

SG CIB Premium Review Conference

December 03, 2015

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Paris

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- ▶ Revenue organic growth is presented at constant scope and exchange rates.
- ▶ Business Units include **Germany, France, United-Kingdom & Ireland, Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, Sweden, and Estonia), **Worldline, North America** (USA and Canada), and **Other Business Units** including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Turkey), Iberia (Spain, Portugal, and Andorra), Asia-Pacific (Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), Latin America (Brazil, Argentina, Mexico, Colombia, Chile, Guatemala, Jamaica, Peru, and Uruguay), India, Middle East & Africa (IMEA: Algeria, Benin, Burkina Faso, Egypt, Gabon, Israel, India, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Saudi Arabia, Senegal, South Africa and UAE), Major Events, and Cloud & Enterprise Software.

Recent achievements

Q3 2015: revenue trend improvement confirmed

Meeting with
investors

November 25, 2015

Q3 2015 revenue

€2,708m +22.6% year-on-year
+0.5% organic growth
Positive organic growth for the 4th quarter in a row

Innovative digital offerings*

*Representing **10%** of Q3 2015 Group revenue*
+18% organic growth

Q3 2015 order entry

€2,531m
93% book to bill

Supported by:

Increasing focus on digital offerings

New sales organization launched mid-2014

* Cloud, Big Data & Analytics, Cyber-security, and Mobility. Company estimates, unaudited figures.

Integration plan well on track

- ▶ **NAO Excom is in place:** representing company DNA: 8 Atos – 8 ITO – 2 New
- ▶ **Atos' methodologies:** Lean, TOP, bid control **building on** ITO customer care
- ▶ **Large ex-ITO clients renewed:** 2 major clients renewed for the next 3 years generating \$>300m order entry

Xerox partnership first results

- ▶ **Governance well in place:** weekly pipe reviews – monthly executive meetings
- ▶ **First outsourcing deal signed:** Midrange / 2016 transition / \$80m TCV
- ▶ **First Systems Integration deal signed:** application testing

Focus on the Digital journey

- ▶ **Presented to > 50 MNCs CIO/CTO and TPA advisors:** in advance vs. competition
- ▶ **Orchestrated/Automated Hybrid Infra:** strong IP developed - patent pending
- ▶ **Integration of own & partners technologies:** SNOW – EMC/VM – IPSOFT

\$>500m TCV pipe in Q4 / Q1

- ▶ **Fertilization Europe/US** providing its first results in pipe
- ▶ **Strong commercial activity:** 60 joint account plans – 250 client presentations
- ▶ **6 material deals to win in:** 3 NextGen Infra – 1 legacy – 1 Specialized – 1 Application Management

The Group confirms all its objectives for 2015 as raised in the H1 release in July, i.e.:

2015 objectives*

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**

** including Xerox ITO contribution as of July 1st, 2015*



Global Partnership extended for the next 5 years

Meeting with
investors

November 25, 2015

The strategic review main outcomes are:

Global IT contract

*IT contract **extended** until
December 2021*

***Committed minimum
volumes increased from
€5.5bn to €8.73bn***

*Scope **extended** beyond
Siemens IT infrastructure to
**businesses digitization of
its divisions***

Global Alliance

***Joint collaborations
expansion to new fields:***

- ✓ Industry 4.0
- ✓ Advanced data analytics
- ✓ Cyber-security
- ✓ Device connectivity

***Joint R&D investments
increased from
€100m to €150m***

A new opportunity: acquisition of Unify

***#3 world leader of integrated
communication solutions**
enhancing social collaboration,
digital transformation, and
business performance*

€340m cash consideration

***Strong value creation** from
€130m cost savings through **fully
funded restructuring***

***>+15% EPS accretion
by 2017***

Siemens shareholding lock-up agreement extended until September 30, 2020

#3 world leader of integrated communication solution serving c. 75% of Fortune 500

