H1 2017 results

Bezons
July 26, 2017
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 2016 Registration Document filed with the Autorité des Marchés Financiers (AMF) on March 30, 2017 under the registration number: D.17-0274. 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.

Business Units include North America (NAM: USA, Canada, and Mexico), Germany, United-Kingdom & Ireland, France, Benelux & The Nordics (BTN: Belgium, Denmark, Estonia, Finland, Lithuania, Luxembourg, The Netherlands, Poland, Russia, and Sweden), Worldline, and Other Business Units including Central & Eastern Europe (CEE: Austria, Bulgaria, Croatia, Czech Republic, Greece, Hungary, Italy, Romania, Serbia, Slovakia, and Switzerland), Iberia (Spain and Portugal), Asia-Pacific (APAC: Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand), South America (SAM: Argentina, Brazil, Colombia, and Uruguay), Middle East & Africa (MEA: 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. H1 2017 highlights

2. Financial performance

3. Commercial activity

4. Operational achievements

5. Conclusion and Q&A
H1 2017 highlights
Thierry Breton
Chairman & CEO
Atos’ technology leap...

Atos’ Tech Days in Brussels

Leadership reinforcement in Cybersecurity & Big Data

Launch of the world-first prescriptive SOC

Launch of the most powerful quantum simulator in the world

Blue chips partners to sell bullions

Security

at the heart

Atos

Cisco

Dell

EMC

Hitachi Data Systems
...and a strong execution of our strategy...

**Sustainable revenue**
Organic growth confirmed between +2% and +3%

**Implementation of Business & Platform Solutions industrialization plan**

**Full speed integration of Unify S&P**
...supports the Atos profitable growth

Commercial momentum
Key commercial wins in H1 2017 and strong pipeline

Macro environment
Positive momentum in Europe
Still supportive economy in the US

M&A
Strong pipeline focused on all our strategic priorities
## H1 2017 key figures (1/2)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€6,311m</td>
<td>+12% at constant exchange rates</td>
</tr>
<tr>
<td>Organic growth</td>
<td>+2.2%</td>
<td>+2.4% in Q2</td>
</tr>
<tr>
<td>Order entry</td>
<td>€6.9bn</td>
<td>+9% year-on-year</td>
</tr>
<tr>
<td>Book to bill</td>
<td>109%</td>
<td>120% in Q2</td>
</tr>
<tr>
<td>Operating margin</td>
<td>€538m</td>
<td>+21% year-on-year</td>
</tr>
<tr>
<td>Operating margin rate</td>
<td>8.5%</td>
<td>+190bps at constant scope and exchange rates</td>
</tr>
</tbody>
</table>
H1 2017 key figures (2/2)

Net income Group share
€211m
+25% year-on-year*

Free cash flow
€242m
+35% year-on-year

Basic Earnings Per Share
€2.01
+22% year-on-year*

OM conversion to FCF
45%
vs. 40.5% in H1 2016

Total number of employees
98,480
-1.5% over H1 2017

Net cash position
€342m
Strong capability to finance future developments

* excluding Visa share sold in H1 2016
A world constantly more exposed to cybercrime

Digital world with massive interconnection & data flows

- **3.7 billion Internet users** today, multiplied by 92 vs. 2005
- **200 million connected** wearables in 2019
- Between **50 and 200 billion IoT devices** in 2020
- **90% of connected** cars by 2020
- **100 billion lines of new software code** per year

Explosion of Cybercrime

- **Ransomware**: $1bn in 2016, +300% vs. 2015
- **4,000 ransomware** per day
- More than **3 million data records are compromised every day**
- **Cybercrime costs** projected to reach $2 trillion by 2019
- **$1 trillion cybersecurity spending** expected by 2021 further to the implementation of GDPR (General Data Protection Regulation)
Atos end-to-end cybersecurity offering

Security governance
- Security risk assessment
- Penetration testing
- Regulation compliance
- Crisis management
- CyberInsurance

Data security
- Trustway

IoT security
- Horus

Situational awareness
- Atos prescriptive operations center
- Cyber emergency response teams
- Managed security services

A holistic approach
- Protect
- Detect
- Analyze
- Mitigate
- Cyber protection

Powering by Bullion

Digital identity & Access control
- Evidian

A holistic approach
- Cyber protection

Atos end-to-end cybersecurity offering
Atos global cybersecurity capabilities

Outstanding operational capabilities
• More than 4,500 experts
• 14 Security Operation Centers spread over 5 continents
• 3 million secure entry points
• 100 million security IT events managed per hour

