2,144	2,895	-1,806	-1,555	33,155
Consulting & Systems Integration	34,138	2	3,230	-2,264	-1,009	34,097
Big Data & Cyber-security	1,885	13	138	-92	1,216	3,160
Corporate functions	586	0	28	-45	-158	411
<b>IT Services Direct</b>	<b>72,374</b>	<b>-2,129</b>	<b>6,291</b>	<b>-4,207</b>	<b>-1,506</b>	<b>70,823</b>
<b>Worldline Direct</b>	<b>6,670</b>	<b>0</b>	<b>287</b>	<b>-233</b>	<b>-64</b>	<b>6,660</b>
<b>Total Direct</b>	<b>79,044</b>	<b>-2,129</b>	<b>6,578</b>	<b>-4,440</b>	<b>-1,570</b>	<b>77,483</b>
United-Kingdom & Ireland	9,744	-1,375	562	-436	-217	8,278
France	13,103	-798	183	-405	-56	12,027
Germany	7,954	24	86	-170	-94	7,800
Benelux & The Nordics	5,937	-1	79	-229	-100	5,686
North America	3,060	7	216	-187	-224	2,872
Other BUs	32,505	14	5,157	-2,777	-817	34,082
Global Structures	71	0	8	-3	2	78
<b>IT Services Direct</b>	<b>72,374</b>	<b>-2,129</b>	<b>6,291</b>	<b>-4,207</b>	<b>-1,506</b>	<b>70,823</b>
<b>Worldline Direct</b>	<b>6,670</b>	<b>0</b>	<b>287</b>	<b>-233</b>	<b>-64</b>	<b>6,660</b>
<b>Total Direct</b>	<b>79,044</b>	<b>-2,129</b>	<b>6,578</b>	<b>-4,440</b>	<b>-1,570</b>	<b>77,483</b>
<b>Total Indirect</b>	<b>6,821</b>	<b>-9</b>	<b>252</b>	<b>-212</b>	<b>-732</b>	<b>6,119</b>
<b>TOTAL GROUP</b>	<b>85,865</b>	<b>-2,138</b>	<b>6,830</b>	<b>-4,652</b>	<b>-2,303</b>	<b>83,602</b>

Number of staff in offshore countries increased by +22% year-on-year, reaching 20,537 people by the end of June 2015. Offshore in Systems Integration represented 41% of direct staff in line with the objective to reach 50% by the end of 2016. More than two thirds of the offshore workforce was located in Asia (57% in India), the rest being mainly in Central & Eastern Europe.

### C.1.8.2 Changes in scope

2,138 employees exited the Group workforce following the early termination of the Work Capability Assessment BPO contract with the Department for Work and Pensions and the outsourcing of on-sites services activities in France.

On July 1<sup>st</sup>, 2015, 9,489 staff joined Atos from Xerox, with 4,309 in the US and Canada, 3,882 in India, the Philippines, and Mexico and the remaining 1,298 are mostly in the UK and in Germany. Including Xerox ITO, the total headcount of the Group was 93,091.

### C.1.8.3 Hiring

The total number of recruitments during the first half of 2015 was +6,830 and represented 8.0% of the headcount as of January 1<sup>st</sup>, 2015. 591 employees were recruited in the United Kingdom (of which 562 direct staff) to replace leavers and cover the ramp-up of contracts in BPO, following the same trend as last year. The +5,157 direct staff hired in "Other Business Units" reflect the accelerated growth of offshore delivery, primarily in India, but also in Brazil, in the Philippines, and in Thailand. In addition, the Global Managed Services factories recruitments were mainly in Poland and in Romania. All in all, recruitments in offshore locations represented roughly 2/3 of the total hiring of the Group.

### C.1.8.4 Leavers

Leavers only comprise staff voluntary resignations. The total number of leavers over the period was -4,652. Attrition during the first half was 11.1% at Group level and 20.6% in emerging countries.

#### C.1.8.5 Restructuring, Dismissals and other

2,303 employees (of which 1,570 direct staff) were dismissed or restructured over this first half of 2015. Streamlining efforts were mainly concentrated in continental Europe.

## C.2 2015 objectives

The Group confirms its 2015 objectives and raises the free cash flow objectives. The figures below include Xerox ITO contribution from July 1<sup>st</sup>, 2015:

### Revenue

The Group targets a **positive revenue organic 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

The Group expects to generate a free cash flow of **circa € 420 million**.

## C.3 Financial review

### C.3.1 Income statement

The Group reported a net income (attributable to owners of the parent) of € 123.0 million for the half year ended June 30, 2015, which represented 2.5% of Group revenues of the period. The normalized net income before unusual, abnormal and infrequent items (net of tax) for the period was € 224.1 million, representing 4.5% of Group revenues of the period, up +30 basis points compared to last year.

(in € million)	<b>6 months ended 30 June 2015</b>	<b>% Margin</b>	<b>6 months ended 30 June 2014</b>	<b>% Margin</b>
<b>Operating margin</b>	<b>345.6</b>	<b>7.0%</b>	<b>274.6</b>	<b>6.6%</b>
Other operating income / (expenses)	(148.3)		(145.2)	
<b>Operating income</b>	<b>197.3</b>	<b>4.0%</b>	<b>129.4</b>	<b>3.1%</b>
Net financial income / (expenses)	(10.7)		(21.0)	
Tax charge	(47.1)		(29.2)	
Non-controlling interests and associates	(16.5)		(2.8)	
<b>Net income – Attributable to owners of the parent</b>	<b>123.0</b>	<b>2.5%</b>	<b>76.4</b>	<b>1.8%</b>
<b>Normalized net income – Attributable to owners of the parent (*)</b>	<b>224.1</b>	<b>4.5%</b>	<b>173.5</b>	<b>4.2%</b>

(\*) Defined hereafter.

#### C.3.1.1 Operating margin

Operating margin represents the underlying operational performance of the current business and is analysed in the operational review.

#### C.3.1.2 Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual, abnormal and infrequent. They represent a net expense of € 148.3 million in the first half of 2015. The following table presents this amount by nature:

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
Staff reorganization	(68.4)	(81.7)
Rationalization and associated costs	(29.5)	(22.5)
Integration and acquisition costs	(18.3)	(7.1)
Amortization of intangible assets (PPA from acquisitions)	(31.2)	(22.1)
Other items	(0.9)	(11.8)
<b>Total</b>	<b>(148.3)</b>	<b>(145.2)</b>

The € 68.4 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group workforce in several countries such as Benelux & The Nordics, Central & Eastern Europe, Germany and Iberia;
- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull G&A as part of the plan to generate cost synergies.

The € 29.5 million **rationalization and associated costs** primarily resulted from the closure of office premises and datacenters consolidation, mainly in Germany (€ 6.3 million) and Benelux & The Nordics (€ 5.7 million), linked to restructuring plans. This amount also includes external costs for the implementation of Worldline's TEAM Program (€ 1.3 million) and for the optimization of G&A in the context of the Bull integration (€ 5.5 million).

The € 18.3 million **integration and acquisition costs** represented mainly integration costs for Bull (€ 10.4 million) and Xerox integration and acquisition costs (€ 6.1 million).

The € 0.9 million expense in **other items** corresponded mainly to a € 26.3 million exceptional loss recorded on a UK customer to cover both the depreciation of assets and receivables and an expected settlement to exit this contract. This loss was offset by € 27.7 million of releases of dilapidation provisions.

#### C.3.1.3 Net financial expense

Net financial expense amounted to € 10.7 million for the period (compared to € 21.0 million for the first semester of 2014) and was composed of a net cost of financial debt of € 3.2 million and non-operational financial costs of € 7.5 million.

Non-operational financial costs amounted to € 7.5 million compared to € 14.9 million in June 2014 and mainly consisted of pension financial related costs (€ 14.8 million compared to € 7.0 million in 2014), net foreign exchange gains (€ 7.9 million compared to a net foreign exchange loss of € 3.7 million in 2014), and other expenses for € 0.6 million.

#### C.3.1.4 Corporate tax

The tax charge for the six-month period ended June 30, 2015 was € 47.1 million including the French CVAE tax, with a profit before tax of € 186.6 million. The annualized Effective Tax Rate (ETR) of 24.8% adjusted for tax discrete items led to an ETR of 25.2%.

#### C.3.1.5 Non-controlling interests

Non-controlling interests included shareholdings held by joint venture partners and other associates of the Group. Non-controlling interests was amounted to € 14.9 million in June 2015 (compared to € 0.8 million in June 2014). The increase is mostly related to Worldline (€ 14.4 million) after the dilution of our participating interest, as part of the IPO on June 27, 2014.

### C.3.1.6 Normalized net income

The normalized net income excluding unusual, abnormal and infrequent items (net of tax) was up at € 224.1 million, representing 4.5% of Group revenues of the period, up +30 basis points compared to last year.

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
<b>Net income - Attributable to owners of the parent</b>	<b>123.0</b>	<b>76.4</b>
Other operating income and expenses	(148.3)	(145.2)
Tax effect on other operating income and expenses	48.0	47.4
Other unusual items on tax	(0.8)	0.7
<b>Total unusual items - Net of tax</b>	<b>(101.1)</b>	<b>(97.1)</b>
<b>Normalized net income - Attributable to owners of the parent</b>	<b>224.1</b>	<b>173.5</b>

### C.3.1.7 Half year Earning Per Share

(in € million)	<b>6 months ended 30 June 2015</b>	<b>% Margin</b>	<b>6 months ended 30 June 2014</b>	<b>% Margin</b>
<b>Net income - Attributable to owners of the parent [a]</b>	<b>123.0</b>	<b>2.5%</b>	<b>76.4</b>	<b>1.8%</b>
Impact of dilutive instruments	-		-	
<b>Net income restated of dilutive instruments - Attributable to owners of the parent [b]</b>	<b>123.0</b>	<b>2.5%</b>	<b>76.4</b>	<b>1.8%</b>
<b>Normalized net income - Attributable to owners of the parent [c]</b>	<b>224.1</b>	<b>4.5%</b>	<b>173.5</b>	<b>4.2%</b>
Impact of dilutive instruments	-		-	
<b>Normalized net income restated of dilutive instruments - Attributable to owners of the parent [d]</b>	<b>224.1</b>	<b>4.5%</b>	<b>173.5</b>	<b>4.2%</b>
Average number of shares [e]	100,253,782		98,809,813	
Impact of dilutive instruments	909,426		1,555,170	
Diluted average number of shares [f]	101,163,208		100,364,983	
(In €)				
<b>Basic EPS [a] / [e]</b>	<b>1.23</b>		<b>0.77</b>	
<b>Diluted EPS [b] / [f]</b>	<b>1.22</b>		<b>0.76</b>	
<b>Normalized basic EPS [c] / [e]</b>	<b>2.24</b>		<b>1.76</b>	
<b>Normalized diluted EPS [d] / [f]</b>	<b>2.22</b>		<b>1.73</b>	

Potential dilutive instruments comprised stock subscription (equivalent to 909,426 options) and did not generate a restatement of net income used for the diluted EPS calculation.



### C.3.2 Cash Flow and net cash

The Group reported a net cash position of € 354.0 million at the end of June 2015, thus representing an increase of € 137.3 million compared to June 2014. The net cash position at the end of June 2015 included the €-811.0 million cash-out for Xerox ITO acquisition.

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
<b>Operating Margin before Depreciation and Amortization (OMDA)</b>	<b>458.5</b>	<b>400.7</b>
Capital expenditures	(214.9)	(154.5)
Change in working capital requirement	49.1	31.3
<b>Cash From Operation (CFO)</b>	<b>292.7</b>	<b>277.5</b>
Reorganization in other operating income	(95.7)	(70.8)
Rationalization & associated costs in other operating income	(27.9)	(19.1)
Integration and acquisition costs	(18.3)	(7.1)
Net financial investments *	1.7	(1.6)
Taxes paid	(57.8)	(74.8)
Net cost of financial debt paid	(3.2)	(6.1)
Profit sharing amounts payable transferred to debt	(0.2)	(1.0)
Other changes **	50.1	26.8
<b>Free Cash Flow (FCF)</b>	<b>141.4</b>	<b>123.8</b>
Net (acquisitions) / disposals	(813.0)	(20.1)
Restrictive cash for planned Bull acquisition	-	(628.3)
Group share buy-back program	-	(138.7)
Dividends paid to owners of the parent	(30.7)	(38.3)
<b>Change in net cash / (debt)</b>	<b>(702.3)</b>	<b>(701.6)</b>
<b>Opening net cash / (debt)</b>	<b>989.1</b>	<b>905.4</b>
Change in net cash / (debt)	(702.3)	(701.6)
Impact of foreign exchange rate fluctuation on net Cash / (Debt)	67.2	12.9
<b>Closing net cash / (debt)</b>	<b>354.0</b>	<b>216.7</b>

\* Net Long term financial investments excluding acquisitions and disposals.

