Q1 2019 revenue

Bezons
April 25, 2019
This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group’s expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors behaviors. Any forward-looking statements made in this document are statements about Atos’ beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Atos’ plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2018 Registration Document filed with the Autorité des Marchés Financiers (AMF) on February 22, 2019 under the registration number D.19-0072. Atos does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law. This document does not contain or constitute an offer of Atos’ shares for sale or an invitation or inducement to invest in Atos’ shares in France, the United States of America or any other jurisdiction.

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

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

Business Units include North America (USA, Canada, and Mexico), Germany, France, United Kingdom & Ireland, Benelux & The Nordics (Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, The Netherlands, Poland, Russia, and Sweden), and Other Business Units including Central & Eastern Europe (Austria, Bulgaria, Croatia, Czech Republic, Greece, Hungary, Israel, Italy, Romania, Serbia, Slovakia and Switzerland), Iberia (Spain and Portugal), Asia-Pacific (Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand), South America (Argentina, Brazil, Colombia, and Uruguay), Middle East & Africa (Algeria, Benin, Burkina Faso, Egypt, Gabon, Ivory Coast, Kingdom of Saudi Arabia, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Senegal, South Africa, Tunisia, Turkey and UAE), Major Events, Global Cloud hub, and Global Delivery Centers.
1. Q1 2019 highlights and commercial activity

2. Operational & financial performance and Syntel update

3. Conclusion and Q&A
Q1 2019 highlights
Thierry Breton
Chairman & CEO
Q1 2019 highlights

Organic revenue growth at +0.4% (excluding Worldline) with North America and Infrastructure & Data Management improving

Syntel integration moving fast with synergies starting to develop

Big Data & Cybersecurity pursuing double digit growth

Successful partnership with Google Cloud materialized by new signatures and a strong pipeline in both secured Hybrid Cloud and Artificial Intelligence

Project to deconsolidate Worldline creating two listed pure player leaders in their respective markets with a long term Strategic Alliance

Three year plan ADVANCE 2021 presented to investors and industry analysts communities
Q1 2019 key figures
A good start to the year

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Organic growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€2,818m</td>
<td>+0.4%</td>
</tr>
<tr>
<td></td>
<td>+0.3% in Q4 2018*</td>
</tr>
<tr>
<td></td>
<td>-0.8% in Q3 2018*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total number of employees</th>
<th>Headcount evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>110,075</td>
<td>-0.4%</td>
</tr>
</tbody>
</table>

* excluding Worldline

Since end of December 2018 at constant scope
Q1 2019 commercial activity

**Order entry**

€2,428m

**Backlog**

€20.8bn

1.8 year of revenue

**Book to bill ratio**

86%

**Weighted pipeline**

€6.9bn

7.2 months of revenue
Main wins in Q1 2019 confirming Digital acceleration

- Automated Digital cloud platform based on Bullion Sequana and Google
- S/4 HANA implementation in the US
- AI enabled High Performance Computer
- Fully managed Hybrid Digital Cloud Service
- Advanced Endpoint Security
- Digital Workplace
- An integrated US energy company
- Large German Automotive manufacturer
- UK postal service company
- An integrated US energy company
- Large German Automotive manufacturer
- Advanced Endpoint Security
- Digital Workplace
- Fully managed Hybrid Digital Cloud Service
- AI enabled High Performance Computer
- S/4 HANA implementation in the US
- Automated Digital cloud platform based on Bullion Sequana and Google
Atos recognized as the 2018 Google Cloud Breakthrough Partner Status after 1 year of partnership

New Atos Open Hybrid Cloud Solution Enabling Enterprises to Move to Google Cloud

Atos recognized as global leader in Google Cloud Certification Program

Atos distinguished as “Specialized IoT Partner” by Google Cloud

3 joint Customer AI labs already open (London, Dallas, Paris) and a 4th Lab to open soon (Frankfurt)

€1bn+
Commercial full pipeline

20+
Joint customer projects

1,000+
Technical certifications planned in 2019

Trusted partner for your Digital Journey
### 2019 objectives confirmed
(excluding Worldline as of January 1st, 2019)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>organic growth</strong></td>
</tr>
<tr>
<td></td>
<td>+1% to +2%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>c. 10.5% of revenue</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>€0.6 to €0.7bn</td>
</tr>
</tbody>
</table>
Operational & financial performance and Syntel update
Elie Girard
Deputy CEO & Group CFO
Constant scope and exchange rates figures reconciliation