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investors

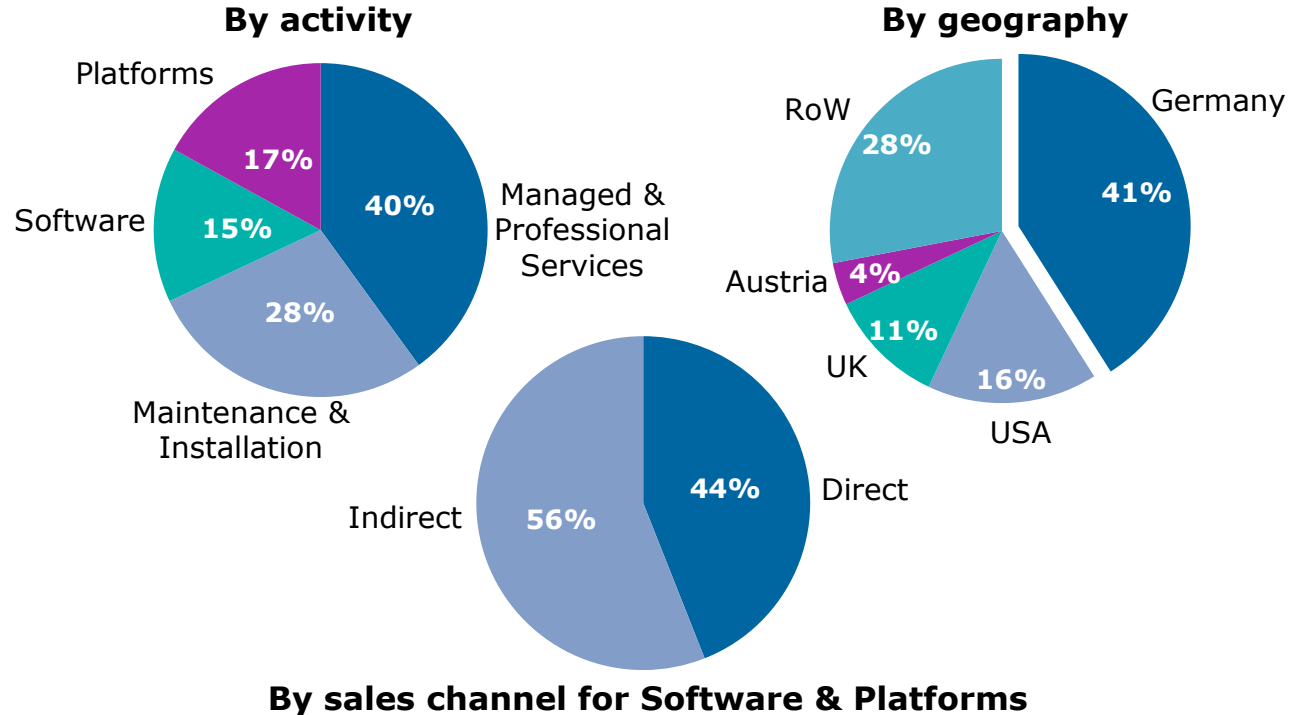
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Key figures



- ▶ **€ 1.24bn** FY 2015 revenue
- ▶ Headquartered in Munich and present in over **60 countries**
- ▶ **€100m R&D** spend in FY 2015
- ▶ Intellectual Property : over **3,000 patents**
- ▶ c. **5,600 FTEs** as of September 2015
- ▶ Joint Venture between **Gores Group** (51%) and **Siemens AG** (49%)

FY 2015 revenue



Strategic benefits of the combination

Unify today

Benefits of integration in Atos

Direct sales

Driving growth and customer satisfaction in key markets

Significant scale and geographic expansion in key markets and top accounts

Channels

Increasing revenue and share in the SMB segment

Expand the reach of Atos in the SMB segment for its solutions

Services, service delivery

Looking for a strategic partner to address the changing in market place (cloud, Big Data, security,...)

Expanded breadth of world class services delivered by Atos, global Tier1 provider with leadership in cloud, Big Data, security,...

Product portfolio

Leading the communication industry transformation from HW to SW requires high level R&D investments and scale

Access to Atos global clients base and partners ecosystem brings scale which Atos intends to reinforce with industry leading strategic partners

Fully provisioned and cash funded contemplated restructuring plans

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2015e

Efficiency optimization

2017e

c. €1.2bn
revenue

c. €5m
EBITDA

c. €-45m
EBIT

2 restructuring plans
fully provisioned at
closing and cash
funded by the sellers

€267m
alpha plan in progress



€103m
of further restructuring

€130m expected cost savings
from further restructuring:

- 1 **Direct costs (€25m):** Restructuring of current Unify overstaff
- 2 **Marketing & Sales (€40m):** Move of the sales channels from direct to indirect
- 3 **G&A (€65m):** Corporate function alignment to industry best-in-class standards

c. €1.2bn
revenue

>15%
EBITDA

>12%
EBIT

€370m restructuring fully funded by the sellers
to support the 2015e-2017e evolution