Leveraging an advanced scientific and technologic community
• €300 million yearly R&D spending
• Access to multi-billion yearly R&D spending through an extensive network of partners
• 5,000+ patent

Clear leadership recognition by industry analysts:
• Leader #1 Europe #4 Worldwide Managed Security
• Strong performer Worldwide Security Consulting
• #1 European Player Worldwide IT Security Services
Entanglement of quantum & cybersecurity in Atos technologic roadmap

**Cybersecurity**
- **Predictive security**: Foreseeing the unexpected
- **Prescriptive security**: Eradicating nascent risks
- **Quantum Homomorphic Encryption**: Creating future proof security

**Big Data**
- **Machine intelligence**: Fostering deep learning
- **Quantum Learning Machine**: Empowering the future
- **Bull Sequana**: Pioneering Exascale

Year:
- **2016**: Bull Sequana
- **2017**: Predictive security
- **2018+**: Prescriptive security, Quantum Homomorphic Encryption, Machine intelligence, Quantum Learning Machine
Financial performance
Elie Girard
Group CFO
<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2016</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory revenue</td>
<td>6,311</td>
<td>5,697</td>
<td>+10.8%</td>
</tr>
<tr>
<td>Exchange rates effect</td>
<td></td>
<td>-44</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue at constant exchange rates</strong></td>
<td>6,311</td>
<td>5,653</td>
<td>+11.6%</td>
</tr>
<tr>
<td>Scope effect</td>
<td></td>
<td>518</td>
<td></td>
</tr>
<tr>
<td>Exchange rates effect on acquired/disposed perimeters</td>
<td>9</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue at constant scope and exchange rates</strong></td>
<td>6,311</td>
<td>6,177</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Statutory operating margin</td>
<td>538</td>
<td>444</td>
<td>+21.2%</td>
</tr>
<tr>
<td>Scope effect</td>
<td></td>
<td>-34</td>
<td></td>
</tr>
<tr>
<td>Exchange rates effect</td>
<td></td>
<td>-3</td>
<td></td>
</tr>
<tr>
<td><strong>Operating margin at constant scope and exchange rates</strong></td>
<td>538</td>
<td>408</td>
<td>+32.0%</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>8.5%</td>
<td>6.6%</td>
<td></td>
</tr>
</tbody>
</table>

**Exchange rates** mainly coming from the British pound depreciating versus the Euro, partly compensated by the American dollar and the Brazilian real increasing versus the Euro.

**Scope effect** related to the positive contribution of Unify Services and Unify S&P, Anthelio, Equens, Paysquare, Komerčni Banka Smartpay, Engage ESM, and zData.
An accelerating trend of revenue organic growth driven by the Group commercial dynamism
## H1 2017 performance by Division

- Positive growth and operating margin improvement in all Divisions
- Acceleration in Business & Platform Solutions
- Synergies with Unify and Equens contributing to margin improvement
- All Divisions on track for their 3 year-plan

### Division Performance

<table>
<thead>
<tr>
<th>Division</th>
<th>Revenue</th>
<th>Operating margin</th>
<th>Operating margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H1 2017</td>
<td>H1 2016*</td>
<td>+2,2%</td>
</tr>
<tr>
<td>Infrastructure &amp; Data Management</td>
<td>3 589</td>
<td>3 556</td>
<td>+0,9%</td>
</tr>
<tr>
<td>Business &amp; Platform Solutions</td>
<td>1 608</td>
<td>1 567</td>
<td>+2,6%</td>
</tr>
<tr>
<td>Big Data &amp; Cybersecurity</td>
<td>357</td>
<td>313</td>
<td>+13,8%</td>
</tr>
<tr>
<td>Corporate costs</td>
<td>757</td>
<td>740</td>
<td>+2,3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6 311</td>
<td>6 177</td>
<td><strong>+2,2%</strong></td>
</tr>
</tbody>
</table>

* At constant scope and exchange rates

### Key Points
- Positive growth and operating margin improvement in all Divisions
- Acceleration in Business & Platform Solutions
- Synergies with Unify and Equens contributing to margin improvement
- All Divisions on track for their 3 year-plan

### Division Performance by Segment

- **Infrastructure & Data Management**
  - Revenue: 3 589
  - Operating margin: 329
  - Operating margin %: 9,2%

- **Business & Platform Solutions**
  - Revenue: 1 608
  - Operating margin: 98
  - Operating margin %: 6,1%

- **Big Data & Cybersecurity**
  - Revenue: 357
  - Operating margin: 43
  - Operating margin %: 12,2%

- **Worldline**
  - Revenue: 757
  - Operating margin: 114
  - Operating margin %: 15,0%

### Notes

- Revenue and margin calculations are adjusted for constant scope and exchange rates.

