Half-Year Financial Report
June 30, 2024

This Half-Year Financial Report is a translation into English of the official version of the Rapport Financier Semestriel which has been prepared in French for the semester ended June 30, 2024 filled with the AMF on August 6th, 2024 and available on the AMF's website (www.amf-france.org) and on the Company's website (www.atos.net)

Content

1. Person responsible

1.1. Responsibility statement for the Half-Year Financial Report

I hereby declare that, to the best of my knowledge, the half-year condensed financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the half-year management report here attached presents a fair picture of significant events occurred during the first six months of the year, their impact on the financial statements, the main transactions between related parties as well as a description of the main risks and uncertainties for the remaining six months of the year.

Bezons, August 5th, 2024

Jean Pierre Mustier

Chairman of the Board of Directors and Chief Executive Officer

1.2. For the audit

Appointment and term of offices

Statutory auditors
Grant Thornton - Samuel Clochard
Appointed on: October 31, 1990, then renewed in October 24, 1995, on May 30, 2002, on June 12, 2008, on May 17, 2014, and on June 16, 2020
Term of office expires: at the end of the AGM voting on the 2025 financial statements
Deloitte & Associés – Jean-François Viat
Appointed on: December 16, 1993, renewed on February 24, 2000, on May 23, 2006, on May 30, 2012, and on May 24, 2018
Term of office expires: at the end of the AGM voting on the 2023 financial statements

2. Activity Report

2.1. Financial restructuring process

Opening of an amicable conciliation procedure followed by an accelerated safeguard proceedings for Atos SE

On **February 5, 2024**, Atos announced that the Company had entered into discussions with its banks with a view to reaching a refinancing plan for its financial debt and that following these initial discussions, it appeared pertinent to request the appointment of a mandataire ad hoc in order to frame these discussions and facilitate a rapid outcome.

On **March 26, 2024**, Atos has entered into an amicable conciliation procedure in order to frame discussions with its financial creditors. This is to facilitate the emergence of a global agreement regarding the restructuring of its financial debt within a short and limited timeframe of four months, which could be further extended by one month if needed according to French law. Maître Hélène Bourbouloux of FHB SELARL was appointed as conciliator.

The conciliation procedure (such as the mandat ad hoc previously) concerned only the financial indebtedness of Atos SE and has no impact on suppliers, employees, the governance of the Company, or other creditors of the Company or its subsidiaries.

Parameters of Atos' financial restructuring framework

On **April 29,2024**, Atos presented a revision of its financial restructuring framework presented on April 9, 2024, to reflect current market conditions and business trends:

- €1.1 billion of cash needed to fund the business over the 2024-25 period compared with €600 million previously. Funds to be provided in the form of debt and/or equity by existing stakeholders or third-party investors. The €1.1 billion of cash needed for the 2024 and 2025 period is based on a severe downside case performed by the Company adjusting for lower interest expenses related to debt reduction targets;
- €300 million in new revolving credit facility and €300 million in additional bank guarantee lines (unchanged);
- Targeting BB credit profile by 2026, which assumes a financial leverage[1] below 2x by year-end 2026 and implies a gross debt reduction of €3.2 billion compared with €2.4 billion previously; and
- Remaining debt maturities extended by 5 years (unchanged).

The key parameters of this financial restructuring framework are not impacted by the Letter of Intent received from the French state with regard to the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of the Company's BDS (Big Data & Cybersecurity) division. If an agreement is reached with the French state, proceeds resulting from such a transaction are not assumed to be received before H2 2025. The use of the net proceeds from this potential sale has been specifiedas part of the financial restructuring solution (see below).

Financial restructuring proposals received and agreement reached on the terms of the restructuring as part of the conciliation procedure

On **May 6, 2024**, following the publication of the updated parameters of its financial restructuring framework on April 29, 2024, Atos SE confirmed it received on May 3, 2024, four new money proposals from the following parties:

- A group of bondholders and banks of the Company's banking group;
- Bain Capital;
- EP Equity Investment, controlled by Mr. Daniel Kretinsky in partnership with Attestor Limited;

[1] *Ratio net debt pre-IFRS16 over EBITDA pre-IFR16; EBITDA computed as OMDA pre-IFRS16 minus anticipated RRI (restructuring, rationalization, integration) costs and Other changes*

- Onepoint, controlled by Mr. David Layani in consortium with Butler Industries.

These proposals have been posted on Atos' website and will be accessible through the following link : https://atos.net/en/investors .

All the proposals were presented to the Board of Directors on May 5, 2024, which decided with management and in alignment with the Conciliator Ms. Hélène Bourbouloux, not to pursue discussions with Bain Capital, as the submitted offer does not meet the stated objectives of the Company to consider its full perimeter.

The Board of Directors reiterated its confidence in the Group's management team to continue to coordinate discussions, under the aegis of the Conciliator and in coordination with the CIRI (*Comité Interministériel de Restructucturation Industrielle*), with an objective of reaching a financial restructuring agreement in the best corporate interest of Atos, including its employees, clients, suppliers, creditors, shareholders, and other stakeholders, while maintaining an attractive business mix.