\*\* "Other changes" include other operating income with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), dividends paid to non-controlling interests, sales of treasury shares & common stock issues following employees exercise of stock options and other financial items with cash impact.

Free cash flow represented by the change in net cash or net debt, excluding equity changes, dividends paid to shareholders and net acquisitions and disposals, reached € 141.4 million compared to € 123.8 million during the six-month period ended June 30, 2014.

**Cash From Operations (CFO)** amounted to € 292.7 million and increased by € 15.2 million compared to last year and coming from the following items:

- OMDA (€+57.8 million),
- Higher capital expenditures (€-60.4 million),
- Change in working capital requirement (€+17.8 million).

**OMDA** of € 458.5 million, representing an increase of €+57.8 million compared to June 2014, reached 9.3% of revenues against 9.6% of revenues in June 2014. The breakdown of operating margin to OMDA was as follows:

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
<b>Operating margin</b>	<b>345.6</b>	<b>274.6</b>
+ Depreciation of fixed assets	172.7	149.0
+ Net book value of assets sold / written off	19.1	9.1
+ Charge for equity-based compensation	15.5	9.3
+/- Net charge / (release) of pension provisions	(52.3)	(12.7)
+/- Net charge / (release) of provisions	(42.1)	(28.6)
<b>OMDA</b>	<b>458.5</b>	<b>400.7</b>

**Capital expenditures** increased to € 214.9 million compared to € 154.5 million for the first semester of 2014, notably due the ramp-up of large BPO contracts in the United Kingdom.

The positive **change in working capital requirement** was € 49.1 million (compared to € 31.3 million in June 2014). The DSO ratio reached 39 days at the end of June 2015 compared to 45 days at the end of June 2014. DSO has been positively impacted by the implementation of financial arrangements on large customer contracts by 12 days compared to 11 days in June 2014. The DPO was 87 days as of June 2015 compared to 94 days at the end of June 2014.

Cash out related to **taxes paid** reached € 57.8 million and was lower than last year by € 17.0 million, due to favorable timings of payments in Germany.

The € 3.2 million **cost of net debt** decreased by € 2.9 million compared to the first half of 2014 including the following elements:

- An average expense rate of 2.34% on the average gross borrowings compared to 2.45% in 2014 and;
- An average income rate of 1.13% on the average gross cash compared to 0.64% in 2014.

**Reorganization, rationalization and associated costs** reached € 123.6 million, including the cash out related to acceleration of the Bull reorganization.

**Integration and acquisition costs** amounting to € 18.3 million represented mainly integration costs for Bull (€ 10.4 million) and Xerox integration and acquisition costs (€ 6.1 million).

**Other changes** of € 50.1 million mainly corresponded to:

- Sale of treasury stock and issuance of common stock following employees exercise of stock options for € 37.5 million (€ 19.7 million lower than last year);
- Proceeds from other operating income for € 21.1 million of which € 16.9 million of sale of assets;
- Other operating expenses for €-14.1 million of which a €-11.2 million including the last installment related to the early termination of the DWP WCA contract;
- Other financial income for € 6.3 million; and
- Dividends paid to non-controlling interests for €-0.7 million.

As a result, the **Group free cash flow (FCF)** generated during the first half 2015 was € 141.4 million.

The net debt impact resulting from **net acquisitions/disposals** corresponded mainly to the acquisition of Xerox ITO for € 811.0 million at the end of June.

In the first half of 2015, **dividends paid to owners of the parent** amounted to € 80.4 million (€ 0.80 per share) of which € 30.7 million cashed out and € 49.7 million through the issuance of new shares.

**Foreign exchange rate fluctuation** determined on debt or cash exposure by country represented an increase in net cash of € 67.2 million mainly coming from the exchange rate of the Euro against the British Pound (€ 27.8 million), the US Dollar (€ 11.7 million) and the Swiss Franc (€ 9.1 million).

### **C.3.3 Parent company results**

The profit before tax of the parent company amounted to € 46.2 million for the six-month period ended June 30, 2015 compared to € 60.4 million in the first semester 2014.

## C.4 Interim condensed consolidated financial statements

### C.4.1 Interim consolidated income statement

(in € million)	Notes	6 months ended 30 June 2015	6 months ended 30 June 2014	12 months ended 31 December 2014
<b>Revenue</b>	<b>Note 2</b>	<b>4,941.2</b>	<b>4,176.3</b>	<b>9,051.2</b>
Personnel expenses	Note 3	(2,531.5)	(2,215.9)	(4,573.2)
Operating expenses	Note 4	(2,064.1)	(1,685.8)	(3,776.1)
<b>Operating margin</b>		<b>345.6</b>	<b>274.6</b>	<b>701.9</b>
<b>% of revenue</b>		<b>7.0%</b>	<b>6.6%</b>	<b>7.8%</b>
Other operating income and expenses	Note 5	(148.3)	(145.2)	(261.6)
<b>Operating income</b>		<b>197.3</b>	<b>129.4</b>	<b>440.3</b>
<b>% of revenue</b>		<b>4.0%</b>	<b>3.1%</b>	<b>4.9%</b>
Net cost of financial debt		(3.2)	(6.1)	(15.3)
Other financial expenses		(38.5)	(54.8)	(72.7)
Other financial income		31.0	39.9	36.4
Net financial income	Note 6	(10.7)	(21.0)	(51.6)
<b>Net income before tax</b>		<b>186.6</b>	<b>108.4</b>	<b>388.7</b>
Tax charge	Note 7	(47.1)	(29.2)	(104.1)
Share of net profit/(loss) of associates		(1.6)	(2.0)	(2.1)
<b>Net income</b>		<b>137.9</b>	<b>77.2</b>	<b>282.5</b>
Of which:				
- attributable to owners of the parent		<b>123.0</b>	<b>76.4</b>	<b>265.2</b>
- non-controlling interests		14.9	0.8	17.3

(in € and number of shares)

<b>Net income - Attributable to owners of the parent</b>	<b>Note 8</b>			
Weighted average number of shares		100,253,782	98,809,813	99,358,877
<b>Basic earnings per share</b>		<b>1.23</b>	<b>0.77</b>	<b>2.67</b>
Diluted weighted average number of shares		101,163,208	100,364,983	100,570,183
<b>Diluted earnings per share</b>		<b>1.22</b>	<b>0.76</b>	<b>2.64</b>

#### C.4.2 Interim consolidated statement of comprehensive income

(in € million)	6 months ended 30 June 2015	6 months ended 30 June 2014	12 months ended 31 December 2014
<b>Net income</b>	<b>137.9</b>	<b>77.2</b>	<b>282.5</b>
<b>Other comprehensive income</b>			
<b>- to be reclassified subsequently to   profit or loss (recyclable):</b>	<b>167.5</b>	<b>43.5</b>	<b>94.8</b>
Cash flow hedging	44.1	10.8	4.1
Exchange differences on translation of foreign operations	139.2	35.4	90.8
Deferred tax on items recyclable recognized directly on equity	(15.8)	(2.7)	(0.1)
<b>- not reclassified to profit or loss (non-   recyclable):</b>	<b>52.0</b>	<b>(62.6)</b>	<b>(501.4)</b>
Actuarial gains and losses generated in the period on defined benefit plan	78.9	(88.5)	(676.1)
Deferred tax on items non-recyclable recognized directly on equity	(26.9)	25.9	174.7
<b>Total other comprehensive income</b>	<b>219.5</b>	<b>(19.1)</b>	<b>(406.6)</b>
<b>Total comprehensive income for the period</b>	<b>357.4</b>	<b>58.1</b>	<b>(124.1)</b>
Of which:			
- <b>attributable to owners of the parent</b>	<b>341.2</b>	<b>57.3</b>	<b>(141.3)</b>
- non-controlling interests	16.2	0.8	17.2

### C.4.3 Interim consolidated statement of financial position

(in € million)	Notes	30 June 2015	31 December 2014	30 June 2014
<b>ASSETS</b>				
Goodwill	Note 9	2,731.3	2,627.9	1,960.4
Intangible assets		674.1	646.6	436.1
Tangible assets		698.2	693.7	622.6
Non-current financial assets	Note 10	1,101.0	227.6	1,098.4
Non-current financial instruments		2.3	3.2	1.6
Deferred tax assets		416.6	419.7	428.1
<b>Total non-current assets</b>		<b>5,623.5</b>	<b>4,618.7</b>	<b>4,547.2</b>
Trade accounts and notes receivables	Note 11	2,028.6	2,124.1	1,751.4
Current taxes		46.9	17.3	118.4
Other current assets	Note 12	812.8	648.2	1,117.6
Current financial instruments		11.9	10.2	7.9
Cash and cash equivalents	Note 13	1,936.0	1,620.3	922.2
<b>Total current assets</b>		<b>4,836.2</b>	<b>4,420.1</b>	<b>3,917.5</b>
<b>Total assets</b>		<b>10,459.7</b>	<b>9,038.8</b>	<b>8,464.7</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
(in € million)				
Common stock		103.1	101.3	100.2
Additional paid-in capital		2,607.0	2,521.6	2,471.1
Consolidated retained earnings		683.7	399.6	869.9
Translation adjustments		44.8	(94.4)	(150.3)
Net income attributable to the owners of the parent		123.0	265.2	76.4
Equity attributable to the owners of the parent		3,561.6	3,193.3	3,367.3
Non-controlling interests		219.6	208.8	181.8
<b>Total shareholders' equity</b>		<b>3,781.2</b>	<b>3,402.1</b>	<b>3,549.1</b>
Provisions for pensions and similar benefits	Note 14	1,178.9	1,258.1	795.0
Non-current provisions	Note 15	90.0	93.8	80.0
Borrowings		665.2	528.1	606.0
Deferred tax liabilities		82.7	66.4	217.0
Non-current financial instruments		7.6	8.3	5.7
Other non-current liabilities		19.7	18.8	8.9
<b>Total non-current liabilities</b>		<b>2,044.1</b>	<b>1,973.5</b>	<b>1,712.6</b>
Trade accounts and notes payables	Note 17	1,507.4	1,397.0	1,233.2
Current taxes		94.2	73.0	136.9
Current provisions	Note 15	231.9	263.9	199.7
Current financial instruments		7.5	4.6	0.5
Current portion of borrowings		916.8	103.1	99.5
Other current liabilities		1,876.6	1,821.6	1,533.2
<b>Total current liabilities</b>		<b>4,634.4</b>	<b>3,663.2</b>	<b>3,203.0</b>
<b>Total liabilities and shareholders' equity</b>		<b>10,459.7</b>	<b>9,038.8</b>	<b>8,464.7</b>