**Exchange rates effect** mainly came from the American dollar and positively contributed to revenue for €49 million.

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

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2018</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory revenue</td>
<td>2,818</td>
<td>2,945</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Exchange rates effect</td>
<td>38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue at constant exchange rates</td>
<td>2,818</td>
<td>2,983</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Scope effect</td>
<td>-187</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange rates effect on acquired/disposed perimeters</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue at constant scope and exchange rates</strong></td>
<td>2,818</td>
<td>2,808</td>
<td>+0.4%</td>
</tr>
</tbody>
</table>
Q1 2019 performance by Division

- Infrastructure & Data Management recovery started
- Business & Platform Solutions supported by an increasing number of projects in Digital and Automation
- Continuous double digit growth in Big Data & Cybersecurity

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2018*</th>
<th>Organic evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure &amp; Data Management</td>
<td>1,537</td>
<td>1,585</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Business &amp; Platform Solutions</td>
<td>1,065</td>
<td>1,029</td>
<td>+3.5%</td>
</tr>
<tr>
<td>Big Data &amp; Cybersecurity</td>
<td>215</td>
<td>193</td>
<td>+11.4%</td>
</tr>
<tr>
<td><strong>Total Group</strong></td>
<td><strong>2,818</strong></td>
<td><strong>2,808</strong></td>
<td><strong>+0.4%</strong></td>
</tr>
</tbody>
</table>

* At constant scope and exchange rates
Infrastructure & Data Management

- Continued development of Hybrid Cloud Orchestration, Digital Workplace implementation and Transformation projects in all geographies
- First signs of recovery in North America
- High level of new contracts

<table>
<thead>
<tr>
<th>In € million</th>
<th>Q1 2019</th>
</tr>
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<tr>
<td>Revenue</td>
<td>1,537</td>
</tr>
<tr>
<td>Organic growth</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Order Entry</td>
<td>1,076</td>
</tr>
<tr>
<td>Book to bill</td>
<td>70%</td>
</tr>
<tr>
<td>Direct headcount</td>
<td>44,598</td>
</tr>
<tr>
<td>Variation in Q1 y/y at constant scope</td>
<td>-4%</td>
</tr>
</tbody>
</table>
Business & Platform Solutions

- Continued solid dynamic of Syntel, with first commercial synergies recorded
- In Europe, strong growth in Digital Transformation projects led by Germany, the United Kingdom & Ireland and Central & Eastern Europe
- Staff decrease linked to robotization

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<tr>
<th>In € million</th>
<th>Q1 2019</th>
</tr>
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<tr>
<td>Revenue</td>
<td>1,065</td>
</tr>
<tr>
<td>Organic growth</td>
<td>+3.5%</td>
</tr>
<tr>
<td>Order Entry</td>
<td>1,112</td>
</tr>
<tr>
<td>Book to Bill</td>
<td>104%</td>
</tr>
<tr>
<td>Direct headcount</td>
<td>51,869</td>
</tr>
</tbody>
</table>

Variation in Q1 y/y at constant scope: -0%
Big Data & Cybersecurity

► Strong quarter in France and in Benelux & The Nordics in Big Data
 ► Continued high demand in Cybersecurity services
 ► Strong level of hiring of critical competencies

<table>
<thead>
<tr>
<th>In € million</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>215</td>
</tr>
<tr>
<td>Organic growth</td>
<td>+11.4%</td>
</tr>
<tr>
<td>Order Entry</td>
<td>241</td>
</tr>
<tr>
<td>Book to Bill</td>
<td>112%</td>
</tr>
<tr>
<td>Direct headcount</td>
<td>5,243</td>
</tr>
<tr>
<td>Variation in Q1 y/y at constant scope</td>
<td>+7%</td>
</tr>
</tbody>
</table>

- France 44%
- Germany 10%
- Benelux & The Nordics 12%
- North America 7%
- United Kingdom & Ireland 4%
- Other Business Units 12%
Q1 2019 performance by Business Unit

- North America recovery started
- Continued solid growth in France
- High growth recorded in Other Business Units

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

* At constant scope and exchange rates
Q1 2019 headcount evolution

<table>
<thead>
<tr>
<th>Headcount as of 31/12/18 (Atos including Worldline)</th>
<th>Scope</th>
<th>Hiring</th>
<th>Leavers, restructuring &amp; dismissals</th>
<th>Headcount as of 31/03/19 (Atos including Worldline)</th>
<th>Worldline as of 31/03/2019</th>
<th>Headcount as of 31/03/19 (Atos excluding Worldline)</th>
</tr>
</thead>
<tbody>
<tr>
<td>122,110</td>
<td>-102</td>
<td>+5,011</td>
<td>-5,377</td>
<td>121,642</td>
<td>-11,567</td>
<td>110,075</td>
</tr>
</tbody>
</table>

