HSBC
11th Equity Conference
-
March 22th 2013
Paris
Disclaimers

- This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2011 Reference Document filed with the Autorité des Marches Financiers (AMF) on April 5th, 2012 under the registration number: D12-0288 and its update filed with the Autorité des Marchés Financiers (AMF) on August 2nd, 2012 under the registration number: D. 12-0288-A01.

- Global Business Units include Germany, France, United Kingdom & Ireland, Benelux (The Netherlands, Belgium and Luxembourg), Atos Worldline (French, German, Belgian, Asian and Indian subsidiaries), Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Serbia, Poland, Czech Republic, Russia, Romania, Slovakia and Turkey), North America (NAM: USA and Canada), North & South West Europe (N&SW Europe: Switzerland, Italy, Denmark, Finland & Sweden), Iberia (Spain and Portugal), and Other Business Units including Major Events (including MSL), Latin America (Brazil, Argentina, Mexico, Colombia and Chile), Asia Pacific (Japan, China, Hong Kong, Singapore, Malaysia, Indonesia, Philippines, Taiwan, Thailand and Australia), IMEA (India, Middle East, Morocco and South Africa), blueKiwi and Atos Worldgrid (including E-Utile).

- Revenue organic growth is presented at constant scope and exchange rates. 2013 objectives have to be considered with exchange rates as of 31 December 2012.

- The Atos pro forma financial information for the 18 months to 30 June 2011 comprises the results of the former Atos Origin perimeter and the acquired scope of the ex Siemens IT Services (SIS), as if Atos had been in existence since 1 January 2010. The information is provided as guidance only; it is not audited and, as pro forma information, it does not give a full picture of the financial position of the Group. The key assumptions used in the preparation of the information are as follows:
  - The pro forma information has been prepared using accounting policies consistent with those used in the historic Atos Origin interim and year-end financial statements;
  - Pro forma tax is based on the estimated effective rate of tax for Atos for the relevant periods applied to pro forma profit before taxation.
  - The pro forma Profit and Loss account excludes significant exceptional items as being non-recurring, notably provisions on contract risks recorded in the first semester 2011.

- The Board of Directors of Atos S.E., chaired by Thierry Breton, convened in Bezons on February 20th, 2013 to review and authorize for issue the accounts of Atos Group for the year ended December 31st, 2012. Audit procedures on the consolidated financial statements have been performed. The relevant audit report certifying them will be issued after completion of the specific verifications required by French law.
2012 results & 2013 objectives
2012: We achieved all our commitments

Revenue
A slight revenue organic growth compared to pro forma for full year 2011

Operating margin
Improvement of the operating margin rate to 6.5 percent of revenue compared to 4.8 percent pro forma 12 months 2011

Free Cash Flow
Achievement of a free cash flow of around EUR 250 million

Earnings per share (EPS)
EPS (adjusted, non diluted) in line with the +50 percent increase targeted for 2013 compared to 2011 statutory

2011 € 3.20
2012 € 3.83
target 2013 € 4.80

+0.8% organic growth
6.6%
EUR 259 million
+50%
## 2012 Highlights

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (EUR m)</td>
<td>8,844</td>
<td>6,812</td>
</tr>
<tr>
<td>Revenue organic growth</td>
<td>+0.8%</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Book to bill</td>
<td>113%</td>
<td>103%</td>
</tr>
<tr>
<td>Backlog (EUR b)</td>
<td>15.6</td>
<td>14.1</td>
</tr>
<tr>
<td></td>
<td>1.8 years of revenue</td>
<td>1.7 years of revenue</td>
</tr>
<tr>
<td>Total number of employees</td>
<td>76,417</td>
<td>73,969</td>
</tr>
</tbody>
</table>
### 2012 Highlights

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating margin rate</strong></td>
<td>6.6%</td>
<td>4.8%*</td>
</tr>
<tr>
<td></td>
<td>EUR 580 m</td>
<td>EUR 425 m*</td>
</tr>
<tr>
<td><strong>Net income Group share (EUR m)</strong></td>
<td>224</td>
<td>182</td>
</tr>
<tr>
<td><strong>Free cash flow (EUR m)</strong></td>
<td>259</td>
<td>194</td>
</tr>
<tr>
<td><strong>Net cash (EUR m)</strong></td>
<td>232</td>
<td>-142</td>
</tr>
<tr>
<td><strong>Earning per share (adjusted, non diluted)</strong></td>
<td>€ 3.83</td>
<td>€ 3.20</td>
</tr>
</tbody>
</table>

* Pro forma, at constant scope and exchange rates
2013 Objectives

2013

► Revenue
  – The Group expects to continue to slightly grow compared to 2012.

