

2016

Investor Day

Atos' Headquarters, Bezons
November 08, 2016

Disclaimer

- ▶ 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 2015 Registration Document filed with the Autorité des Marchés Financiers (AMF) on April 7, 2016 under the registration number: D.16-0300 and its update filed with the Autorité des Marchés Financiers (AMF) on August 4, 2016 under the registration number: D.16-0300. 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.
- ▶ Revenue organic growth is presented at constant scope and exchange rates. Operating margin is presented as defined in the 2015 Registration Document.
- ▶ Business Units include **Germany, France, United-Kingdom & Ireland, Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, Sweden, and Estonia), **Worldline, North America** (NAM: USA, Canada, and Mexico), and **Other Business Units** including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Turkey), Iberia (Spain, Portugal, and Andorra), Asia-Pacific (APAC: Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), South America (SAM: Brazil, Argentina, 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.
- ▶ Atos decided, as early as the acquisition date, to retain only part of the activity of Unify. As a result, the Software & Platforms (S&P) business, along with the customers and the countries that were planned to be managed through indirect channels, have been accounted for as discontinued operations and are in the process of being physically carved-out to facilitate the disposal of this activity. Therefore, the 2016 and 2015 pro forma consolidated external revenue and operating margin reflect the retained scope of Unify only.



Future is about growth: commercial actions

Patrick Adiba, Group CCO

Charles Dehelly, Group SEVP

Key levers of growth fuel by the digital transformation need of our clients

1

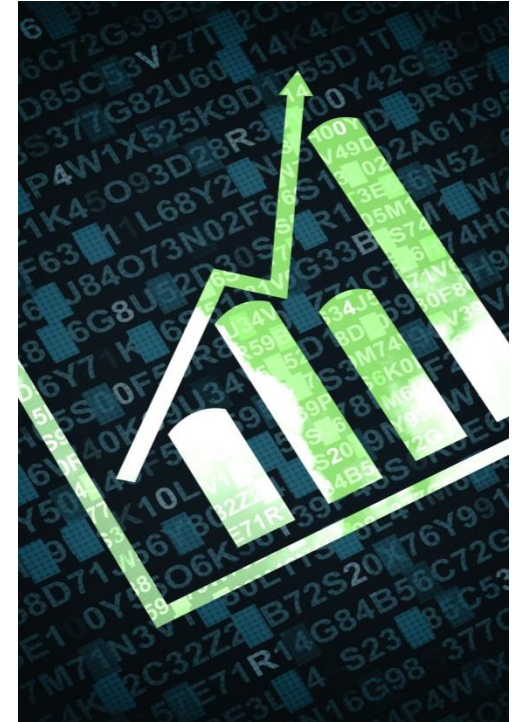
Focus on High Growth offers

2

Focus development in High Growth markets

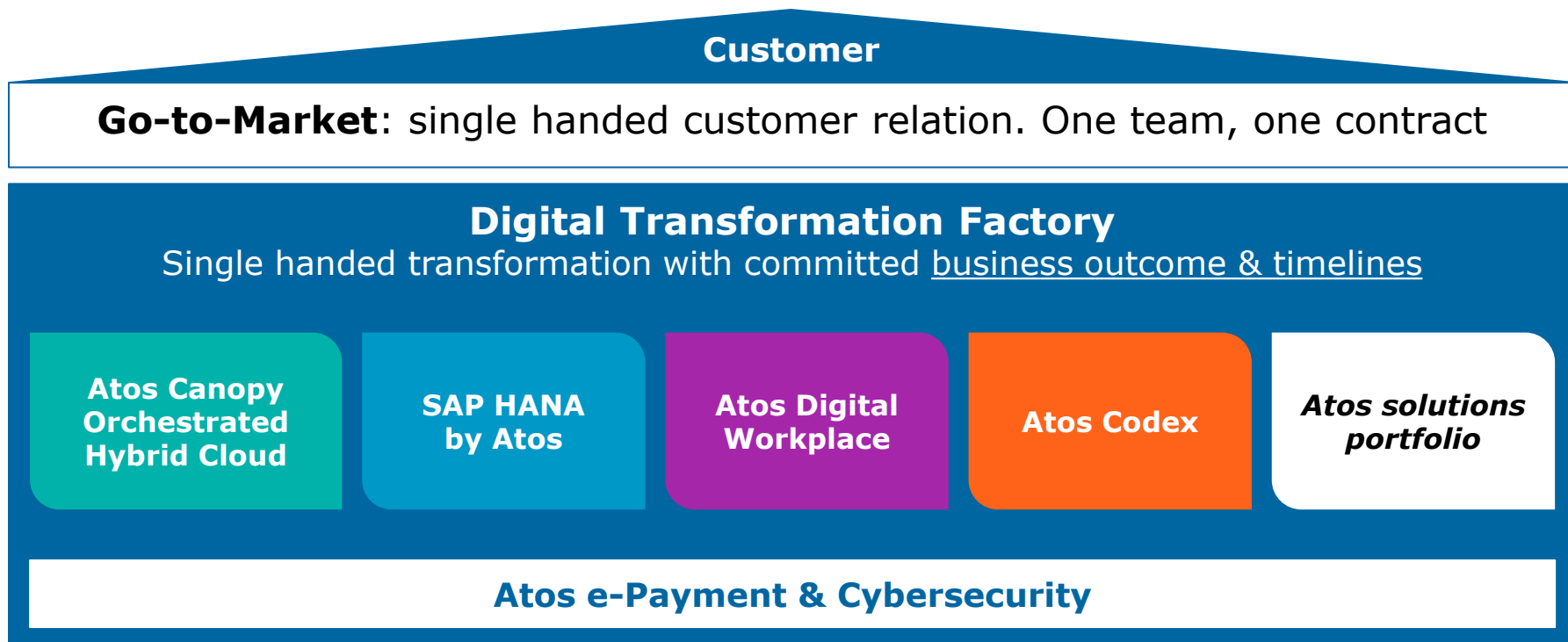
3

Focus on the roll out of our demonstrated efficient sales process



Atos 2019 ambition

Be the enabler of customers data business models



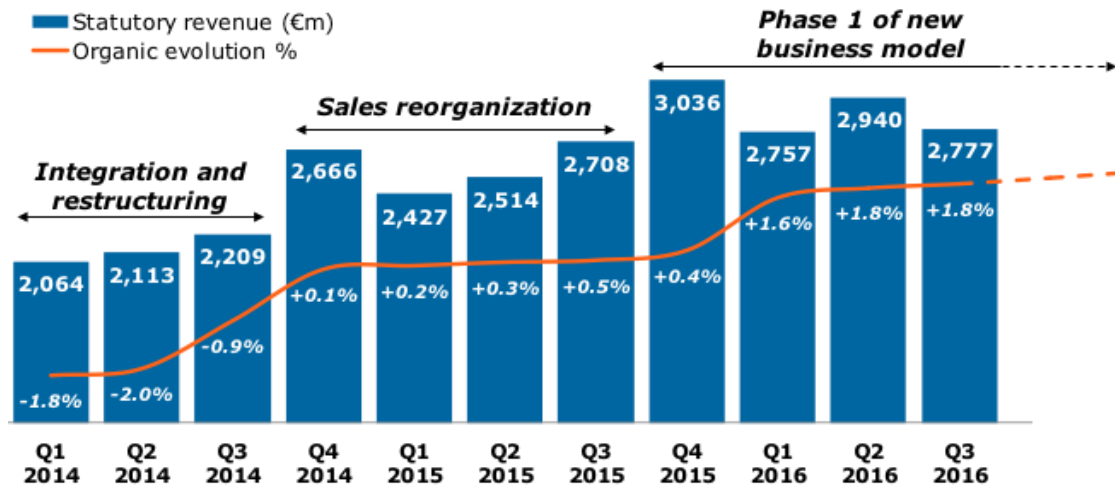
2-Focus development in High Growth markets

An ambitious growth potential and strategy in North America



- ▶ The largest, richest and fastest growing world IT market.
- ▶ Early Technology adopter

3-Sales transformation delivering results but still a significant potential of improvement



Market lead accounts:

65% of total revenue: c. 5% growth rate

But:

Traditional SL account:

35% of total ER: c. -5% growth rate

Today #1 among only 30% of our top accounts

3-Market lead account:

Tight and Systematic tracking of progresses

Atos Sales methodology

Target setting

- ▶ Focus on Market led **top accounts** (~200 accounts) representing 65% of total Atos sales
- ▶ Building of differentiated **value proposition**

Governance

- ▶ Creation of **joint account teams** (Client Executive on Atos side, Pre-sales from SLs)
- ▶ Full **governance in place** with **cross-fertilization** board, **weekly reviews** and **arbitration** processes

Accounts planning

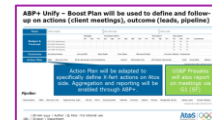
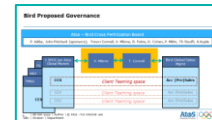
- ▶ Integration of **cross-selling actions** and **objectives** in **account planning** and into **sales animation** by Client Executives

Incentives

- ▶ **Incentive scheme** to accelerate existing pipeline, with objectives on **ER and OE**

Tools

- ▶ **Tools** leveraged to track on the progress and cascade actions



5

Atos Canopy

Orchestrated Hybrid Cloud

Eric Grall, Head of Managed Services

Michael Kollar, Chief Digital Officer North America

Leader in Cloud enablement

devices identification government exploitation insights tags analysis real time autonomous volume NFO and sensor incremental complexity surveillance applications instantaneous human virtual development synergy physical technology discovery digital public security privacy infrastructure remote cloud GPS collaboration environmental watermark exchange transfer global cooperation distribution automation smart RFID interdependency record data capture network sensors intelligence communication connected internet social interface massive objects relationships cluster speed integration life accuracy innovation barcodes knowledge information wireless time database people big data sharing structures interaction reactions tags

Deployed one of
the **world's**
largest
Hybrid Cloud

Global player
€700m
annual revenue

AtoS

**Named LEADER in
Cloud by leading
industry analysts**

Powerful Cloud Ecosystem

Atos Canopy Orchestrated Hybrid Cloud

Enabling the digital journey

Clients Business Drivers

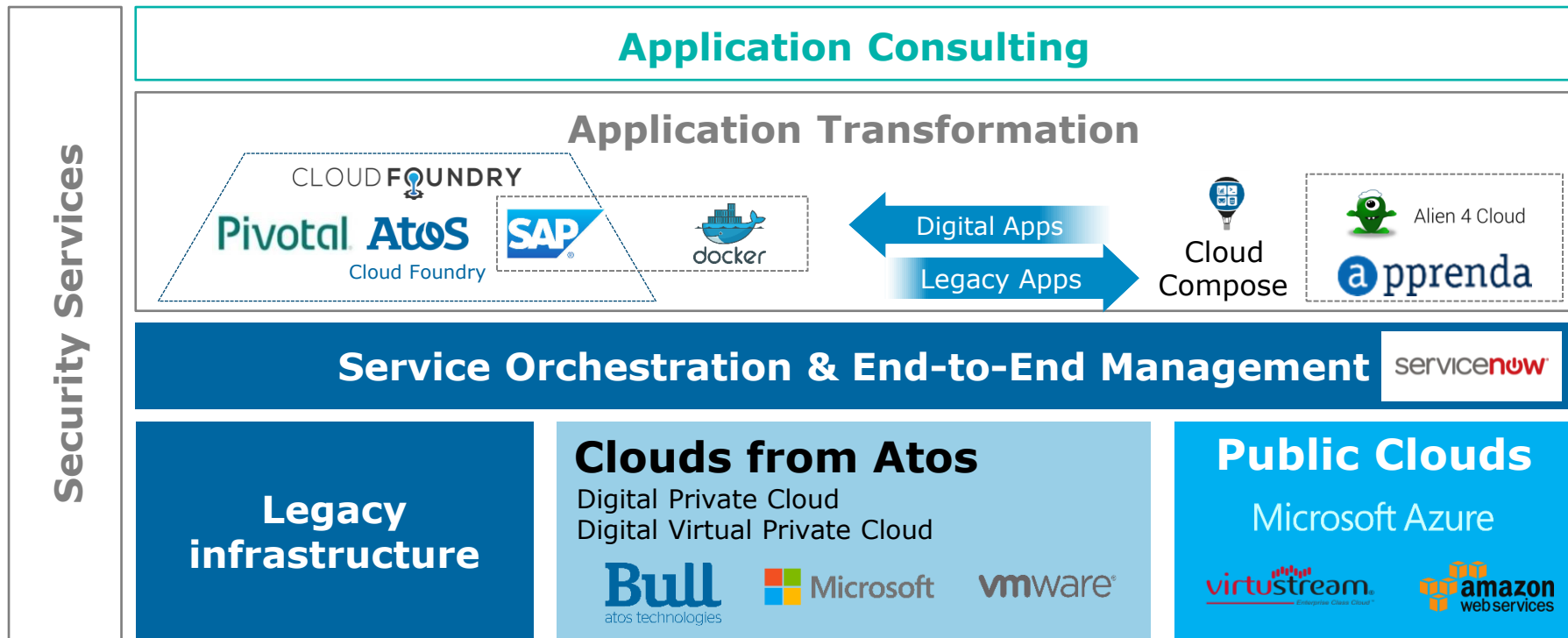
- ▶ Business Agility / Speed to Market
- ▶ Business Strategy Execution
- ▶ Application transformation and modernization
- ▶ Cost optimization
- ▶ Acceleration of Internet of Things
- ▶ Security & Compliance

Atos Solutions

- ▶ **Industrialized migration to cloud**
- ▶ **End-to-end Service Integration**
- ▶ **Hybrid Cloud Eco-System**
- ▶ **Highly automated**
- ▶ **Application Resource Islands**

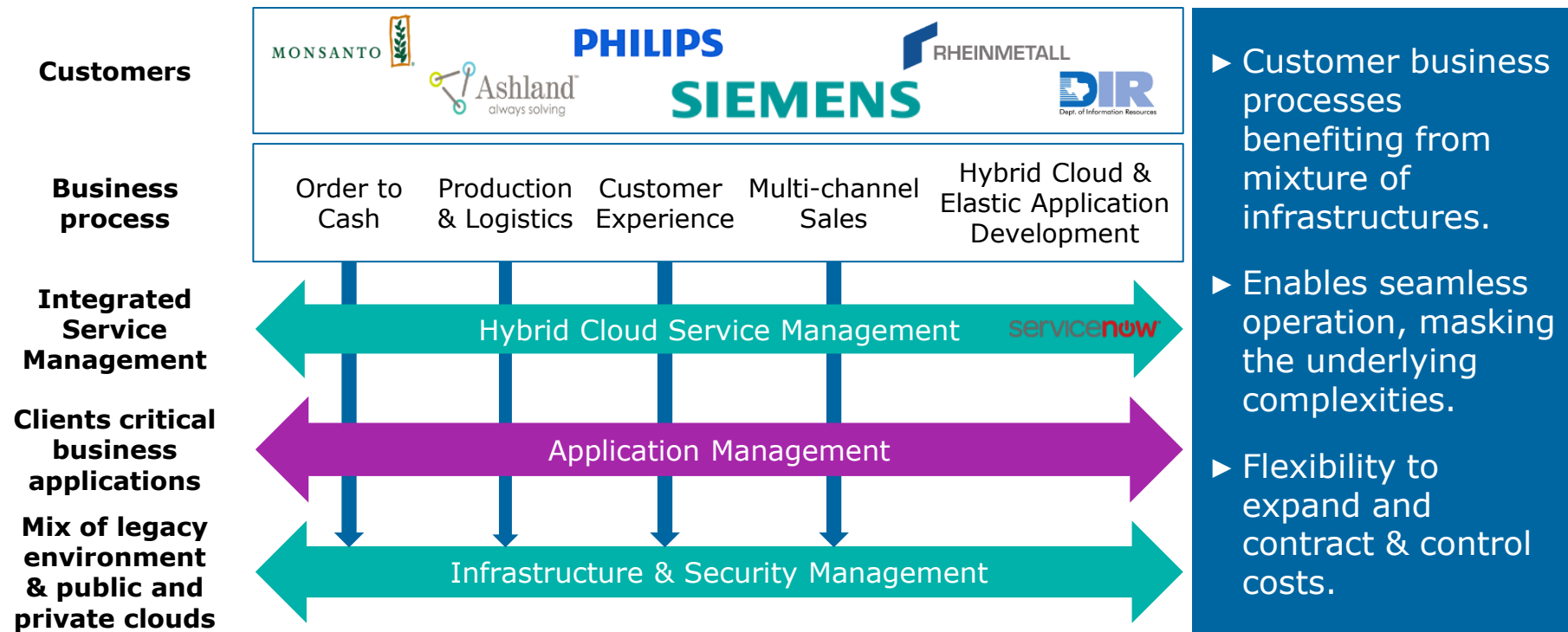
Atos Canopy Orchestrated Hybrid Cloud

Leveraging Atos and partner expertise, improving productivity and lowering risk



Atos Canopy Orchestrated Hybrid Cloud

Applying our integration expertise to cloud



Atos Canopy Orchestrated Hybrid Cloud

to transform customers applications & infrastructure

Application Classification

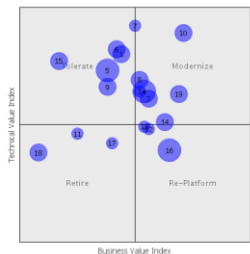
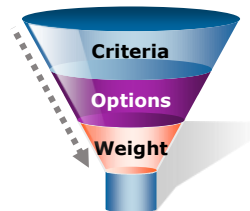
Complex

Value

Strategic

Regulatory

Decision Factory



Cloudification Factory

ReFresh
(Standardize)

ReFactor / ReFabric
(Modernize)

Re Host
(Migrate)

RePlace
(Develop)