Expected value creation for Atos

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	2015e	2016e	<div> <div>Strategic partnership on software & platforms completed</div> <div>OR</div> <div>Unify: A new Atos division for software & platforms</div> </div>	
	2015e	2016e	2017e	
Revenue	c. €1.2bn	c. €0.4bn	c. €0.55bn*	c. €1.2bn
Operating margin	c. €-45m	c. €40m	c. €95m	c. €150m
<i>Effect on Group operating margin</i>	<i>N/A</i>	<i>neutral</i>	<i>c. +30bp</i>	<i>c. +30bp</i>
<i>Discontinued operations EBITDA</i>	<i>N/A</i>	<i>N/A</i>	c. 100m**	<i>N/A</i>
<i>Discontinued operations net income</i>	<i>N/A</i>	<i>c. €10m</i>	<i>N/A</i>	<i>N/A</i>
EPS accretion	N/A	positive	c. +15%	c. +20%
Cash proceeds from disposal			YES	NO

* Including revenue with scope previously accounted as "discontinued operations"

** Before synergies with strategic partner. Comparable peers trading at circa 10x EBITDA

A major transaction* between Worldline and Equens, structured in two components

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Merger of financial processing activities

"Equens Worldline Company"

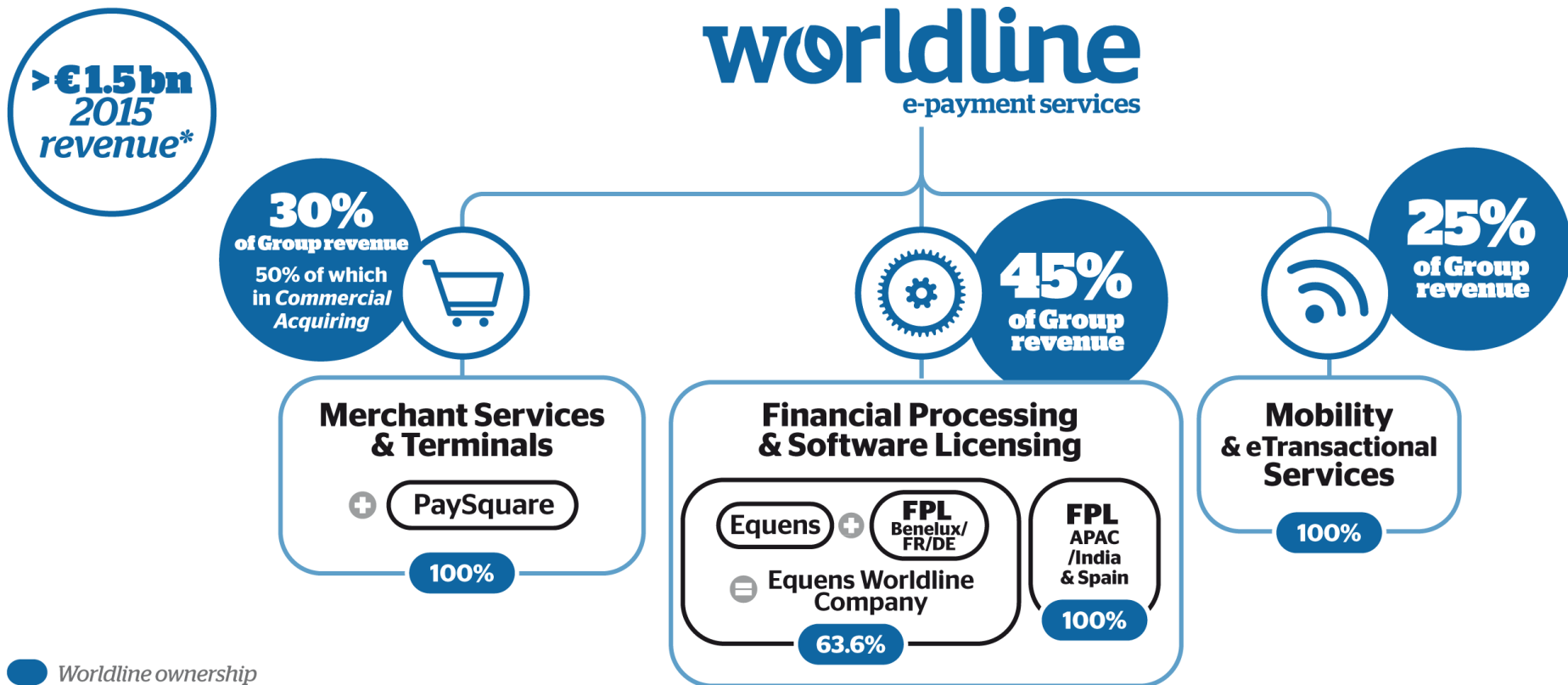
63.6% owned by Worldline
c. €700m 2016e revenue
c. €120m 2016e OMDA