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Infrastructure & Data Management

- Continued strong growth in **Orchestrated Hybrid Cloud infrastructures**
- Leadership in **Digital Workplace** services further reinforced
- **Automation** and **Unify integration** strongly contributing to operating margin improvement

<table>
<thead>
<tr>
<th></th>
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<th>H1 2016*</th>
<th>Organic evolution</th>
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<tr>
<td>Revenue</td>
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<tr>
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<td>329</td>
<td>243</td>
<td></td>
</tr>
<tr>
<td>Operating margin rate</td>
<td>9,2%</td>
<td>6,8%</td>
<td></td>
</tr>
</tbody>
</table>

*At constant scope and exchange rates*
### Business & Platform Solutions

- **Shift to high value digital transformation projects**
- **Industrialization** program of application services underway
- **Improved workforce management** materializing in the utilization rate increase

#### Revenue

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2016*</th>
<th>Organic evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,608</td>
<td>1,567</td>
<td>+2.6%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>98</td>
<td>77</td>
<td></td>
</tr>
<tr>
<td>Operating margin rate</td>
<td>6.1%</td>
<td>4.9%</td>
<td></td>
</tr>
</tbody>
</table>

*At constant scope and exchange rates

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27% 18% 13% 10% 32%  
France Germany Benelux & The Nordics United-Kingdom & Ireland Other countries
Big Data & Cybersecurity

- Strong momentum for cybersecurity
- Success of Security Operating Center offering
- Bullion sales boosted by new partnerships agreements

In € million

<table>
<thead>
<tr>
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<td>313</td>
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</tr>
<tr>
<td>Operating margin</td>
<td>43</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>Operating margin rate</td>
<td>12.2%</td>
<td>13.6%</td>
<td></td>
</tr>
</tbody>
</table>

* At constant scope and exchange rates
Worldline

- Financial Processing strong growth led by **volume increase** and **fraud prevention**
- Merchant Services benefiting from **higher acquiring volumes** and a strong momentum in **India**
- Fast delivery of equensWorldline costs synergies

<table>
<thead>
<tr>
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<th>H1 2017</th>
<th>H1 2016*</th>
<th>Organic evolution</th>
</tr>
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<tbody>
<tr>
<td><strong>Revenue (€ million)</strong></td>
<td>757</td>
<td>740</td>
<td>+2.3%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>114</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td><strong>Operating margin rate</strong></td>
<td>15.0%</td>
<td>12.6%</td>
<td></td>
</tr>
</tbody>
</table>

*At constant scope and exchange rates*
H1 2017 performance by Business Unit

- **Revenue growth** and **operating margin improvement** in almost all Business Units
- United-Kingdom and North America showing the **strongest commercial dynamism**

### Revenue

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>H1 2017</th>
<th>H1 2016*</th>
<th>Organic evolution</th>
<th>H1 2017</th>
<th>H1 2016*</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>1,162</td>
<td>1,141</td>
<td>+1.8%</td>
<td>124</td>
<td>116</td>
</tr>
<tr>
<td>Germany</td>
<td>1,080</td>
<td>1,069</td>
<td>+1.0%</td>
<td>70</td>
<td>23</td>
</tr>
<tr>
<td>United-Kingdom &amp; Ireland</td>
<td>880</td>
<td>852</td>
<td>+3.4%</td>
<td>83</td>
<td>84</td>
</tr>
<tr>
<td>France</td>
<td>847</td>
<td>847</td>
<td>+0.1%</td>
<td>59</td>
<td>43</td>
</tr>
<tr>
<td>Benelux &amp; The Nordics</td>
<td>536</td>
<td>546</td>
<td>-1.8%</td>
<td>46</td>
<td>35</td>
</tr>
<tr>
<td>Other Business Units</td>
<td>1,049</td>
<td>983</td>
<td>+6.8%</td>
<td>89</td>
<td>70</td>
</tr>
<tr>
<td>Worldline</td>
<td>757</td>
<td>740</td>
<td>+2.3%</td>
<td>114</td>
<td>93</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,311</strong></td>
<td><strong>6,177</strong></td>
<td><strong>+2.2%</strong></td>
<td><strong>538</strong></td>
<td><strong>408</strong></td>
</tr>
</tbody>
</table>