Retire / Retain

Hybrid Cloud Platforms

Public



Private



We continuously leverage cloud innovation

Innovation never stops – within Atos and our unique network of partners

Research & Development

Atos



CLOUD FOUNDRY

DELLEMC

Client Innovation

SIEMENS

PHILIPS

MONSANTO



Strategic Partners

DELLEMC

vmware

Pivotal

service**now**

Cloud Ecosystem

apprenda



Google

virtustream
Enterprise Class Cloud™



vmware

A strong sales momentum

with large recent signatures

SIEMENS

RHEINMETALL

MONSANTO

pwc

PHILIPS



Rio2016



Ashland
always solving

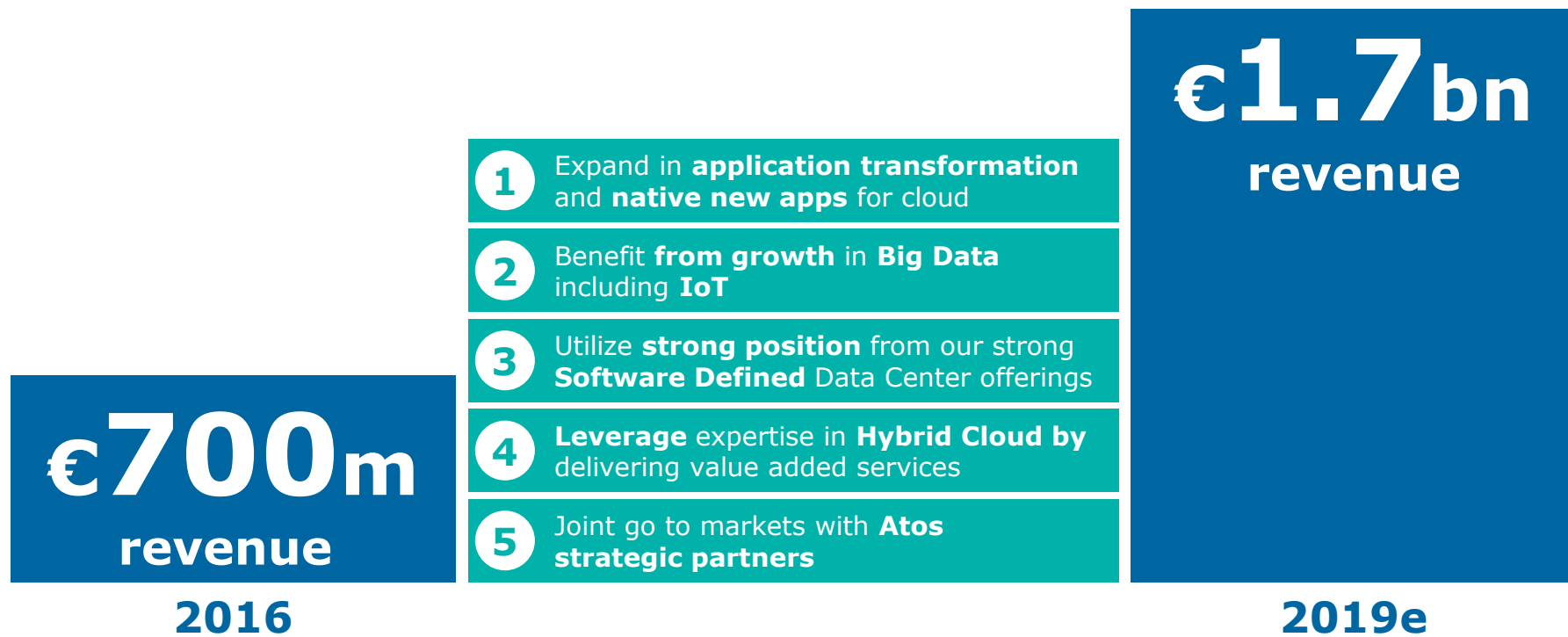


... and many others

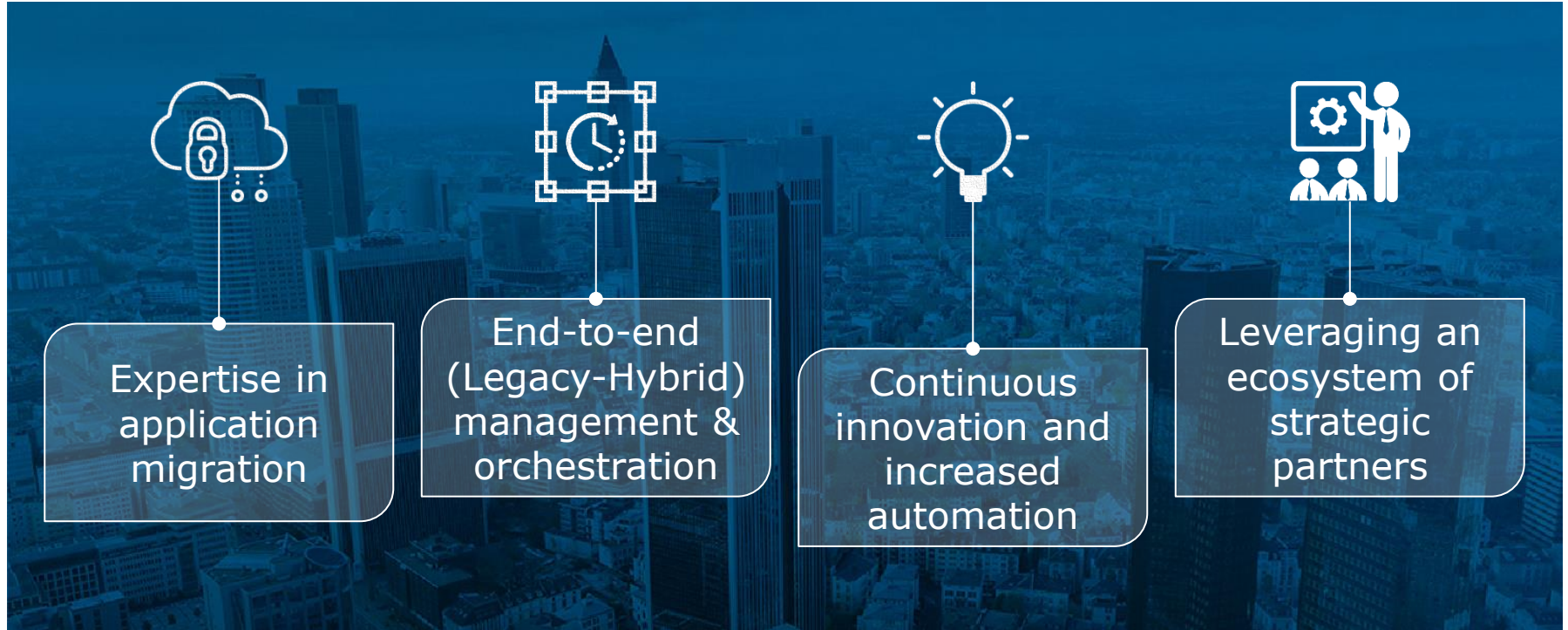
- ▶ **Application Modernization Services**
- ▶ **Hybrid Cloud Services**
- ▶ **Integrated ecosystem of partners**
- ▶ **Continuous innovation**

Atos Canopy Orchestrated Hybrid Cloud

3-year plan



Why clients are choosing Atos as their cloud partner



6

SAP HANA by Atos

Ursula Morgenstern

Head of Consulting & Systems Integration

R.V. Narasimham

Head of Global Delivery Center C&SI

HANA: ONE Database ONE Platform ONE System

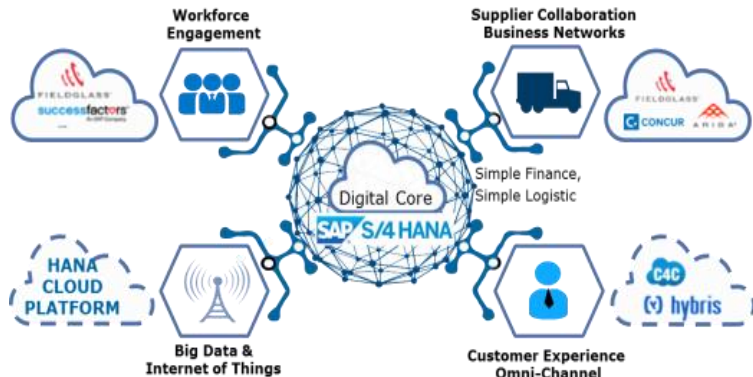
HANA is SAP response to Digital transformation



SAP new flagship



HANA Cloud Platform
Suite of SaaS software



HANA In Memory Database



IT Cost Optimization



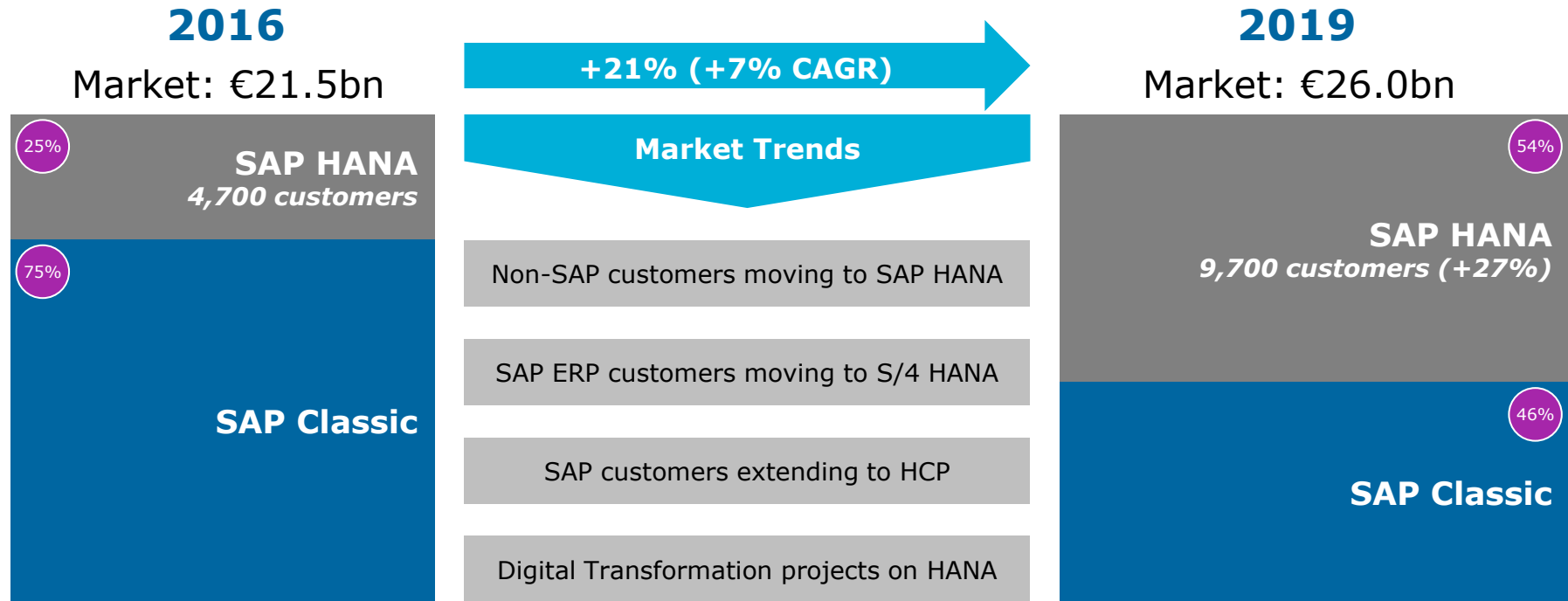
Business Cost Optimization



Business Process transformation

SAP HANA will be increasingly important for SAP

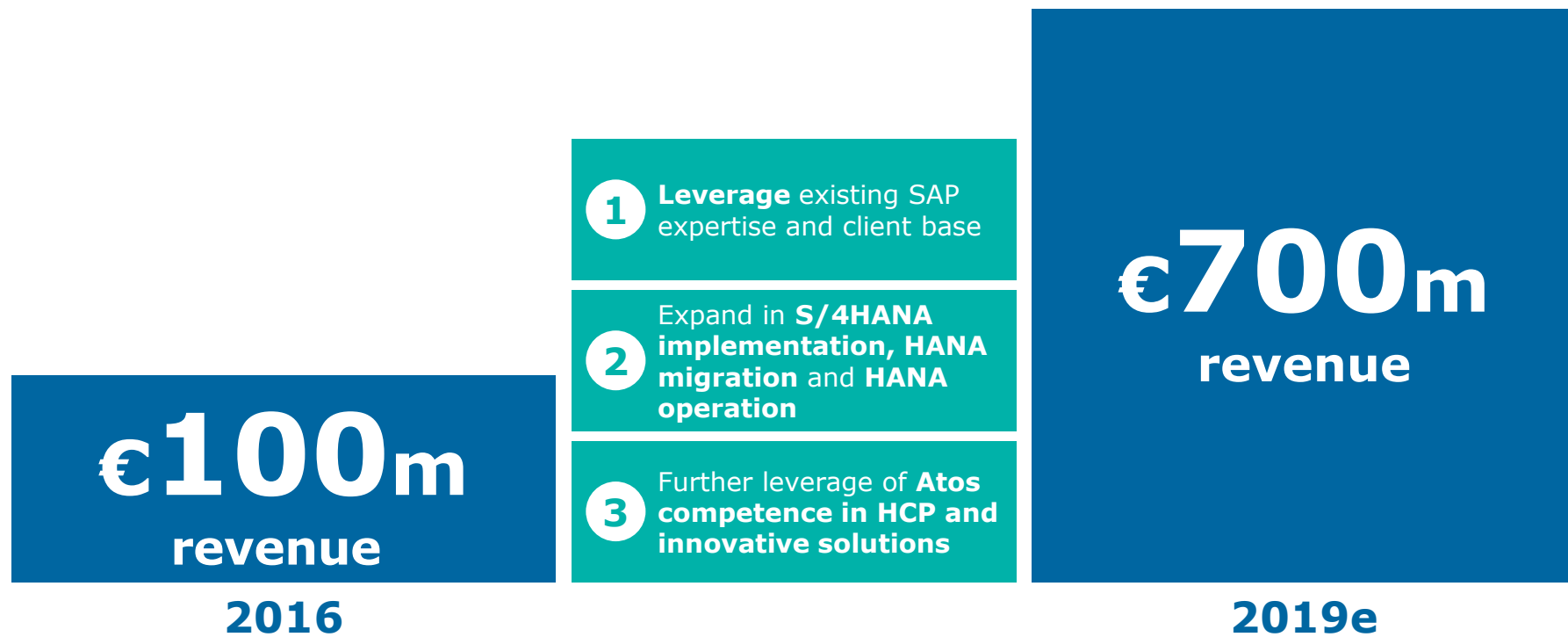
HANA: ONE Database & ONE Platform & ONE System



Evaluation of the SI-related SAP market Source: Forrester 2016

Atos SAP HANA growth

3 years plan



Atos provides an unique end-to-end HANA value proposition

Covering the full scope of SAP HANA Implementations



Comprehensive S/4HANA & HCP Capabilities



Flexible HANA Hosting and Cloud Services

Unique S/4HANA Tools and Accelerators



Leading HANA Appliance: Bullion



Bullion servers are the most scalable solution for SAP HANA



bullion™ for SAP HANA®

- ✓ Pre Integrated Server, Storage, OS, SAP HANA
- ✓ Intel® Xeon® processors
- ✓ Guaranteed Performance
- ✓ Single Point of Support



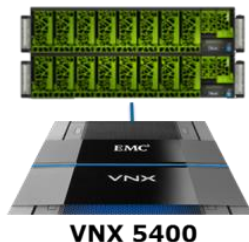
Certificate

SAP INTEGRATION CERTIFICATION

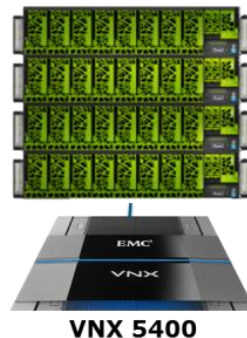
bullion S2 Up to 4TB



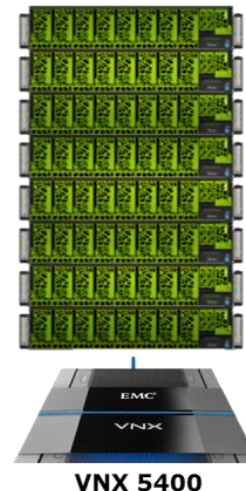
bullion S4 Up to 4TB



bullion S8 Up to 8TB



bullion S16 Up to 16TB



We enable our customer visions through SAP HANA solutions

E2E solution providing the environment in which Siemens will innovate its business



“Our SAP HANA project is an essential enabler for the new Siemens business vision, Atos is perfectly positioned to help us”

*Norbert Kleinjohann
CIO, Siemens*

About the largest SAP HANA project in the world



Conclusion: Why are clients selecting Atos



Simplify and massify client IT: end-to-end SAP HANA offering From Consulting & Integration to Digital & Analytics



Optimize your IT Costs: Atos combines services for both classical SAP and new digital SAP applications



Pay as you use: flexible pricing model phasing customer activity & project evolution



Atos, reliable partner: 32 years experience with SAP 12.000+ professionals in 40+ countries



Atos Digital Workplace

Eric Grall, Head of Managed Services
Peter Pluim, COO Managed Services

Digital Workplace services

Atos – recognized as a global Tier 1 leader



>1M
Unified
Communications
Users



31+ M
Resolved
Tickets



Digital and Physical
combined

€1.7bn
Revenue in 2016
Mostly classic workplace

AtoS
LEADER in
Gartner`s End User
Outsourcing Services
Magic Quadrant and
Forrester`s Workplace
Services Wave



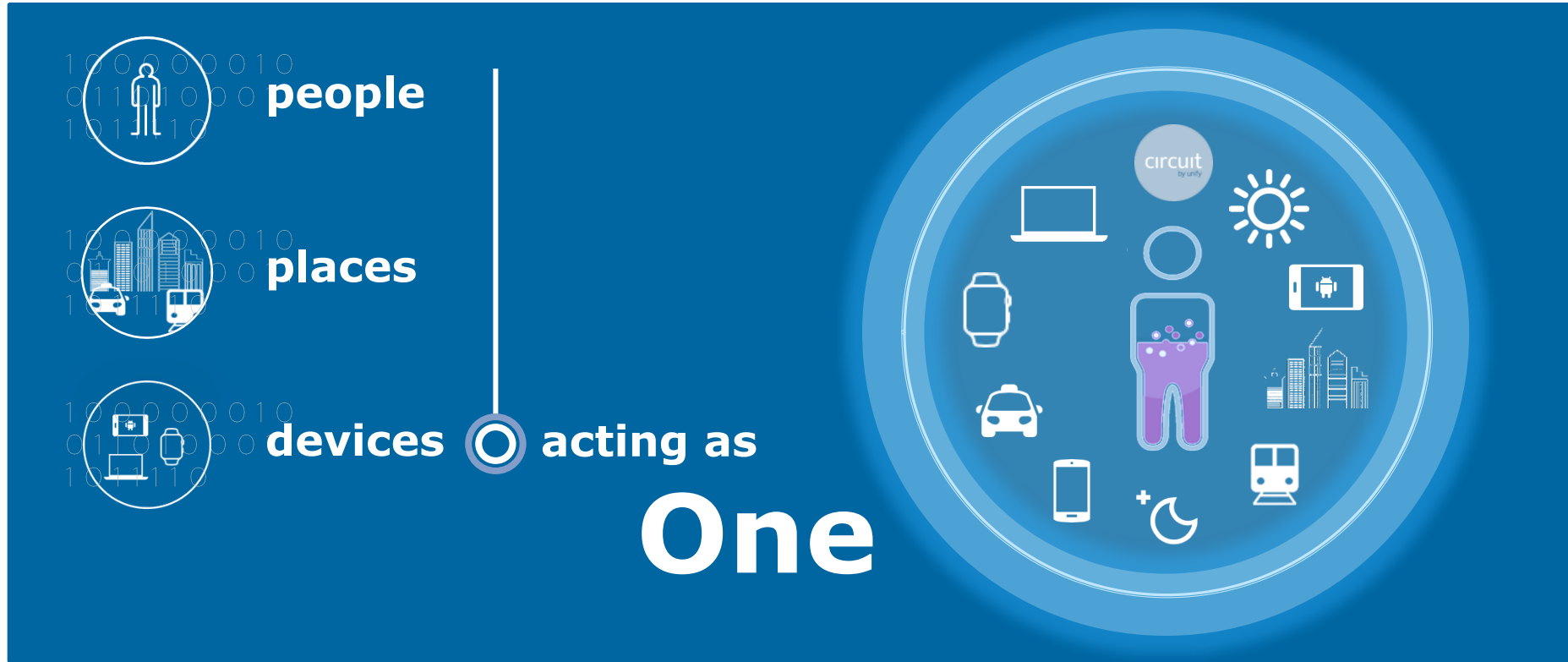
Leveraging
Unify
acquisition

Potential **market**
growth from
2016 to 2019 **~5%**
(€100bn p.a. market)

Atos see this as an ongoing area of significant growth

The new Digital Workplace

Employee experience and productivity is key



Business requirements of the enterprise user

Consumerization is redefining the way we work

Business Drivers

- ▶ Productivity of employees
- ▶ Explosion of mobile apps
- ▶ The consumer experience
- ▶ Extended collaboration
- ▶ Security
- ▶ Cost

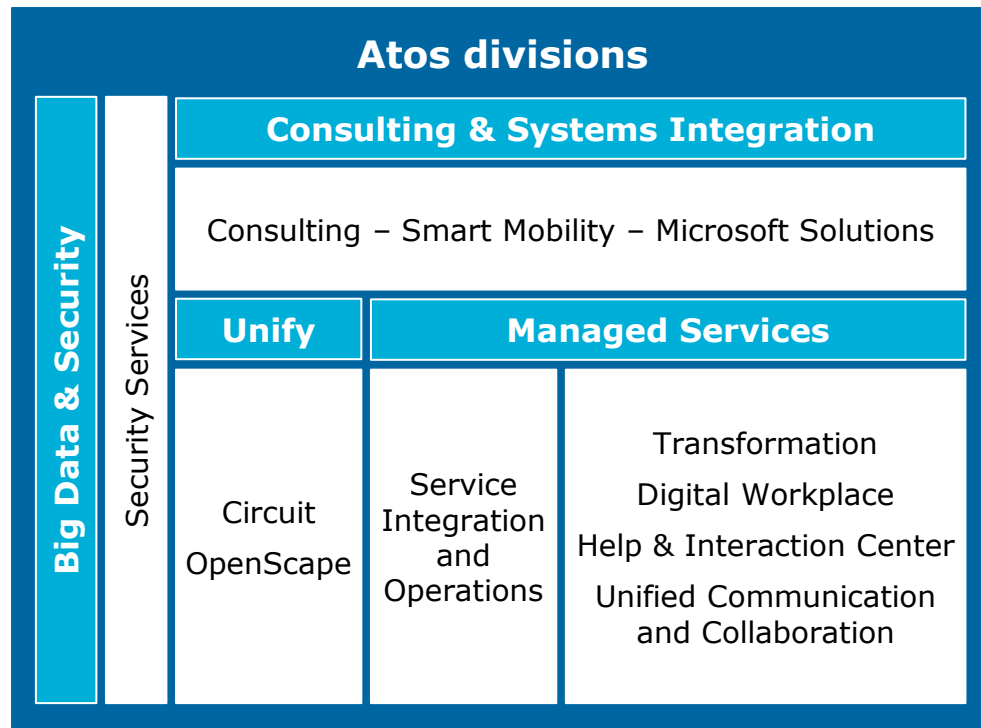
Atos Solutions

- ▶ **Help & Interaction Center**
Automation | Shift left | Analytics | Omni-channel
Outcome based | Cognitive
- ▶ **Digital Workplace**
Cloud & mobile first | Physical-Digital Mesh | Internet
Centric | Smart user Data | 'any app, any device'
- ▶ **UC & Collaboration**
Cloud based | Integrated | Social | Simplified | Wire free