#### C.4.4 Interim consolidated cash flow statement

(in € million)	Notes	6 months ended 30 June 2015	6 months ended 30 June 2014	12 months ended 31 December 2014
<b>Profit before tax</b>		<b>186.6</b>	<b>108.4</b>	<b>388.7</b>
Depreciation of assets	Note 4	172.7	149.0	313.0
Net charge / (release) to operating provisions		(94.4)	(41.4)	(134.9)
Net charge / (release) to financial provisions		14.5	7.6	23.2
Net charge / (release) to other operating provisions		(39.7)	9.3	(10.2)
Purchase Price Allocation amortization (PPA)		31.2	22.1	50.7
Losses / (gains) on disposals of fixed assets		0.6	6.9	9.6
Net charge for equity-based compensation		15.5	9.3	22.7
Losses / (gains) on financial instruments		(0.8)	(5.3)	(9.8)
Net cost of financial debt	Note 6	3.2	6.1	15.3
<b>Cash from operating activities before change in working capital requirement, financial interest and taxes</b>		<b>289.4</b>	<b>272.0</b>	<b>668.3</b>
Taxes paid		(57.8)	(74.8)	(119.7)
Change in working capital requirement		49.1	31.3	104.6
<b>Net cash from/ (used in) operating activities</b>		<b>280.7</b>	<b>228.5</b>	<b>653.2</b>
Payment for tangible and intangible assets		(214.9)	(154.5)	(354.1)
Proceeds from disposals of tangible and intangible assets		40.4	2.6	9.2
<b>Net operating investments</b>		<b>(174.5)</b>	<b>(151.9)</b>	<b>(344.9)</b>
Amounts paid / received for acquisitions and long-term investments		(817.1)	(669.1)	(633.5)
Cash and cash equivalents of companies purchased during the period		-	5.8	(3.7)
Proceeds from disposals of financial investments		5.9	18.2	9.0
Dividend received from entities consolidated by equity method		-	-	2.5
<b>Net long-term investments</b>	Note 18	<b>(811.2)</b>	<b>(645.1)</b>	<b>(625.7)</b>
<b>Net cash from/ (used in) investing activities</b>		<b>(985.7)</b>	<b>(797.0)</b>	<b>(970.6)</b>
Capital increase		-	-	35.3
Common stock issues on the exercise of equity-based compensation		37.5	57.2	73.9
Capital increase subscribed by non-controlling interests		-	-	253.1
Purchase and sale of treasury stock		-	(138.7)	(234.5)
Dividends paid to owners of the parent		(30.7)	(38.3)	(38.3)
Dividends paid to non-controlling interest		(0.7)	(1.2)	(1.9)
Proceeds of disposal of non controlling interests		-	-	372.3
New borrowings	Note 16	946.0	305.2	182.6
New finance lease	Note 16	-	(0.1)	0.2
Repayment of long and medium-term borrowings	Note 16	(12.5)	(4.1)	(47.9)
Net cost of financial debt paid		(3.2)	(6.1)	(15.3)
Other flows related to financing activities		20.5	(4.6)	(6.0)
<b>Net cash from/ (used in) financing activities</b>		<b>956.9</b>	<b>169.3</b>	<b>573.5</b>
<b>Increase/ (decrease) in net cash and cash equivalents</b>		<b>251.9</b>	<b>(399.2)</b>	<b>256.1</b>
<b>Opening net cash and cash equivalents</b>		<b>1,542.5</b>	<b>1,238.3</b>	<b>1,238.3</b>
Increase/ (decrease) in net cash and cash equivalents	Note 16	251.9	(399.2)	256.1
Impact of exchange rate fluctuations on cash and cash equivalents		79.7	16.5	48.1
<b>Closing net cash and cash equivalents</b>	<b>Note 18</b>	<b>1,874.1</b>	<b>855.6</b>	<b>1,542.5</b>

## C.4.5 Interim consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period-end (thousands)	Common Stock	Additional paid-in capital	Consolidated retained earnings	Translation adjustments	Items recognized directly in equity	Net income	Total	Non controlling interests	Total shareholder's equity
<b>At January 1, 2014</b>	<b>98,166</b>	<b>98.1</b>	<b>2,385.1</b>	<b>358.7</b>	<b>(185.7)</b>	<b>(8.6)</b>	<b>261.6</b>	<b>2,909.2</b>	<b>30.0</b>	<b>2,939.2</b>
* Common stock issued	2,097	2.1	86.0	(30.8)				57.3		57.3
* Appropriation of prior period net income				261.6			(261.6)	-		-
* Dividends paid to non-controlling interests				(38.3)				(38.3)	(1.2)	(39.5)
* Equity-based compensation				9.3				9.3		9.3
* Changes in auto-control shares and treasury stock				(25.7)				(25.7)		(25.7)
* Worldline IPO impact				398.6				398.6	152.2	550.8
* Other				(0.4)				(0.4)		(0.4)
Transactions with owners	2,097	2.1	86.0	574.3	-	-	(261.6)	400.8	151.0	551.8
* Net income							76.4	76.4	0.8	77.2
* Other Comprehensive income				(62.6)	35.4	8.1		(19.1)		(19.1)
Total comprehensive income for the period				(62.6)	35.4	8.1	76.4	57.3	0.8	58.1
<b>At June 30, 2014</b>	<b>100,263</b>	<b>100.2</b>	<b>2,471.1</b>	<b>870.4</b>	<b>(150.3)</b>	<b>(0.5)</b>	<b>76.4</b>	<b>3,367.3</b>	<b>181.8</b>	<b>3,549.1</b>
* Common stock issued	1,071	1.1	50.5	-				51.6		51.6
* Appropriation of prior period net income				-				-		-
* Dividends paid to non-controlling interests				-				-	(0.7)	(0.7)
* Equity-based compensation				13.4				13.4		13.4
* Changes in auto-control shares				(95.0)				(95.0)		(95.0)
* Worldline IPO impact				40.5				40.5	16.8	57.3
* Other				14.1				14.1	(5.5)	8.6
Transactions with owners	1,071.0	1.1	50.5	(27.0)	-	-	-	24.6	10.6	35.2
* Net income							188.8	188.8	16.5	205.3
* Other Comprehensive income				(438.8)	55.9	(4.5)		(387.4)	(0.1)	(387.5)
Total comprehensive income for the period				(438.8)	55.9	(4.5)	188.8	(198.6)	16.4	(182.2)
<b>At December 31, 2014</b>	<b>101,334</b>	<b>101.3</b>	<b>2,521.6</b>	<b>404.6</b>	<b>(94.4)</b>	<b>(5.0)</b>	<b>265.2</b>	<b>3,193.3</b>	<b>208.8</b>	<b>3,402.1</b>
* Common stock issued	1,786	1.8	85.4	(49.7)				37.5		37.5
* Appropriation of prior period net income				265.2			(265.2)	-		-
* Dividends paid to non-controlling interests				(30.7)				(30.7)	(1.1)	(31.8)
* Equity-based compensation				15.1				15.1	0.4	15.5
* Changes in auto-control shares and treasury stock				0.1				0.1		0.1
* Other				5.1				5.1	(4.7)	0.4
Transactions with owners	1,786	1.8	85.4	205.1	-	-	(265.2)	27.1	(5.4)	21.7
* Net income							123.0	123.0	14.9	137.9
* Other Comprehensive income				50.7	139.2	28.3		218.2	1.3	219.5
Total comprehensive income for the period				50.7	139.2	28.3	123.0	341.2	16.2	357.4
<b>At June 30, 2015</b>	<b>103,120</b>	<b>103.1</b>	<b>2,607.0</b>	<b>660.4</b>	<b>44.8</b>	<b>23.3</b>	<b>123.0</b>	<b>3,561.6</b>	<b>219.6</b>	<b>3,781.2</b>



## C.4.6 Appendices to the interim condensed consolidated financial statements

### C.4.6.1 Basis of preparation

The 2015 interim consolidated financial statements have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union and of mandatory application as at June 30, 2015.

The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The accounting policies, presentation and methods of computation that have been followed in these interim consolidated financial statements are in line with those that were applied in the preparation of the December 31<sup>st</sup>, 2014 financial statements and disclosed in the Group's 2014 Reference Document.

The interim consolidated financial statements for the six months ended June 30, 2015 have been prepared in accordance with the standard IAS 34 - Interim Financial Reporting. As such these financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2014.

The following standards, interpretations and amendments to existing standards that have been published are mandatory for the Group's accounting period beginning on January 1, 2015:

- Annual improvement to IFRS 2011-2013 Cycle;
- IFRIC 21 Levies.

The retrospective application of IFRIC 21 "Levies", which describes the criteria for recognizing a liability for levies other than income tax, had no material impact on the Group's consolidated profit for the first half of Fiscal Year 2015 (€ 1.7 million additional net expense) or its consolidated financial position at June 30, 2015. The impact of IFRIC 21 on the Group Equity as of January 1, 2015 has not been restated.

Other changes in standards and interpretations had no impact on the Group's consolidated financial statements.

The consolidated financial statements do not take into account:

- Draft standards that are still at the exposure draft stage at the International Accounting Standards Board (IASB);
- New standards, interpretations and amendments to existing standards and interpretations not yet approved by the European Union. This notably concerns:
  - Regulatory Deferral Accounts (IFRS 14);
  - Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11);
  - Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38);
  - Equity Method in Separate Financial Statements (Amendment to IAS 27);
  - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment to IFRS 10 and IAS 28);
  - Investment Entities : Applying the Consolidated Exception (Amendments to IFRS 10, IFRS 12 and IAS 28);
  - Disclosure Initiative (Amendment to IAS 1);
  - Revenue from Contracts with customers (IFRS15);
  - Financial Instruments (IFRS 9);
  - Defined Benefits Plans : Employee Contributions (Amendments to IAS 19);
  - Annual improvement to IFRSs 2010-2012 Cycle;
  - Annual improvement to IFRSs 2012-2014 Cycle.

The potential impact of these standards, amendments and interpretations on the consolidated financial statements is currently being assessed.

These consolidated financial statements are presented in euro, which is the Group's functional currency. All figures are presented in € millions with one decimal.

#### C.4.6.2 Significant accounting policies

In addition to the accounting principles as disclosed in the annual accounts, the following accounting principles are relevant for the interim accounts:

##### **Impairment of assets**

Goodwill and assets that are subject to amortisation are tested for impairment whenever events or circumstances indicate that the carrying amount could not be recoverable. If necessary, an impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable value.

Such events and circumstances include but are not limited to:

- significant deviance of economic performance of the asset when compared with budget;
- significant worsening of the asset's economic environment;
- loss of a major client;
- significant increase in interest rates.

##### **Pensions and similar benefits**

The remeasurement principle for pension liabilities and assets at interim periods is the following: actuarial remeasurements are only triggered if there are significant moves in the discount rate to be used under IAS19 revised, and limited to the Group's most significant pension plans. For less significant plans or if there are no significant evolutions in discount rates to be used, actuarial projections are used.

Benefit plans costs are recognized in the Group's operating income, except for net interest on the net defined benefit liability (asset) which is recognized in "other financial income and expenses".

##### **Corporate income tax**

The income tax charge includes current and deferred tax expenses. For the purposes of the interim condensed consolidated financial statements, consolidated income tax expense is determined by applying the estimated effective tax rate for the full year to the "half-year net income before tax". The estimated effective tax rate for the full-year is determined on the basis of forecasted current and deferred tax expense for the year in the light of full-year earnings projections.

**Note 1 Changes of scope of consolidation**

**XEROX ITO**

On June 30, 2015, Atos completed the acquisition of Xerox ITO which was announced in December 2014. Thanks to this acquisition, Atos will have a stronger and more balanced global presence. Xerox ITO business employs 9,451 employees in 47 countries of which 4,244 are located in the US and 3,857 are in global delivery countries such as India, the Philippines, and Mexico. With circa US\$ 2 billion revenue, North America becomes one of the largest geographies for Atos where it is now ranked number 9 in ITO services following the acquisition. In addition, as announced at the time of signing, Atos has entered into a worldwide strategic collaboration with Xerox and becomes one of Xerox's primary IT services providers.

Consideration transferred:

The net purchase price totaled US\$ 966 million (€ 811 million), composed of US\$ 950 million and an additional amount of US\$ 50 million following the occurrence of certain events prior to closing, plus US\$100 million representing the estimated present value of future tax benefits to Atos. Net debt items and closing adjustments amounted to US\$ 134 million to be confirmed within 90 days.

Impact in the Group consolidated financial Statements:

As of June 30, 2015, in absence of detailed information to allocate the purchase price to identifiable assets acquired and liabilities assumed, Atos is not in a position to provide the information requested by IFRS 3.59. The Xerox ITO consideration paid or to be paid is presented under the caption 'non-current financial assets' in the Group Consolidated Financial Statements as of June 30, 2015.

The Xerox ITO activities will be consolidated by Atos from July 1<sup>st</sup>, 2015.