Acquisition of Equens' merchant acquiring activities

PaySquare for €72m in cash
12x 2015e OMDA

Worldline 2015 pro forma revenue increasing by circa €310m to exceed €1.5bn

Worldline structure post transaction



Strategy and medium term perspectives



Digitization of the economy is accelerating

The “Ambition 2016” plan has put Atos in the position to anticipate the digital changes with renewed

- Digital technical solutions
- Geographical repositioning
- Enhancement of skills and expertise
- Strong partner ecosystem

Atos organization is entirely focused on supporting our customers in building their digital transformation

- From Service Lines/divisions and portfolio
- To Sales and customer relation

Leveraging digital to create new business growth

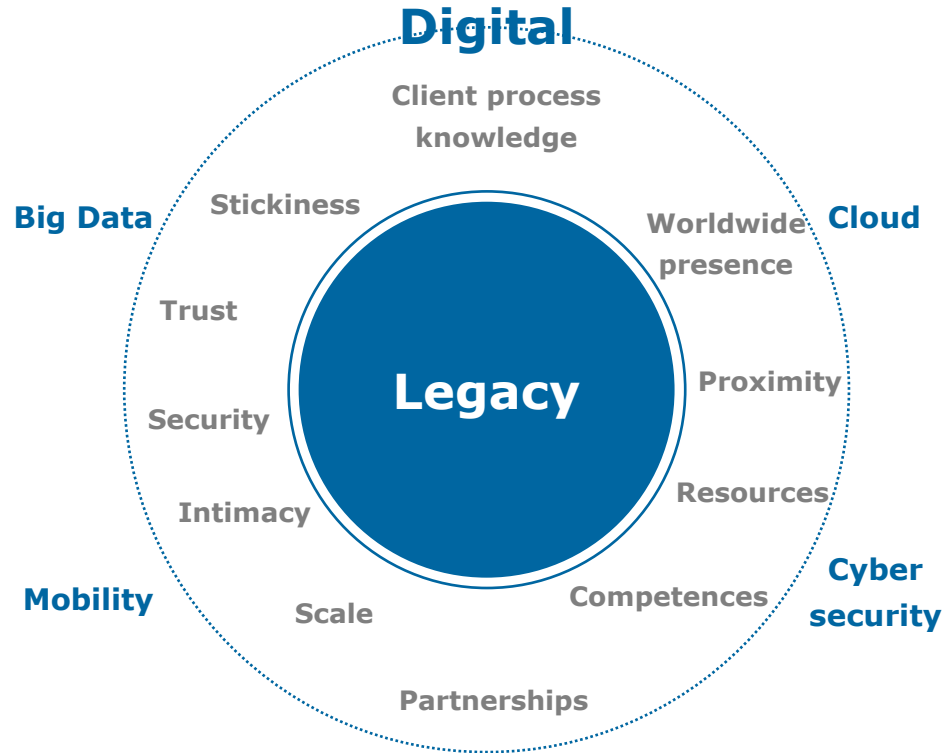
The “Ambition 2016” plan has put Atos in the position to anticipate the digital changes

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Leveraging legacy IT... → ... to power digital journey

- **R&D** in Cloud - Big Data - Internet of Things – ePayment - Mobility
- Worldwide BTIC **Innovation Centers** network
- **Development** and **integration** capabilities, from legacy transformation to innovation projects
- **Multi-local** player in 72 countries
- Growing **offshore** capabilities
- European **High Performance Computing** & **Security** technologies
- Managing **customers’ critical IT** assets and **infrastructures**



Delivering a new customer experience by managing end-to-end multi-hybrid cloud platforms

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**Orchestration
(Portal , Service Catalog , Reporting)**