Atos end-to-end Digital Workplace services

Mobilizing the strengths of all Atos divisions



Consultative
design | user profiling



Connected
agile | proactive



Engaging
wow factor | new ways of working



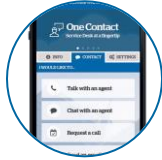
Efficient
automated | productive



Secure
trusted | always protected

Transformed End User Support Experience

'Shift left' approach leverages automation, analytics & cognitive services



'Consumer like' self service
increases usage



Atos Virtual Assistant (AVA)
leveraging cognitive capability



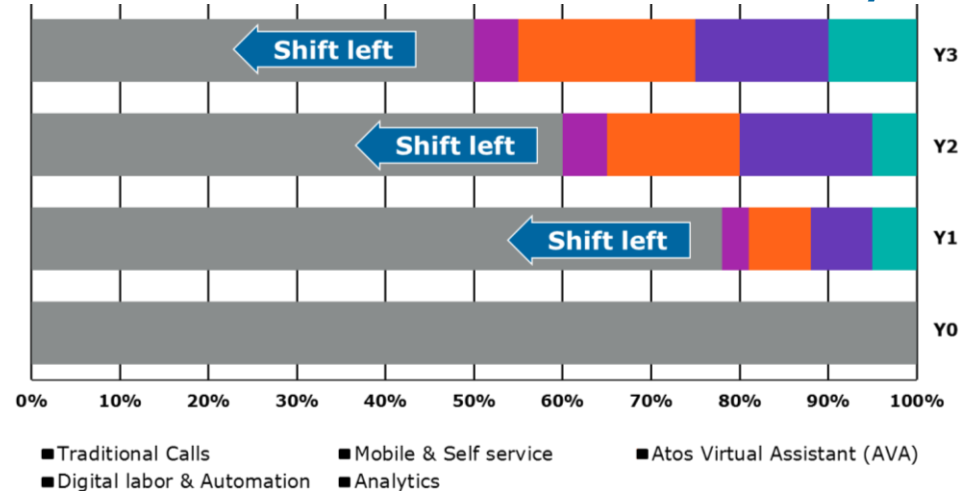
Digital labor & automation
faster resolution, 24x7



Predictive analytics
reduce total incidents proactively

> 50%

Traditional volume reduction over 3 years



We deliver Digital Workplace services via an integrated team

Delivering innovation with key partners

Atos partnerships ecosystem

DELL EMC

RSA

vmware

Enhanced
Alliance

VCE

xerox

syncplicity

intel

CITRIX

Microsoft

SAMSUNG

servicenow

CLICKFOX
The Leader in Customer Experience Analytics

Genesys



Deliver Best
Solution



Improve
Quality



Improve
innovation



Solve issues
faster

Our growing success with Digital Workplace

Helping clients to adopt innovation and move to digital



Telefonica

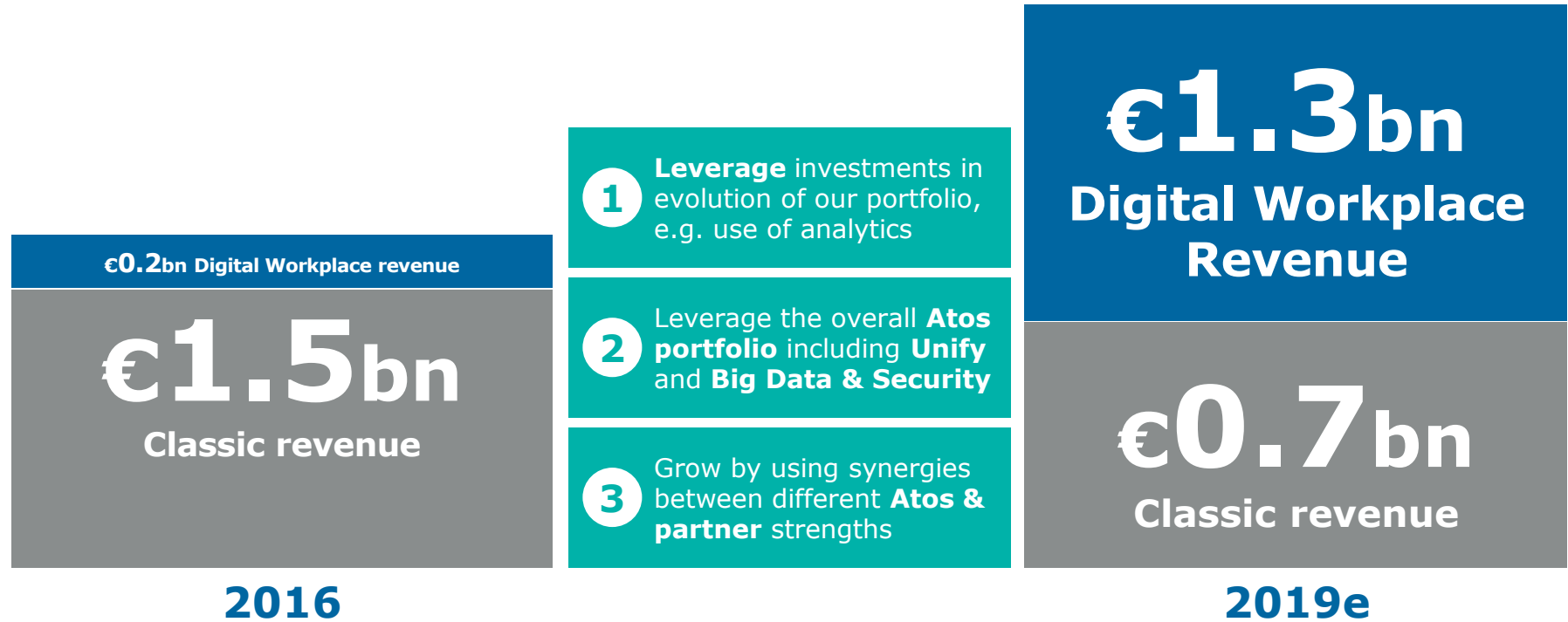
... and many others

It's all about people – places – platforms

- ▶ **Mobile App 'OneContact' and 'OneSource'** – working faster, less downtime
- ▶ **Analytics – deployment of ClickFox** – fixing things before people know there is an issue
- ▶ **File Sync & Share** – secure easy access to data anytime
- ▶ **Workplace as a Service** – on demand consumer like consumption
- ▶ **Office of the future** – wire free workplace
- ▶ **Tech bars** – personalized support

Atos Digital Workplace – growth in a transforming market

3 years plan – total revenue rises from €1.7bn to €2bn



Why clients are choosing Atos as their Digital Workplace partner

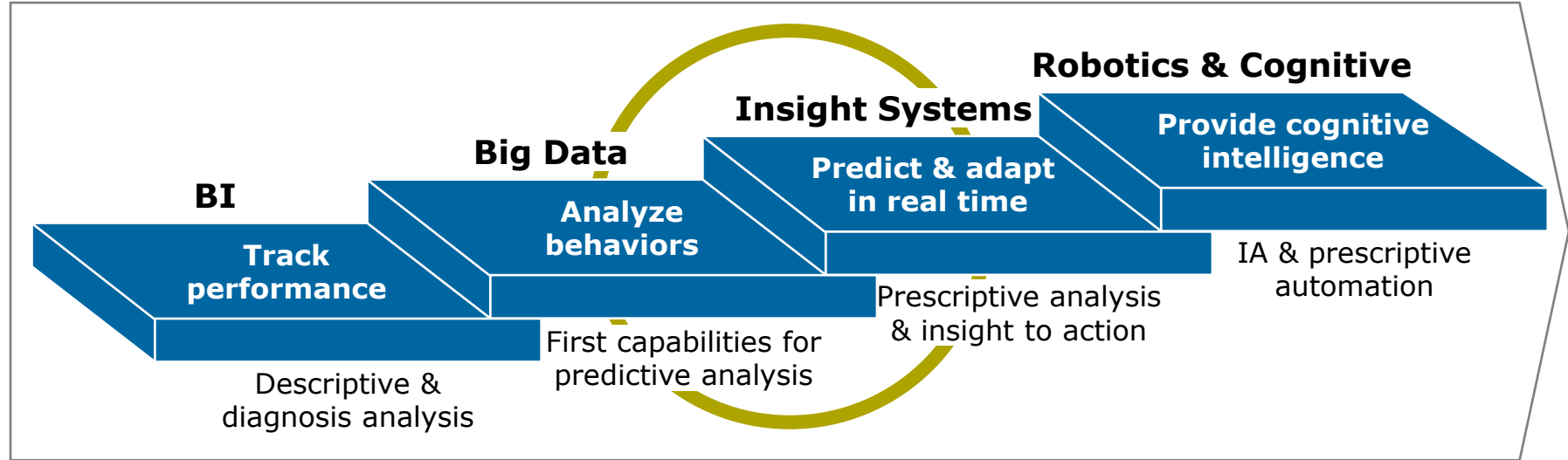




Atos Codex

Philippe Vannier
Chief Technology Officer

The World is changing from single, systems and organizations to networks of capabilities and data driven business

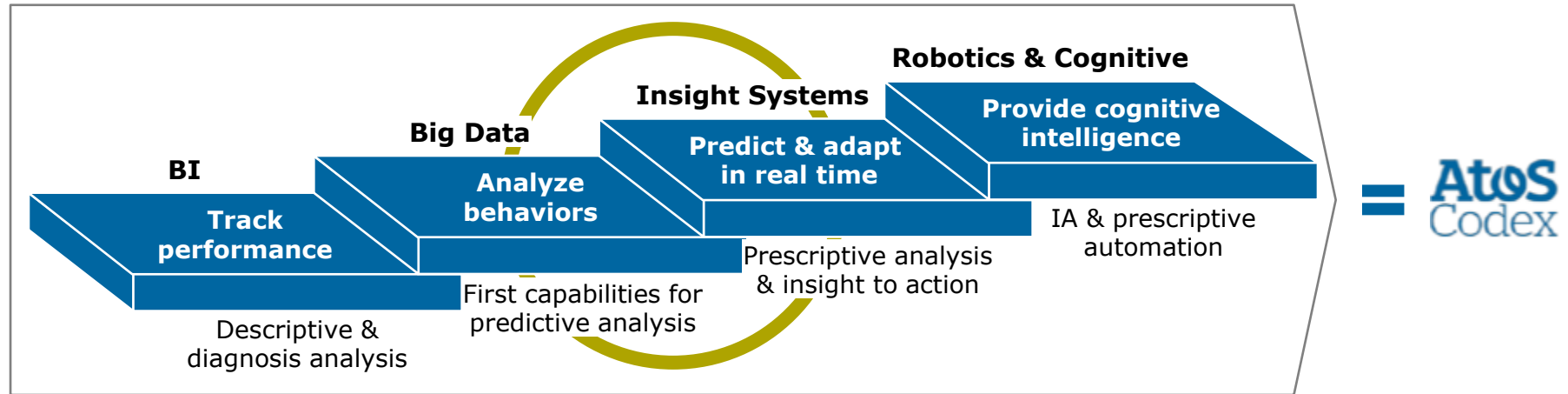


Many customer organizations state today that:

- ▶ They are still in an **early stages of Big Data** projects
- ▶ Their current priority is to get help to **drive business value from analytics**

Atos Codex – Cognitive Decision eXecution

= (business analytics + machine learning & intelligence) x computing power



Atos Codex – Cognitive Decision eXecution

Atos Codex is a **suite** of business-driven analytics and IOT **solutions** and **services**.
It **transforms data** into actionable business **insight** using **cognitive** capabilities.

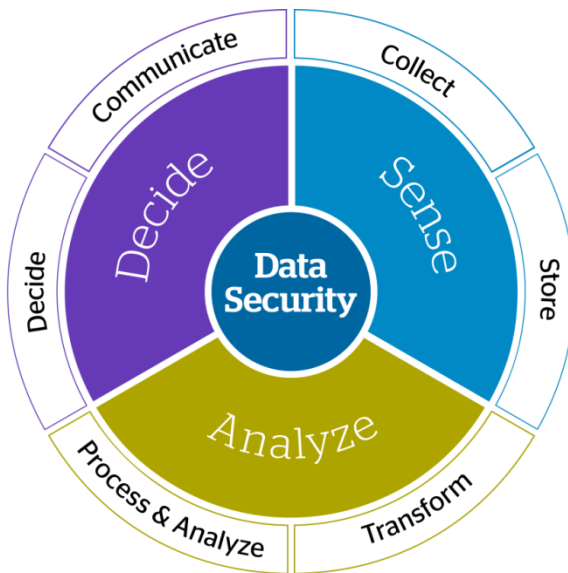
Atos Codex
for **Retail**

Atos Codex
for **Manufacturing**

Atos Codex
for **Transport**

Atos Codex
for **Financial Services**

Atos Codex
for **Utilities**



Atos Codex
for **Telco**

Atos Codex
for **Media**

Atos Codex
for **Public Sector**

Atos Codex
for **Health**

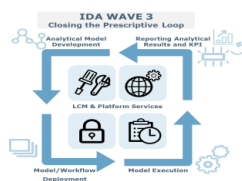
Atos Codex
for **Defense**

Atos Codex – Pioneering co-innovation programs with customers is core to our research strategy

Atos R&D totals yearly €300 million ;15 R&D centers in 9 countries; 120+ new patents filed each year;
7 strategic programs including a major one on **Next generation analytics**

Algorithmic Platforms

Atos and **Siemens** strengthen their co-R&D in **advanced analytics**



**2017/2018+:
prescriptive IoT
analytics**

**2016: Atos Codex,
Sinalytics and
Mindsphere**

**2015-2016:
Streaming &
Distributed Analytics**

**2014: Predictive
Analytics**

Exascale Systems

Atos and **CEA** team up to deliver an **Exaflop** supercomputer



Bull
atos technologies

203x: Quanta 1

2021: Exa 1

App Perf x40

2017: Tera 1000-2

App Perf x25

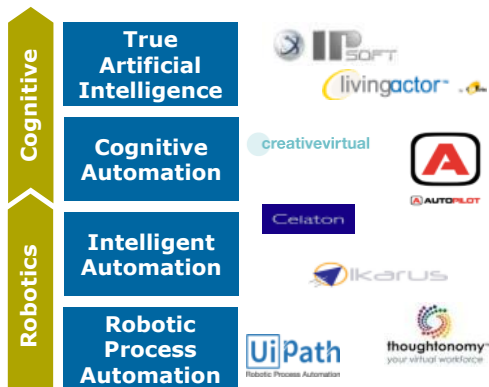
Energy eff. x20

2015: Tera 1000-1

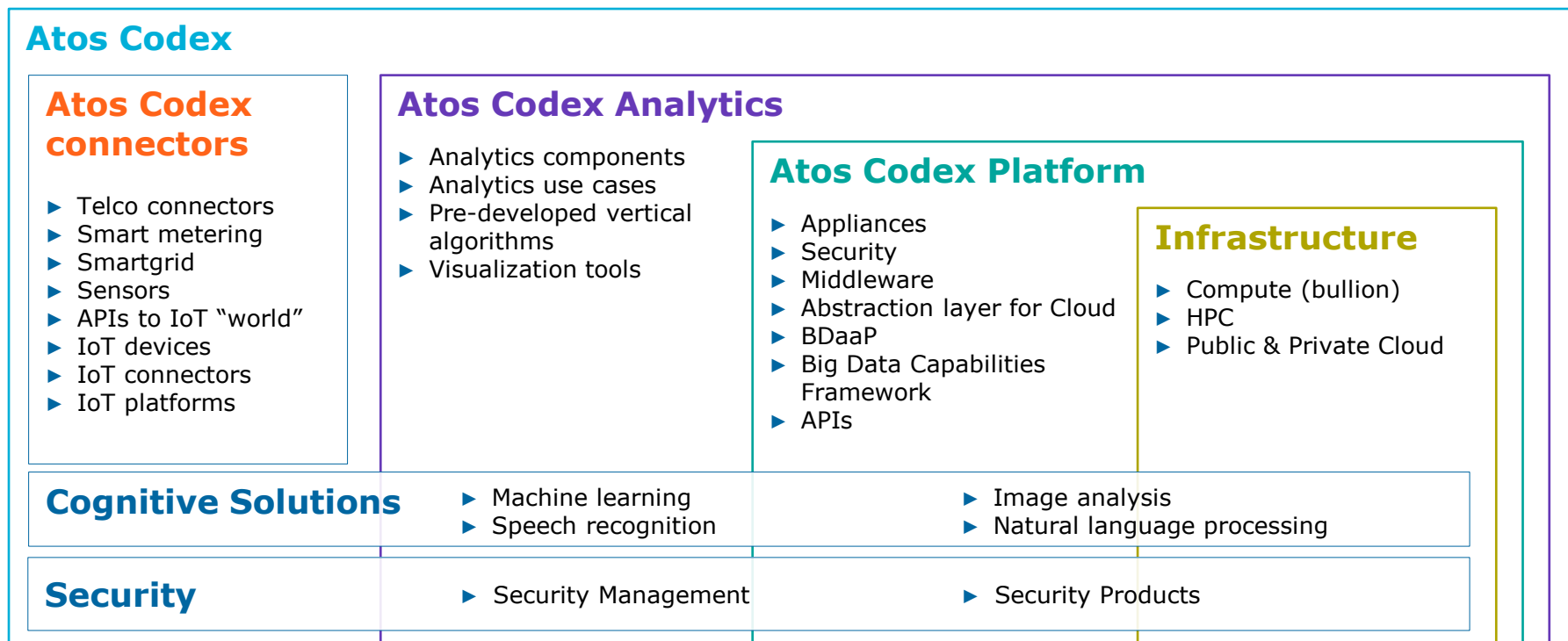
Energy eff x5

Robotics & Cognitive

Atos federates a broad ecosystems of **partners** for automation



Atos Codex – high-level view of our complete solution



Atos Codex – supporting our customer's journey to data centric business

1. Methodology & Data Science

Agile analytics consulting and Proof-of-Value sprints to transform data into profitable insights

2. Customer design labs

Accelerators, templated solutions and fast incubation services to develop at start-up speed

3. Open industrial analytic platform

As a service, on premise and BPO platforms to boost analytics agility & TCO fully embedded with our IOT solutions-

canopy
the atos cloud

Bull
atos technologies

worldline
e-payment services

5. Industrialize best practices and use cases

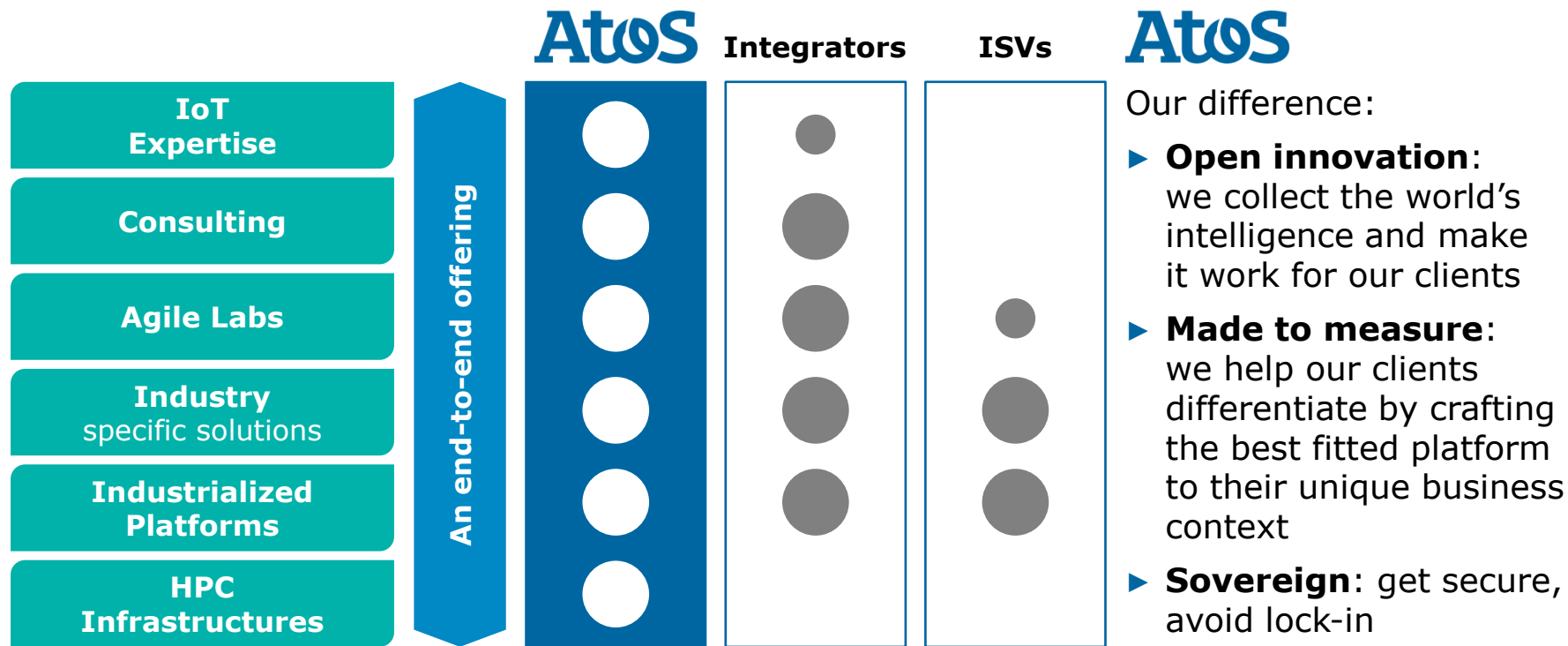
Ready to deploy use cases to build best-in-class business solutions