## Bull

### Identifiable assets acquired and liabilities assumed at the date of acquisition

(in € million)	Initial assets acquired and liability assumed	Other Adjustment	Assets acquired and liability assumed at the end of the measurement period
Intangible assets	209.7	(0.1)	209.6
Tangible assets	64.3	-	64.3
Investment in associates	7.1	-	7.1
Non-current financial assets	39.2	-	39.2
Deferred tax assets	48.1	2.0	50.1
Other non current asset	0.2	-	0.2
<b>Total non-current assets</b>	<b>368.5</b>	<b>1.9</b>	<b>370.4</b>
Trade accounts and notes receivables	295.0	(7.6)	287.4
Current taxes	4.7	-	4.7
Other current assets	203.2	-	203.2
Current financial instruments	0.6	-	0.6
Cash and cash equivalents	75.8	-	75.8
<b>Total current assets</b>	<b>579.3</b>	<b>(7.6)</b>	<b>571.7</b>
<b>Total assets (A)</b>	<b>947.8</b>	<b>(5.7)</b>	<b>942.1</b>
Non-controlling interests	0.5	1.9	2.4
<b>Total shareholder's equity</b>	<b>0.5</b>	<b>1.9</b>	<b>2.4</b>
Provisions for pensions and similar benefits	197.5	(5.9)	191.6
Non-current provisions	135.9	32.9	168.8
Borrowings	147.3	-	147.3
Deferred tax liabilities	72.0	-	72.0
<b>Total non-current liabilities</b>	<b>552.7</b>	<b>27.0</b>	<b>579.7</b>
Trade accounts and notes payables	79.9	(1.5)	78.4
Current taxes	3.8	1.0	4.8
Current financial instruments	0.8	-	0.8
Current portion of borrowings	19.5	-	19.5
Other current liabilities	322.1	(3.8)	318.3
<b>Total current liabilities</b>	<b>426.0</b>	<b>(4.3)</b>	<b>421.7</b>
<b>Total Liabilities (B)</b>	<b>979.2</b>	<b>24.6</b>	<b>1,003.8</b>
<b>Fair value of acquisition (A) - (B)</b>	<b>(31.4)</b>	<b>(30.3)</b>	<b>(61.7)</b>

Identifiable assets acquired and liabilities assumed have been further analyzed during the first half of 2015 based on the better understanding of Bull acquired business. This analysis led to recognize an additional net liability of € 30.3 million mainly composed of additional provisions for losses and work in progress on contracts for which triggering events were originating prior to August 31, 2014.

If new information is obtained within the end of August 2015 (12 months after acquisition date) about facts and circumstances that existed at the acquisition date that would lead to adjustments to opening balance sheet, then the acquisition accounting would be revised.

### Goodwill

Goodwill recognized as a result of the acquisition is detailed as follows:

(in € million)	December 2014	June 2015
Total consideration paid	602.7	602.7
Fair value of identifiable net assets	(31.4)	(61.7)
<b>Total Goodwill</b>	<b>634.1</b>	<b>664.4</b>

## Note 2 Segment information

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the company CEO and chairman of the Board of Directors who makes strategic decisions.

In 2015, the chief operating decision maker decided to reorganize and reduce the operating segments. The following adaptations were detailed here below:

The GBU **Central & Eastern Europe and Iberia** were transferred under the segment "Other Countries".

Operating segments in 2014	Bridge	Operating segments in 2015
Central & Eastern Europe (CEE)	Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Switzerland and Turkey	Other Countries
Iberia	Andorra, Portugal and Spain	Other Countries

As a result of these changes, the Group segment organization in 2015 was the following:

Operating segments	Activities
United Kingdom & Ireland	Consulting & Systems Integration, Managed Services and Big Data and Security in Ireland and the United Kingdom.
Germany	Consulting & Systems Integration and Managed Services in Germany.
Benelux & The Nordics (BTN)	Consulting & Systems Integration, Managed Services and Big Data and Security in Belgium, Denmark, Estonia, Finland & Baltics, Luxembourg, Sweden and The Netherlands.
France	Consulting & Systems Integration, Managed Services and Big Data and Security in France.
North America	Consulting & Systems Integration, Managed Services and Big Data and Security in Canada and United States of America.
Other Countries	Consulting & Systems Integration, Managed Services and Big Data and Security in Algeria, Andorra, Argentina, Australia, Austria, Brazil, Bulgaria, China, Colombia, Croatia, Cyprus, Czech Republic, Egypt, Gabon, Greece, Hungary, Hong-Kong, India, Italy, Ivory Coast, Japan, Lithuania, Lebanon, Malaysia, Madagascar, Mauritius, Mexico, Morocco, Namibia, New-Zealand, Philippines, Poland, Portugal, Qatar, Romania, Russia, Saudi-Arabia, Senegal, Singapore, Serbia, Slovakia, South-Africa, Spain, Switzerland, Taiwan, Thailand, Tunisia, Turkey, UAE, Uruguay and also Major Events activities.
Worldline	Hi-Tech Transactional Services & Specialized Businesses in Argentina, Austria, Belgium, Chile, China, France, Germany, Hong-Kong, Iberia, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand, The Netherlands and the United Kingdom.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The revenues from each external contract amounted to less than 10% of the Group's revenue.

The operating segment information for the periods is as follows:

(in € million)	United Kingdom and Ireland	Germany	BTN	France	North America	Other countries	Worldline	Total Operating segments	Other Corporate	Elimination	Total Group
<b>6 months ended 30 June 2015</b>											
<b>External revenue by segment</b>	<b>994.9</b>	<b>758.8</b>	<b>515.3</b>	<b>824.8</b>	<b>340.4</b>	<b>936.0</b>	<b>571.0</b>	<b>4,941.2</b>			<b>4,941.2</b>
%	20.1%	15.4%	10.4%	16.7%	6.9%	18.9%	11.6%	100.0%			100.0%
Inter-segment revenue	(24.5)	90.1	45.9	49.4	17.2	217.1	(6.7)	388.5	41.7	(430.2)	-
Total revenue	970.4	848.9	561.2	874.2	357.6	1,153.1	564.3	5,329.7	41.7	(430.2)	4,941.2
<b>Segment operating margin</b>	<b>102.9</b>	<b>41.1</b>	<b>47.6</b>	<b>30.1</b>	<b>26.3</b>	<b>59.9</b>	<b>78.1</b>	<b>386.0</b>	<b>(40.4)</b>		<b>345.6</b>
%	10.3%	5.4%	9.2%	3.6%	7.7%	6.4%	13.7%	7.8%			7.0%
<b>Total segment assets</b>	<b>1,140.4</b>	<b>885.1</b>	<b>731.4</b>	<b>1,404.4</b>	<b>240.1</b>	<b>1,542.2</b>	<b>992.5</b>	<b>6,936.1</b>	<b>1,124.1</b>		<b>8,060.2</b>
<b>6 months ended 30 June 2014</b>											
<b>External revenue by segment</b>	<b>812.4</b>	<b>784.0</b>	<b>499.9</b>	<b>505.0</b>	<b>291.7</b>	<b>748.1</b>	<b>535.2</b>	<b>4,176.3</b>			<b>4,176.3</b>
%	19.5%	18.8%	12.0%	12.1%	7.0%	17.9%	12.8%	100.0%			100.0%
Inter-segment revenue	35.8	96.2	49.5	36.3	13.6	200.8	21.2	453.4		(453.4)	-
Total revenue	848.2	880.2	549.4	541.3	305.3	948.9	556.4	4,629.7	-	(453.4)	4,176.3
<b>Segment operating margin</b>	<b>54.4</b>	<b>52.0</b>	<b>50.5</b>	<b>1.1</b>	<b>22.9</b>	<b>56.3</b>	<b>80.0</b>	<b>317.2</b>	<b>(42.6)</b>		<b>274.6</b>
%	6.7%	6.6%	10.1%	0.2%	7.9%	7.5%	14.9%	7.6%			6.6%
<b>Total segment assets</b>	<b>939.7</b>	<b>838.0</b>	<b>927.8</b>	<b>601.5</b>	<b>189.7</b>	<b>1,223.6</b>	<b>1,196.8</b>	<b>5,917.1</b>	<b>1,078.9</b>		<b>6,996.0</b>

The reportable assets are reconciled to total assets as follows:

(in € million)	<b>30 June 2015</b>	<b>30 June 2014</b>
<b>Total segment assets</b>	<b>8,060.2</b>	<b>6,996.0</b>
Current & deferred tax Assets	463.5	546.5
Cash & Cash Equivalents	1,936.0	922.2
<b>Total Assets</b>	<b>10,459.7</b>	<b>8,464.7</b>

### Note 3 Personnel expenses

(in € million)	<b>6 months ended 30 June 2015</b>	<b>% Revenue</b>	<b>6 months ended 30 June 2014</b>	<b>% Revenue</b>
Wages and salaries	(2,011.0)	40.7%	(1,739.8)	41.7%
Social security charges	(545.8)	11.0%	(461.0)	11.0%
Tax, training, profit-sharing	(15.9)	0.3%	(17.3)	0.4%
Equity-based compensation	(15.5)	0.3%	(9.3)	0.2%
Net (charge) /release to provisions for staff expenses	4.4	-0.1%	(1.3)	0.0%
Net (charge)/release of pension provisions	52.3	-1.1%	12.8	-0.3%
<b>Total</b>	<b>(2,531.5)</b>	<b>51.2%</b>	<b>(2,215.9)</b>	<b>53.1%</b>

#### Note 4 Operating expenses

(in € million)	6 months ended 30 June 2015	% Revenue	6 months ended 30 June 2014	% Revenue
Subcontracting costs direct	(846.1)	17.1%	(587.1)	14.1%
Purchase hardware and software	(312.4)	6.3%	(226.3)	5.4%
Maintenance costs	(217.0)	4.4%	(200.5)	4.8%
Rent & Lease expenses	(190.2)	3.8%	(141.5)	3.4%
Telecom costs	(123.6)	2.5%	(143.7)	3.4%
Travelling expenses	(93.8)	1.9%	(73.1)	1.8%
Company cars	(37.4)	0.8%	(45.8)	1.1%
Professional fees	(84.9)	1.7%	(73.0)	1.7%
Taxes & Similar expenses	(22.7)	0.5%	(17.9)	0.4%
Others expenses	(37.3)	0.8%	(71.3)	1.7%
<b>Subtotal expenses</b>	<b>(1,965.4)</b>	<b>39.8%</b>	<b>(1,580.3)</b>	<b>37.8%</b>
Depreciation of assets	(172.7)	3.5%	(149.0)	3.6%
Net (charge) / release to provisions	37.7	-0.8%	29.9	-0.7%
Gains / (Losses) on disposal of assets	0.3	0.0%	(6.5)	0.2%
Trade Receivables write-off	(8.4)	0.2%	(11.4)	0.3%
Capitalized Production	44.4	-0.9%	31.5	-0.8%
<b>Subtotal other expenses</b>	<b>(98.7)</b>	<b>2.0%</b>	<b>(105.5)</b>	<b>2.5%</b>
<b>Total</b>	<b>(2,064.1)</b>	<b>41.8%</b>	<b>(1,685.8)</b>	<b>40.4%</b>

#### Note 5 Other operating income and expenses

(in € million)	6 months ended 30 June 2015	6 months ended 30 June 2014
Staff reorganization	(68.4)	(81.7)
Rationalization and associated costs	(29.5)	(22.5)
Integration and acquisition costs	(18.3)	(7.1)
Amortization of intangible assets (PPA from acquisitions)	(31.2)	(22.1)
Other items	(0.9)	(11.8)
<b>Total</b>	<b>(148.3)</b>	<b>(145.2)</b>

The € 68.4 million **staff reorganization** expense was mainly the consequence of:

- the adaptation of the Group workforce in several countries such as Benelux & The Nordics, Central & Eastern Europe, Germany and Iberia;
- the streamlining of middle management layers, including Global Structures;
- the restructuring initiated on Bull G&A as part of the plan to generate cost synergies.



The € 29.5 million **rationalization and associated costs** primarily resulted from the closure of office premises and datacenters consolidation, mainly in Germany (€ 6.3 million) and Benelux & The Nordics (€ 5.7 million), linked to restructuring plans. This amount also includes external costs for the implementation of Worldline's TEAM Program (€ 1.3 million) and for the optimization of G&A in the context of the Bull integration (€ 5.5 million).

The € 18.3 million **integration and acquisition costs** represented mainly integration costs for Bull (€ 10.4 million) and Xerox integration and acquisition costs (€ 6.1 million).

