

# 2019 Investor Day

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**Atos**

# 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 2017 Registration Document filed with the Autorité des Marchés Financiers (AMF) on February 26, 2018 under the registration number: D.18-0074 and its update filed with the Autorité des Marchés Financiers (AMF) on July 27, 2018 under the registration number: D.18-0074-A01.
- ▶ The Group's financial information relating to the financial year ended December 31, 2018 included in this document has been prepared using a process similar to that adopted for the preparation of the Group's annual consolidated financial statements but is not yet audited. Accordingly, Atos has not yet obtained from its statutory auditors the assurance that they will be able to certify its financial statements without reserve. The Board of Directors of Atos SE has examined at its January 29, 2019 meeting the Group's financial information for the financial year ended December 31, 2018 included in this document and has approved its communication. The Group's financial statements which will be approved by the Board of Directors, to be held on February 20, 2019, shall include any material events previously unknown by the Group and of which it becomes aware or which may occur after January 30, 2019. Therefore the financial information presented in this document shall be, in accordance with the AMF position-recommendation n°2004-04, qualified as estimated results (résultats estimés).
- ▶ Revenue organic growth is presented at constant scope and exchange rates, and restated for the impact of IFRS 15. Operating margin is presented as defined in the 2017 Registration Document. Starting January 1<sup>st</sup>, 2018, dividends paid to non-controlling interests are not anymore a Free Cash Flow item but reported in line 'Dividends paid'.
- ▶ Business Units include Germany, North America (USA, Canada, and Mexico), France, United Kingdom & Ireland, Worldline, 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.
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- ▶ Any information or project mentioned in this document may require to be executed the appropriate processes with the relevant works councils' representatives in accordance with applicable laws.