4. High-Performance Data Analytics

Open Exascale-class supercomputing and appliances to provide exceptional outcomes



Our end-to-end Atos Codex capabilities help our customers be one step ahead



Atos Codex

Innovator in data driven business

4.000+
Codex experts

**Industry leading HPC,
HPDA computing**

100+
**Codex analytics
engagements in
2016**

**Ready to deploy,
technology leading
analytics platform
with enhanced multi
cloud capabilities**

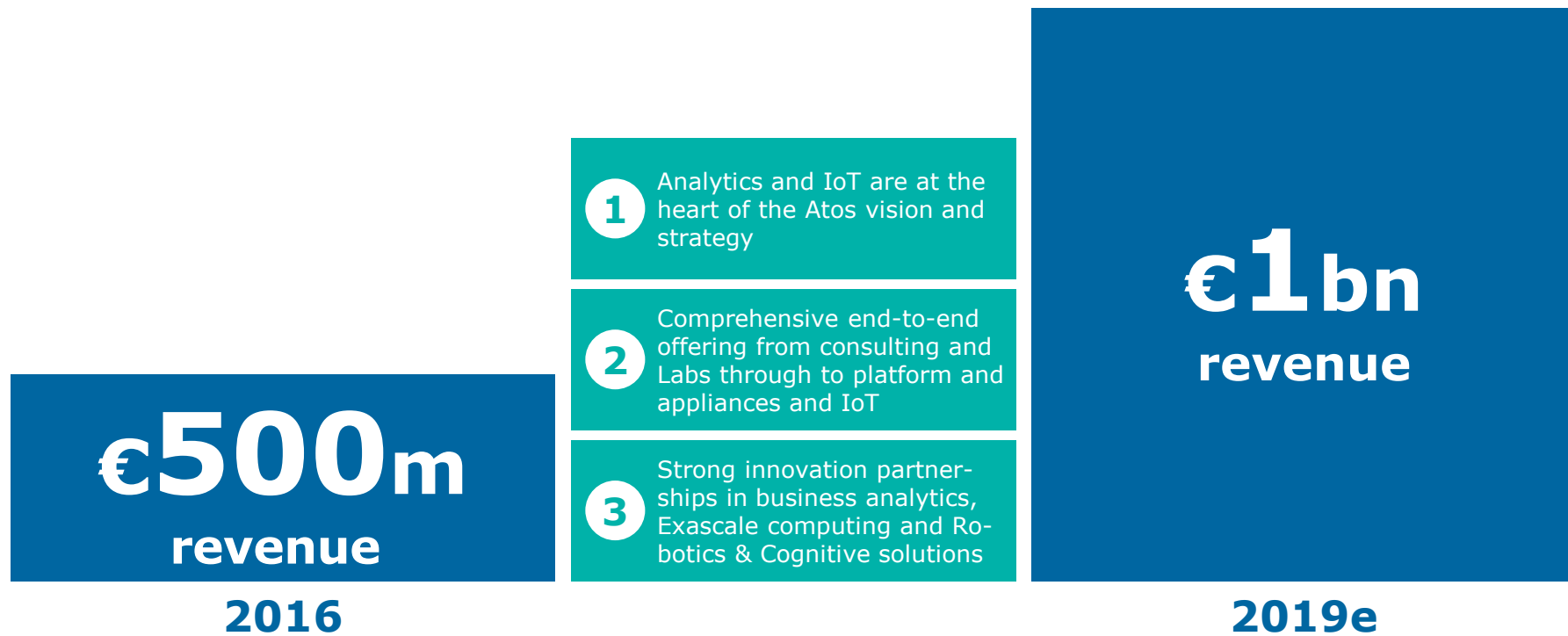
Global player
c. €500 m
annual revenue

Atos

**Named Innovator
in Analytics by
leading industrial
analysts**

Atos Codex growth

3 years plan



Conclusion: Why are clients selecting Atos



Advanced
Analytics and
IoT Platform
Leading HPC
and HDPA
systems



Strong vertical
expertise
and unique
end-2-end
methodology



Continuous
joint innovation
with industry
leading
partners



Strategic key
partner
ecosystem

9

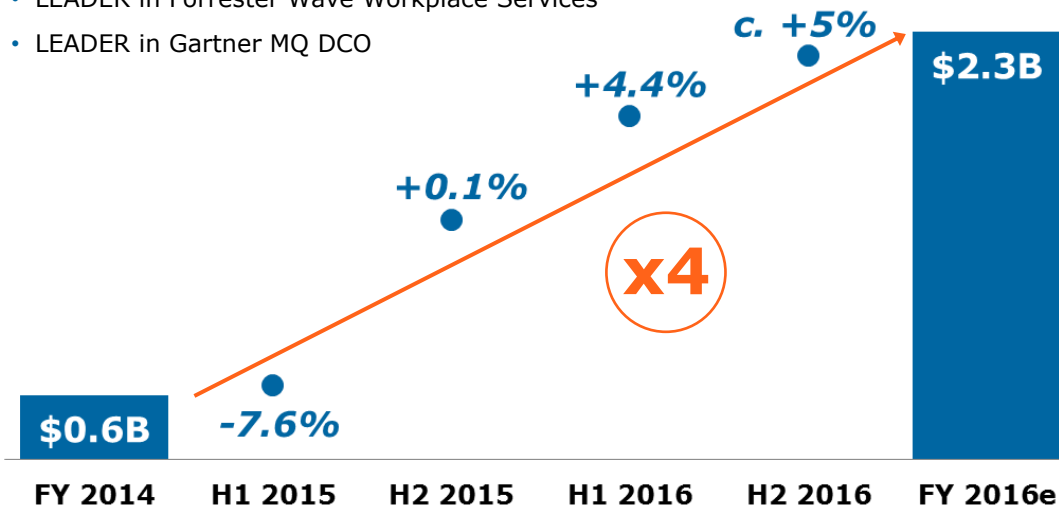
Fueling growth in North America

Michel-Alain Proch - Group SEVP

Chad Harris - President North America

The new Atos North America has been rapidly growing

- LEADER in Forrester Wave Workplace Services
- LEADER in Gartner MQ DCO



Powering Progress:

- Improved scale & portfolio
- Deepened vertical expertise
- Increased market recognition
- Awarded for Employee Engagement



Ortho Clinical Diagnostics



MONSANTO



DAIMLER

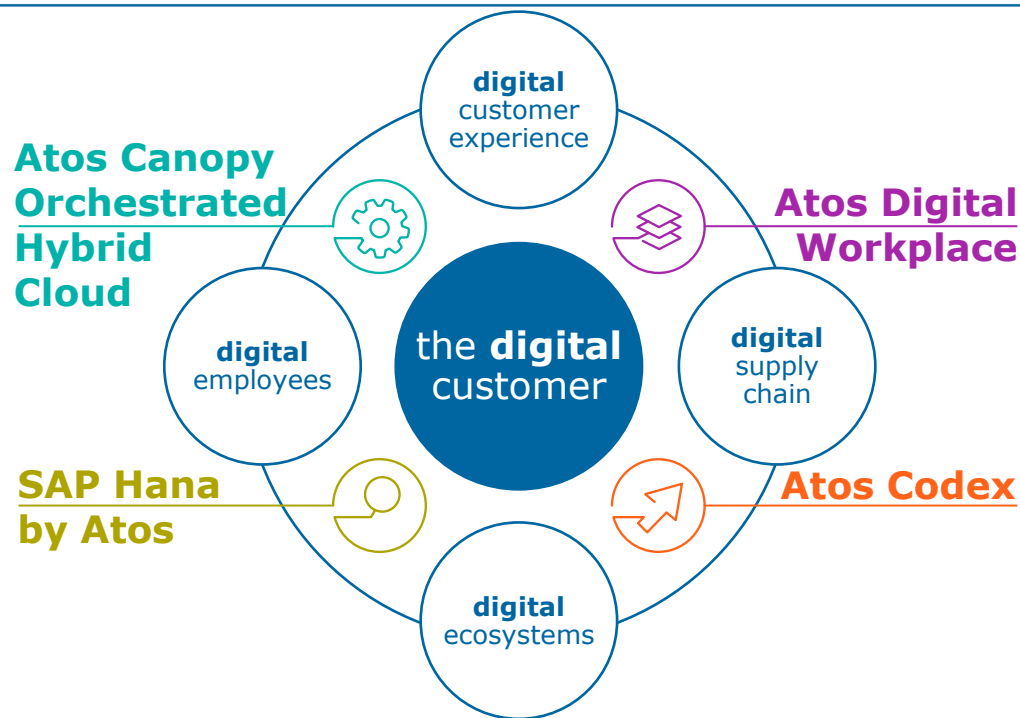
* vs . US industry average of 32%

The North American market has become an “as-a-service-economy”

Extracting business value from **fragmented legacy platforms** and new **digital systems** to rapidly deliver **business outcomes**

What keeps North American CIO/CDOs awake at night ?

- 1 Becoming **digital while staying secure**
- 2 Embracing **Internet of Things**
- 3 Deploying **Autonomic & Cognitive**
- 4 Establishing **Ecosystems & Partnerships**
- 5 Providing **predictive Analytics**



North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

**Healthcare
Services &
Products**

**Healthcare
RCM**

**Retail
Technology
Services**

NG-911

**Manufacturing, Retail
& Transportations**

Public & Healthcare

Telcos, Media & Utilities

Financial Services

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

**Healthcare
Services &
Products**

**Healthcare
RCM**

**Retail
Technology
Services**

NG-911

**Manufacturing, Retail
& Transportations**

MONSANTO



Public & Healthcare



Telcos, Media & Utilities



Financial Services

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

**Healthcare
Services &
Products**

**Healthcare
RCM**

**Retail
Technology
Services**

NG-911

**Manufacturing, Retail
& Transportations**



Public & Healthcare



Telcos, Media & Utilities



Financial Services

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

**Healthcare
Services &
Products**

**Healthcare
RCM**

**Retail
Technology
Services**

NG-911

**Manufacturing, Retail
& Transportations**



Public & Healthcare



Telcos, Media & Utilities



Financial Services

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

**Healthcare
Services &
Products**

**Healthcare
RCM**

**Retail
Technology
Services**

NG-911

**Manufacturing, Retail
& Transportations**



Public & Healthcare



Telcos, Media & Utilities



Financial Services
Morgan Stanley

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy Infrastructure

Atos Canopy Clouds

Public Clouds

Healthcare Services & Products

Healthcare RCM

Retail Technology Services

NG-911

Manufacturing, Retail & Transportations



Public & Healthcare



Telcos, Media & Utilities



Financial Services
Morgan Stanley

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

Healthcare
Services &
Products

Healthcare
RCM

Retail
Technology
Services

NG-911

Manufacturing, Retail
& Transportations



Public & Healthcare



Telcos, Media & Utilities



Financial Services
Morgan Stanley

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified
Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy
Infrastructure

Atos
Canopy Clouds

Public
Clouds

Healthcare
Services &
Products

Healthcare
RCM

Retail
Technology
Services

NG-911

Manufacturing, Retail
& Transportations



Public & Healthcare



Telcos, Media & Utilities



Financial Services
Morgan Stanley

North American go-to-market strategy is Atos Digital Transformation Factory

Secured by Atos

Atos Codex

Atos Digital Workplace

Omni Channel

Unified Communications

Mobile

SAP HANA by Atos

Application Transformation

Atos Canopy Orchestrated Hybrid Cloud

Service Orchestration & End-to-End Management

Legacy Infrastructure

Atos Canopy Clouds

Public Clouds

Healthcare Services & Products

Healthcare RCM

Retail Technology Services

NG-911

Manufacturing, Retail & Transportations



Public & Healthcare



Telcos, Media & Utilities



Financial Services
Morgan Stanley

TOWERS WATSON

The North American Healthcare practice now delivering US\$ 0.5B of revenue

AtoS Healthcare,
Life science
& Pharma



anthelio[®]
A higher aim. A newer standard.



AtoS Healthcare
Digital
Solutions

Cutting-edge
technology of
differentiated offers

Serving
>120 customers
in all segments in HC

Integrated solutions
delivered by
>2,300 experts

AtoS Healthcare
Digital
Solutions

External recognition



Gartner



Full integration completed end of Q4 2016

Atos Digital Transformation Factory

growth accelerators

Technology partners

- Embed best-of-breed technologies in Atos' solution architectures
- From Technology to Business *Partners*, via joint go-to-market



Business partners

- Embed our existing offerings to enrich BP solutions
- Co-innovation programs with joint go-to-market



Enhance X-Service Line offerings

- SAP HANA
- Apps transformation factory
- Codex:
 - Analytics
 - Data Lake
 - IoT/Mobility

Key takeaways:

Atos accelerating in North America

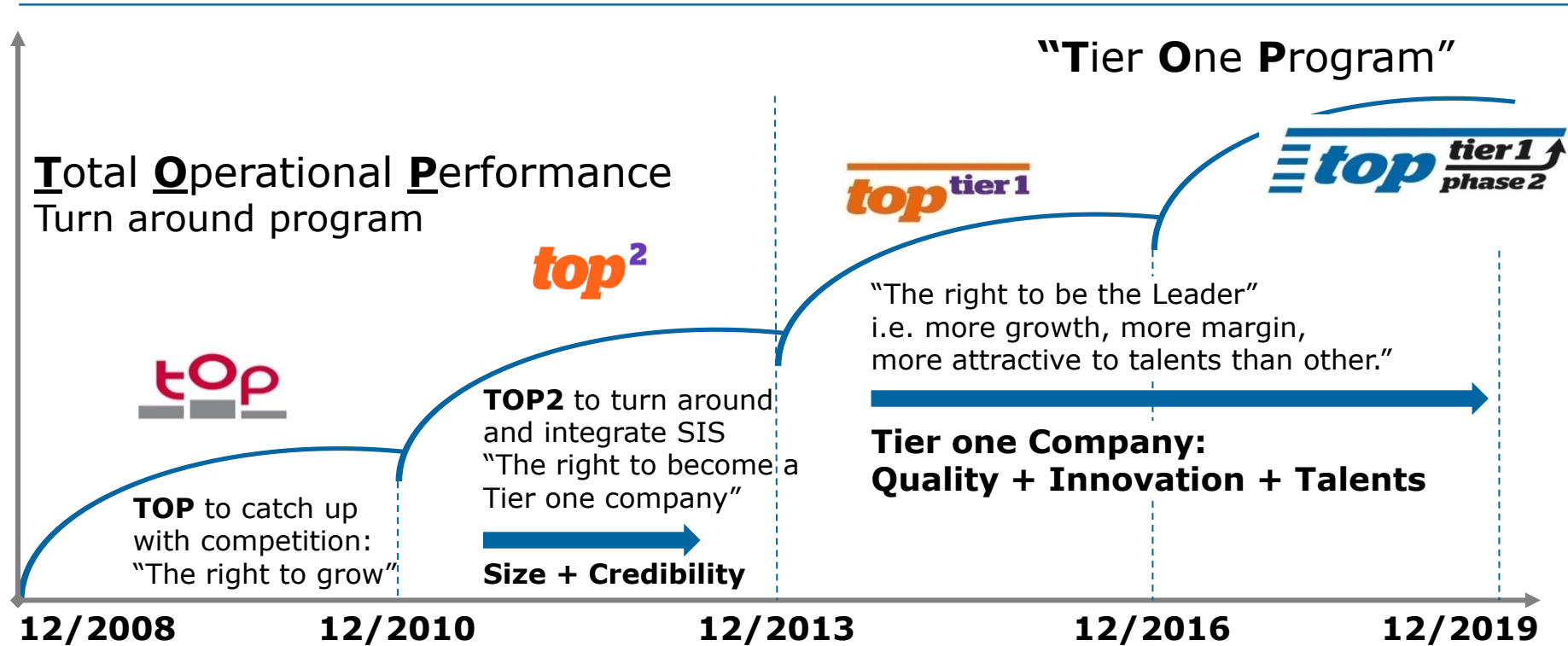
- 1 Continuing to serve as **a first mover/adopter** for Atos
- 2 Bringing together an **orchestrated ecosystem of world class partners** to deliver **business outcomes**
- 3 **Gaining market share** and **expanding our portfolio** at existing customers
- 4 Cross selling **Consulting & Systems Integration** and **Big Data & Cybersecurity**
- 5 **Seizing North American consolidation opportunities**



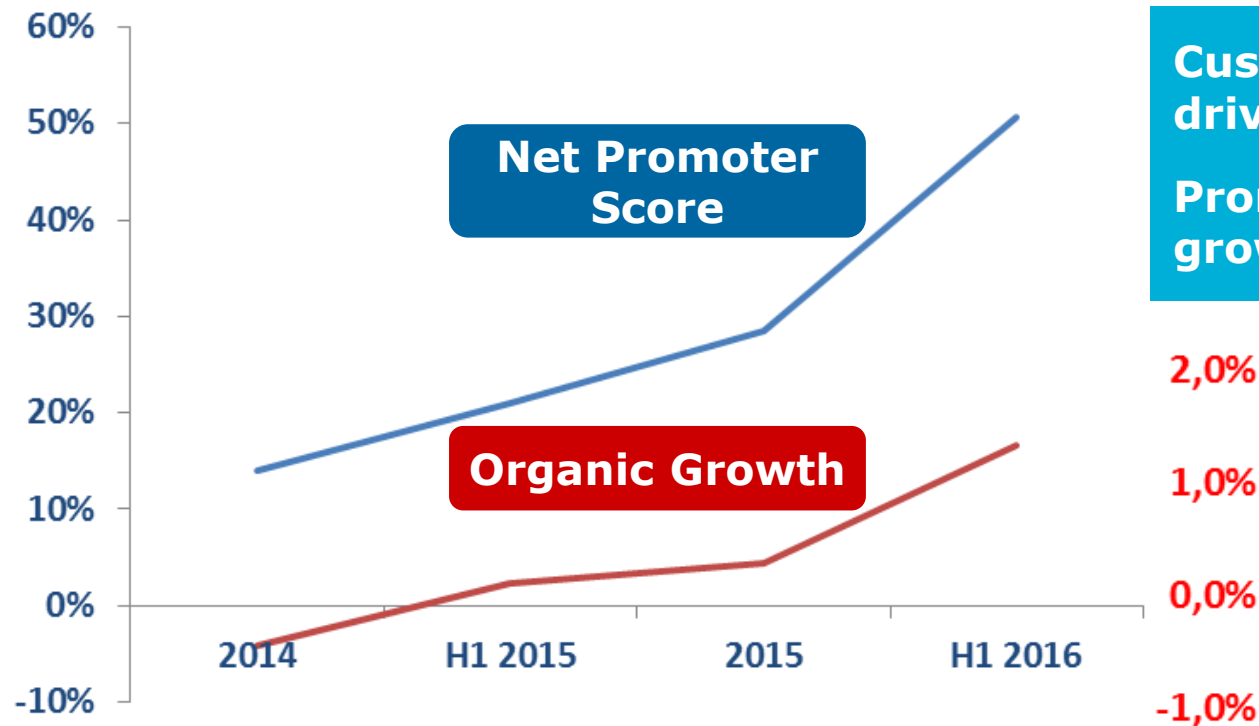
Actions for competitiveness

Charles Dehelly, Group SEVP

TOP: our DNA: focus on continuous improvement



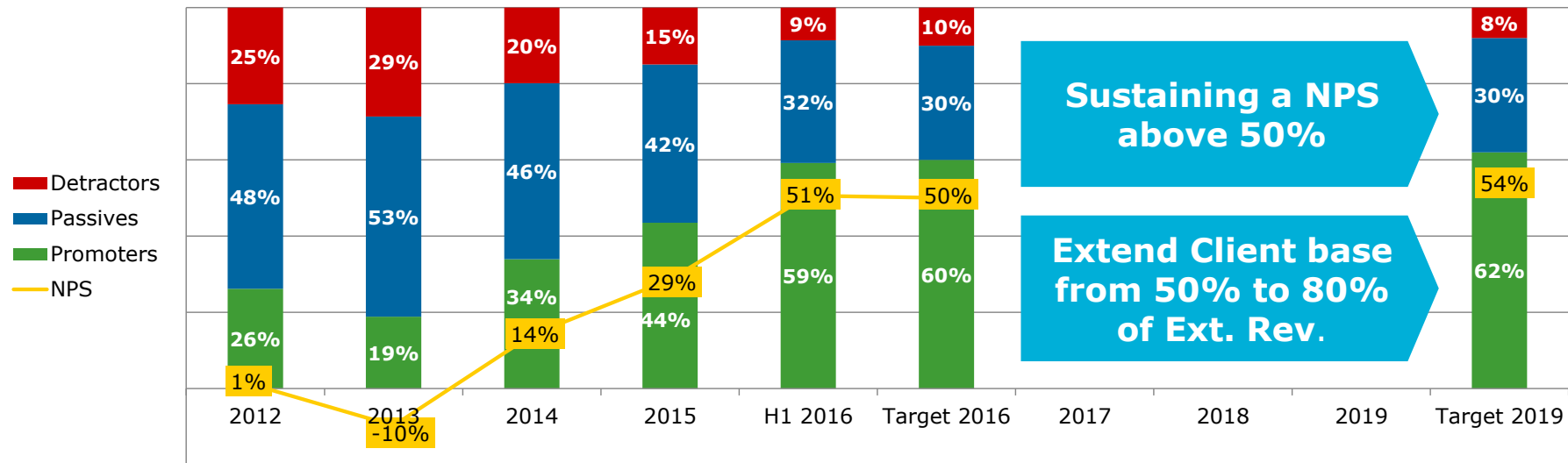
Customer Satisfaction – A growth driver. 2013–2019



Customer satisfaction is driving growth!