**Service Management
(largely leveraged on ServiceNow)**

**Infrastructure
Legacy**

**Atos DC or
Customer
Premises**

**Software -
defined Digital
Data Center**

**Atos DC or
Customer
Premises**

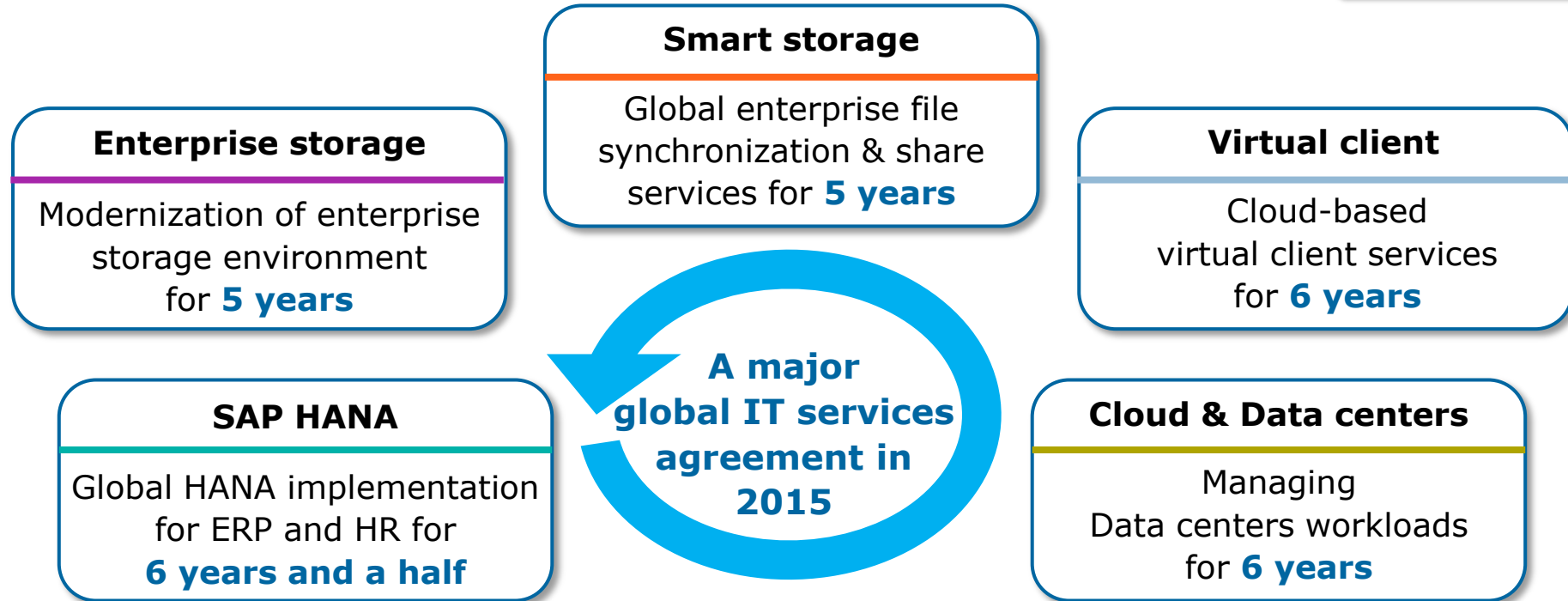
**Enterprise
Private Cloud**

**Atos DC or
Customer
Premises**

**Public
Clouds**

- ▶ Orchestration & Consumer-level consumption model based on ServiceNow and Canopy with end-to-end management, from Legacy (Platform2) to Hybrid Clouds (Platform3)
- ▶ Enabling customers to leverage “best of breed” of infrastructure options dynamically, from legacy to hybrid clouds to software-defined options
- ▶ Intense collaboration with Atos strategic partners & ecosystem: EMC, VMware, Cisco, ...

Siemens awarded significant new Cloud contracts to Atos to transform its legacy IT Infrastructure