### Operating margin

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>H1 2017</th>
<th>H1 2016*</th>
<th>Operating margin %</th>
<th>H1 2017</th>
<th>H1 2016*</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>10.7%</td>
<td>10.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>6.5%</td>
<td>2.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United-Kingdom &amp; Ireland</td>
<td>9.4%</td>
<td>9.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>6.9%</td>
<td>5.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benelux &amp; The Nordics</td>
<td>8.7%</td>
<td>6.4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Business Units</td>
<td>8.5%</td>
<td>7.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worldline</td>
<td>-0.8%</td>
<td>-1.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8.5%</strong></td>
<td><strong>6.6%</strong></td>
<td></td>
<td><strong>538</strong></td>
<td><strong>408</strong></td>
</tr>
</tbody>
</table>

* At constant scope and exchange rates

** Global structures include Global Divisions costs not allocated to the Group Business Units and Corporate costs
H1 2017 headcount evolution

- Adaptation of hiring to automation
- Focus of hiring on Atos Digital Transformation Factory skills
- Stable attrition rate
- Continued increase in training and certification

Headcount as of 31/12/16: 100,096
Scope: +137
Hiring: +6,959
Leavers, restructuring & dismissals: -8,712
Headcount as of 30/06/17: 98,480
## Income statement

### In € million

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2016</th>
<th>% yoy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>6,311</td>
<td>5,697</td>
<td>+10.8%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>538</td>
<td>444</td>
<td>+21.2%</td>
</tr>
<tr>
<td>Staff reorganization, rationalization, and integration</td>
<td>-82</td>
<td>-97</td>
<td></td>
</tr>
<tr>
<td>Equity based compensation</td>
<td>-45</td>
<td>-22</td>
<td></td>
</tr>
<tr>
<td>Purchase Price Allocation amortization</td>
<td>-62</td>
<td>-45</td>
<td></td>
</tr>
<tr>
<td>Others (Including €51m Visa share in H1 2016)</td>
<td>-22</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>327</td>
<td>324</td>
<td></td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>-32</td>
<td>-32</td>
<td></td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>295</td>
<td>292</td>
<td></td>
</tr>
<tr>
<td>Tax charge</td>
<td>-56</td>
<td>-58</td>
<td></td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>18.9%</td>
<td>19.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>239</td>
<td>234</td>
<td></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-28</td>
<td>-29</td>
<td></td>
</tr>
<tr>
<td><strong>Net income Group share</strong></td>
<td>211</td>
<td>205</td>
<td></td>
</tr>
<tr>
<td>Visa share (Group share)</td>
<td>-</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td><strong>Net income Group share excluding Visa share</strong></td>
<td>211</td>
<td>169</td>
<td>+24.7%</td>
</tr>
</tbody>
</table>
## Cash flow statement

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Margin before Depreciation and Amortization</strong></td>
<td>712</td>
<td>586</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>-235</td>
<td>-202</td>
</tr>
<tr>
<td>Change in working capital requirement</td>
<td>-37</td>
<td>-24</td>
</tr>
<tr>
<td><strong>Cash from operations</strong></td>
<td>439</td>
<td>361</td>
</tr>
<tr>
<td>Reorganization, rationalization &amp; integration costs</td>
<td>-101</td>
<td>-96</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-64</td>
<td>-74</td>
</tr>
<tr>
<td>Net cost of financial debt paid</td>
<td>-13</td>
<td>-8</td>
</tr>
<tr>
<td>Profit sharing</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>Other changes</td>
<td>-19</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>242</td>
<td>180</td>
</tr>
<tr>
<td>Net material acquisitions/disposals</td>
<td>-12</td>
<td>-322</td>
</tr>
<tr>
<td>Capital increase</td>
<td>31</td>
<td>21</td>
</tr>
<tr>
<td>Visa share</td>
<td>-</td>
<td>36</td>
</tr>
<tr>
<td>Dividend paid to owners of the parent</td>
<td>-168</td>
<td>-47</td>
</tr>
<tr>
<td>Share buy-back</td>
<td>-8</td>
<td>-</td>
</tr>
<tr>
<td><strong>Change in net cash</strong></td>
<td>86</td>
<td>-133</td>
</tr>
<tr>
<td>Unify S&amp;P opening net debt</td>
<td>-101</td>
<td>-</td>
</tr>
<tr>
<td>Impact of foreign exchange rate fluctuation</td>
<td>-72</td>
<td>-49</td>
</tr>
<tr>
<td><strong>Opening net cash</strong></td>
<td>430</td>
<td>546</td>
</tr>
<tr>
<td><strong>Closing net cash</strong></td>
<td>342</td>
<td>364</td>
</tr>
</tbody>
</table>