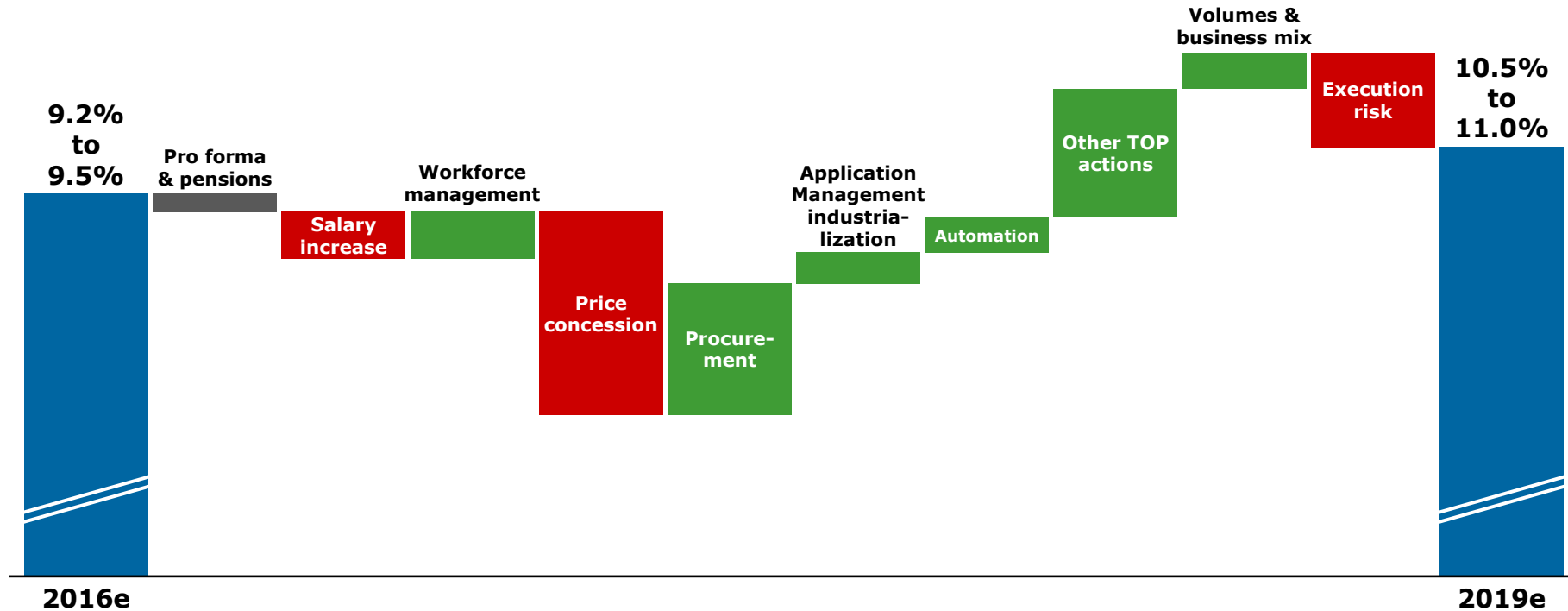
Promoters clients are growing 5-10%/year!

Customer Satisfaction – Sustaining a “Net Promoter Score” above 50% and enlarging Client coverage



Operating margin evolution 2016–2019

A fully secured c.200 bps improvement



12

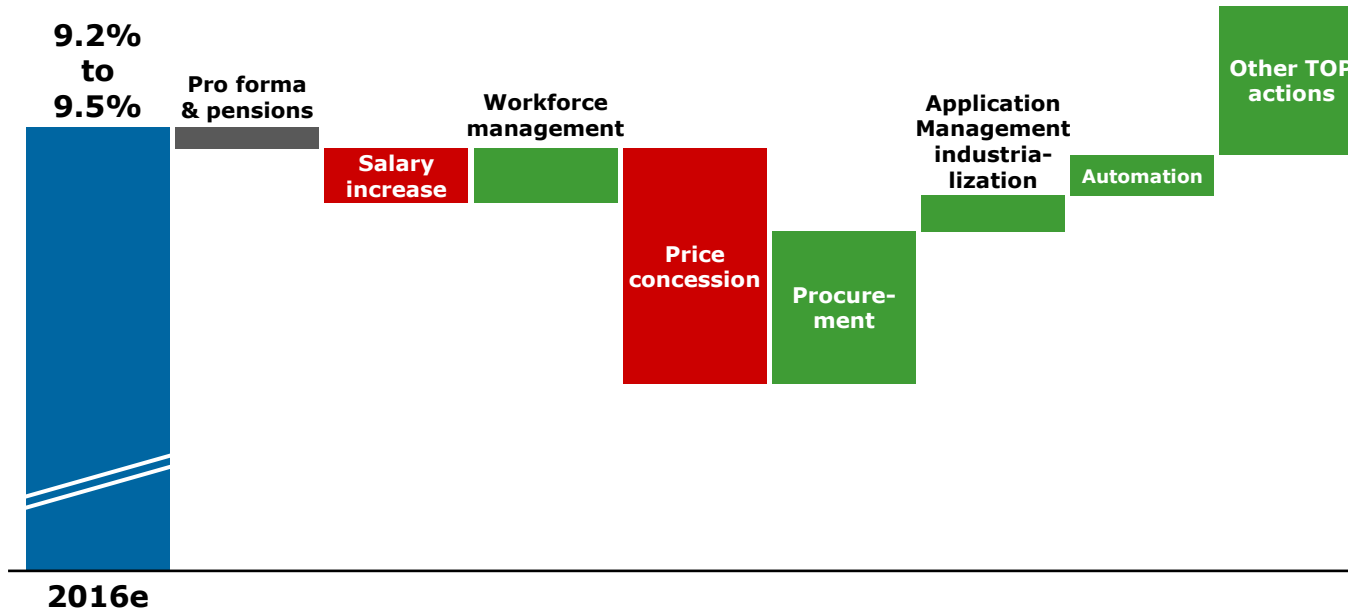
TOP

Agnès Noël Diallo

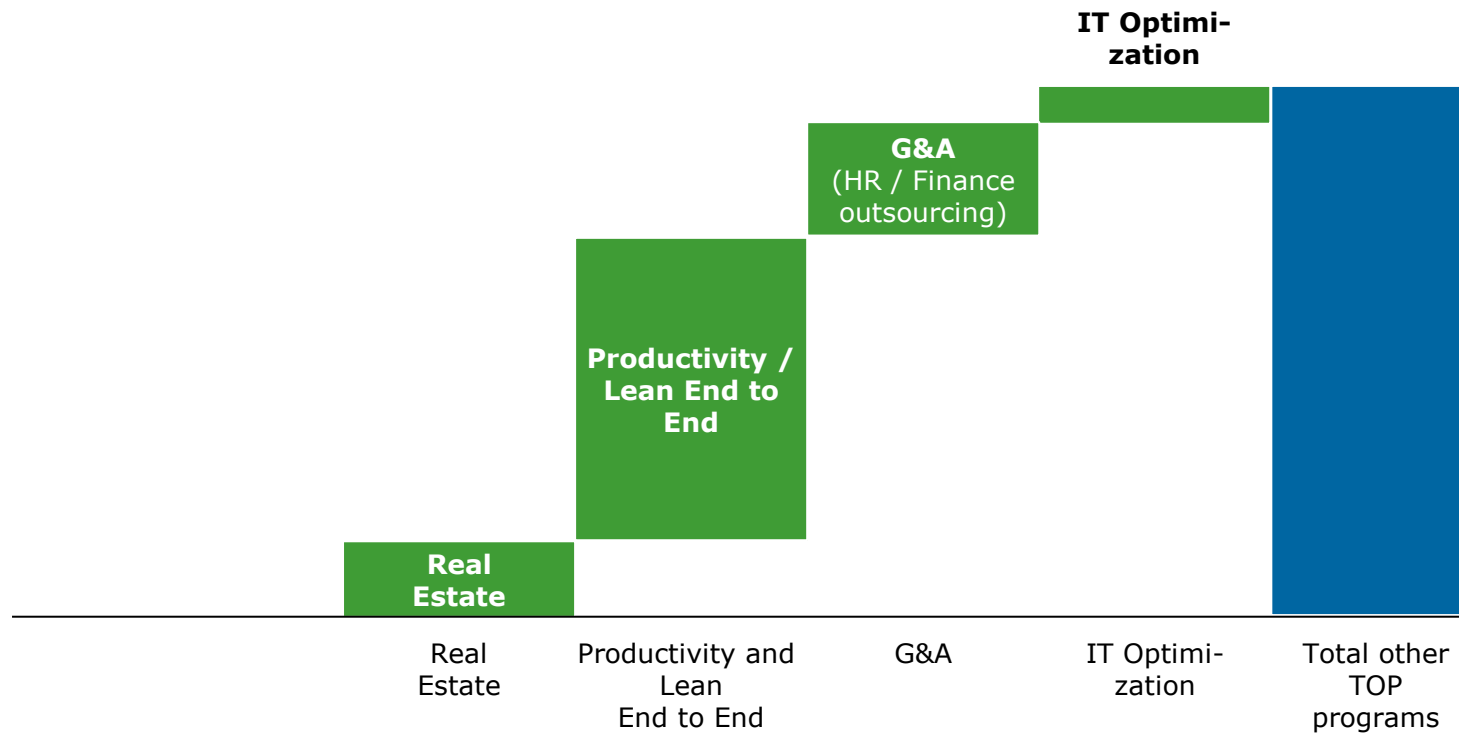
Group Chief Lean officer and
TOP Programs

Operating margin evolution 2016–2019

A fully secured c.200 bps improvement

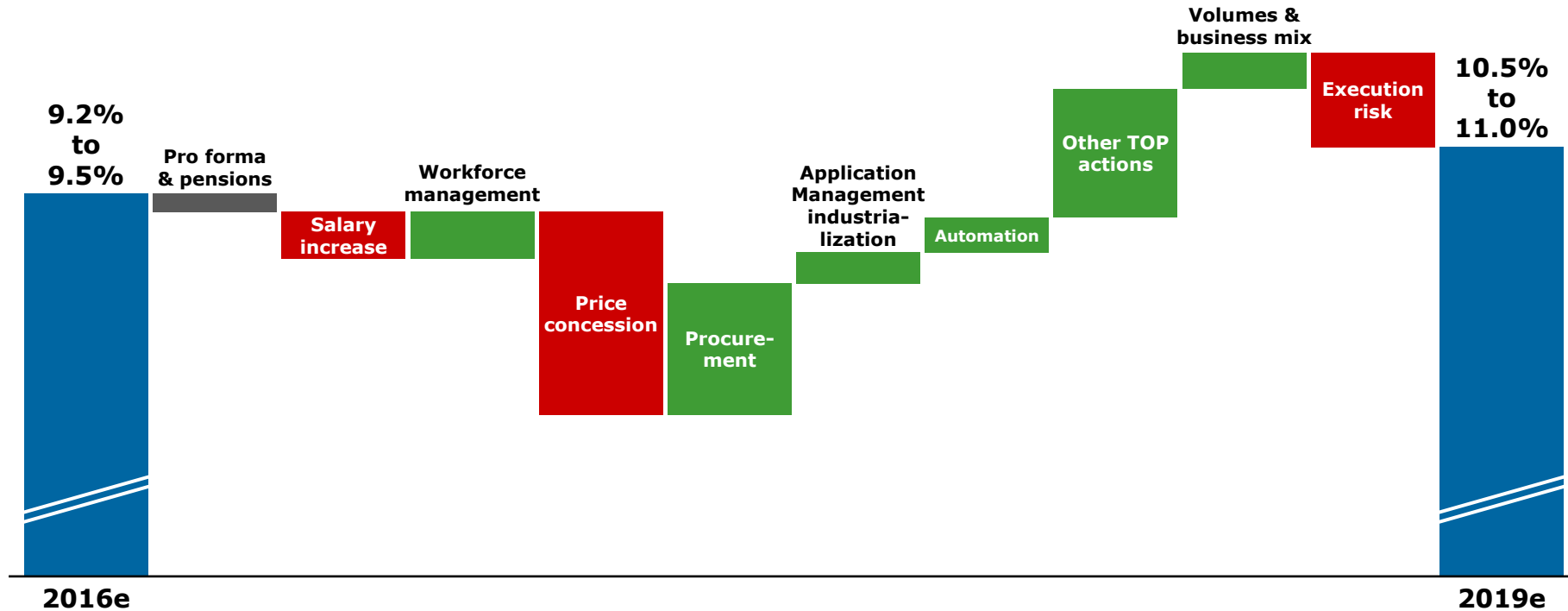


Zoom on other TOP Programs 2016–2019



Operating margin evolution 2016–2019

A fully secured c.200 bps improvement



13

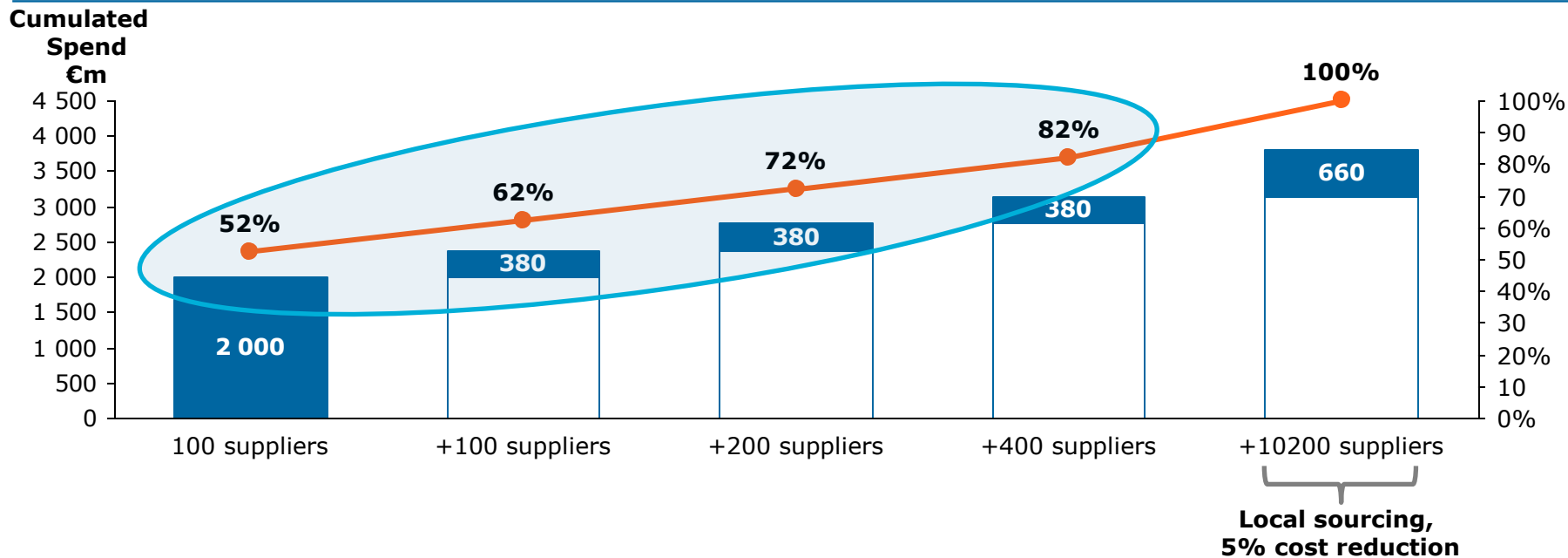
Supply Base Value proposition

Enguerrand de Pontevès,
Chief Procurement Officer

2013/2016 Achievements

Recap – Atos Value Proposition for preferred partners

2013/2016 Supplier Day in Bezons – September 18, 2013



Concentrating €3.2bn on ≤ 200 suppliers will increase revenue for our suppliers by 30% on average

Recap – Atos Value Proposition for preferred partners

2013/2016 Supplier Day in Bezons – September 18, 2013



Long-term relationship

3 years contracts



High revenue Growth

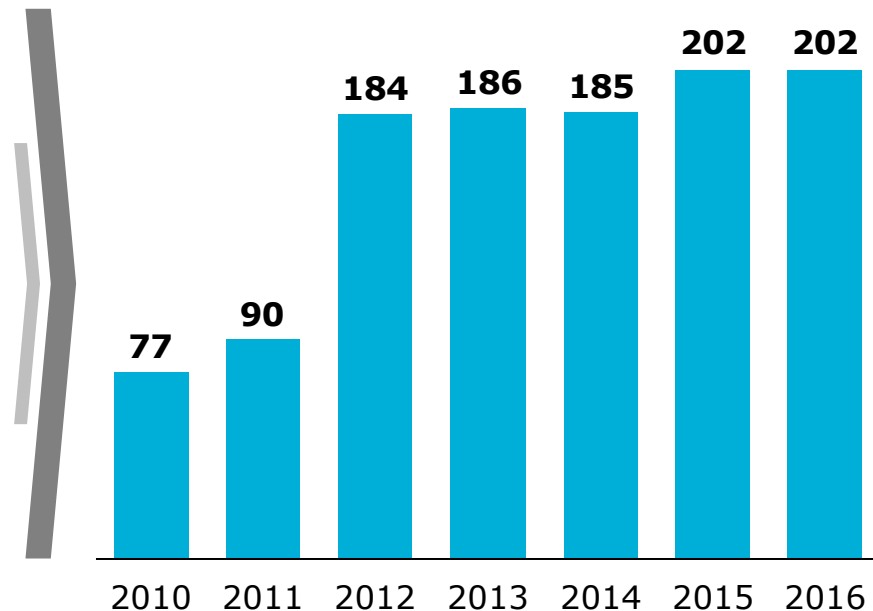
15% to 50% growth revenue



Access to new markets

52 countries

Savings forecast 2010/2016, in €m



Where are we now – 2016 Achievements



TOP 200 suppliers:

- ▶ Total Revenue from €2.4bn to €3.8bn
- ▶ Average growth from €11.9m per supplier to €19m
- ▶ 22% above expectations (59% growth)

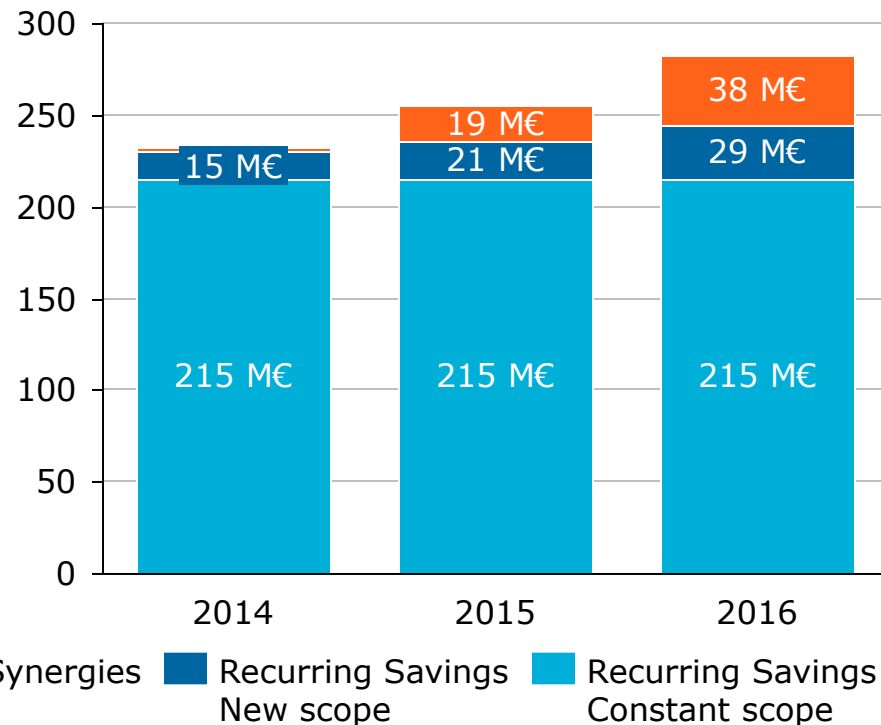


Partnership benefits

- ▶ 80% of the spend with 568 suppliers vs. 800 in 2013



Savings (€>200m savings promised)