► Operating margin
  – The Group has the objective to improve its operating margin rate to around 7.5 percent of revenue compared to 6.6 percent in 2012.

► Free Cash Flow
  – The Group has the ambition to achieve a free cash flow above EUR 350 million.

► Earnings per share (EPS)
  – The Group ambitions an EPS (adjusted, non diluted) representing an increase of +50 percent compared to 2011 statutory (up +25 percent compared to 2012).
Update on Atos strategy
Atos strategy

The Group is fully geared towards reaching its new objectives for 2013

Atos strategy is in motion, leveraging on its two engines, European leaders on their respective markets:

**Foundation IT**
- **European leading company** in Managed Services, SI and BPO
- **Cloud** as a strong business accelerator

**Payment and Merchant Transactional activities**
- **Leader in European Payment** and Merchant Transactional activities
- Significant **levers of development**
- Financial flexibility and attractive “currency”

A new **Tier One Program** to reach best in class KPIs
A New Program:

**3 years plan** to catch up with competitors:
« The right to grow »

**2 years plan** to turnaround and integrate SIS
« The right to become a Tier one company »

**3 years plan**:
- to achieve best in class quality, with more advanced technologies and the best talents.
- « The right to be the Leader »

**Total Operational Performance**
"Turnaround program"
Atos Foundation IT business strategy

A business focused on industrialization with a shift to Cloud as the cornerstone of Atos next step industrial project

Assets to support ambition

- End to End cloud offering: Consulting – SaaS-PaaS-IaaS
- Road to Liquid IT
- Unified architecture for hybrid cloud

- Foundation IT & Business enabling IT
- Global application maintenance
- Project excellence through a standard global delivery model

- Foundation business
- Highly cost effective with scale effect
- Long term Recurring revenues

Growth through Canopy, leveraging EMC / VMware partnership

Growth through strategic horizontal and vertical offering & leveraging of Partners: EMC, VMware, SAP, MSFT, Yonyou

Growth through large outsourcing capability & processes efficiency
Atos has unique capabilities to drive customer journey to the Cloud

- **Cloud Computing**: the new IT Revolution
  - Substantial benefits of Cloud computing enabling to deliver IT capabilities in scalable way
  - Significant financial benefits: cut costs, variabilize IT costs, avoid capex
  - A key growth factor of future IT spending expected to increase x5 by 2020 to reach > EUR 250 billion (source Forrester)

- **Canopy**, the Atos Cloud offering, is positioned to offer full end-to-end service to customers
  - Enable the transformation to the Cloud (Strategic Consulting, Professional Services and **IaaS / PaaS** offerings)
  - Reinforce Atos **SaaS** portfolio from own software (e.g., blueKiwi, Yunano) and existing / future partnerships and acquisitions with leaders (e.g., Microsoft, SAP, EMC, Siemens)

- **Ambition** to grow faster than the Cloud IT market rate
  - Major Player in the Private Cloud area for large public and private organizations
  - Strong alliances set-up with Cloud leaders and Software vendors
  - Cloud in Atos is up and running with already circa EUR 200 million revenue generated in 2012
Atos payment and merchant transactional activities carve-out is a logical step forward

1. Position Atos payment and merchant transactional activities as Europe’s leading player in the transactional space

2. Increase the visibility of Atos’ transactional activities for Clients

3. Provide Atos payment and merchant transactional activities with more strategic flexibility and attractive “currency” to move forward

4. Strengthen business culture within Atos payment and merchant transactional activities team
Principles of Atos payment and merchant transactional activities scope structuring

1. Perimeter centered around payment assets...

2. ...including other Transactional services synergetic with payment...
   - e-Ticketing
   - e-Commerce
   - e-Mobile Technologies

3. ...taking into consideration carve-out execution issues to exclude sub-critical units from transaction scope
Focus on the scoping of Atos payment and merchant transactional activities.