Note: Figures have been restated from change in Worldline’s intermediation activities presentation (effect of €-47m on H1 2016 opening net cash, €-1m on H1 2016 FCF, and €-51m on H1 2017 opening net cash)
Cash conversion

- Free cash flow H1
- Free cash flow FY
- Cash conversion H1
- Cash conversion FY

<table>
<thead>
<tr>
<th>Year</th>
<th>Free Cash Flow H1</th>
<th>Free Cash Flow FY</th>
<th>Cash Conversion H1</th>
<th>Cash Conversion FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>293</td>
<td>67</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>104</td>
<td>393</td>
<td>29%</td>
<td>43%</td>
</tr>
<tr>
<td>2016</td>
<td>181</td>
<td>579</td>
<td>41%</td>
<td>52.5%</td>
</tr>
<tr>
<td>2017</td>
<td>242</td>
<td></td>
<td></td>
<td>45% to 58%</td>
</tr>
</tbody>
</table>
Net cash evolution

<table>
<thead>
<tr>
<th>Description</th>
<th>Net Cash 31/12/16</th>
<th>Adjustments</th>
<th>Net Cash 30/06/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash 31/12/16</td>
<td>481</td>
<td>-51</td>
<td>342</td>
</tr>
<tr>
<td>Worldline's intermediation activities restatement</td>
<td></td>
<td>-101</td>
<td></td>
</tr>
<tr>
<td>Unify S&amp;P consolidation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restated net cash 31/12/2016</td>
<td>329</td>
<td>+242</td>
<td></td>
</tr>
<tr>
<td>Free cash flow</td>
<td></td>
<td>-12</td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td></td>
<td>+31</td>
<td></td>
</tr>
<tr>
<td>Capital increase</td>
<td></td>
<td>-168</td>
<td></td>
</tr>
<tr>
<td>Dividend paid</td>
<td></td>
<td>-8</td>
<td></td>
</tr>
<tr>
<td>Share buy-back</td>
<td></td>
<td>-72</td>
<td></td>
</tr>
<tr>
<td>FX rate fluctuation effect</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash 30/06/17</td>
<td></td>
<td></td>
<td>342</td>
</tr>
</tbody>
</table>
### Balance sheet – main items

<table>
<thead>
<tr>
<th></th>
<th>30 June 2017</th>
<th>31 December 2016 restated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ equity</td>
<td>€ 4,861 m</td>
<td>€ 4,835 m</td>
</tr>
<tr>
<td>Net cash</td>
<td>€ 342 m</td>
<td>€ 329 m</td>
</tr>
<tr>
<td>Goodwill</td>
<td>€ 4,193 m</td>
<td>€ 4,185 m</td>
</tr>
<tr>
<td>Net pensions deficit</td>
<td>€ 1,335 m</td>
<td>€ 1,388 m</td>
</tr>
</tbody>
</table>

Total Assets at the end of June 2017 reached € 13.1 billion
Commercial activity
Patrick Adiba
Chief Commercial Officer
### H1 2017 commercial activity dashboard

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Order entry</strong></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>€6,869m</td>
</tr>
<tr>
<td>YoY Growth</td>
<td>+9%</td>
</tr>
<tr>
<td><strong>Backlog</strong></td>
<td></td>
</tr>
<tr>
<td>Backlog</td>
<td>€22.2bn</td>
</tr>
<tr>
<td>Revenue Coverage</td>
<td>1.8 years</td>
</tr>
<tr>
<td><strong>Book to bill ratio</strong></td>
<td></td>
</tr>
<tr>
<td>Ratio</td>
<td>109%</td>
</tr>
<tr>
<td><strong>Qualified pipeline</strong></td>
<td></td>
</tr>
<tr>
<td>Qualified pipeline</td>
<td>€7.0bn</td>
</tr>
<tr>
<td>Revenue Coverage</td>
<td>6.7 months</td>
</tr>
</tbody>
</table>
Atos Digital Transformation Factory: Recognized Strong Leadership