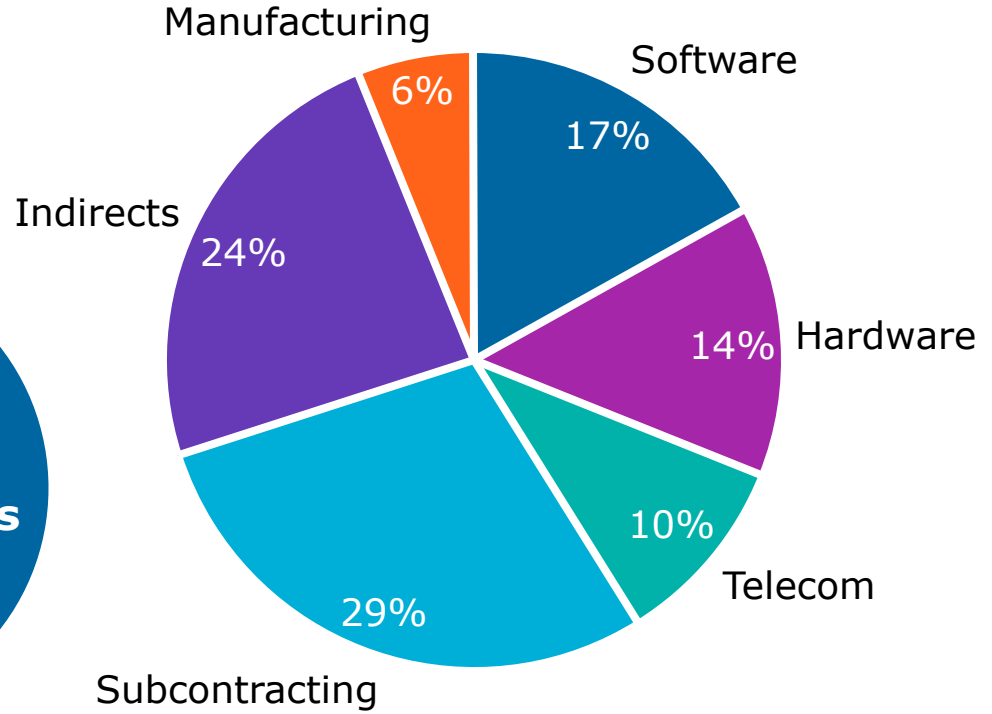
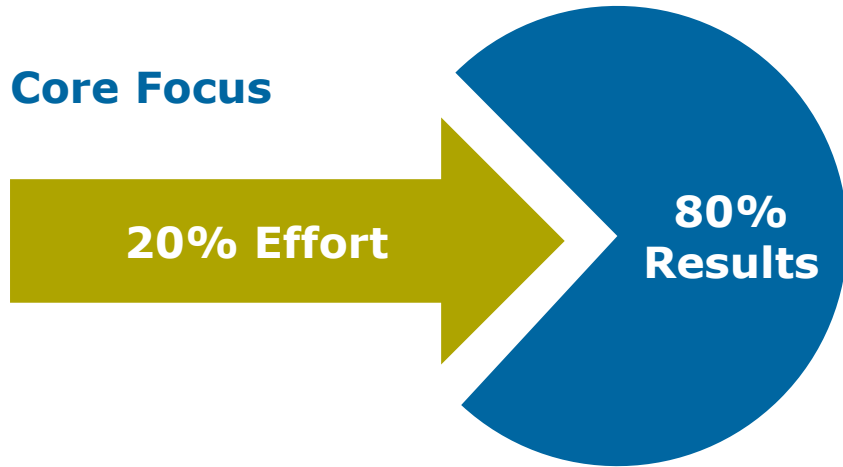
2017–2019 Procurement Value Proposition

Atos 2016 Pareto – €5.6bn

A huge potential

- ▶ 80% of the spend with 568 suppliers (vs. 800 in 2013)
- ▶ 80% of the spend with 5 categories

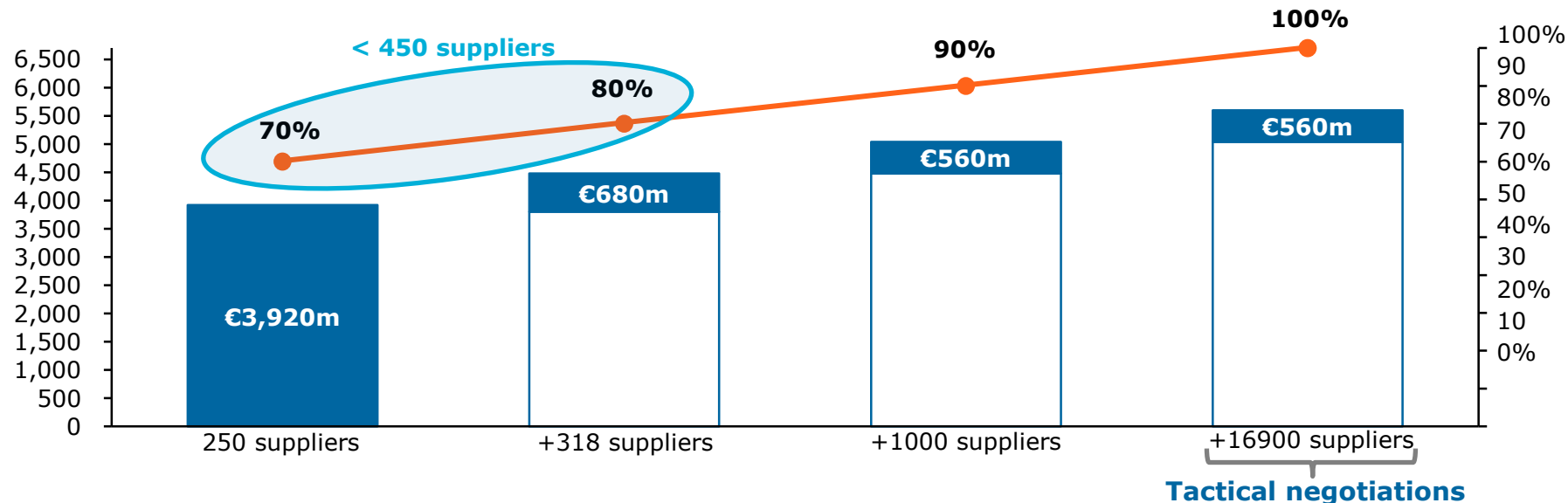
Core Focus



Atos Value Proposition for preferred partners 2016/2019

Supplier Day in Bezons – November 16, 2016

Cumulated
Spend



Concentrating €4.6bn on ≤450 suppliers will increase revenue for our suppliers by 25% on average

Value Proposition 2017/2019

Supplier Day in Bezons – November 16, 2016



Capitalize on Partnership

3 to 5 years contracts extensions




Further Concentration

80% of the spend <450 suppliers



Keep Things Simple

Standardization
Framework contracts
Benchmark

- 
- ▶ **€280m/y recurring savings**
+ Potential synergies following acquisitions
 - ▶ **Manage and drive latest Supplier Innovation**
Preferred Customer

14

Managed Services

Eric Grall, Head of Managed Services

Peter Pluim, COO Managed Services

Managed Services – a quick overview

2016 revenue projected: ~€6.6bn – 2016 operating margin projected: ~10%

WE ARE Atos Backbone

recognized as a Tier 1 provider in delivery of secure ITO and Digital Services. Proud of our client satisfaction.

**Net Promoter Score
at +41%**

WE HAVE

a strong portfolio of offerings, leading in Hybrid Cloud and Digital Workplace. Creating value for our clients.

**+30% CAGR
in Cloud**

WE BRING

Tier-1 industrial strength for quality of delivery, automation, cognitive, innovation and backed by strong strategic partnerships.

**-20% incidents YoY
-50% Major Incidents**

Managed Services: key figures

2017–2019

Revenue

+0% to +1% CAGR

Operating margin

+50bps to +100bps

CSAT

>8

NPS

>45%

Cloud CAGR*

>+25%

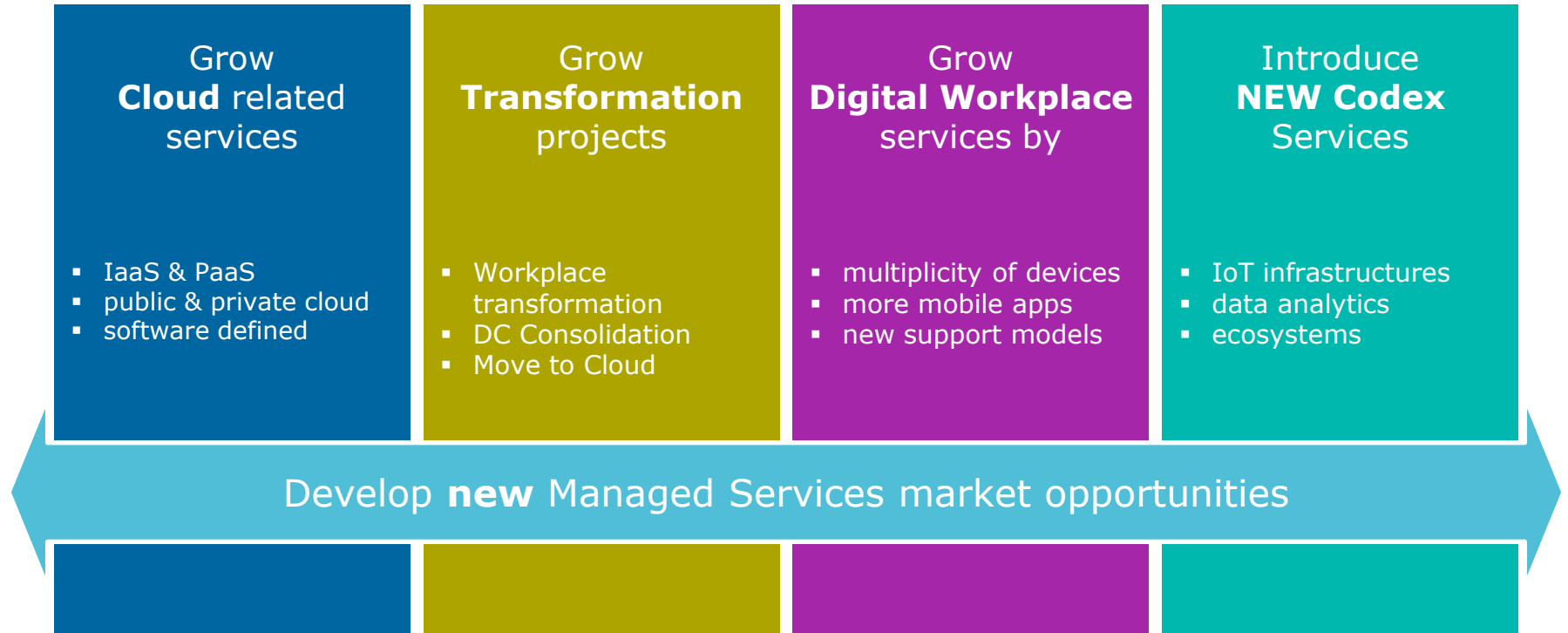
TTS CAGR

>+20%

*As part of c.+35% Group Cloud CAGR

Top line Managed Services initiatives

2016–2019



Driving Digital Transformation

and continuing operational excellence

Data Center Transformation Services	Cloud Services	Digital Workplace	Service Integration	Cognitive Data Analytics	Data Analytics Platform	IoT Infrastructure Services	
Cloud connected	Hybrid-cloud based	Bi-modal strategy	Digital platform ecosystems				Design
Increased density	Brokering	Always-on comms	Fully automated	Clickfox Multivendor	Codex Multivendor	Codex Multivendor	Implement
Green and efficient	Secure access	Device agnostic	User driven				Run

Lead in automation, robotics and cognitive



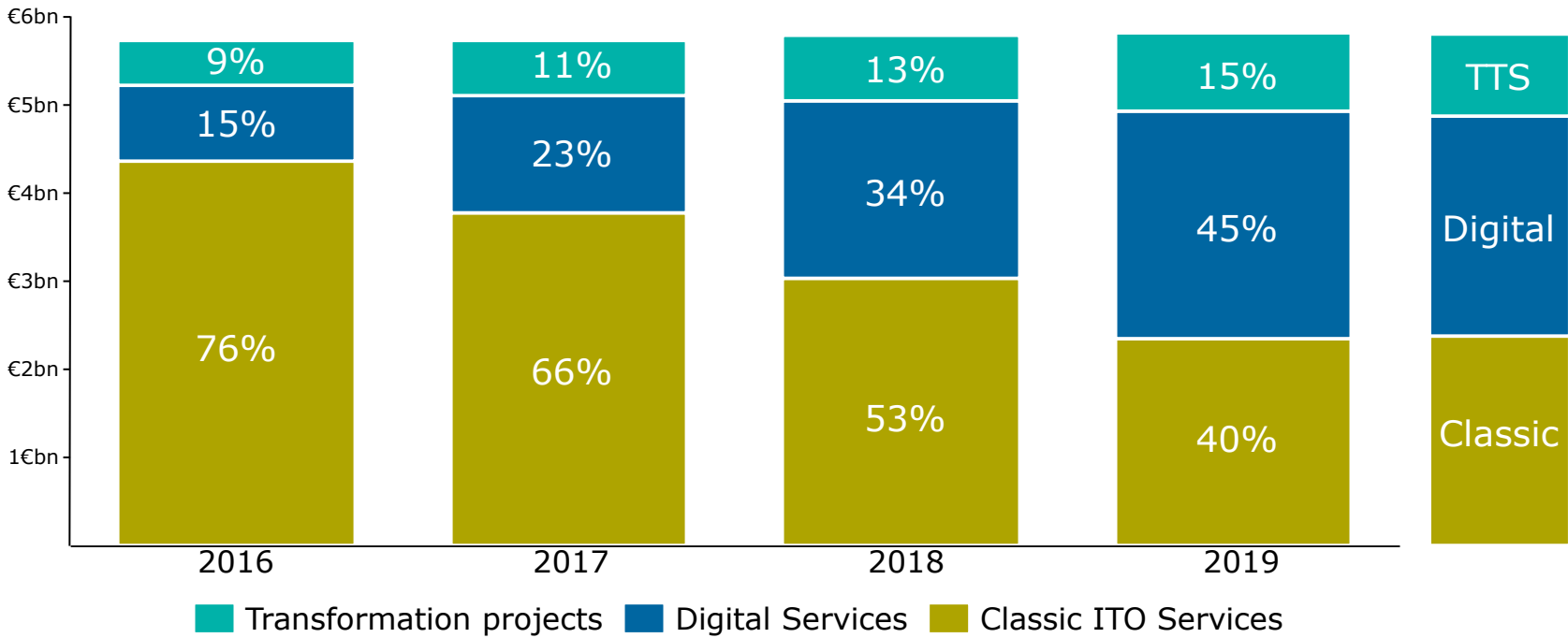
Continuously evolving and innovating

New services

From classic to digital

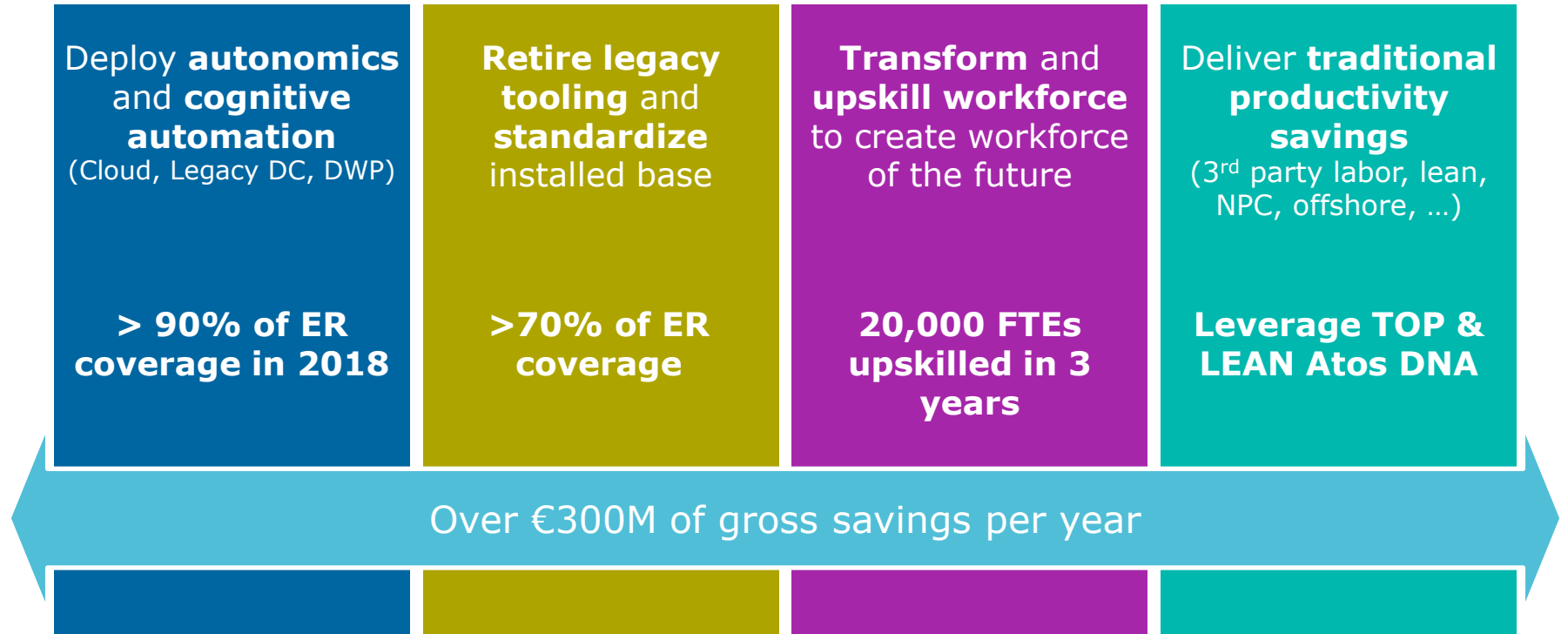
Managed Services revenue mix evolution

MS w/o BPO

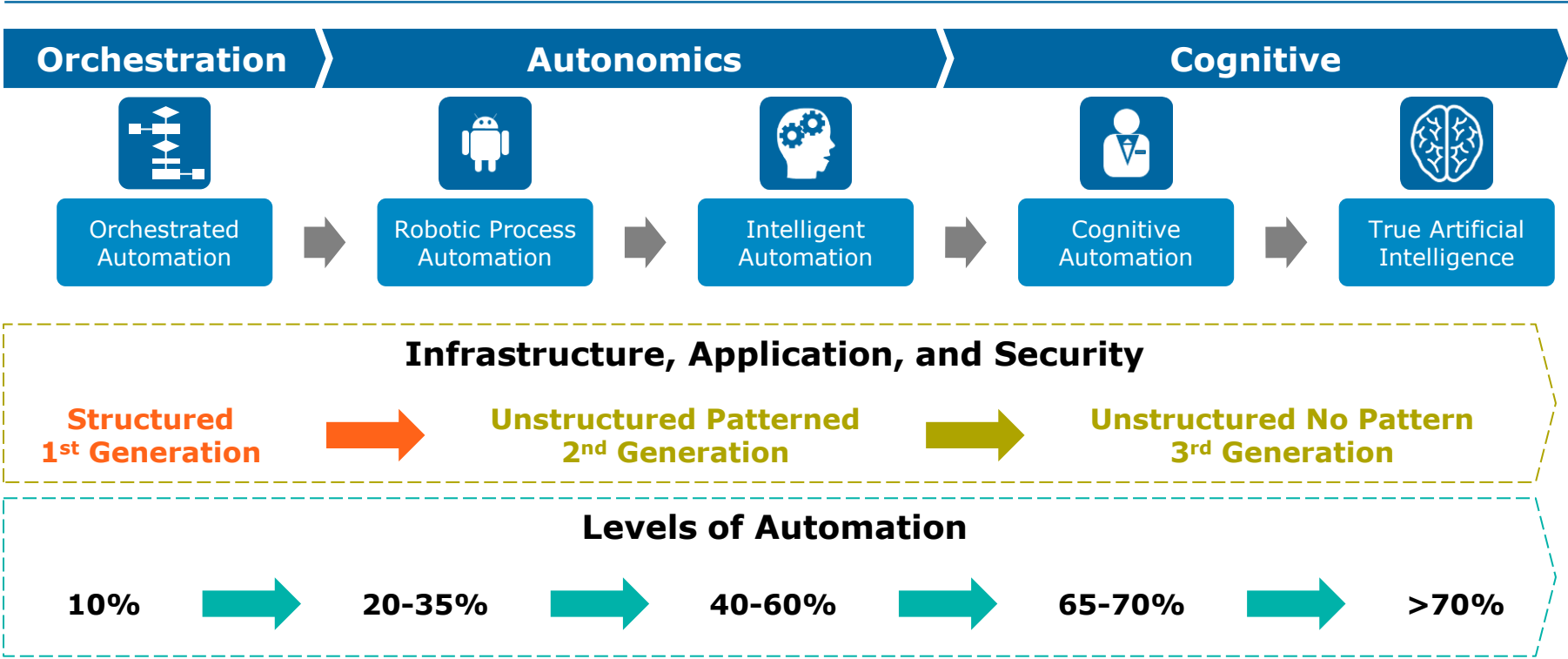


Bottom line Managed Services initiatives

2016–2019

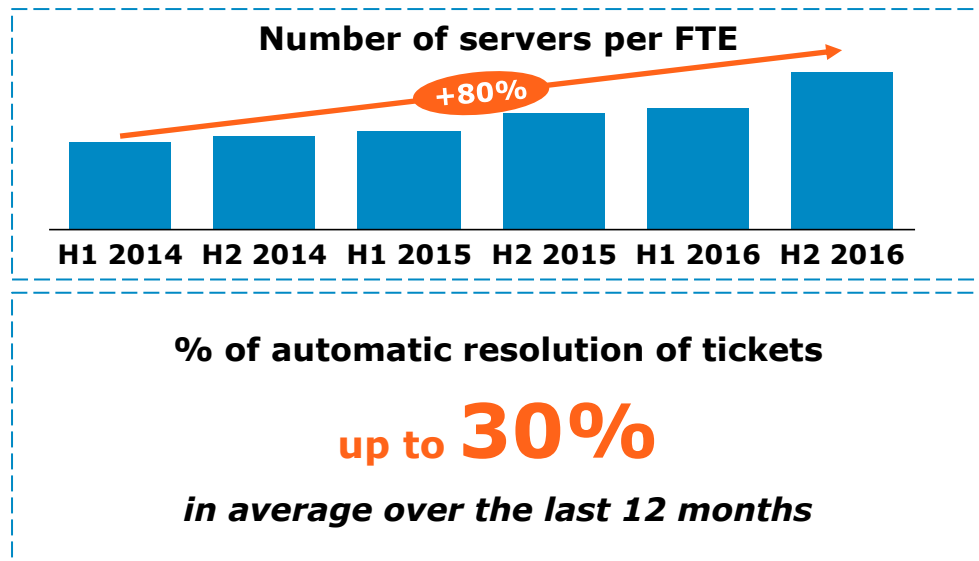


Evolution of automation



What Managed Services has achieved so far

Structured 1st Generation Automation



- ▶ LAN, Voice and Firewall standard change automation
- ▶ Server, Databases and SAP standard change automation
- ▶ Autonomous security vulnerability identification
- ▶ IVR automation
- ▶ End User request automation (password reset, account setup)
- ▶ Back Office automation (routine housekeeping procedures)