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**Atos**

# Business & Platform Solutions

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**Sean Narayanan**

Head – B&PS

**Rakesh Khanna**

CEO – Atos Syntel

# Atos B&PS delivers Digital @ Scale

## Strengthened by Atos Syntel

**58,000** technologists  
inc **20,000 Digital Experts**

**3 Global**  
and **13 regional delivery centers**

**55m** bot executions  
**340** use-cases  
**122** customers

**Industry aligned Global Business**  
**> 50%** of revenue  
from **TOP 60 clients**

**Global Player**  
**€4bn+**  
annual revenue

**3+m** SAP users  
**4+m** Smart Grid end-points  
**70m** Connected transactions per day

**Strong IP and Partners** on Digital, AI and Cloud

**SyntBots**  
Automation N×1

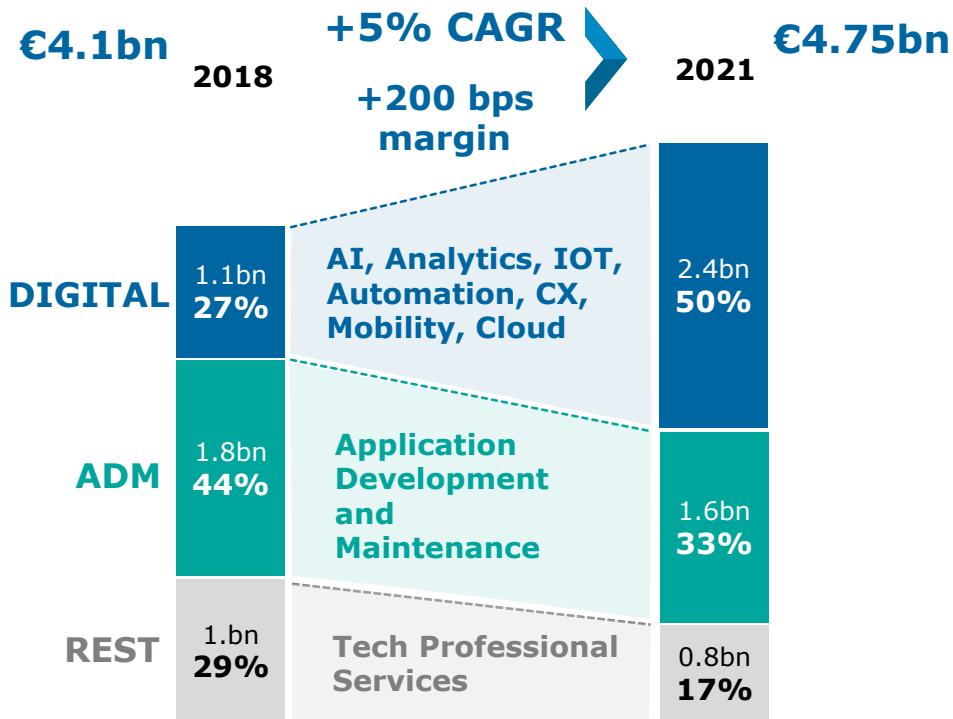
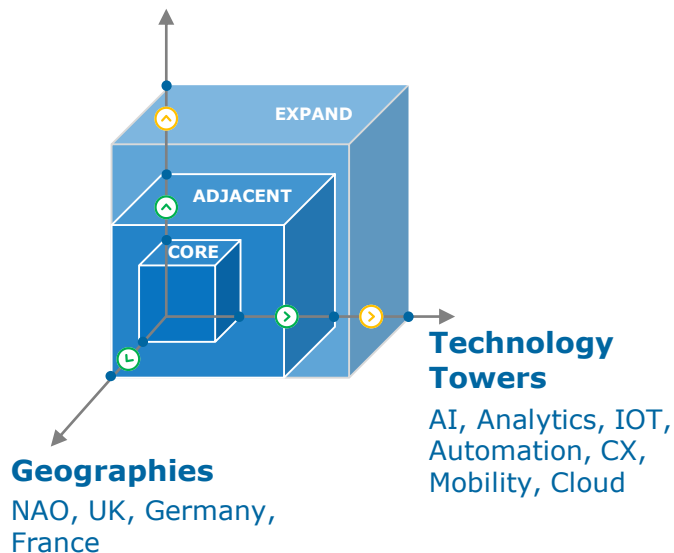


 **Google Cloud**

# Our 2021 ambition is to grow circa 5% CAGR

## Digital and AI will fuel the growth

Financial Services & Insurance, Healthcare,  
Retail & Transportation, Manufacturing, Telco  
Media Tech, Energy & Utilities, Public sector  
**Verticals**





# 2021 Ambition: Digital Transformation Leader



## Digital Engineering & Analytics

- ▶ **Codex suite**, featuring **AI, IOT, Analytics**
- ▶ Align to **Industry Priorities** – Industry 4.0 Mindsphere
- ▶ **SAP S/4 HANA**, SAP Cloud transformation



## Cloud Services

- ▶ **Scale up ADM** and migrate through **micro-services and cloud transformation**
- ▶ **Integrated IT Operations** – Application and Infrastructure Management powered by **Intelligent Automation**
- ▶ **End-to-end Cloud Transformation**