The € 0.9 million expense in **other items** corresponded mainly to a € 26.3 million exceptional loss recorded on a UK customer to cover both the depreciation of assets and receivables and an expected settlement to exit this contract. This loss was offset by € 27.7 million of releases of dilapidation provisions.

### Note 6 Net financial income

Net financial expense amounted to € 10.7 million for the period (compared with € 21.0 million last year) and was composed of a net cost of financial debt of € 3.2 million and non-operational financial costs of € 7.5 million.

#### Net cost of financial debt

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
<b>Net interest expenses</b>	<b>(1.0)</b>	<b>(4.1)</b>
Interest on obligations under finance leases	(0.3)	(0.3)
Gain/(loss) on disposal of cash equivalents	0.2	0.1
Gain/(loss) on interest rate hedges of financial debt	(2.1)	(1.8)
<b>Net cost of financial debt</b>	<b>(3.2)</b>	<b>(6.1)</b>

The **cost of net debt** of € 3.2 million compared to € 6.1 million in the first half of 2014 including the following elements:

- An average expense rate of 2.34% on the average gross borrowings compared to 2.45% in 2014 and;
- An average income rate of 1.13% on the average gross cash compared to 0.64% in 2014.

## Other financial income and expenses

(in € million)	6 months ended 30 June 2015	6 months ended 30 June 2014
Foreign exchange income / (expenses)	(0.4)	(5.9)
Fair value gain/(loss) on forward exchange contracts held for trading	8.3	2.3
Discounting financial income / (expenses)	-	(0.5)
Other income / (expenses)	(15.4)	(10.8)
<b>Other financial income and expenses</b>	<b>(7.5)</b>	<b>(14.9)</b>
Of which:		
- other financial expenses	(38.5)	(54.8)
- other financial income	31.0	39.9

Non-operational financial costs amounted to € 7.5 million compared to € 14.9 million in June 2014 and mainly consisted of pension financial related costs (€ 14.8 million compared to € 7.0 million in 2014), net foreign exchange gain (€ 7.9 million compared to a net foreign exchange expense of € 3.7 million in 2014), and other expenses for € 0.6 million (including € 1.3 million for financing of receivables).

The pension financial related costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded.

### Note 7 Income tax expenses

The tax charge for the six-month period ended June 30, 2015 was € 47.1 million including the French CVAE tax, with a profit before tax of € 186.6 million. The annualized Effective Tax Rate (ETR) of 24.8% adjusted for tax discrete items led to an ETR of 25.2%.

## Note 8 Earnings per share

Potential dilutive instruments comprised stock subscription (equivalent to 909,426 options) and did not generate a restatement of net income used for the diluted EPS calculation.

The average number of stock options not exercised in June 2015 amounted to 2,372,382 shares.

(in € million and shares)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>
<b>Net income - Attributable to owners of the parent [a]</b>	<b>123.0</b>	<b>76.4</b>
Impact of dilutive instruments	-	-
<b>Net income restated of dilutive instruments - Attributable to owners of the parent [b]</b>	<b>123.0</b>	<b>76.4</b>
Average number of shares outstanding [c]	100,253,782	98,809,813
Impact of dilutive instruments [d]	909,426	1,555,170
Diluted average number of shares [e]=[c]+[d]	101,163,208	100,364,983
<b>Earnings per share in € [a]/[c]</b>	<b>1.23</b>	<b>0.77</b>
Diluted earnings per share in € [b]/[e]	1.22	0.76

## Note 9 Goodwill

(in € million)	<b>31 December 2014</b>	<b>Impact of business combi- nation</b>	<b>Exchange rate fluctuations</b>	<b>30 June 2015</b>
Gross value	3,214.3	30.3	102.1	<b>3,346.7</b>
Impairment loss	(586.4)	-	(29.0)	<b>(615.4)</b>
<b>Carrying amount</b>	<b>2,627.9</b>	<b>30.3</b>	<b>73.1</b>	<b>2,731.3</b>

During the semester, the Group has not recorded any impairment for any CGUs as there was not any triggering event, even on the CGUs considered "sensitive" as of June 30, 2015.

## Note 10 Non-current financial assets

(in € million)	<b>30 June 2015</b>	<b>31 December 2014</b>
Pension prepayments	153.7	136.4
Other (*)	947.3	91.2
<b>Total</b>	<b>1,101.0</b>	<b>227.6</b>

(\*) "Other" include loans, deposits, guarantees, investments in associates accounted for under the equity method and non consolidated investments.

The caption "Other" of € 947.3 million increased by € 856.1 million and corresponded mainly to the acquisition price of Xerox ITO for € 811 million.

## Note 11 Trade accounts and notes receivable

(in € million)	<b>30 June 2015</b>	<b>31 December 2014</b>
Gross value	2,148.5	2,231.8
Transition costs	3.1	5.6
Provision for doubtful debts	(123.0)	(113.3)
<b>Net asset value</b>	<b>2,028.6</b>	<b>2,124.1</b>
Prepayments	(71.4)	(87.1)
Deferred income and upfront payments received	(482.0)	(458.8)
<b>Net accounts receivable</b>	<b>1,475.2</b>	<b>1,578.2</b>
<b>Number of days' sales outstanding (DSO)</b>	<b>39</b>	<b>38</b>

Atos securitization program of trade receivables has been renewed for 5 years on June 18, 2013 with a maximum amount of receivables sold of € 500.0 million and a maximum amount of financing of € 200.0 million.

The new program is structured with two compartments, called ON and OFF:

- Compartment "ON" is similar to the previous program (i.e. the receivables are maintained in the Group balance sheet) which remains by default the compartment in which the receivables are sold. This compartment was used at its lower level;
- Compartment "OFF" is designed so the credit risk (insolvency and overdue) of the debtors eligible to this compartment of the program is fully transferred to the purchasing entity of a third party financial institution.

As of June 30, 2015, the Group has sold:

- In the compartment "ON" € 257.2 million receivables for which € 10.0 million were received in cash. The sale is with recourse, thus re-consolidated in the balance sheet;
- In the compartment "OFF" € 41.8 million receivables which qualified for de-recognition as substantially all risks and rewards associated with the receivables were transferred.

## Note 12 Other current assets

(in € million)	<b>30 June 2015</b>	<b>31 December 2014</b>
Inventories	52.2	52.1
State - VAT receivables	105.3	99.5
Prepaid expenses	284.7	200.9
Other receivables & current assets	357.9	270.8
Advance payment	12.7	24.9
<b>Total</b>	<b>812.8</b>	<b>648.2</b>

## Note 13 Cash and cash equivalents

(in € million)	<b>30 June 2015</b>	<b>31 December 2014</b>
Cash in hand and short-term bank deposit	1,110.4	861.2
Money market funds	825.6	759.1
<b>Total</b>	<b>1,936.0</b>	<b>1,620.3</b>

Depending on market conditions and short-term cash flow expectations, Atos may from time to time invest in Money Market Funds for a maturity not exceeding three months.

## Note 14 Pensions

The net total amount recognized in the balance sheet in Group accounts in respect of pension plans and other long term employee benefits is € 1,025.2 million.

Reference discount rates for the Eurozone have increased significantly since December 31, 2014, therefore plan liabilities and plan assets for major plans in this region have been remeasured per June 30, 2015.

Plans in the UK and Switzerland have not been remeasured as no comparable significant moves have been observed.

The following discount rates have been used:

(in %)	30 June 2015	31 December 2014
Euro zone (long duration plans)	2.55%	2.20%
Euro zone (other plans)	2.05%	1.60%
United Kingdom	3.70%	3.70%

The increase in reference discount rates has led to an improvement of the net balance sheet position (recorded through other comprehensive income in the balance sheet) of € 57.0 million.

During the first half of 2015, pension benefits within corporate structures have been redefined both in terms of eligibility criteria which have been clarified and benefit formula. The associated reduction in liability of € 17.8 million has been recorded in operating expenses.

In Germany the indexing policy was adjusted to reflect that pensions in payment will not be indexed in years when the local financial situation does not support the cost of indexing, leading to a net one-off reduction of operating expenses of € 7.0 million. Furthermore, a lump sum option was introduced and the option for retirees to have their benefit paid out in instalments was incorporated in liability measurement. The related effects were a reduction of operating expenses of € 12.8 million and a further reduction in net liabilities of € 22.0 million recorded through other comprehensive income in the balance sheet.

The net total amount recognized in the balance sheet in Group accounts in respect of pension plans and other long term employee benefits at June 30, 2015 is € 1,025.2 million compared to € 1,121.7 million at December 31, 2014.

The development of pension provisions over the half year is therefore as follows:

(in € million)	30 June 2015	31 December 2014
<b>Amounts recognized in financial statements consist of :</b>		
Prepaid pension asset – post employment plans	153.7	136.4
Accrued liability - post employment plans and other long term benefit plans	(1,178.9)	(1,258.1)
<b>Net amounts recognized – Total</b>	<b>(1,025.2)</b>	<b>(1,121.7)</b>

The net impact of defined benefits plans on Group profit and loss can be summarized as follows:

(in € million)	6 months ended 30 June 2015	6 months ended 30 June 2014
Operating margin	4.2	(28.3)
Other operating items	(1.5)	(1.0)
Financial result	(14.8)	(7.0)
<b>Total (expense)/profit</b>	<b>(12.1)</b>	<b>(36.3)</b>

#### Note 15 Provisions

(in € million)	31 December 2014	Charge	Release used	Release unused	Business Combi- nation	Other (* )	30 June 2015	Current	Non- current
Reorganization	101.7	34.1	(53.4)	(10.0)	-	0.1	72.5	61.2	11.3
Rationalization	33.6	6.3	(7.4)	(6.0)	-	2.0	28.5	9.4	19.1
Project commitments	114.1	34.0	(36.2)	(13.7)	18.6	5.9	122.7	99.8	22.9
Litigations and contingencies	108.3	8.7	(8.5)	(32.5)	14.3	7.9	98.2	61.5	36.7
<b>Total provisions</b>	<b>357.7</b>	<b>83.1</b>	<b>(105.5)</b>	<b>(62.2)</b>	<b>32.9</b>	<b>15.9</b>	<b>321.9</b>	<b>231.9</b>	<b>90.0</b>

(\* ) Other movements mainly consist of the currency translation adjustments.

#### Note 16 Borrowings

##### Change in net debt over the period

(in € million)	30 June 2015
<b>Opening net cash / (debt)</b>	<b>989.1</b>
New borrowings	(946.0)
Repayment of long and medium-term borrowings	12.5
Variance in net cash and cash equivalents	251.9
Impact of exchange rate fluctuations on net long and medium-term debt	67.2
Profit-sharing amounts payable to French employees transferred to debt	(0.2)
Other flows related to financing activities	(20.5)
<b>Closing net cash / (debt)</b>	<b>354.0</b>

In respect with the acquisition of the Xerox ITO assets, Atos has secured the availability of the funds for the date of the closing of the transaction with a one month specific drawdown of the € 1.8 billion Credit Facility covering the purchase price. Most of this drawdown is expected to be repaid on July 29, 2015 with the cash of the Group.

## Note 17 Trade accounts and notes payable

(in € million)	30 June 2015	31 December 2014
Trade payables and notes payable	1,506.4	1,396.0
Amounts payable on tangible assets	1.0	1.0
<b>Trade payables and notes payable</b>	<b>1,507.4</b>	<b>1,397.0</b>
Net advance payments	(12.7)	(24.9)
Prepaid expenses	(284.7)	(200.9)
<b>Net accounts payable</b>	<b>1,210.0</b>	<b>1,171.2</b>
<b>Number of days' payable outstanding (DPO)</b>	<b>87</b>	<b>78</b>

Trade accounts and notes payable are expected to be paid within one year.