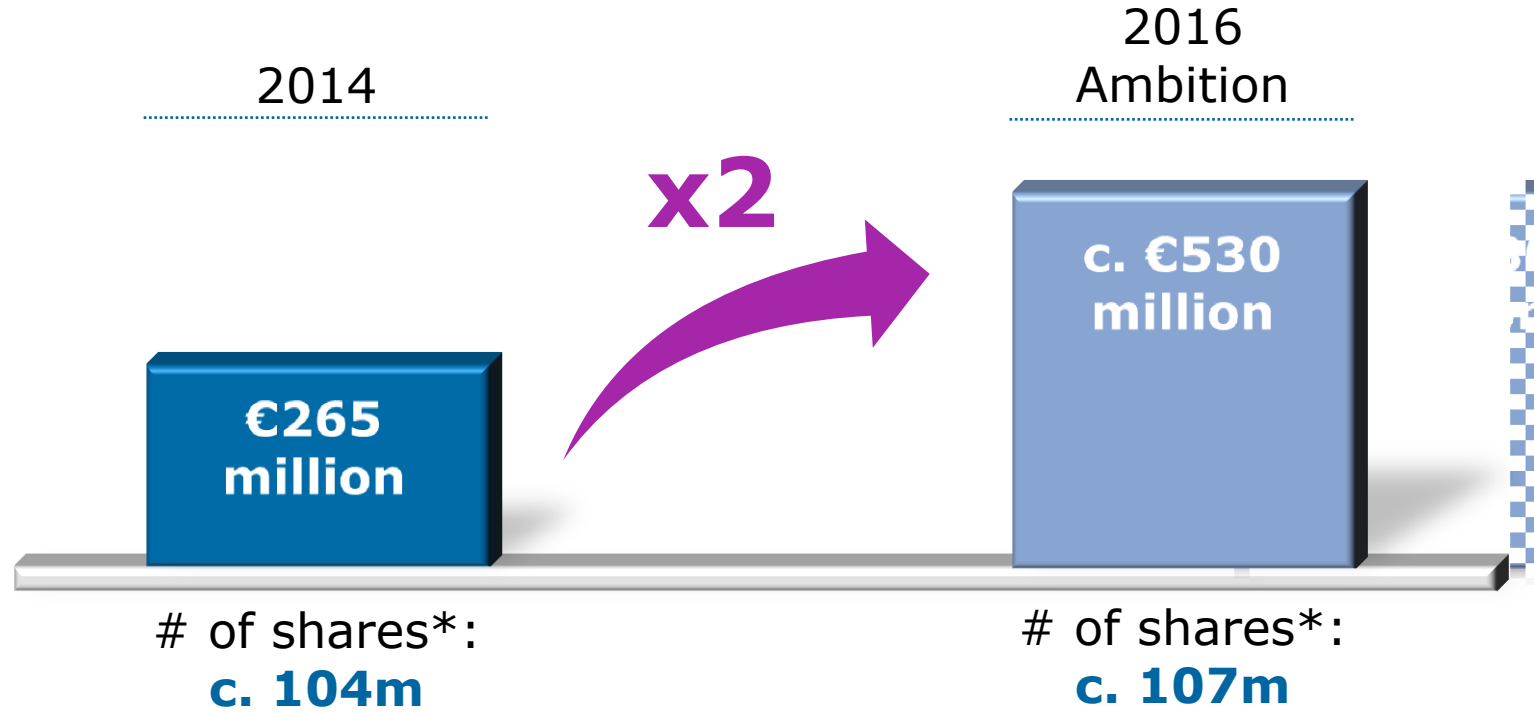
€ 800 million of Total Contract Value in Cloud-based digital transformation already signed

Ambition to double net income Group share over 2 years

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November 25, 2015

Presented at Atos June 2015 Analyst Day



* Fully diluted number of shares at year end

Main drivers to double net income Group share from 2014 to 2016

Meeting with
investors

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PROFITABILITY IMPROVEMENT

- ▶ Industrialization programs and cost synergies
- ▶ Improved business mix

35-45%

ADDITIONAL OPERATING MARGIN

- ▶ Contribution from acquired companies

25-35%

RESTRUCTURING COSTS DECLINE

- ▶ Bull program completion by end of 2015
- ▶ Slowdown of restructuring in onshore countries

