

North American operations

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Chief Executive Officer, North America

Please let me introduce myself



- ▶ Appointed **CEO of Atos North America** in **July 2018**
- ▶ Prior to Atos, **experience as:**
 - Chief Operating Officer of **Virtustream**, Dell Technologies' global cloud business
 - Senior Vice President and Chief Operating Officer of **EMC EMEA**
 - Managing Director UK&I of **Computacenter PLC**
- ▶ A fantastic opportunity to drive Atos North America success

My initial observations: strong assets to rebound from FY18

A dynamic North America IT Market

- ▶ \$1.8Tn market size
- ▶ 2019 ~4-6% market growth driven by digital
- ▶ Intense competition for talents & skills
- ▶ Market very active, many opportunities, some require different sales motion

We can build on strong assets...

- ▶ Diverse committed customer base
- ▶ Powerful references
- ▶ Some excellent Hybrid Cloud, Cybersecurity and IoT case-studies
- ▶ Growing depth in industry verticals
- ▶ Strong Syntel capabilities

... To capture identified opportunities

- ▶ Excellent cross-selling opportunities (>\$250m qualified with Syntel)
- ▶ Real potential to increase share of wallet through fertilization (<3.5%)
- ▶ Operational excellence enabling greater upsell (>\$250m in active bids)
- ▶ Employee engagement (+7% GPTW participation)

Capitalizing on lighthouse digital transformation successes



50% to 70% of enterprise workloads moving to **As-a-Service**

HUNTSMAN

Enriching lives through innovation

MONSANTO



20% to 40% of labor removed through extensive **Automation**

McLaren

HEALTH CARE



Agile enterprise becomes the dominant operating model

Modernizing large legacy apps to promote agile alternatives



Digital business becomes just **The Business**
IT is part of the Revenue Generation Engine

CARMAX

Allscripts



The **Internet of Things (IoT)** will swallow Enterprise IT and move to integrated **Platforms**

Global Entertainment company



SECURITY • Compliance • SECURITY • Compliance • SECURITY



Source: ISG Research 2017-2018

My first few months focused on operational priorities

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Connected with customers

- ▶ Top 40 clients met
- ▶ Key 2019 renewals secured
- ▶ Pipeline regenerated (+22% increase in qualified pipeline versus FY18 win \$)
- ▶ Actions launched on specific customers: quality, upselling...
- ▶ Focusing on alignment and upskilling of our key propositions

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Engaged with team members

- ▶ Visited key locations – Mason, Pittsburgh, Monterrey, NY, Chicago, Dallas & client sites
- ▶ Hosted numerous townhalls, sharing our action plans and how we all contribute
- ▶ Assessed management team
- ▶ Reconfigured leadership team, clear plan of action and clarity on key deliverables

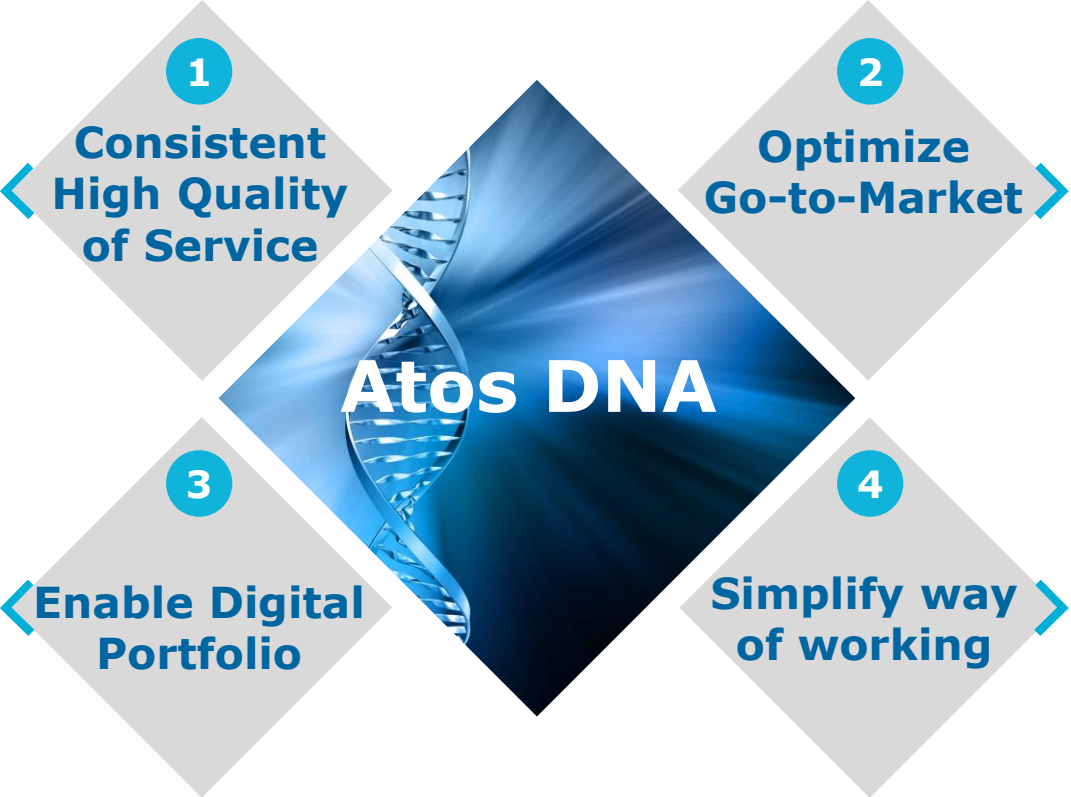
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Transforming organization