Headcount as of 31/12/18
(Atos including Worldline)

Scope

Hiring

Leavers, restructuring & dismissals

Headcount as of 31/03/19
(Atos including Worldline)

Worldline as of 31/03/2019

Headcount as of 31/03/19
(Atos excluding Worldline)
## Distribution in kind of Worldline shares to Atos shareholders

### Timetable of distribution

- **AGM:** April 30, 2019
- **Ex date:** May 3, 2019
- **Payment date of the distribution in kind:** May 7, 2019

### Features of the distribution in kind

- The distribution in kind would represent c. **23.5%** of the share capital of Worldline *(2 Worldline shares for 5 Atos shares)*
- Post-distribution, Atos would own approximately c. **27.3%** of the share capital of Worldline

### Very favorable tax treatment of the distribution in kind

- c. **60%** corresponding to a repayment of share capital and therefore **not subject to French withholding tax** and not taxable for French residents

### Amendment to the Shareholders Agreement with SIX Group

- Worldline Board of Directors of **12 directors:**
  - 3 designated by Atos, including the Chairman
  - 2 designated by SIX Group
  - the Chief Executive Officer of Worldline
  - 6 independent directors
- **Six-month joint lock-up period**
### Distribution in kind of Worldline shares

#### Main impacts on Atos Digital Services figures

| Category | Impact on Atos Digital Services | Impact on New Atos
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>New flow with Worldline (c. € 70 M in 2018)</td>
<td><strong>Operating Margin</strong></td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>No impact in € million</td>
<td>Negative impact on rate (not significant)</td>
</tr>
<tr>
<td><strong>Net income from discontinued operations</strong></td>
<td>WL net income from January 1, 2019 to April 30, 2019 + Capital gain</td>
<td><strong>Share of net profit of associates</strong></td>
</tr>
<tr>
<td></td>
<td>Share of WL net income from May 1, 2019 to December 31, 2019 + PPA amortization</td>
<td><strong>Free Cash Flow</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>No impact</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td></td>
<td>€ 2.8 bn as of December 31, 2018</td>
</tr>
</tbody>
</table>

*No asset amortization during this period*
IFRS 16 - Main impacts on the Group Financial Statements

**Income Statement**

- **Operating Expenses**
  - Lease expense
  - Amortization

- **Net Financial Expenses**
  - Tax
  - Net

- **Amortization**
  - Right of Use Depreciation

- **Operating Expenses**
  - Net Financial Expenses
  - Lease Liability Interests

- **Net Income**
  - Operating Margin (not significant)
  - Net Income (not significant)

**Balance Sheet**

- **Assets [Prior to IFRS 16]**

- **Liabilities [Prior to IFRS 16]**

- **Right of Use**

- **Lease Liability**

- **Equity**

**IFRS 16 Impact**

Lease Liability = €1.2 bn as at January 1, 2019
Syntel revenue synergies on track
Syntel base secured and first new deals won

100% client retention
Top 10 Syntel clients grew in line with overall Syntel in Q1 19

High demand in **Cloud migration** and **Legacy modernization** powered by **Intelligent Automation**

150 synergy project opportunities in **full pipeline** valued at $650 M

Revenue synergies already materialized

"Land & Expand"
Application & Services Transformation using Intelligent Automation

Strengthened Go-To-Market for Global IDM deals
IDM to implement ServiceNOW platform

Successful Cross Sell of Syntel services into 6 Atos IDM customers in NAO and UK&I
Syntel delivery and cost synergies on track
Account transformation well under way

Transformation synergies

- Wave 1 was successfully completed in Q1, aligning €640M of business under Syntel management and delivery framework
- Wave 2 has started in April, aligning an additional €300M of business
- Solutioning of new business through Syntel delivery framework

- c. €940M of business being already aligned under Atos Syntel management

Employee and facility consolidation

- 100% retention of key personnel
- Successful move of 6,000 Atos staff to the Pune campus
- Consolidated offices in the UK and in the US
Conclusion
Thierry Breton
Chairman & CEO
2019 main priorities

- Return to growth in H2 for North America (excl. Syntel) and for Infrastructure & Data Management
- Successfully integrate Syntel and generate synergy plans to improve Business & Platform Solutions profitability
- Rolling out GOAL and RACE programs to increase operational profitability
- Positioning Big Data & Cybersecurity as a leading player for the upcoming consolidation of this segment
- Delivering financial objectives in 2019 and confirming 2021 ADVANCE targets
Thanks