10-20%

CHANGE IN GROUP TAX PROFILE FURTHER TO ACQUISITIONS

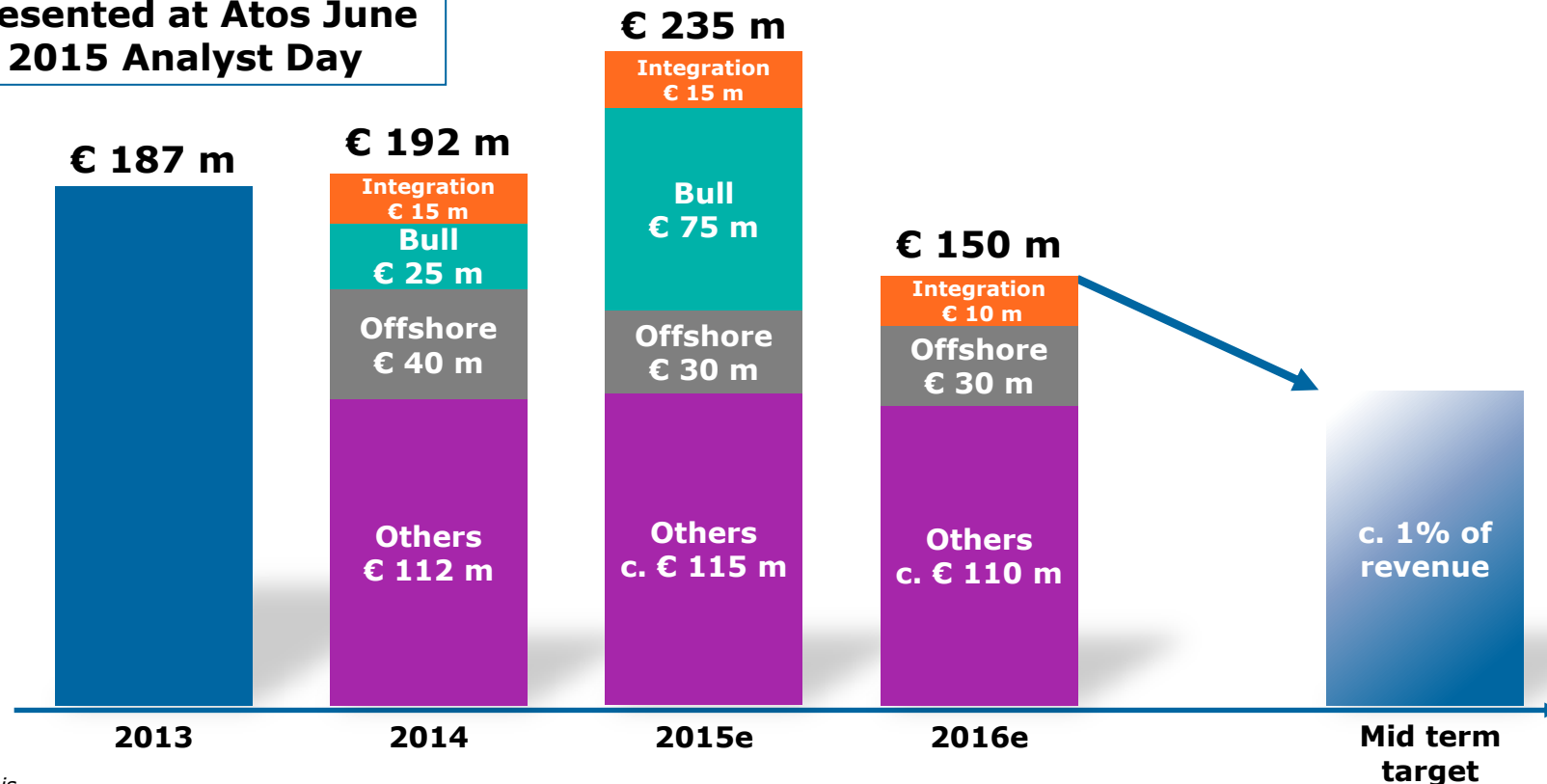
- ▶ Effective Tax Rate decrease by +500 basis points