## Note 18 Cash flow statements

### Net long-term investments

(in € million)	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014</b>	<b>12 months ended 31 December 2014</b>
<b>Amounts paid for acquisitions and long-term investments :</b>			
Xerox ITO	(811.0)	-	-
Bull (restrictive cash for planned acquisition)	-	(628.3)	(602.7)
Cambridge Technology Partners (CEE)	-	(21.0)	(21.0)
SIT (Austria)	-	-	2.2
Deposit	(2.2)	(16.0)	(1.0)
Other	(3.9)	(3.8)	(11.0)
<b>Total amounts paid for acquisitions and long-term investments</b>	<b>(817.1)</b>	<b>(669.1)</b>	<b>(633.5)</b>
<b>Cash and cash equivalents of companies purchased during the period:</b>			
Bull	-	-	(9.5)
Cambridge Technology Partners (CEE)	-	5.8	5.8
<b>Total cash and cash equivalents of companies purchased during the period</b>	<b>-</b>	<b>5.8</b>	<b>(3.7)</b>
<b>Proceeds from disposals of financial investments:</b>			
Deposit	1.0	16.8	4.4
Other	4.9	1.4	4.6
<b>Total proceeds from disposals of financial investments</b>	<b>5.9</b>	<b>18.2</b>	<b>9.0</b>
<b>Dividend received from entities consolidated by equity method:</b>			
Dividend received from entities consolidated by equity method	-	-	2.5
<b>Total dividend received from entities consolidated by equity method</b>	<b>-</b>	<b>-</b>	<b>2.5</b>
<b>Net long-term investments</b>	<b>(811.2)</b>	<b>(645.1)</b>	<b>(625.7)</b>

### Net cash and cash equivalents

(in € million)	<b>30 June 2015</b>	<b>31 December 2014</b>
Cash and cash equivalents	1,936.0	1,620.3
Overdrafts	(61.9)	(77.8)
<b>Total net cash and cash equivalents</b>	<b>1,874.1</b>	<b>1,542.5</b>



### **Note 19 Approval of interim financial statements**

The interim financial statements were approved by the Board of Directors on July 28, 2015.

### **Note 20 Subsequent event**

In July, Atos completed the successful placement and admission to trading on Euronext Paris of its first bond issue. This bond issue totaled € 600 million, with a five year maturity and a coupon rate of 2.375%.

## **C.5 Statutory Auditors' report on the half-year financial information for the period ended June 30, 2015**

*This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by the General Meetings and in accordance with the requirements of article L. 451-1-2 III of the Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying interim condensed consolidated financial statements of Atos S.E., for the period from January 1 to June 30, 2015,
- the verification of the information contained in the interim management report.

These interim condensed consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### **I - Conclusion on the financial statements**

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

### **II - Specific verification**

We have also verified the information given in the interim management report commenting the interim condensed consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the interim condensed consolidated financial statements.

**Neuilly-sur-Seine and Paris, July 29, 2015**

#### **The Statutory Auditors**

Deloitte & Associés

Grant Thornton  
*French member of  
Grant Thornton International*

Jean-Pierre Agazzi

Victor Amselem

## D CORPORATE GOVERNANCE

### D.1 Office renewals and appointment of directors

The Company's Combined General Meeting held on May 28, 2015 approved all the proposed renewals of terms of office of directors which it was submitted. In particular, it renewed the term of office of Directors Messrs. Thierry Breton (French citizen), Bertrand Meunier (French citizen) and Pasquale Pistorio (Italian citizen) and ratified the appointment of Ms. Valérie Bernis (French citizen) as director.

Following the renewal of the Directors' terms of office, the Board of Directors meeting held after the General Meeting decided to (i) renew Mr. Thierry Breton as Chairman and Chief Executive Officer for the duration of his mandate as Director, (ii) renew Mr. Pasquale Pistorio's mandate as Lead Director and (iii) confirmed the composition of the Board's Committees.

### D.2 Composition of the Board of Directors

#### D.2.1 Composition as at June 30, 2015

As of the date of this Update of the Registration Document, the Board of Directors, comprised of 11 persons including 8 independent directors, was the following:

Name of the Director	Date of first appointment or latest renewal	Date of the expiry of the mandate
Mr Thierry BRETON	May 28 2015	AGM 2018
Mr Nicolas BAZIRE*	May 27 2014	AGM 2017
Ms Valérie BERNIS*	May 28 2015**	AGM 2017
Mr Roland BUSCH	May 27 2014	AGM 2017
Ms Jean FLEMING	May 29 2013	AGM 2017
Mr Bertrand MEUNIER*	May 28 2015	AGM 2018
Ms Colette NEUVILLE*	May 27 2014	AGM 2017
Ms Aminata NIANE*	May 29 2013	AGM 2016
Ms Lynn PAINE*	May 29 2013	AGM 2016
Mr Pasquale PISTORIO*	May 28 2015	AGM 2018
Mr Vernon SANKEY*	May 29 2013	AGM 2016

\* Independent Director

\*\* Temporarily appointed as director by the Board of Directors during its meeting held on April, the 15 2015, to replace Mr. Michel Paris, having resigned, for the remaining duration of her predecessor's term, and whose appointment was ratified by the combined general meeting of May 28, 2015

#### D.2.2 Directors' independence

The following elements supplement Paragraph G.3.1.4 of the 2014 Registration Document so far as it concerns the criteria of 2% of turnover on the basis of which the directors' independence is acknowledged:

*"This criteria of 2% of the consolidated turnover achieved by the Company with a group within which one of its directors exercises a function, was set by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and upon independent directors' opinion, on the basis of the particularities of the Atos group activity, and in particular the rigorous procedures related to answers to bidding processes. In connection with the independence review that took place in December 2014, the data analyzed by the Nomination and Remuneration Committee and then presented to the Board of Directors showed that the amount of sales by the Atos Group to any of the concerned groups was much lower than 1% of the Atos Group consolidated turnover over the examined period in 2014 (January 1<sup>st</sup> to October 31, 2014). Besides, the Board took into account the non-significant feature of the business relation for the other party and the nature of the links between the directors and Atos' concerned clients".*

## D.3 Combined General Meeting held on May 28, 2015

The Combined General Meeting held on May 28, 2015 approved all the resolutions submitted by the Board of Directors. The results of the votes at the Combined General Meeting together with the documentation on the adopted resolutions are available on the Company's website, [www.atos.net](http://www.atos.net), Investors section.

## D.4 Executive compensation and stock ownership

### D.4.1 Performance shares allocation plan decided on July 28, 2015

In connection with the authorization granted, for thirty-eight months, by the Combined General Meeting of May 27, 2014 (twenty-second resolution), the Board of Directors, during its meeting held on July 28, 2015, and upon the recommendation of the Nomination and Remuneration Committee, decided to proceed with the allocation of 868,000 ordinary performance shares of the Company, to be issued in favor of the first managerial lines of Atos, including the Chairman and Chief Executive Officer.

Performance conditions to be achieved over the three years 2015, 2016 and 2017 of the new plan relate to internal financial criteria linked to profitability, free cash flow and revenue growth, identical to those of the previous plan of July 28, 2014. As for the July 28, 2014 plan, the plan also provides for an external condition linked to the social and environmental performance of the company.

The features of the performance share allocation plan are as follows:

- 1. Condition of attendance:** Subject to certain exceptions provided for in the plan, the allocation of performance shares is conditioned on the preservation of employee or corporate officer status by the beneficiary during the vesting period;
- 2. Performance condition:** The allocation of performance shares is also subject to the achievement of the following internal and external performance conditions, calculated for the three years 2015, 2016, and 2017:

#### Internal performance conditions

For each of the years 2015, 2016, and 2017:

- the **Group free cash flow** before dividend and acquisition/sales results is at least equal to one of the following amounts:
  - (i) **85%** of the amount of the Group free cash flow, before dividends and acquisition/sales results, as mentioned in the Company's budget. This condition is assessed on an annual basis for each year 2015 and 2016 and on the first semester basis for the year 2017. or
  - (ii) the amount of the Group free cash flow before dividends and acquisition/sales results for the previous period **with a 10% increase**; the previous period is defined as the previous year for each year 2015 and 2016 and the first semester 2016 for the first semester 2017.
- the **Group operating margin** is at least equal to one of the following amounts:
  - (i) **85%** of the amount of the Group's operating margin as mentioned in the Company's budget. This condition is assessed on an annual basis for each year 2015 and 2016 and on the first semester basis for the year 2017. or
  - (ii) the amount of the Group operating margin for the previous period **with a 10% increase**; the previous period is defined as the previous year for each year 2015 and 2016 and the first semester 2016 for the first semester 2017.

- **Revenue growth** for 2015, 2016, and for the first semester 2017 is at least equal to one of the two following amounts:
  - (i) Revenue growth rate as mentioned in the Company's budget minus a percentage decided by the Board of Directors; or
  - (ii) Yearly growth rate per reference to the Group growth targets communicated in the framework of the 3 year plan 2014-2016 (updated in June 2015) and for the first semester 2017.

It being specified that:

- As far as 2015 and 2016 are concerned, for each year, at least 2 of 3 internal performance criteria must be met. If one criterion is not met for the year 2015, this criteria becomes compulsory for the following year;
- As far as 2017 is concerned, at least 2 of 3 criteria must be met.

#### External performance condition

For the years 2015, 2016, and 2017:

- at least achieve the rating of GRI G4 "Comprehensive" (former GRI A);
- or become part of the Dow Jones Sustainability Index (Europe or World) (annual rating)

The condition is achieved as soon as this criterion is validated at least two years during the period.

### **3. Acquisition and conservation periods:**

The allocation of performance shares decided by the Board of Directors of Atos SE dated July 28, 2015 consists of two plans (France and International). Either plan applies depending on whether the beneficiary is an employee of a group entity located in France or abroad.

**Plan France:** Beneficiaries of performance shares will definitively acquire the shares in 2018, as early as one of the two following dates: on January 2, 2018 or at the date of validation of the 2017 external performance criterion, if necessary. It is stipulated that these performance shares will further be subject to the aforementioned condition of attendance, subject to certain exceptions stated in the plan; the beneficiaries will also be required to retain the shares thus acquired for a period of two years following this date. The Chairman and Chief Executive Officer is a Plan France beneficiary.

**Plan International:** Beneficiaries of performance shares who are employees of companies of the Atos Group with registered office outside France will definitively acquire the performance shares allocated to them on January 2, 2020, subject to achieving the performance conditions and the aforementioned condition of attendance. The shares thus acquired will not be subject to any conservation obligation and will be immediately available for sale by their beneficiaries.

### **4. Specific supplementary provisions applicable to the Chairman and Chief Executive Officer:**

The Board of Directors allocated 55,000 performance shares to the Chairman and Chief Executive Officer. This amount takes into account the recommendations of the AFEP-MEDEF Corporate Governance Code with respect to the Chairman and Chief Executive Officer, as well as his compensation over 3 years as set by the Board of Director's decision as confirmed by the general meeting of December the 27<sup>th</sup>, 2013 and in particular that the portion of compensation in shares awarded to the Chief Executive Officer does not exceed 45% of his total annual compensation.

In its analysis, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, considered the following elements:

- the allocation of 55,000 performance shares to the Chairman and Chief Executive Officer represents around 6.3% of the total number of allocated shares;
- the number of shares allocated to the Chairman and Chief Executive Officer constitutes a reasonable projection, in case of an increase of the Company's share price, in order not to exceed the threshold of a compensation in shares of 45% of his total annual compensation;

- the conservation obligation, for the duration of his duties, of 15% of performance shares allocated to him will also apply to the Chairman and Chief Executive Officer.
- Will also apply the prohibition to conclude any financial hedging instruments over the shares being the subject of the award during the whole duration of the mandate of the Chief Executive Officer.

#### D.4.2 Performance shares that have become available since January 1<sup>st</sup>, 2015 for the Chairman and CEO – AMF Table 7

Since January 1, 2015, performance shares granted on July 24<sup>th</sup>, 2013, were finally vested to their beneficiaries, according to the France Plan Rules. The performance conditions related to 2013 and 2014. The Chairman and Chief Executive Officer is a beneficiary of this plan. Acquisition terms and conditions are described in the 2014 Registration Document in part G.4.3.2. Furthermore, beneficiaries are required to remain owner of their acquired shares for an additional period of two years; the shares will become available for possible sale on July 24, 2017.

	Plan date	Number of shares vested since January 1 <sup>st</sup> , 2015	Vesting date	Number of shares made available since January 1 <sup>st</sup> , 2015	Availability date
Chairman and CEO	July 24, 2013	45,000	July 24, 2015	0	July 24, 2017

#### D.4.3 Subscription or purchase options exercised since January 1<sup>st</sup>, 2015 by the Chairman and CEO – AMF Table 5

Name of the executive	Plan date (Grant date)	Number of options exercised since January 1 <sup>st</sup> , 2015	Exercise price in €
<b>Thierry Breton</b> Chairman and CEO	PLAN 12.23.08 Tranche 3	200,130	26.4
<b>Total</b>		<b>200,130</b>	

Further to the exercise of 200,130 stock options, as mentioned hereinabove, the Chairman and Chief Executive Officer proceeded on January 5, 2015 to the disposal of 4,130 shares.