What Atos MS is working on right now

Unstructured Pattern 2nd Generation Automation

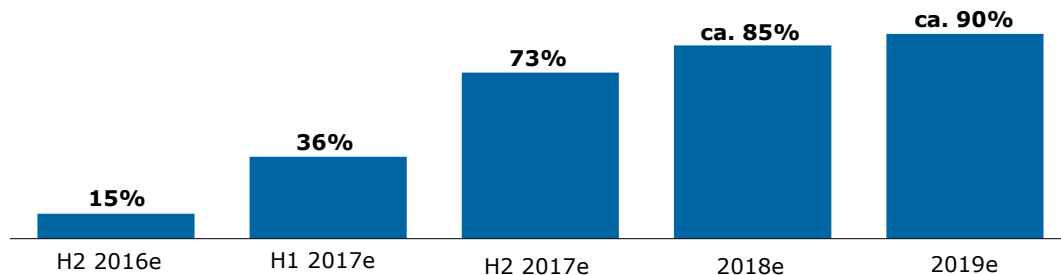
Comprehensive IP Soft
deployment

Initial deployment of Cognitive
Service Desk Automation



- ▶ Cloud capacity, performance management between private and public cloud
- ▶ Enhanced catalog automated standard service requests
- ▶ Automated capacity management
- ▶ Virtual Help & Interaction Center, Portal Self Help
- ▶ Service analytics roll out with Clickfox

Customer accounts under 2nd generation automation programs



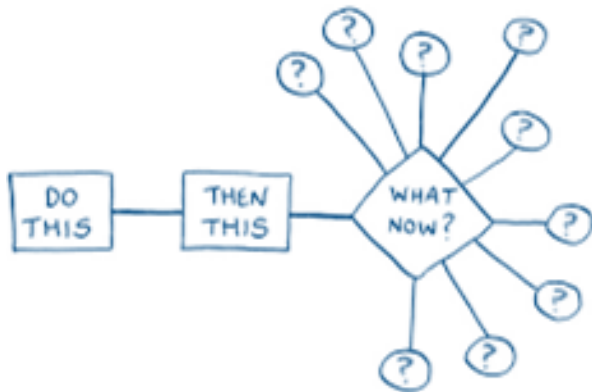
**% of automatic resolution
of tickets up to**

70%

over the last 12 months

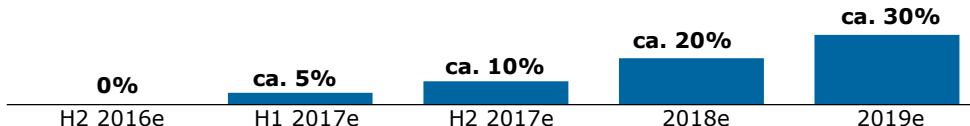
What's next

Unstructured No Pattern 3rd Generation Automation



- ▶ Production pilots cognitive automation tools to further automation efficiency rate
- ▶ Intelligent operations to further increase operational efficiencies and reliability
- ▶ Dynamic threshold management
- ▶ Knowledge item driven non standard incident handling and resolution
- ▶ Virtual Agents integrating intelligent automation offering instantaneous engagement

Customer accounts under 3rd generation automation programs



Continuously creating the workforce of the future

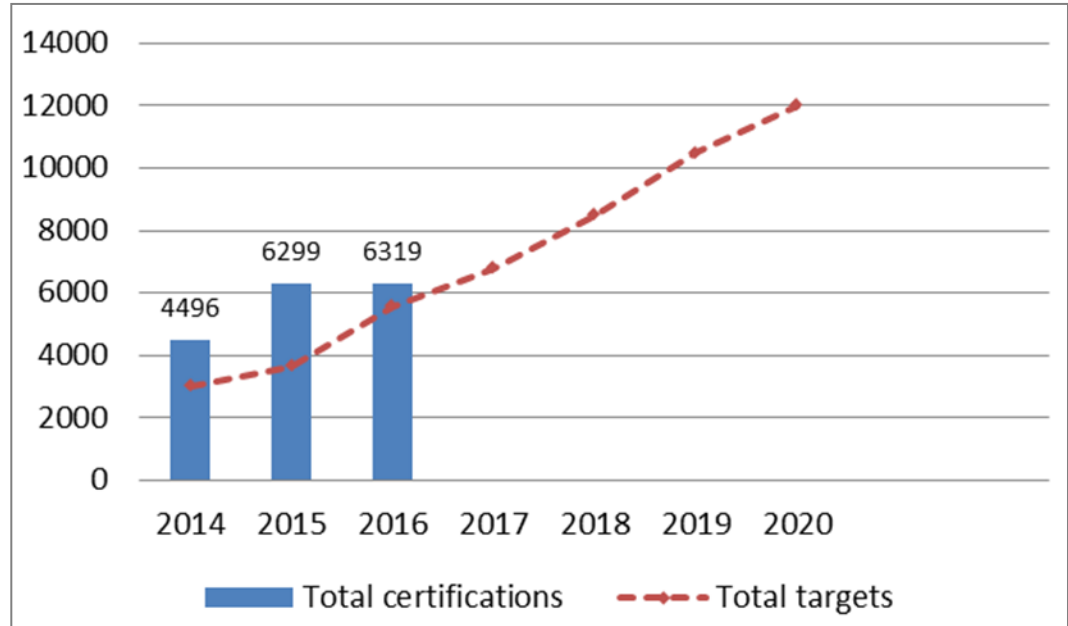
Adapting in line with business needs and impact of automation

Main Workforce Dynamics



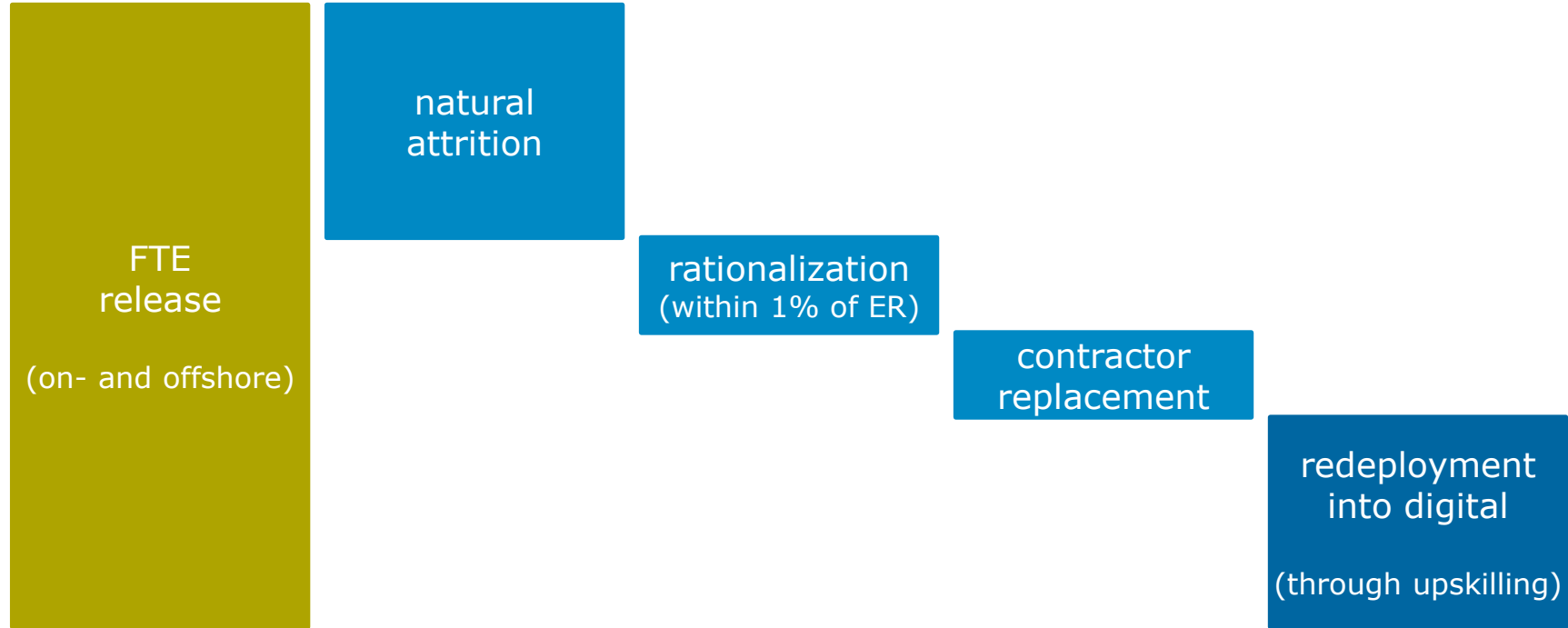
Skills & Experience evolution 2015–2020

Global Managed Services certification evolution 2014–2016



Managed Services HR Strategy

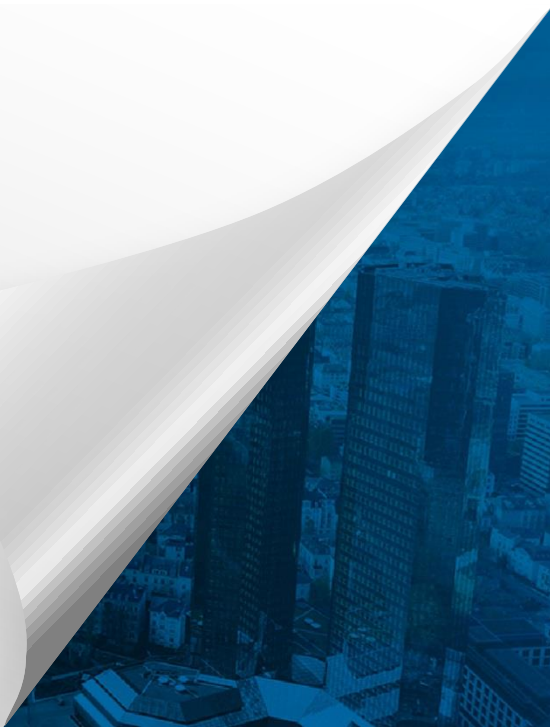
Manage resources in relation to automation and productivity



Managed Services

Key takeaways

- ▶ Global leading Tier-1 provider in delivery of bi-modal ITO and Digital Services
- ▶ Automation programs will continue to deliver benefits, securing price competitiveness
- ▶ Continuous focus on customer satisfaction improvement
- ▶ Expanding in Cloud/Digital Workplace and accelerating in IoT and Atos Codex



15

Consulting & Systems Integration

Ursula Morgenstern – Head of Consulting
& Systems Integration

Sean Narayanan – COO & Head of Global
Delivery C&SI

Atos C&SI today a major global player in the market

**32,000
experts**

**8 Center of Excellence,
2 Global, and 33
Regional Delivery
Centers worldwide**

**Present in 50+
countries**

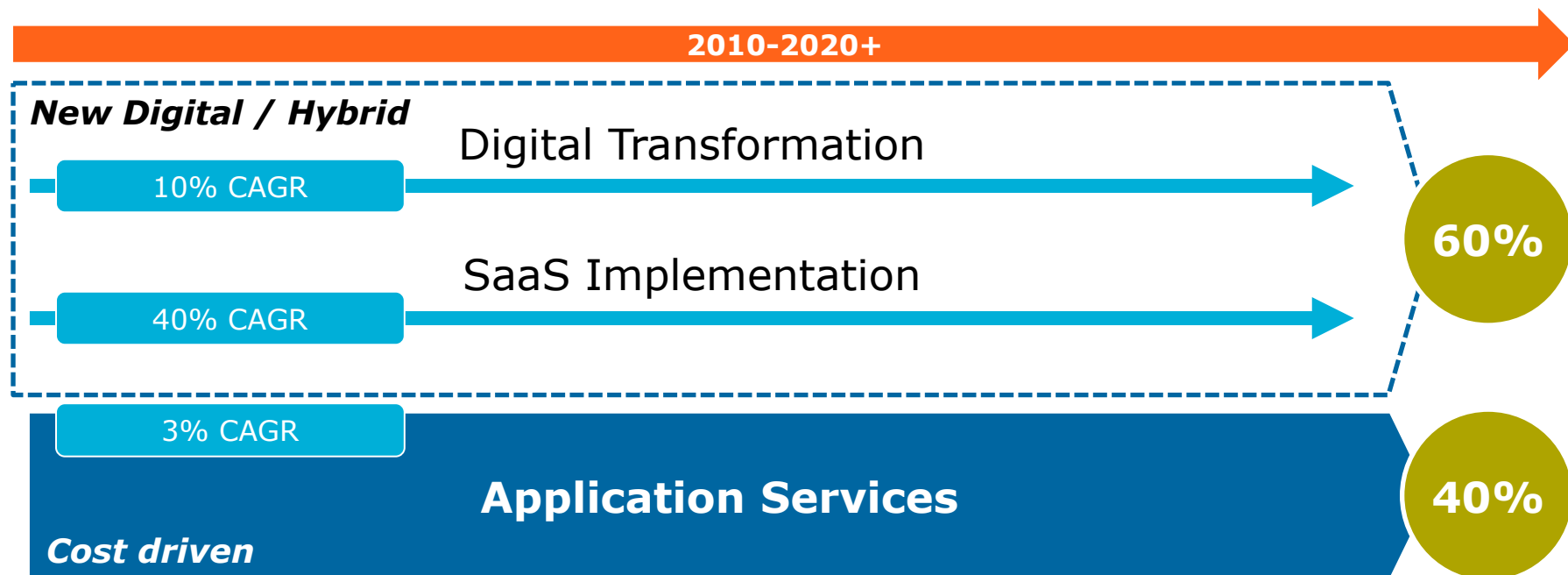
**50% of revenue from
60 clients under global
governance**

**Global player
€3.2bn
annual revenue**

Application Services
2.2+ million users supported
Transformation
2,000+ projects per year
Consulting
2,000 industry & process

- ▶ **VISIONARY** Business Analytics Gartner
- ▶ **WINNER** IOT HfS
- ▶ **LEADER** in IOT Nelson Hall

Digital Transformation is impacting the market dynamics in Consulting and Systems Integration



● share of market

Sources: Gartner, Pierre Audoin Consultants, Everest Group + Atos market analysis

Our ambition is to grow by +3% to +4% CAGR with a 200 to 250 bps margin improvement over 2017-2019



Application Services and Digital Transformation have unique success criteria

Application Services

Scale, Industrial & Cost

Global Accounts & Global Deals

A global and cost competitive delivery

Strong tools and processes

Digital Transformation

Local, Agile & Digital

Client Proximity

Investment in digital and emerging technologies

Develop and run digital platforms

Key changes to operating model that will allow for margin uplift especially in global accounts

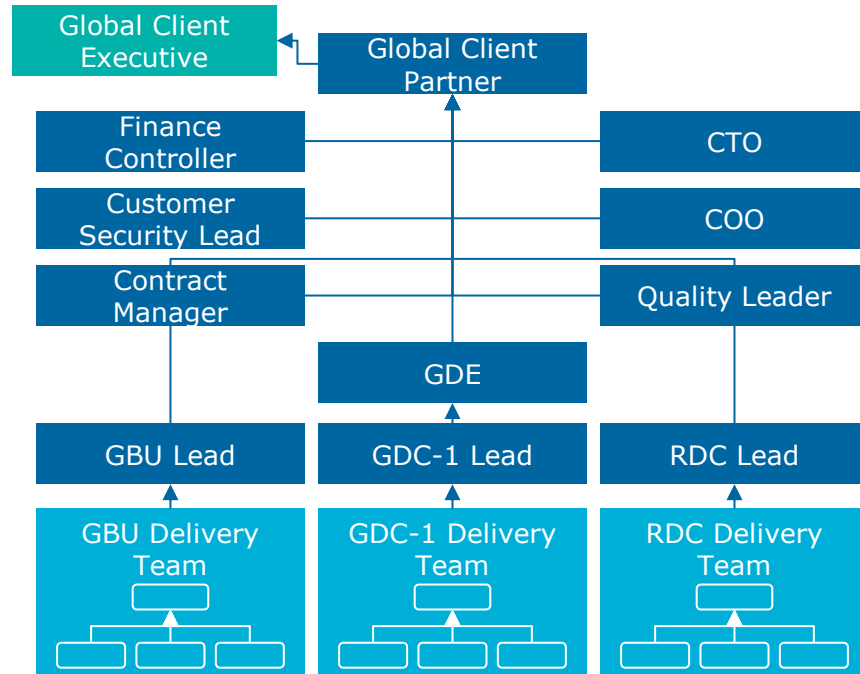
From to
1 Highly distributed delivery & “criss-cross” of accountabilities for key accounts	One account and one team with transparent accountability for end to end performance
2 Account level “ local optimization ” for resource management	Global resource management with end to end view of resource availability and demand
3 Localized set of engineering practices specific to each account	Standardized set of engineering practices mandated by Global Delivery Platform - KI
4 Deal solutioning and pricing driven by local teams	Standardized pricing and solutioning across entire delivery
5 Performance management driven by geography specific view of metrics	Single view of account performance capturing end to end performance

We have segmented our accounts by size and geographical reach allowing for targeted margin improvement programs