10-20%

Net income Group share from **€265m** to c. **€530m**

Restructuring costs decline

Presented at Atos June
2015 Analyst Day

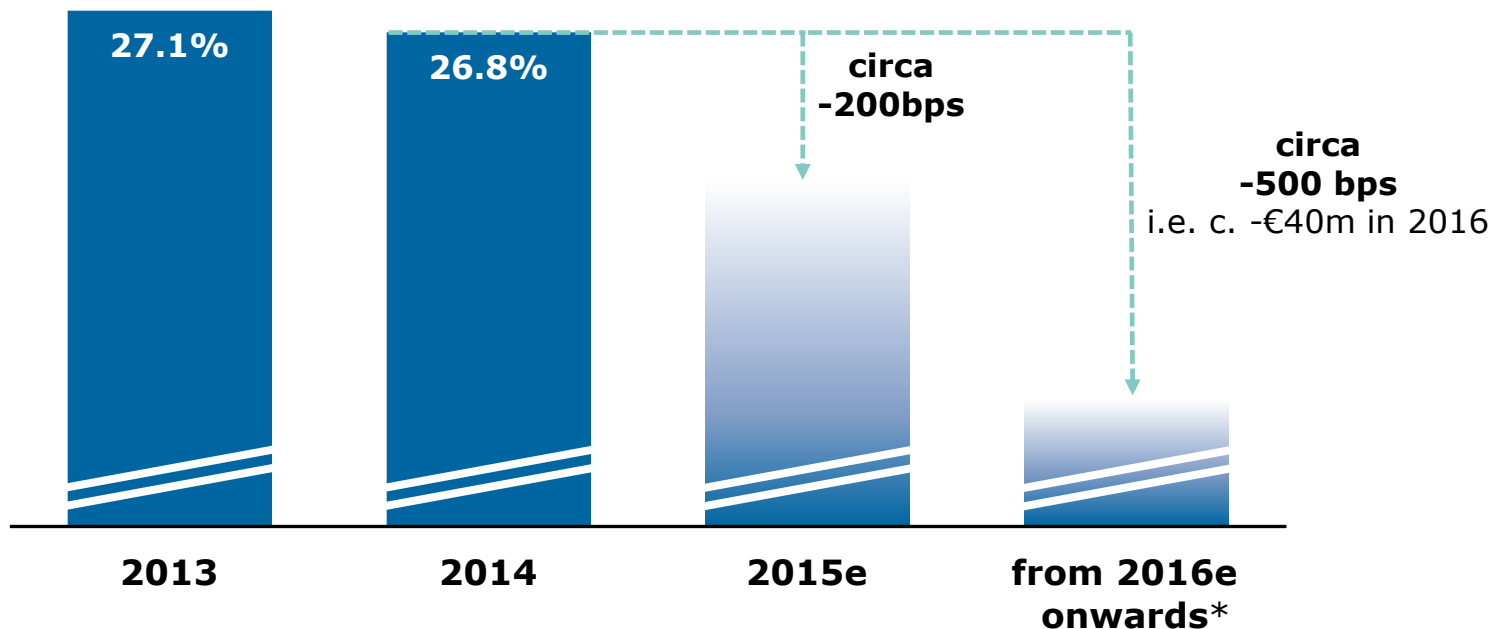


Cash basis

Change in Group Tax profile further to acquisitions

Presented at Atos June 2015 Analyst Day

Planned Group Effective Tax Rate (in %):



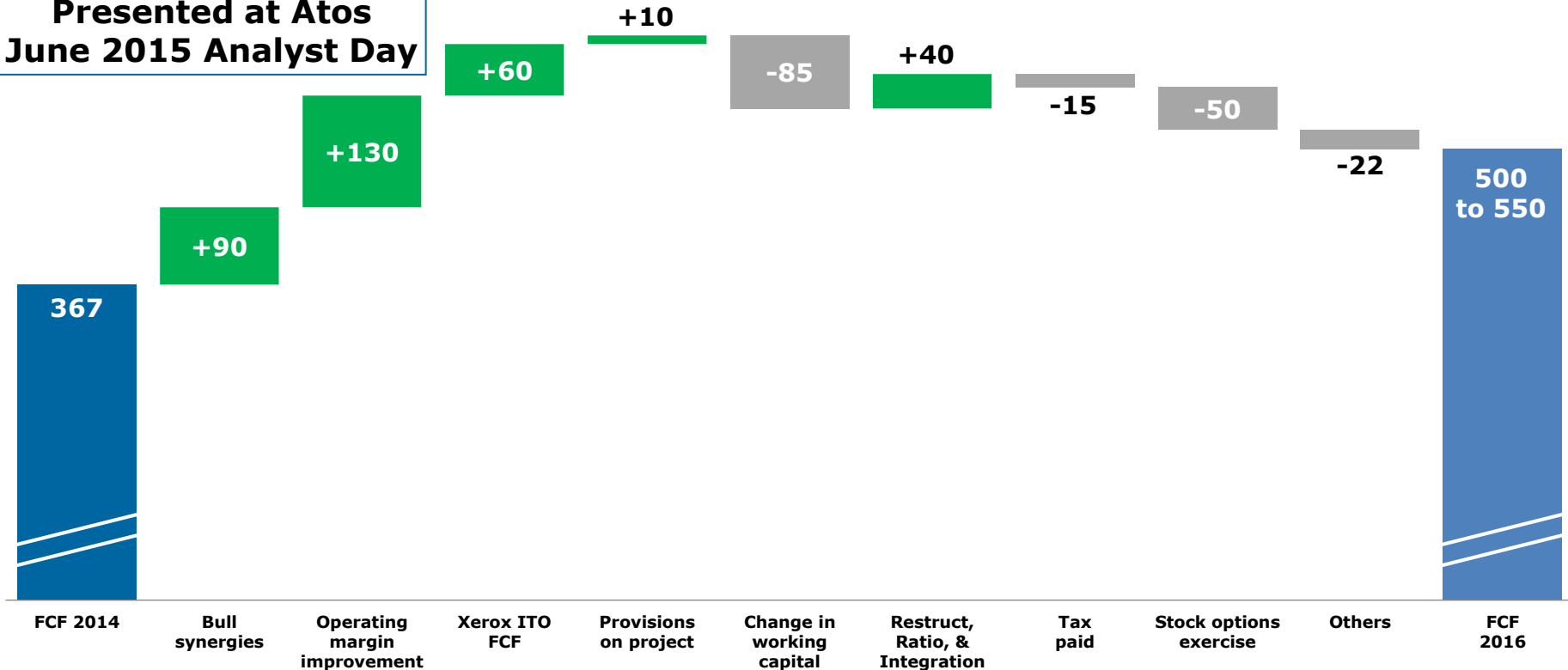
* For the next 10 years at least

Free cash flow evolution (in € million)

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November 25, 2015

**Presented at Atos
June 2015 Analyst Day**



Atos

Questions & Answers

Thank you

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