HTTS

Atos Worldline
Germany, Benelux, France, India and Asia

UK

Latin America

Iberia

Austria

AND

Specialized Businesses

Atos Worldgrid

CNS

BPO

Key:

Atos payment and merchant transactional activities

Atos FIT & SB
Atos payment and merchant transactional activities
New scope and geographical footprint

- 2012 revenue: c. €1.1b
- 2012 revenue organic growth: +5%
- 2012 operating margin rate*: 15%
- 2012 free cash flow: c. €90m
- Total headcounts: c. 7,000
- Geographical footprint: 18 countries

* Stand alone after EUR 20 million Central costs allocation
Atos payment and merchant transactional activities: revenue vs. peers

Estimated revenue in Europe (in EUR billion)

<table>
<thead>
<tr>
<th>Company</th>
<th>Revenue (in EUR billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gemalto</td>
<td>1.1</td>
</tr>
<tr>
<td>Atos payment &amp; merchant</td>
<td>1.0</td>
</tr>
<tr>
<td>First Data</td>
<td>0.7</td>
</tr>
<tr>
<td>NETS</td>
<td>0.7</td>
</tr>
<tr>
<td>Worldpay</td>
<td>0.7</td>
</tr>
<tr>
<td>Ingenico</td>
<td>0.6</td>
</tr>
<tr>
<td>Edenred</td>
<td>0.5</td>
</tr>
<tr>
<td>FNI</td>
<td>0.4</td>
</tr>
<tr>
<td>Wirecard</td>
<td>0.4</td>
</tr>
<tr>
<td>Global Payments</td>
<td>0.4</td>
</tr>
<tr>
<td>Equens</td>
<td>0.4</td>
</tr>
<tr>
<td>SIA</td>
<td>0.3</td>
</tr>
<tr>
<td>Fiserv</td>
<td>0.2</td>
</tr>
<tr>
<td>TSS</td>
<td>0.2</td>
</tr>
<tr>
<td>SIX Payment Services</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Sources: Atos, companies, analysts consensus
Levers for an accelerated top-line growth

- Strong dynamic for Atos payment and merchant transactional activities
- Large deal signatures momentum
- Premium brand building
- Improved offerings portfolio
Keep momentum on large deals signatures

1. Capitalize on Global Strategic Sales Engagement team
   GSSE track record

2. Innovation capability
   i.e. Cloud for the McGraw-Hill contract

3. Critical size reached
   Atos is consulted on every Managed Services bid

4. Recognition from industry analysts
   i.e. Magic quadrant of Gartner, Forrester, IDC, PAC,...
Improved offerings portfolio from PULL offerings to PUSH offerings

Increase the « readiness » of Atos offerings and products

Select the most competitive and promising ones

Lead the Market by pushing the selected offerings

2012

2013
## Improved offerings portfolio

Atos **PUSH** offerings

### Key transversal offerings

- Cloud
- Big Data
- Smart Mobility
- Enterprise Social Network

- Business enabling Application Management
- Adaptive Workplace
- ERP Consolidation & Harmonization
- OMNI commerce payment & digital services
- Data Center Services

### Key vertical offerings

<table>
<thead>
<tr>
<th>Public sector, Healthcare &amp; Transport</th>
<th>Financial Services</th>
<th>Manufacturing, Retail &amp; Services</th>
<th>Energy &amp; Utilities</th>
<th>Telecom, Media &amp; Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journey Management</td>
<td>Multichannel &amp; Mobility</td>
<td>PLM</td>
<td>Smart Utilities</td>
<td>OSS/BSS</td>
</tr>
<tr>
<td>Civil &amp; National Security</td>
<td>Risk, Compliance regulatory reporting</td>
<td>MES</td>
<td></td>
<td>Media Solution</td>
</tr>
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<td></td>
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</tbody>
</table>
Strong dynamic for **Atos payment and merchant transactional activities** activities through the carve-out

- **New strategic commercial and brand momentum**
- **Reinforced operations in fast growing economies**
- **Strong R&D investments since 2011**
- **12 new product/offering launched and announced in 2012**
- **Asia, Latin America, India**
- **Thanks to the carve-out**

**Structural growth in payment and merchant transactional activities**

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Your business technologists. **Powering progress**
Two pillars of business strategy centered around new offers in the fast growing transactional market

Payment management for merchants including:
- Commercial acquiring
- Physical and mobile / internet acceptance (terminals)
- e- / m-Commerce, voice services, loyalty

Mobile Technologies:
- Connectivity solutions for all devices
- Services to end-consumer around mobility
- Contextual mobility: connected cars (e.g. Renault)

Foundation business
- Highly cost effective with scale effect
- Fed by volume growth
- Growth drivers with SEPA implementation in Europe

Atos payment and merchant transactional activities is providing end-to-end solutions across the entire transactional value chain
Focus on e/m payment
Mobiles are the enablers for multichannel convergence

- **E-Commerce**
  - Mobile devices enable cross-channel convergence

- **Physical commerce**

- **Payment**

**Services**

- Advertisement
- Order anywhere
- Special offers
- Financial Services
- Couponing

**Customer-centric Omni-channel shopping experience**

« One device, with simple ergonomics combined with strong security to handle all payments transparently »

Mobile-commerce is re-inventing the customer-to-merchant experience
Our beliefs

- The winning model / Solution is not known: Banks? Schemes? Telcos? Device providers?