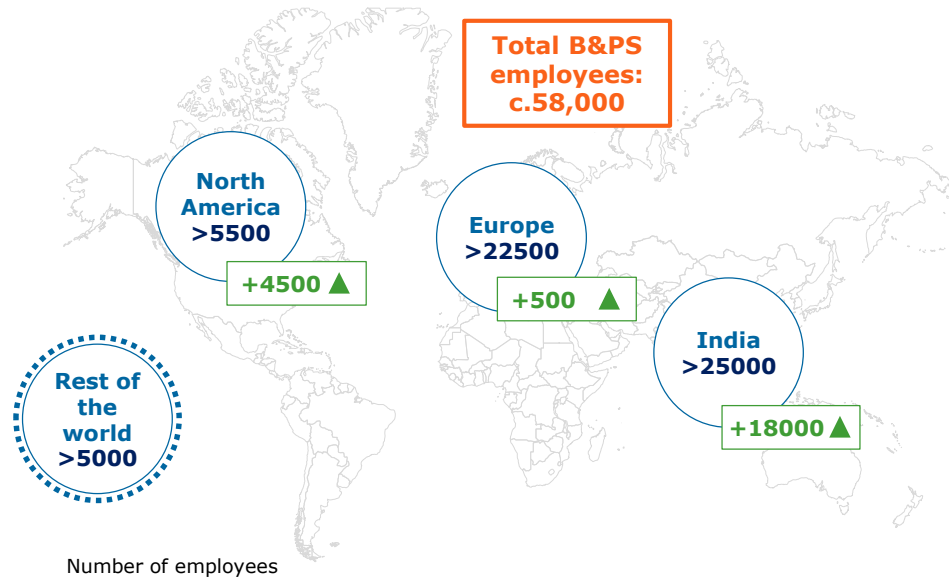
## Digital Customer Experience

- ▶ **Industry specific consulting** and omni-channel and personalization
- ▶ **Full stack Development** and Integration
- ▶ **High Touch B2C Verticals**

# A **workforce** geared towards growth, assets to support the growth

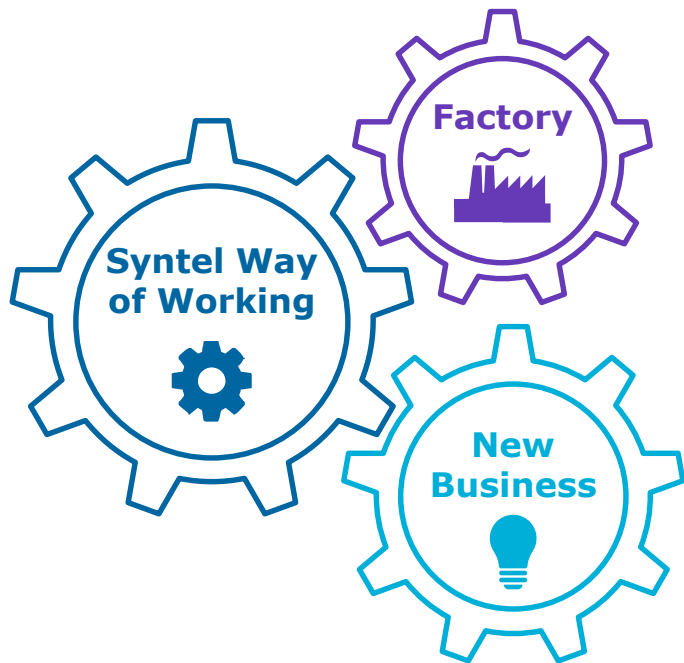
2018 – **48% nearshore offshore ratio**

2021 – **60% nearshore offshore ratio**





# Profitable Growth: Leverage Atos Syntel Model



- 1 **Reverse integrate Atos B&PS large global contracts into Atos Syntel model**
- 2 **Accelerate B&PS Transformation Plan**
- 3 **Target Margin Growth > Revenue Growth**

# First results of the integration and synergies

**Atos expects to generate compelling and significant synergies to deliver growth and high profitability**

## **1 Protect the Base**

100% client retention

## **2 Cost synergies > \$120m by 2021**

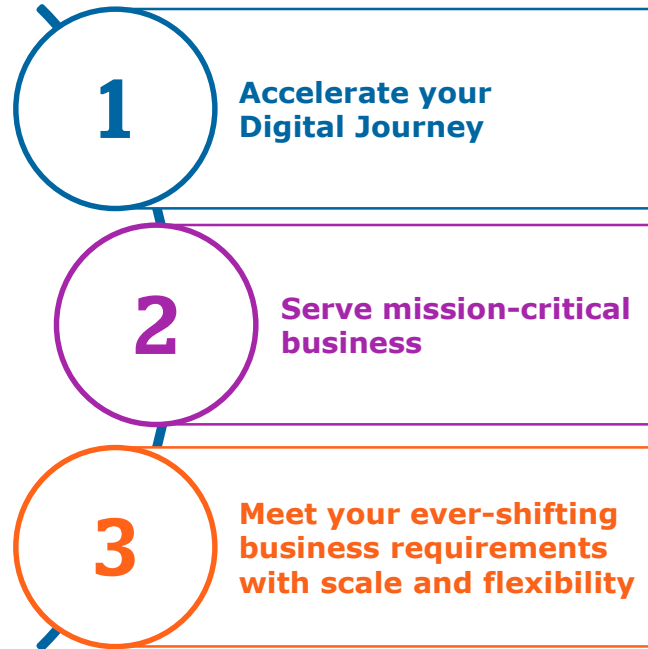
Account transformation – \$800m  
Wave 1 accounts transitioned  
starting January 2019