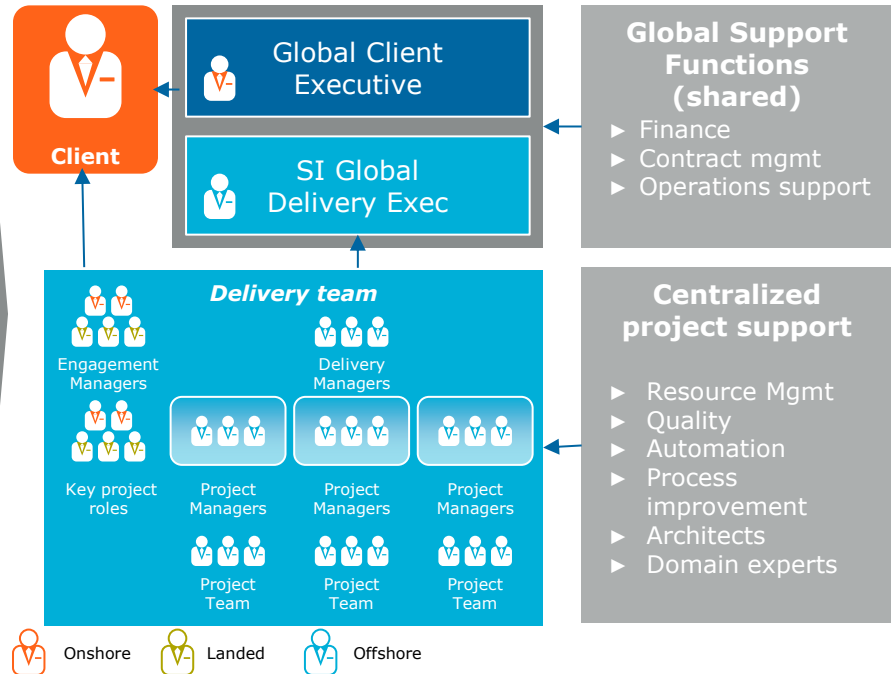
	Large private sector accounts	Small scale accounts	Public accounts	Local for Local Services
Revenue 2016	c. €1.1bn	c. €1.4bn		c.€0.7bn
2016-2019 OM improvement (€m) On 2016 revenue base Net of price pressure	[70-90]	[10-15]		[0-5]
Improvement drivers	Offshore (>70%) « Two in a box »	Utilization rate Contract management		WFM agility

A Simplified 'two in a box' account governance for India led accounts

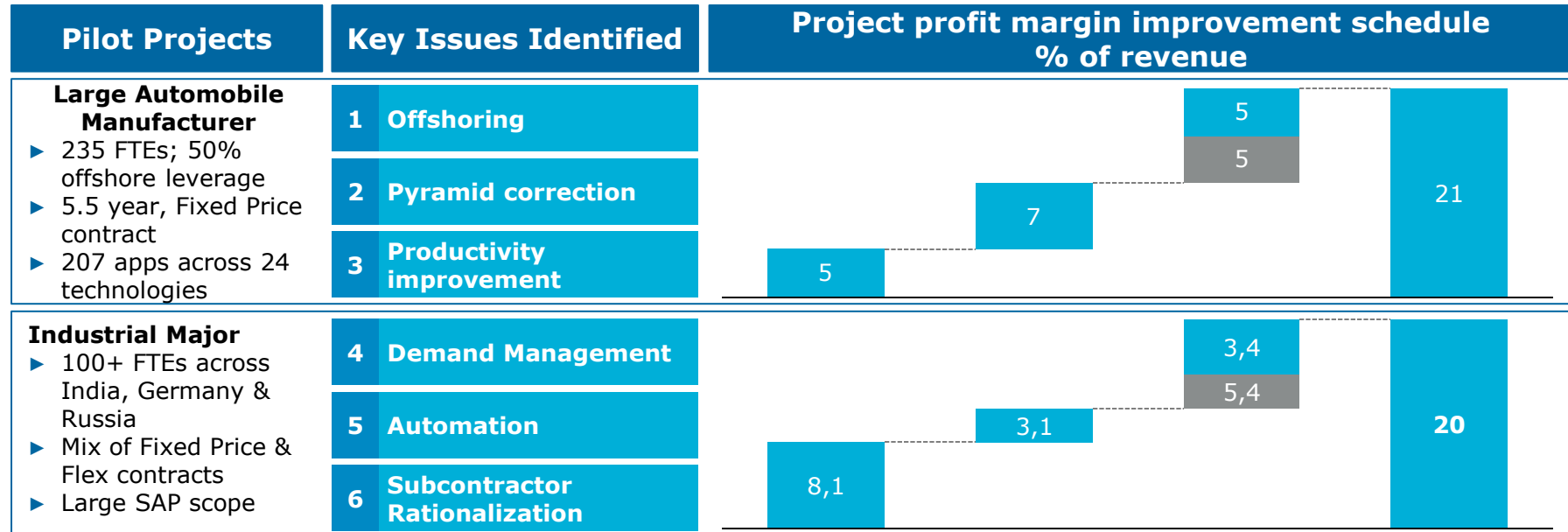
Current



Future



The changes have been tested and proven- Margin uplift of 20+% implemented for pilot accounts



We are currently implementing these levers in 30 additional large engagements

■ Already Achieved June through November 2016
 ■ Signed off, but needs customer approval

People Equation is based on the effective redeployment of our staff

Onshore staff freed-up by Industrialization program will be re-assigned:



40% will go
to Digital
Transformation
services

60% will be
absorbed by
Attrition

Restructuring will decrease under the 1% of External revenue

Conclusion: Why are clients selecting Atos



Margin improvement in India led Private Sector account through industrialization



Modernization will boost our competitiveness leading to application services growth



Digital Transformation business will be driven through Client Proximity



Freed up staff in geographies will be redeployed for local and digital services

16

Big Data & Cybersecurity

Philippe Vannier

CTO & Head of Big Data & Cybersecurity

Pierre Barnabé

COO Big Data & Cybersecurity

Atos Big Data & Cybersecurity ID Card

€660m+
Revenue

**Holding Atos
technologies &
products brand**

#1
European HPC player,
#5 worldwide

c. 16%
Operating margin

Bull
atos technologies

#1
European security player,
#10 worldwide

3,700 Big Data
& Security high-level
experts

**Own products sold in
70+ countries
protected by 2000
patents**



**Recognized
high-end player
in Defense**

3 manufacturing
plants

6 R&D centres
in 4 countries

Atos Big Data & Cybersecurity at a glance

3 activities but ONE value proposition: Intelligence for digital transformation

From Insight to Action



Big Data & HPC: Unleash the business value of data

Big Data solutions & services
IT modernization (Liber)
Legacy servers (GCOS)
bullion servers & appliances
High Performance Computing



Cyber Security: Ensure cyber Trust & Compliance

Security Advisory & Integration
Managed Security Services
Identity Governance & Mgt software
IoT security solutions
Data Security products



MCS Systems: Design & build mission-critical systems

Intelligence & reconnaissance
Command & control
Homeland & border protection
Emergency mgt. & secure coms.
Industrial solutions

Big Data Global Business Line

Unleash the business value of data



Big data solutions & services

IT modernization (liber)

Legacy servers (GCOS)

Bullion servers & appliances

High performance computing

Cyber Security Global Business Line

Ensure cyber Trust & Compliance



Security Advisory & Integration

Managed Security Services

Identity Governance & Management software

IoT security solutions

Data Security products

Mission Critical Systems Global Business Line

Design & build mission-critical solutions



Intelligence & reconnaissance

Command & control

Homeland & border protection

Emergency mgt. & secure coms.

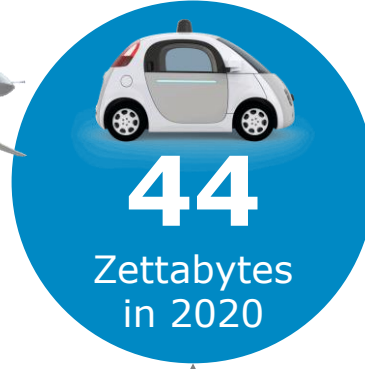
Industrial solutions

Big Data and Security segments

Key to meet the data deluge

75 billions of connected smart objects

Explosion
of Complexity



x10



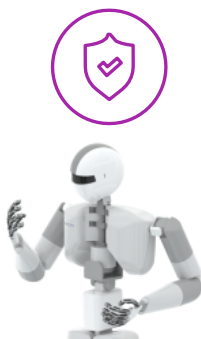
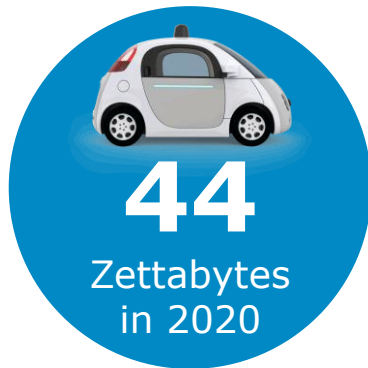
2013

Explosion
of risks



1 ZETTABYTE = 1,000,000,000,000,000,000 bytes

Atos Big Data & Security SL is ideally positioned to meet this challenge for value and growth



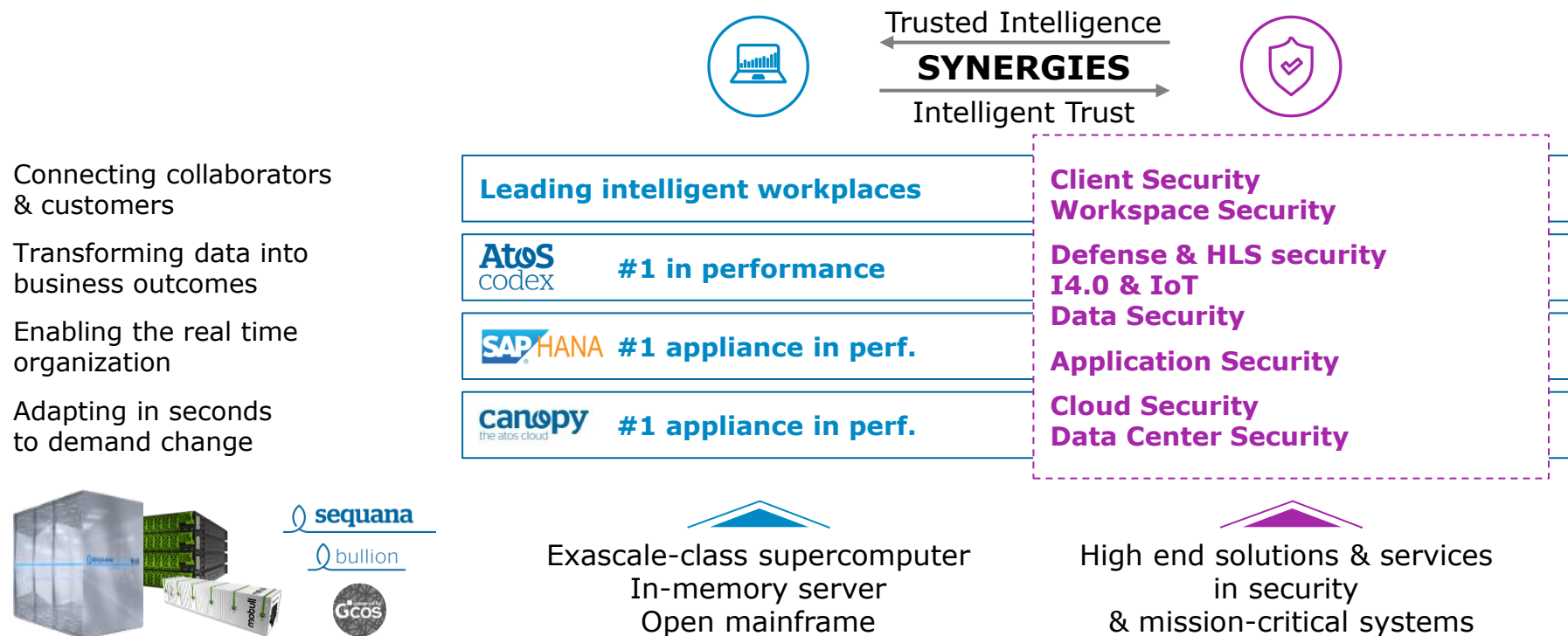
Leading in Innovation for tomorrow

- ▶ Next generation quantum computing, quantum cryptography ...

Leading in performance today

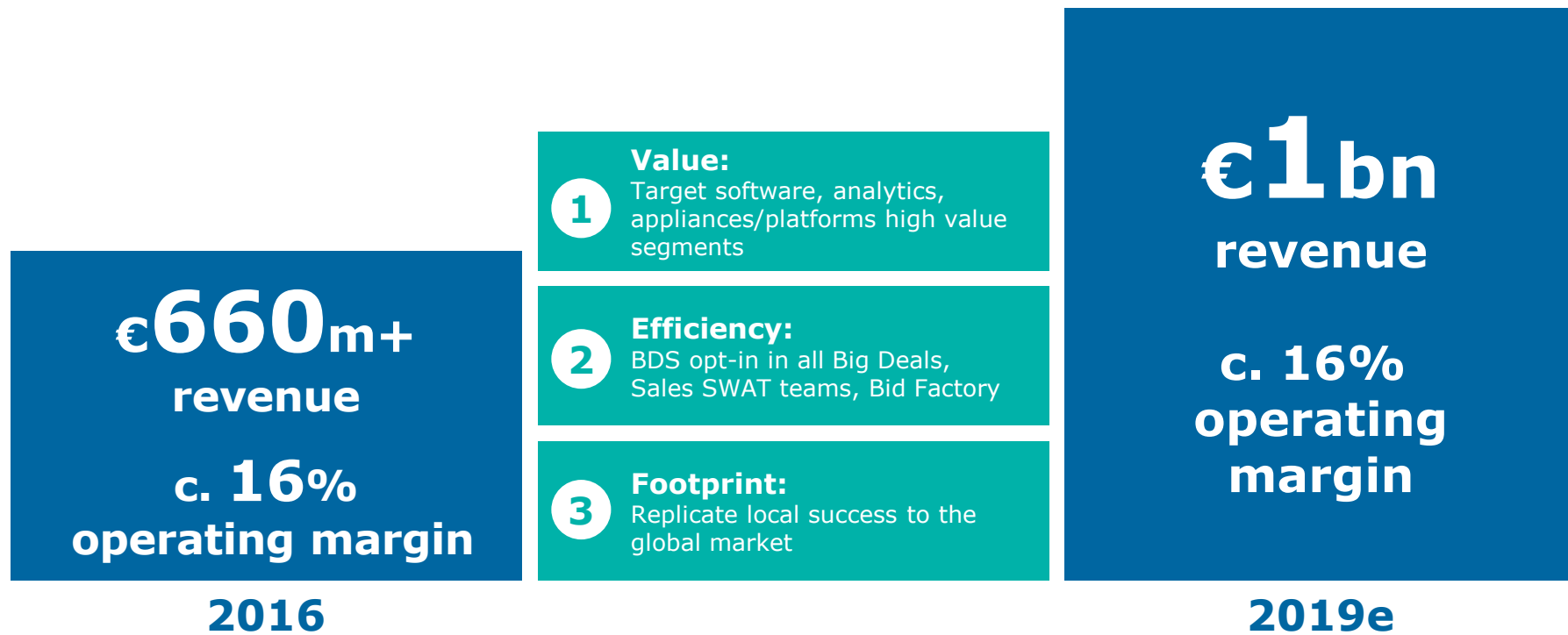
- ▶ #1 Most efficient supercomputer worldwide
- ▶ #1 Fastest x86 in-memory server worldwide
- ▶ #1 Leading defense & homeland solutions

We support and leverage Atos Digital Transformation Factory



Atos Big Data & Cybersecurity growth

3-year plan



Our mission in a nutshell

An aerial photograph of a city skyline, likely New York City, with numerous skyscrapers. The image is overlaid with a semi-transparent blue filter. Centered over the image is the text "We deliver secure intelligence for digital transformation" in a white, bold, sans-serif font.

**We deliver secure intelligence
for digital transformation**

17

People and CSR: Strategy 2020

Gilles Grapinet, Atos SEVP
& Worldline CEO

Atos people strategy 2020

Building the best employee digital experience to power Atos ambition

Driving Business outcomes

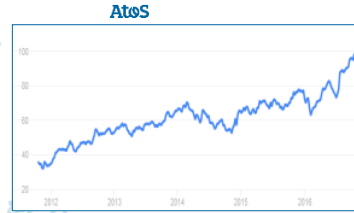
Digital Growth

Competitiveness

Cross Business knowledge

Quality & performance

Engagement & passion



100,000



UNIFY

EQUENS



Development & Expertise

Agile professional itineraries

One digital culture

Digital experience

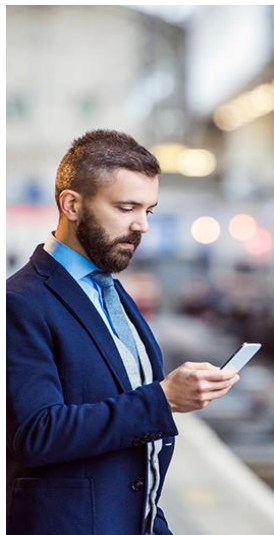
Attractiveness

Driving Employee experience

Winning the race for Digital talents

Major people challenges towards 2020

Best graduates, talents, experts



Attract



Retain

**Competition
for digital
talents
everywhere**

Atos

**Thousands of Millennials
to attract /year**

**50,000+ digital competences
to build (x2)**

**10% top talents/
experts to grow**

**Gender Diversity Gap
reduction (+50% women)**

Offshore (obj :+25%)

New territories (Africa)

HR 2020 : Pursue building a Tier one people organization

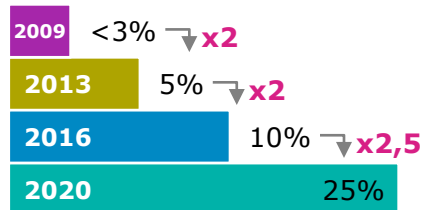
Best employee experience @ work



HR 2020 will strongly support the new Atos 3Y Plan

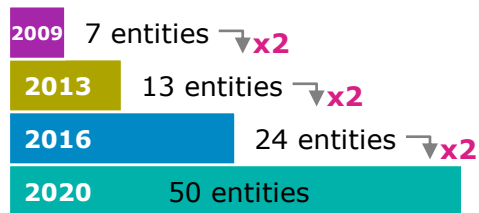
Top graduates

10% hiring from
Top 100 Universities



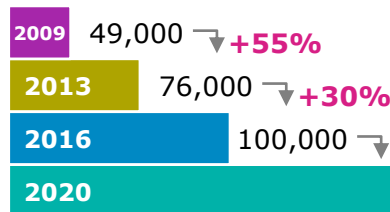
Employee engagement

24 entities  >60%



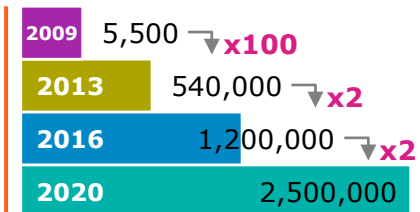
Cultural integration

25,000+



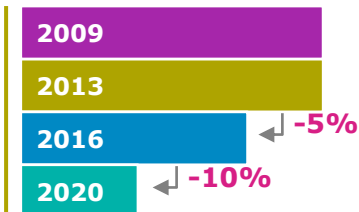
Business digital transformation

1,200,000 digital
trainings hours



Competitiveness

-5% Cost/head



HR 2020 : Acknowledging the new societal trends towards 2020

Millennials and Digital disruption

More Independant workforce

In 2020, non-permanent workers will represent **40%** of the US workforce^{1a)}



50% of 18-24 years old in France would like to create their own company^{1b)}

People engagement

For **60%** millennials⁶⁾, "a sense of purpose" is critical in accepting a job



Analytics for people

would lead to **productivity increase by 20%**⁵⁾ (workforce, performance and skill management)



Diversity Inclusion

83% of millennials are **actively engaged** when they believe the organization fosters an **inclusive culture**⁴⁾



Digital experience

75% millennials believe that access to technologies makes them more effective at work²⁾. "We're the first true digital natives" Hannah Payne, 18y-UCLA student



Learn, Learn, Learn!

#1 most popular MOOC: "**Learning How to Learn**"– University Of California - San Diego"
Total enrollment: **1,200,000**³⁾



1a) intuit.com/2020

1b) idinvest.com

2) blog.accessperks.com

3) onlinecoursereport.com

4) deloitte.com

5) accenture.com

6) recruitmentgrapevine.com

Dual people engagement model to power Atos 2020

Answering digital natives entrepreneurship & work aspirations



Atos Digital Expertise Open Platform, a new business platform for a digital generation



Atos CSR achievements 2013–2016

Best in class external recognition for each of our 4 priorities



GRI best-in class since 2011

DJSI # 1 IT sector



AFEP-Medef Code



Atos corporate responsibility ambition 2020

Your digital partner for a sustainable journey



✓ **Increase the Atos GPTW Trust Index® reflecting employees satisfaction to Top 10% Industry benchmark**



✓ **Net Promoter Score above 50% for our TOP Clients**



✓ **70% of spend assessed by EcoVadis**



✓ **Reduce by 5% to 15% CO2 Emissions by revenue**

Thanks

Atos, the Atos logo, Atos Codex, Atos Consulting, Atos Worldgrid, Worldline, BlueKiwi, Bull, Canopy the Open Cloud Company, Unify, Yunano, Zero Email, Zero Email Certified and The Zero Email Company are registered trademarks of the Atos group. April 2016. © 2016 Atos. Confidential information owned by Atos, to be used by the recipient only. This document, or any part of it, may not be reproduced, copied, circulated and/or distributed nor quoted without prior written approval from Atos.