- Merchants are at the center of the challenge: their model is under heavy transformation pressure: they need global omni-channel solutions and flexibility to capture new models.

- We provide all solutions and their integration.

- This means new business AND more transactions on back-office platforms.
Zoom on remote-payments

47 M€ revenue 2012
EUR 25 billion worth of transactions average EUR 60 k per minutes
+ 450M transaction (all channels)
+ 40k Merchants (17% of merchants outside France)
9% of transaction made from a mobile
99.99% Availability in 2012
100 FTE dedicated.

Means of payment

References
Our offering for banks

Proximity

NFC Payment

In-store / Out-of-store
(online cloud payments)

E-commerce
(PC, Tablets and mobile)

Remote

TSM Platform
Secure provisionning of Mobile phone (SIM or Secure Element)

Cloud Wallet platform
Securely store payment credential online (connection to MasterPass ongoing)

Secured mobile application
(Converging NFC, Remote payment and Mobile Banking)
Our offering for large retailers

**Proximity**

- **NFC Payment**
  - NFC acceptance

- **In-store / Out-of-store**
  - (online cloud payments)
  - Mobile POS
    - For employees (incl. CRM, sales tools, ordering...)

- **Customer’s mobile application**
  - (Product information, in-store, out-of-store payment...)

**Remote**

- **E-commerce**
  - (PC, Tablets and mobile)
  - E-commerce platform
    - (Omnichannel, end to end e-commerce solution)

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382,000 Xenta and 60,000 YomaniSoftPOS for large retailers

NFC live for Casino (France) + pilots for C1000 (NL) and Albert Heijn (NL)

New business,

Many pre-sales opportunities

Top European retailers using Atos platforms, high volumes
Our offering for micro-merchants

Proximity

NFC Payment

In-store / Out-of-store
(online cloud payments)

E-commerce
(PC, Tablets and mobile)

Remote

Mobile POS
(Today focusing on physical card acceptance, but will soon evolve toward cloud based payment (wallets))

Chip-and-pin

PSP / Acquirer

3G

Over 300 Mobile POS live in Belgium targeting unequipped merchants.
Atos main references in mobile payments

Among many other mobility services within Atos Smart Mobility Program

Remote
- Buyster
- Banxafe
- Sips

Face-to-face
- Albert Heijn To-Go

Commerce
- Purchase of goods
- Or services

P2P
- Person-to-person money transfer

Mobile Banking
- Retail banking operations

Authentication
- for Payment on other channel

Localisation
Ticketing
Games
Shopping
...
Atos main references in mobile payments - Buyster

- Buyster is a J.V. between Atos and 3 major French MNOs to promote mobile phone for remote payment, in both e-and-m-commerce
- With its PCI compliant wallet server, it provides a revolutionary mobile payment service, reaching “1 click principle” for mobile internet payments
- Atos has helped MNOs in the definition of functional requirements, commercial and juridical aspects and to become a payment institution approved by Banque de France
- The service was launched at the end of 2011
**Atos main references in mobile payments -** NFC POS or Softpos terminals

- Desktop terminals are NFC compatible
  - 382,000 Xenta and 60,000 Yomani
- NFC is also available for POS payment server solutions, for large retailers (SoftPOS product range)
- Contactless transactions are already live for Casino (France) + pilots for C1000 (NL) and Albert Heijn (NL)
Atos main references in mobile payments - P2P Mobile Transfer for BNPP in France

- It allows BNPP customers to send credit transfers to a contact of their address book.

- The sender just has to click on the beneficiary’s name and type the amount to transfer (no need to know the Bank Account Number)

- Beneficiary must be enrolled in the service to get money

- Atos has developed the solution and is in charge of its mobile deployment on iOS, Android and Blackberry

- The service was launched at the end of 2011
From Questions to Answers
Thank you