## **3 On track for revenue synergies >\$250m run rate within 3 years**

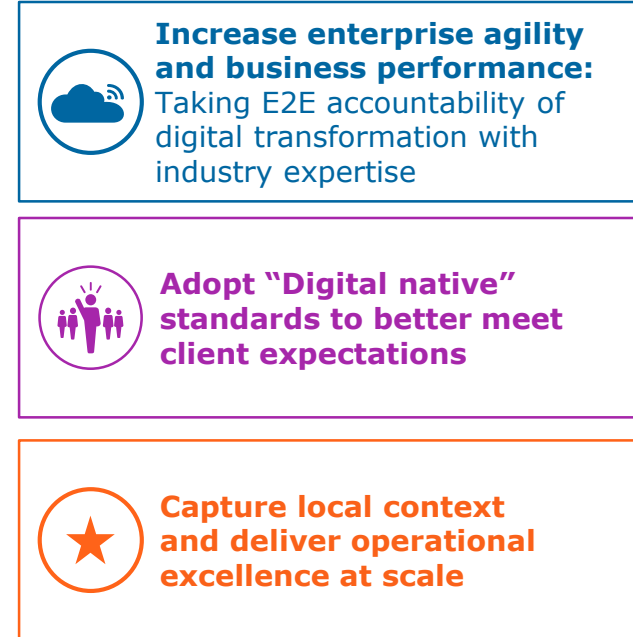
Won deals - \$40m Application  
Transformation and \$2m IT  
Operations powered by  
Automation

# Enable Digital @ Scale for Clients

## Customer Imperatives and Our Solution



**Atos** | **Syntel**



# Increase enterprise agility

Smart Device platform for global appliance manufacturer



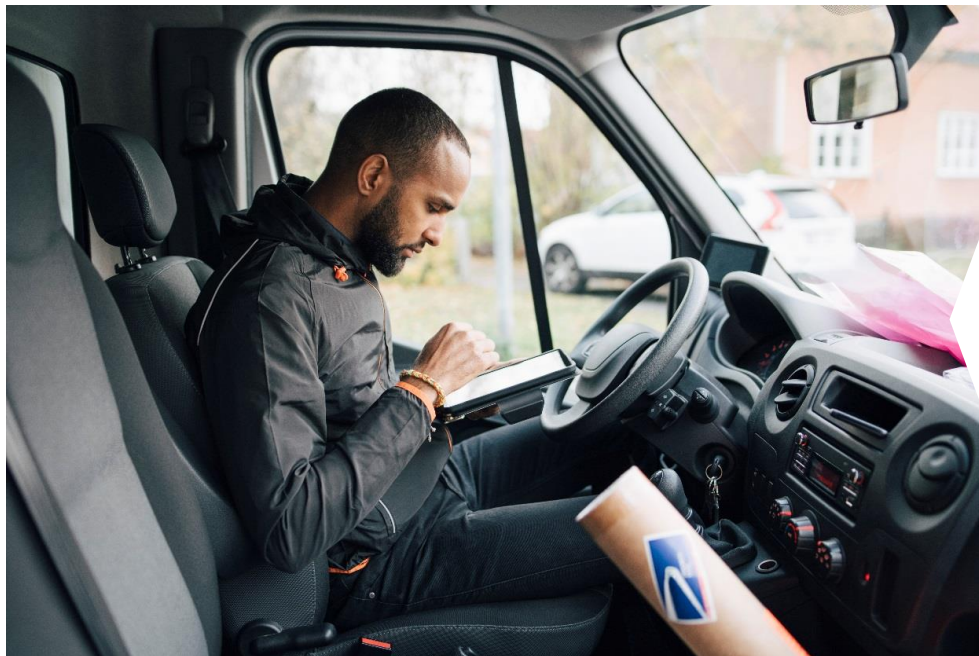
## **“Smart Home” Ecosystem**

### **Global IoT Platform: Digital@Scale**

- 90% reduction in on-boarding time
- Platform to roll out new IoT capabilities
- Powered by Atom for IoT