The Chairman and Chief Executive Officer also proceeded to the disposal of 5,000 shares, which were not subject to any retaining obligation, on May the 19, 2015.

Following these operations and those mentioned in paragraph D.4.2 hereinabove, the Chairman and Chief Executive Officer holds, as of the date of this Document, 532,914 shares resulting from the exercise of options. In addition, he possesses 65,000 performance shares vested pursuant to the plan of December 22, 2011 (these will become available for possible sale on December 22, 2015 for 50% and March 17, 2016 for the remaining 50%) and 45,000 performance shares vested pursuant to the plan of July 24, 2013 (these will become available for possible sale on July 24, 2017).

## D.5 Bond issue

On The Company proceeded to **the successful placement of its first bond issue on June 26, 2015.**

This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%. Atos and the bonds are unrated.

This first landmark transaction, which confirms investors' confidence in the Group's strategy, allows Atos to diversify its financing sources in line with its 3-year plan 2014-2016, while benefiting from long-term resources at an attractive cost.

The French Autorité des Marchés Financiers (the "AMF") granted visa n°15-319 dated June 29, 2015 to the prospectus.

Admission of the bonds to trading on Euronext Paris was effective on the settlement date, which took place on July 2, 2015.

## E Common Stock Evolution

### E.1 Basic data

Atos SE shares are traded on the Paris Euronext Market under code ISIN FR0000051732. The shares have been listed in Paris since 1995. The shares are not listed on any other stock exchange.

#### E.1.1 Information on stock

Number of shares	: 103,119,075
Sector classification	: Information Technology
Main index	: CAC AllShares
Other indices	: CAC IT, CAC IT20, CAC Next20, Euronext 100, SBF120
Market	: Euronext Paris Segment A
Trading place	: Euronext Paris (France)
Tickers	: ATO (Euronext)
Code ISIN	: FR0000051732
Payability PEA/SRD	: Yes/Yes

The main tickers are:

Source	Tickers	Source	Tickers
Euronext	ATO	Reuters	ATOS.PA
AFP	ATO	Thomson	ATO FR
Bloomberg	ATO FP		

The Euronext sector classification is as follows:

#### **Euronext: sector classification Industry Classification Benchmark (ICB)**

9000 AEX Technology

9530 AEX Software and Computer services

9533 Computer Services

The shares are also components of the following indices:

Index	Type	Code ISIN	Market Place
Euronext (Compartment A)	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext CAC 70	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext 100	Global Europe	FR0003502079	Paris-Amsterdam-Brussels-Lisbon
SBF 80	Global	FR0003999473	Paris PX8
SBF 120	Global	FR0003999481	Paris PX4
SBF 250	Global	FR0003999499	Paris PX5
CAC IT20	Sector	QS0010989091	Paris CIT20
CAC IT	Sector	FR0003501980	Paris PXT
DJ Euro Stoxx Techno	Sector	EUR0009658541	Germany-Xetra SX8E
CAC Technology	Sector	QS0011017827	Paris
CAC Software & Computer Services	Sector	FR0000051732	Paris

Sustainability: DJSI World, FTSE4Good, Ethibel Excellence (both Euro and Europe zone), Vigeo

### E.1.2 Free Float

The free-float of the Group shares exclude stakes held by the reference shareholder, Siemens AG holding a stake of 11% of the share capital which it committed to keep until June 30, 2016.

Financière Daunou 17 declared on March 3, 2015 to the AMF (Autorité des Marchés Financier; Financial Markets Authority) having crossed downwards the threshold of 5% of the capital and voting rights of the Company following the sale off-market of 9,200,000 shares of the Company as part of an Accelerated Book Building procedure.

No other shareholder has announced holding more than 5% in the Group's share capital. Stakes owned by the employees are also excluded from the free float.

<i>As at June 30, 2015</i>	<b>Shares</b>	<b>% of share capital</b>	<b>% of voting rights</b>
Treasury stock	1,229,264	1.2%	0.0%
Siemens	12,483,153	12.1%	12.3%
Board of Directors	606,962	0.6%	0.6%
Employees	2,738,202	2.7%	2.7%
Free float	86,061,494	83.5%	84.5%
<b>Total</b>	<b>103,119,075</b>	<b>100.0%</b>	<b>100.0%</b>

### E.2 Dividend policy

On a proposal from the Board of directors, the Combined General Meeting held on May 28, 2015, approved the payment in 2015 of a dividend of 0.80 euro per share on the 2014 results as well as the option for the payment of the dividend in shares.

During the past three fiscal periods, Atos SE paid the following dividends:

<b>Fiscal period</b>	<b>Dividend paid per share (in €)</b>
2014	€ 0.80
2013	€ 0.70
2012	€ 0.60

### E.3 Financial calendar

October 22, 2015      Third quarter 2015 revenue

### E.4 Contacts

Institutional investors, financial analysts and individual shareholders may obtain information from:

**Gilles Arditti**, Executive Vice President, Investor Relations & Financial Communication  
Tel +33 (0) 1 73 26 00 66  
[gilles.arditti@atos.net](mailto:gilles.arditti@atos.net)

**Benoit d'Amécourt**, Investor Relations Manager  
+33 (0)1 73 26 02 27  
[benoit.damecourt@atos.net](mailto:benoit.damecourt@atos.net)

Requests for information can also be sent by email to [investors@atos.net](mailto:investors@atos.net)



## E.5 Common stock

### E.5.1 At June 30, 2015

As at June 30, 2015, on the basis of a decision of the Chairman and Chief Executive Officer dated as of July 3, 2015 the Company's issued common stock amounted to € 103,119,075 divided into 103,119,075 fully paid-up shares of € 1.00 par value each.

Since December 31, 2014, the share capital was increased by € 1,786,548, corresponding to the issuance of 1,786,548 new shares, split as follows:

- 999,316 new shares resulting from the exercise of stock options, issuance premiums amounting to € 36,452,182 in the aggregate,
- 787,232 new shares resulting from the payment of the 2014 dividend in shares, issuance premiums amounting to € 49,107,532.16 in the aggregate.

### E.5.2 Shareholders' agreements

To the Company's knowledge, there is no other agreement capable of having a material effect, in case of public offer on the share capital of the Company than the ones mentioned in the 2014 Registration Document, in part G.7.7.5.

### E.5.3 Treasury stock

#### E.5.3.1 Legal Framework

The 12<sup>th</sup> resolution of the Combined General Meeting of May 28, 2015 renewed in favor of the Board of Directors, the authorization to trade in the Group's shares, in connection with the implementation of a share buyback program. The number of shares purchased may not exceed 10% of the share capital of the Company, at any moment in time, such percentage applying to a capital adjusted in accordance with the operations which shall have an effect on the share capital subsequently to the general meeting, it being specified that in the case of shares purchased within a liquidity contract, the number of shares taken into account to determine the 10% limit shall correspond to the number of shares purchased from which shall be deducted the number of shares resold during the duration of the authorization.

These purchases may be carried out by virtue of any allocation permitted by law, with the aims of this share repurchasing program being:

- to keep them and subsequently use them for payment or exchange in relation to possible external growth operations, in accordance with market practices accepted by the Autorité des Marchés Financiers (French Financial Market Authority), it being specified that the maximum amount of shares acquired by the Company to this end shall not exceed 5% of the share capital,
- to ensure liquidity and an active market of the Company's shares through an investment service provider acting independently pursuant to a liquidity contract, in accordance with the professional conduct charter accepted by the Autorité des Marchés Financiers (French Financial Market Authority),
- to attribute or sell these shares to the executive officers and directors or to the employees of the Company and/or to the current or future affiliated companies, under the conditions and according to the terms set or admitted by applicable legal and regulatory provisions in particular in connection with (i) profit-sharing plans, (ii) the share purchase option regime laid down under articles L. 225-177 et seq. of the Commercial Code, and (iii) free awards of share in particular under the framework set by articles L. 225-197-1 et seq. of the Commercial Code and (iv) French or foreign law shareholding plans, in particular in the context of a company savings plan, as well as to carry out all hedging operations relating to these operations, under the terms and conditions laid down by market authorities and at such times as the board of directors or the person acting upon its delegation so decides,
- to remit the shares acquired upon the exercise of rights attached to securities giving the right, whether immediate or deferred, by reimbursement, conversion, exchange, presentation of a warrant or any other way, to the attribution of shares of the Company, as well as to carry out all hedging operations in relation to the issuance of such securities, under the terms and conditions laid down by market authorities and at such times as the Board of Directors or the person acting upon its delegation so decides, or

- to cancel them as a whole or in part through a reduction of the share capital pursuant to the 13<sup>th</sup> resolution of the Combined General Meeting held on May 28, 2015, or

The maximum purchase price per share may not exceed € 100 (fees excluded).

The Board of Directors may adjust the aforementioned purchase price in the event of incorporation of premiums, reserves or profits, giving rise either to an increase in the nominal value of the shares or to the creation and attribution of free shares, as well as in the event of division of the nominal value of the share or regrouping of the shares to take account of the effect of these operations on the value of the share.

As a result, the maximum amount of funds assigned to the share repurchasing program amounts to € 1,013,325,270 as calculated on the basis of the share capital as at December 31, 2014, this maximum amount may be adjusted to take into account the amount of the capital on the day of the General Meeting.

This authorization was granted for a period of eighteen (18) months as from May 28, 2015.

### E.5.3.2 Treasury Stock

As at June 30, 2015, the Company owned 1,229,264 shares which amounted to 1.19% of the share capital with a portfolio value of € 82,336,102.72, based on June 30, 2015 market price, and with book value of € 77,390,704.79. These shares are assigned to the allocation of shares to employees or executive officers and directors of the Company or its group, and correspond to the hedging of its undertakings under the LTI and MIP plans.

### E.5.4 Potential common stock

#### E.5.4.1 Potential dilution

Based on 103,119,075 issued shares as at June 30, 2015, the common stock of the Group could be increased by 1,697,692 new shares, representing 1.6% of the common stock before dilution. This dilution could occur with the exercise of all stock subscription options granted to employees. Performance shares are not considered as potentially dilutive as the Group expects to purchase on the market the shares to be delivered to employees. As such, the potential dilution is calculated as follows:

<i>In shares</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>	<b>Change</b>	<b>% dilution</b>
<b>Number of shares outstanding</b>	<b>103,119,075</b>	<b>101,332,527</b>	<b>1,786,548</b>	
From stock subscription options	1,697,692	2,806,747	-1,109,055	1.6%
<b>Potential dilution</b>	<b>1,697,692</b>	<b>2,806,747</b>	<b>-1,109,055</b>	<b>1.6%</b>
<b>Total potential common stock</b>	<b>104,816,767</b>	<b>104,139,274</b>	<b>677,493</b>	

### Stock options evolution

<b>Number of stock subscription options at December 31, 2014</b>	<b>2,806,747</b>
Stock subscription options granted during the first semester of 2015	0
Stock subscription options exercised during the first semester of 2015	999,316
Stock subscription options expired or cancelled during the first semester of 2015	109,739
<b>Number of stock subscription options at June 30, 2015</b>	<b>1,697,692</b>

#### E.5.4.2 Current authorizations to issue shares and other securities

Pursuant to the resolution adopted by the General Meeting of May 28, 2015, the following authorizations to modify the share capital, and to issue shares and other securities are in force as of the date of this document:

<b>Authorization (euros)</b>	<b>Authorization amount (par value)</b>	<b>Use of the authorizations (par value)</b>	<b>Unused balance (par value)</b>	<b>Authorization expiration date</b>
E.G.M. 28 May 2015 12 <sup>th</sup> resolution Authorization to buyback the Company shares	10% of the share capital adjusted at any moment	0	10%	11/28/2016 (18 months)
E.G.M. 28 May 2015 13 <sup>th</sup> resolution Share capital decrease	10% of the share capital adjusted as at the day of the decrease	0	10% of the share capital adjusted as at the day of the decrease	11/28/2016 (18 months)
E.G.M. 28 May 2015 14 <sup>th</sup> resolution Share capital increase reserved to the employees (*)	2,045,885	0	2,045,885	07/28/2017 (26 months)
E.G.M. 27 May 2014 15 <sup>th</sup> resolution Share capital increase with preferential subscription right	29,878,460	0	29,878,460	07/27/2016 (26 months)
E.G.M. 27 May 2014 16 <sup>th</sup> resolution Share capital increase without preferential subscription right by public offer (*) (**)	9,959,486	0	9,959,486	07/27/2016 (26 months)
E.G.M. 27 May 2014 17 <sup>th</sup> resolution Share capital increase without preferential subscription right by private placement (*) (**)	9,959,486	0	9,959,486	07/27/2016 (26 months)
E.G.M. 27 May 2014 18 <sup>th</sup> resolution Share capital increase without preferential subscription right to remunerate contribution in kind (*)	9,959,486	0	9,959,486	07/27/2016 (26 months)
E.G.M. 27 May 2014 19 <sup>th</sup> resolution Increase of the number of securities in case of share capital increase with or without preferential subscription right (*) (**) (***)	Extension by 15% maximum of the initial issuance	0	Extension by 15% maximum of the initial issuance	07/27/2016(26 months)
E.G.M. 27 May 2014 20 <sup>th</sup> resolution Share capital increase through incorporation of premiums, reserves, benefits or other (*)	29,878,460	0	29,878,460	07/27/2016 (26 months)

E.G.M. 27 May 2014				
22 <sup>nd</sup> resolution	995,948	868 000	127,948	07/27/2017 (38 months)
Grant of performance shares to employees and executive officers				
E.G.M. 29 May 2013				
15 <sup>th</sup> resolution	1,031,190	691,000	340,190	07/29/2016 (38 months)
Grant of performance shares to employees and executive officers				

(\*) Any share capital increase pursuant to the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> resolutions of the Combined General Meeting of May 27, 2014 and of the 14<sup>th</sup> resolution of the Combined General Meeting of May 28, 2015 shall be deducted from the cap set by the 15<sup>th</sup> resolution of the Combined General Meeting of May 27, 2015.

(\*\*) The share capital increases without preferential subscription right carried out pursuant to the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> resolutions of the Combined General Meeting of May 27, 2014 are subject to an aggregate sub-cap corresponding to 10% of the share capital of the Company on the day of the Combined General Meeting of May 27, 2014 (i.e. 9,959,486 euros). Any share capital increase pursuant to these resolutions shall be deducted from this aggregate sub-cap.

(\*\*\*) The additional issuance shall be deducted from (i) the cap of the resolution pursuant to which the initial issuance was decided, (ii) the aggregate cap set by the 15<sup>th</sup> resolution of the Combined General Meeting of May 27, 2014, and (iii) in case of share capital increase without preferential subscription rights, the amount of the sub-cap mentioned at (\*\*) here above.

The number of new authorized shares that may be issued pursuant to the above-mentioned delegation of authority (the nineteenth resolution of the General Meeting of May 27, 2014 being set aside) amounts to 31,905,599.83, representing 31.49% of the share capital updated on June 30, 2015.

### E.5.5 First half of 2015 and subsequent key trading dates

#### January

Atos unveiled its vision and anticipates the technology shifts that will shape business through to 2018 in *Ascent Journey 2018 - The 3<sup>rd</sup> Digital Revolution: Agility and Fragility*, a unique research conducted by the 100 top business technologists from the Atos Scientific Community.

#### February

On **February 18**, Atos announced its 2014 annual results. Revenue was € 9,051 million, +5.1% year-on-year and -1.1% at constant scope and exchange rates. In the fourth quarter, revenue organic evolution was +0.1%. Operating margin was € 701.9 million, representing 7.8% of revenue, compared to 7.5% in 2013. Order entry was € 9.1 billion representing a book to bill ratio of 101%. Full backlog increased by €+0.9 billion to € 16.2 billion, representing 1.7 year of revenue. Net cash position was € 989 million at the end of 2014. Free cash flow was € 367 million in 2014 compared to € 365 million in 2013. Net income was € 283 million, up +8.8% year-on-year and net income Group share was € 265 million, up +1.4% compared to 2013. The Group announced its objective in 2015 to increase revenue and profitability in line with the 3-year plan taking full advantage of 2014 achievements.

On **February 25**, PAI Partners sold to other investors via an Accelerated Bookbuilt Offering most of its remaining shares of Atos SE, i.e. 9,200,000 shares representing 9% of the share capital, at a price per share of € 63.25.

Atos and EMC announced plans on **February 26** to further strengthen their strategic alliance. Atos has decided to re-integrate the Canopy subsidiary and make it part of the Atos corporate structure. EMC and VMware intend to continue their strategic long-term investment, now as shareholders of Atos. These moves will allow the continuous support and strong collaboration of EMC and VMware with Canopy, while strengthening the partnership between the EMC Federation of strategically aligned businesses and Atos Consulting & System integration as well as the newly created Big Data & Cyber-Security Atos divisions.

## April

Atos announced on **April 22** its first quarter 2015 revenue. In the first quarter, revenue was € 2,427 million, up +17.6% year-on-year and up +0.2% at constant scope and exchange rates. Order entry was € 2,198 million, up +31.5% year-on-year, representing a book to bill ratio at 91%. Full backlog was € 16.6 billion, representing 1.7 years of revenue. Full qualified pipeline totaled at € 5.6 billion, representing 6.7 months of revenue.

## May

Atos SE held on **May 28** its Annual General Meeting chaired by Mr. Thierry Breton, Chairman and Chief Executive Officer of the Company. All resolutions submitted by the Board of Directors were approved. In particular, the General Meeting approved the annual and consolidated accounts for the financial year ended December 31<sup>st</sup>, 2014, the dividend payment of €0.80 per share, as well as the option for payment of the dividend in either shares or cash. The General Meeting also renewed the terms of office of Directors of Thierry Breton, Bertrand Meunier and Pasquale Pistorio, and ratified the appointment as Director of Valérie Bernis.

## June

Atos held on **June 18** an Analyst Day in its Headquarters in Bezons (France) to present its new positioning and profile. During the first half of its 3-year plan that will end in December 2016, Atos has accelerated its transformation with the completion of the Worldline IPO, the integration of the Bull operations and technologies, and the announcement of the project to acquire Xerox ITO in North America.

The Group provided an update on "2016 Ambition" targets, halfway through the 2014-2016 3-year plan and taking into account its recent achievements. Compared to 2014, the Group intends to double its net income Group share to circa €530 million in 2016. This strong increase will be led by the profitability improvement, additional operating margin from scope expansion, reduction in restructuring costs, and a new tax profile.

Atos announced the successful placement of its first bond issue on **June 26**. The bond issue has been significantly oversubscribed by a large and diversified European investor base, which allowed Atos to increase the size of the issue from € 500 million to € 600 million. This bond issue totals € 600 million, with a 5-year maturity. The coupon rate is 2.375%.

On **June 30**, Atos completed the acquisition of Xerox ITO which reinforces its position as a global leader in digital services for a net purchase price which totaled US\$ 966 million (€ 811 million). With circa US\$ 2 billion revenue, North America becomes the largest geography for Atos where it is now ranked number 9 in ITO services.

## July

On **July 29**, Atos announced its first half 2015 results. Revenue was € 4,941 million, up +18% year-on-year and up +0.3% at constant scope and exchange rates. Organic growth in the second quarter of 2015 was +0.3%, continuing the positive trend recorded in the fourth quarter of 2014 (+0.1% organic growth) and in the first quarter of 2015 (+0.2% organic growth). Operating margin was € 345.6 million, up +26% year-on-year and representing 7.0% of revenue, an improvement by +60 basis points on a like for like basis. Net income was € 138 million, up +79% year-on-year and Net income Group share was € 123 million, up +61% year-on-year. Free cash flow totaled € 141 million during the first half of 2015 and the Group net cash position at the end of June was € 354 million. Commercial activity was strong in Q2 with a book to bill ratio of 115% leading to a book to bill ratio of 103% and an order entry totaling € 5,088 million for the first half of 2015.

## **F RISKS ANALYSIS**

The Company conducted a review of risks that could have a material adverse impact on its business, or results (or its ability to achieve its objectives) and considers that there are no significant risks other than those presented in the 2014 Registration Document filed with the AMF on April 1<sup>st</sup>, 2015.

The Atos Group is a global business operating in 66 countries. In many of the countries where the Group operates there are no claims, and in others there are only a very small number of claims or actions made involving the Group.

The low level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of the quality of the services performed by the Group and the intervention of a fully dedicated Risk Management department, which effectively monitors contract management from offering through delivery and provides early warnings on problems and potential disputes. All disputes and potential claims are carefully monitored, reported and managed in an appropriate manner.

During the first half-year of 2015 there was a small increase in the number of claims involving the Group. Having regards to the Group' size and revenue, the level of claims and litigation remains low.

Group Management considers that sufficient provisions have been made.

The total amount of the provisions for litigation risks, in the consolidated accounts closed as of June 30, 2015, to cover for the identified claims and litigations (including the former Bull cases), added up to € 104.7 million (including tax and social contribution claims but excluding labor claims).

### **F.1 Tax and Social Contribution claims**

The Group is involved in a number of routine tax & social contribution claims, audits and litigations. Such claims are usually solved through administrative non-contentious proceedings.

A number of the tax & social contribution claims are in Brazil, where Atos is a defendant in some cases and a plaintiff in others. Such claims are typical for companies operating in this region. Proceedings in this country usually take a long time to be processed. In other jurisdictions, such matters are normally resolved by simple non-contentious administrative procedures.

The total provision for tax & social contribution claims (including the former Bull cases), as inscribed in the consolidated accounts closed as at June 30, 2015, was € 23.3 million.

### **F.2 Commercial claims**

There are a small number of commercial claims across the Group, having regard to the size of the Group's operations.

The group is facing a very small number of IP cases of a highly speculative nature in which the claims are heavily inflated and without merit.

There were a number of significant on-going commercial cases in various jurisdictions that the group acquired through both the acquisitions of Siemens IT Solutions and Services, and of Bull. Some of these cases involve claims on behalf of the group and a number of the cases have already been successfully resolved.

The total provision for commercial claim risks, as inscribed in the consolidated accounts closed as at June 30, 2015, was € 81.4 million.

### **F.3 Labor claims**

There are over 80,000 employees in the Group and relatively few labor claims. In most jurisdictions there are no or very few claims. Latin America is the only area where there is a significant number of claims but such claims are often of low value and typical for companies operating in this region.

The Group is a respondent in a few labor claims of higher value and these cases are mostly in South America, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

There are 21 claims against the Group which exceed € 300,000. The provision for these claims, as inscribed in the consolidated accounts closed as at June 30, 2015 was € 2.2 million.

### **F.4 Representation & Warranty claims**

The Group is not a party to any material representation & warranty claims arising out of acquisitions/dispositions.

### **F.5 Miscellaneous**

To the knowledge of the Company, there are no other administrative, governmental, judicial, or arbitral proceedings, pending or potential, likely to have or having had significant consequences over the past semester on the Company's and the Group's financial situation or profitability.

## G LOCATIONS

### Global Headquarter

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80, quai Voltaire  
95 877 Bezons Cedex  
Tel.: +33 1 73 26 00 00

#### Americas

Argentina

Brazil

Canada

Chile

Colombia

Mexico

Uruguay

USA

#### Asia-Pacific

Australia

China

Hong Kong

Indonesia

Japan

Malaysia

New-Zealand

Philippines

Singapore

Taiwan

Thailand

#### Europe

Andorra

Austria

Belgium

Bulgaria

Croatia

Cyprus

Czech Republic

Denmark

Estonia

Finland

France

Germany

Greece

Hungary

Italy

Ireland

Lithuania

Luxembourg

Poland

Portugal

Romania

Russia

Serbia

Slovakia

Spain

Sweden

Switzerland

The Netherlands

United Kingdom

#### India, Middle-East & Africa

Algeria

Benin

Burkina Faso

Egypt

Gabon

India

Ivory-coast

Lebanon

Madagascar

Mali

Mauritius

Morocco

Qatar

Saudi Arabia

Senegal

South Africa

Turkey

United Arab Emirates



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