- ▶ New leaders appointed
- ▶ Leveraging Group & Syntel to increase effectiveness / productivity of IDM
- ▶ Syntel integration ahead of plan
- ▶ Changed 20 client executives, prioritizing sales as #1 purpose
- ▶ Sales teams compensation & rewards scheme adapted in-line with market consumption

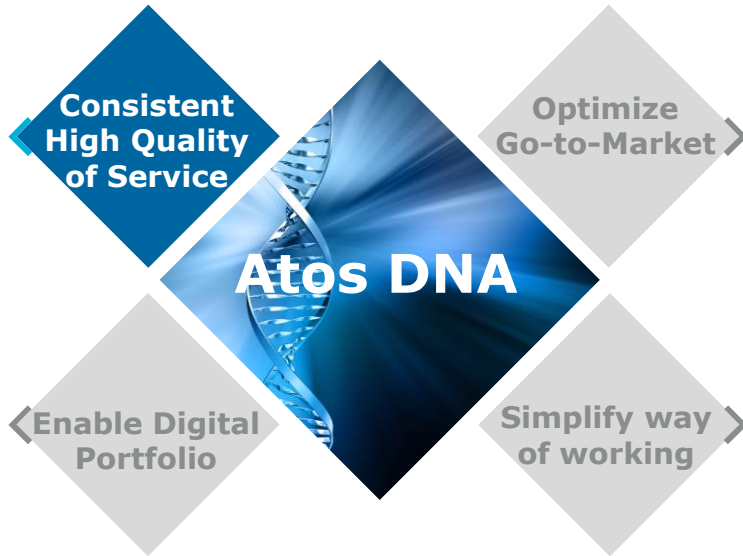
Atos DNA

North America plan to meet ADVANCE 2021



1

North America plan to meet ADVANCE 2021



- ▶ New leadership team focused on repeatable high-quality service execution
- ▶ Standardized service consistency through automation & efficiency
- ▶ Embed Syntel capabilities in delivery of services (eg Synbots)
- ▶ Utilization of Atos Group investments, systems, tools and capabilities to expedite service advancement & differentiation

North America plan to meet ADVANCE 2021



- ▶ Investment in sales hires ~60 sellers (North America has historically had the smallest sales team)
- ▶ Focus on cross-selling/fertilization into our installed base & dedicated new business team
- ▶ Specialty sales to drive newer portfolio sales success
- ▶ Target certain market segments, eg Healthcare & Fortune 500 with full-scope/multi-tower
- ▶ Implement simple transparent commission system
- ▶ Build partnerships with key ISV's, tech partners & influencers / advisers

North America plan to meet ADVANCE 2021



- ▶ Created CTO and cross-division pre-sales teams
- ▶ Embed Syntel capabilities into each & every vertical market
- ▶ Focus our sales specialty on Google and Hybrid Cloud
- ▶ Leverage global Atos capabilities for faster time to value/market
- ▶ Utilize North America case-studies to generate market traction



North America plan to meet ADVANCE 2021



- ▶ Facilitate cultural alignment (build upon Great Place To Work feedback) to drive organizational effectiveness
- ▶ Empower leaders against KPI's, clear governance and execution accountability
- ▶ Address end-to-end processes, creating transparency, removing duplication and reducing costs