# Increase enterprise agility

"Amazon Proofing" a \$100 billion retailer



## Digital Transformation Journey

- **30% faster time to market** by Cloud Migration to Pivotal Cloud foundry
- **22% Sales increase** through iPad application for Home selling
- Automation through SyntBots for modernization and ATOM

# Evolve your platform to “digital native” standard

Modernizing insurance policy distribution



## Modernized legacy print policy system

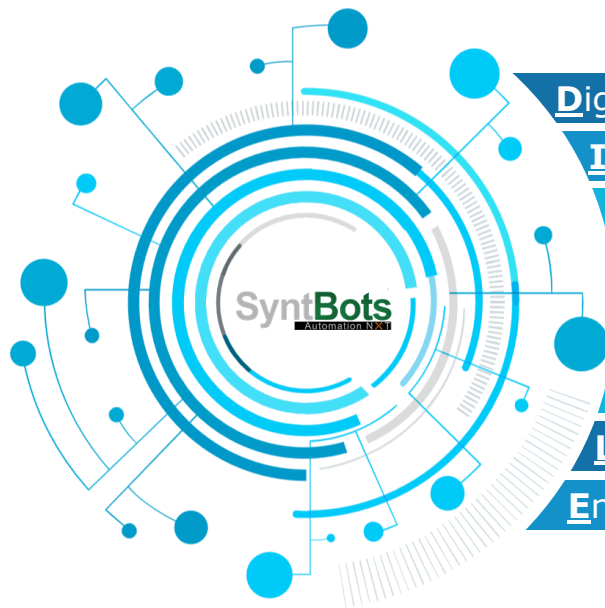
Leading Mutual Life Insurer

- Electronic Delivery and Digitization of policies
- Reduced policy delivery time from **45 days to 1 day**
- Cloud Ready system for future scalability
- Automation through SyntBots for modernization



# Service Offerings to Deliver Digital @ Scale

Partnering with clients to go  
**Digital @ Scale**



Digital Transformation

IT OPS

@

Solutions for every industry

Cloud enablement

Automation powered by AI

Legacy modernization

Enterprise platforms

# B&PS operating margin levers

## Strategy to deliver the 200 bps margin increase

1. Change **Business Mix** to more **Digital**, **Vertical** and **Industrialized** solutions
  - Focus on offerings that bring high value to our customers: Digital Engineering & Analytics, Cloud Services, Digital Customer Experience
  - Implement Atos Syntel vertical design model on our business beyond North America
2. Increase **Offshore and Nearshore**
  - Account transformation for reverse integration customers
  - Solution new business leveraging Atos Syntel delivery framework
3. **S**trengthen B&PS **O**perations; accelerate **A**I-automation for **R**esults - **SOAR** program in customer engagements and delivery platforms
  - Streamline processes and tools in delivery, client management and pre-sales
  - Simplify and innovate technical leadership at the customer
  - Integrate EQUIP with the global delivery platform KI
  - Accelerate AIAP, ATOM and SyntBots with our customers

# Our 2021 outcomes

B&PS as the driver of growth and profitability

CAGR **growth**  
circa **5%** to  
**4.75bn**

Increase  
**profitability**  
**200 bps**

Implement  
Atos Syntel  
**vertical  
model**

Leverage **local  
strengths**

**Digital**  
portfolio  
**50%**

**Nearshore  
offshore**  
**60%**

Enhanced  
**capabilities** of  
Atos Syntel -  
SyntBots and  
ATOM

Focus on  
**Digital** and  
**SOAR**

Deliver **Digital @ Speed**

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