### Digital Services Transformation
- **Atos Canopy Orchestrated Hybrid Cloud**
  - Global Leader
  - European Leader Cloud Migration
  - Global Leader Private Cloud
  - #2 European Leader

- **Atos Business Accelerators (SAP HANA, Oracle)**
  - European Leader SAP
  - Major Player HANA Utilities
  - Major Player Next Gen SAP
  - Major Player

- **Atos Codex**
  - VISIONARY BI
  - IOT WINNER
  - IOT LEADER
  - Contender Business Insight

- **Atos Digital Workplace**
  - European leader
  - Global Leader
  - Major Contender
  - Leader Mobile Collaboration

### Cybersecurity
- Leader #1 Europe
- #4 Worldwide Managed Security
- Strong performer Worldwide Security Consulting
- #1 European Player Worldwide IT Security Services

### Digital Payment
- Strong Performer Global Commerce
- Leader Mobile Wallet

### Cloud Services
- Global Leader Retail Banking Payments
- Global Leader Fintech
Main wins in Q2 2017 leveraging the Atos Digital Transformation Factory

Cloud
- SAP HANA

Workplace
- Codex

Cybersecurity

Digital payments

European industrial equipment manufacturer

Atos Canopy Hybrid Cloud
Atos Digital Workplace
Codex

BBC

Digital payments

Cyber Security

Atos HANA by Atos

Atos Canopy Cloud

Orchestrated Hybrid Cloud
Two emblematic wins in Q2 2017

European industrial equipment manufacturer
- Large Cloud-based Infrastructure & Data Management contract won thanks to a key competitive advantage: Atos leadership in cybersecurity

Testing and certification company
- Global Private Cloud Datalake with Regional Hubs
- Data acquisition through connectivity to 100s of data sources
- Data Science & Machine Learning for Data rationalization automation and data profiling
- Automated business dynamic reporting
Unify – Sales actions update

**Growth Levers**

- **“Whitespace”**
  - Unify offering integrated in the Account Plans
  - First wins and active pipeline

- **Circuit**
  - 517 k users in many accounts from Large enterprises to SMB
  - Continue to leverage the successful Siemens migration to Circuit

- **France market entry**
  - First wins and pipeline development
  - Proposals submitted for a value of €100m in H1

- **Next Gen 9-1-1 opportunity in the US**
  - First orders secured *(State of California and St Francois County - Missouri)* and many active opportunities

- **Atos/Unify channels synergies**
  - Number of partners increased to 2,812
Operational achievements
Eric Grall
Head of Global Operations
Atos Canopy Orchestrated Hybrid Cloud
H1 2017 update

Atos Hybrid Cloud Growth
H1 2017
>30%

Customer case study
Increased performance for more than 7,500 workloads & 3,000 databases

New Portfolio Development
Private Azure Cloud
SAP+HANA on Cloud by Atos
(on Bullions)

Atos added value
Cloudification Factory & Transformation Services
Optimized public cloud via Atos
Service Orchestration & Management
Atos Infrastructure & Data Management: Automation deployment on-track

H1 Automation account coverage vs H1 2017 plan

121 vs 65 target

For customers under Automation program, current average rate achieved

47%

Major Automation programs

IPSoft
Arago
Atos Cloud Automation Portal

Account with highest Automation achieved to date

68%
Atos Business & Platform Solutions
RISE Program on track versus 2017 objectives

- Operating margin Improvement: 120 bps in H1 2017
- Staff to be redeployed in FY 2017: 1,000+
- Global Resource Management shifted to India
- Automation factory set-up in India: 250+ RPA use cases created
- Strategic Acceleration on Digital Transformation Factory (Codex, SAP HANA)

38 | Atos – H1 2017 results
Conclusion and Q&A
Thierry Breton
Chairman & CEO
The Group confirms all its objectives for 2017 stated in the April 24, 2017 release:

- **Revenue growth:** circa +9.5% at constant exchange rates, above +2% organically
- **Operating margin:** circa 10% of revenue
- **Free cash flow:** operating margin conversion rate to free cash flow at between 55% and 58%

**In line with 2019 Ambition**
Thanks