2019: Atos DNA Y1 go-to-market priorities

Cross-sell

- ▶ **New contracts/fertilization** potential
- ▶ More resources on **new sales for existing clients**
- ▶ Widely benefit from **partnership with Google** (AI / ML, Hybrid Cloud and digital workplace)
- ▶ **Fully leverage Syntel** customer base for IDM opportunities
- ▶ Embed **Syntel offerings into Atos clients**

New contracts

- ▶ Dedicated **new-business sales team** focused on large multi-tower deals
- ▶ Increased **pre-sales capacity**
- ▶ **Increased opportunities** with Syntel (App led deals)
- ▶ Leverage **Atos + Syntel + Google** value proposition

Renewals

- ▶ **Less renewals in 2019** allowing more time & resource allocation for growth in existing and new clients

- Pipeline at 200% of FY19 budget (qualified & unqualified)
- >100% increase from July 2018
- >\$1bn of qualified for 1H19 in 8 deals (2 Syntel embedded, 6 new logo)

North America back to growth in 2019

A new scope in North America in 2019: Atos + Syntel

REVENUE:

Overall positive organic growth in FY 2019e

- ▶ Positive recovery from FY18 wins and FY19 cross-selling focus
- ▶ Significantly less renewals in FY19 \$200m (FY18:\$650m)

OPERATING MARGIN:

c. 12%* of revenue in FY 2019e

- ▶ Positive contribution of cross-selling activities and FY18 wins
- ▶ Further cost-saving opportunities being activated

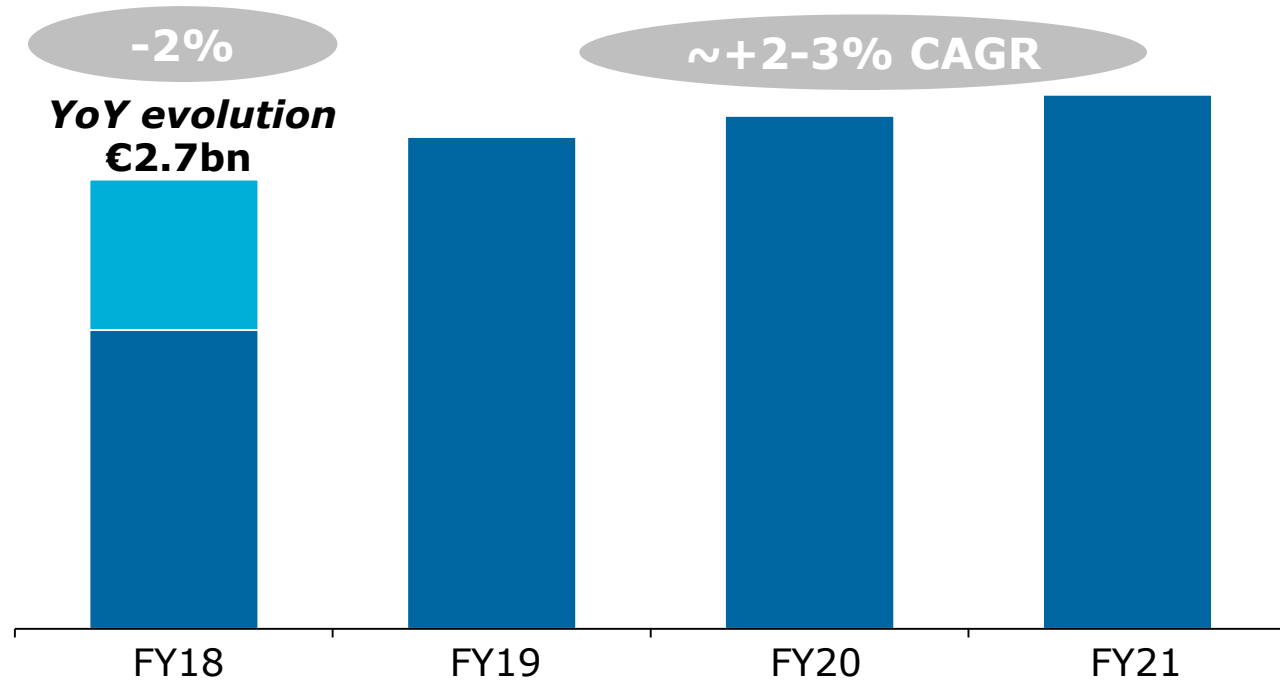
** Excluding margin generated in Global Delivery Centers, especially within Atos|Syntel*

Progressive improvement of revenue growth over the next 3 years, back in line with Group

**3-year plan 2019-2021:
Atos + Syntel + Synergies**

SYNTEL
Consider IT Done®

Atos



Revenue in €bn