On **June 3, 2024,** Atos announced the reception of two revised financial restructuring proposals as part of the conciliation process:

- EPEI in consortium with Attestor Limited; and
- A consortium comprising Onepoint, Butler Industries and Econocom, and a group of some of the Company's creditors

On **June 11**, **2024**, Atos' Board of Directors has decided to proceed with the financial restructuring proposal submitted by the consortium consisting of Onepoint, Butler Industries and Econocom, and a group of some of the Company's financial creditors.

On **June 26,2024**, Atos announed it has received from the representative committee of its bondholders a revised global financial restructuring proposal taking into account the decision from Onepoint, Butler Industries and Econocom to withdraw from discussions on 25 June 2024.

On **June 30, 2024**, Atos announced that it had reached an agreement on the main terms of a financial restructuring plan (the "**Agreement on the Restructuring Terms**") between the Company, a group of banks and bondholders, including in particular:

- Contribution of €233 million by way of a capital increase with preferential subscription right, €75 million of which is backstopped by the bondholders participating to the new financings (described below) in cash and €100 million is backstopped by the Participating Creditors by debt equitization;
- Equitization of €2.8 billion of Atos financial debt (plus accrued and unpaid interests), bringing the total amount of converted debt into equity to €2.9 billion;
- Net indebtedness reduced by circa €3.1 billion in line with the objective of a BB credit profile by 2026, which assumes a financial leverage[2] of circa 2x by year-end 2026;
- Contribution between €1.5 billion to €1.675 billion in new secured financings (new money debt), allocated equally between bank creditors and bondholders on the Record Date (as defined below).

Atos reminded that the implementation of the contemplated financial restructuring plan will result in massive dilution for existing Atos shareholders, who should, if they do not participate in the envisaged share capital increases, hold less than 0.1% of the share capital.

Lock-Up Agreement[3] reached between Atos, a group of banks and a group of bondholders covering all key terms of the financial restructuring plan.

On **July 15**, Atos announced that it had reached a lock-up agreement (the "**Lock-Up Agreement**") with a group of banks and a group of bondholders, covering all the key terms of the financial restructuring plan. The members of the group of bondholders and the members of the group of banks, together holding more than 50% of the unsecured debt of Atos, have undertaken to subscribe, in accordance with the stipulations of the Agreement on the Restructuring Terms and the Lock-Up Agreement, each as far as they are concerned, to several successive capital increases, if necessary in the form of a backstop, enabling a significant reduction in the Atos' net financial debt in parallel with the contributions of new secured financings.

[2] *Ratio net debt pre-IFRS16 over EBITDA pre-IFR16; EBITDA computed as OMDA pre-IFRS16 minus anticipated RRI (restructuring, rationalization, integration) costs and other changes.*

[3] *A Lock-Up Agreement is an agreement under the terms of which the signatories undertake to support and carry out any steps or actions reasonably necessary for the implementation and completion of the Company's financial restructuring. The terms and conditions of the Lock-Up Agreement are customary and include a commitment by the signatory creditors to support the financial restructuring in accordance with the principles agreed in the Agreement on the Restructuring Terms, and accordingly to sign the required contractual documentation.*

The terms and conditions of the Lock-Up Agreement include a commitment by the signatories to support and take all measures or actions reasonably necessary to implement and complete the financial restructuring in accordance with the Agreement on the Restructuring Terms and the Lock-Up Agreement and, accordingly, to execute the required contractual documentation. Under these terms and conditions, the Atos debt held by the signatories will remain transferable during the period of implementation of the financial restructuring, subject to a number of conditions including the transferee being committed under the same terms by the Lock-Up Agreement.

In the same press release dated July 15, 2024, Atos announced that financial creditors holding Atos' unsecured debt who are not already party to the Lock-Up Agreement may access to the Lock-Up Agreement until July 22, 2024.

Opening of the accelerated safeguard proceedings to implement Atos pre-arranged financial restructuring plan

On **July 24, 2024**, Atos announced the opening of opening of an accelerated safeguard proceedings by the specialized Commercial Court of Nanterre, for an initial period of two months, which may be renewed for two additional months.

As announced in the press release of July 15, 2024, the purpose of this procedure is to enable the Company to implement its financial restructuring plan in accordance with the Lock-Up Agreement3 reached between the Company, a group of banks and a group of bondholders.

The Court has estimated that, with the level of financial creditor support and the information provided by the Conciliator during the hearing, the financial restructuring plan should be successfully approved through the accelerated safeguard proceedings.

In this context, the Specialized Commercial Court of Nanterre appointed:

- SELARL FHB, represented by Maître Hélène Bourbouloux, and SELARL AJRS, represented by Maître Thibaut Martinat, as judicial administrators; and
- (ii) SELARL C. Basse, represented by Maître Christophe Basse, and Alliance, represented by Maître Gurvan Ollu, as creditors' representatives.

The sole objective of the accelerated safeguard proceedings, which only involves financial creditors and shareholders, is to implement and obtain a Court approval on the terms of the financial restructuring plan agreed in the Lock-Up Agreement. It only relates to the financial indebtedness of Atos (RCF, TL and bonds) and does not impact suppliers, employees, the governance of the Company, or other claims held by the creditors of the Company or its subsidiaries.

Atos also reminded that the implementation of the financial restructuring will result in massive dilution for Atos existing shareholders, who would, if they do not participate in the proposed capital increases, hold less than 0.1% of the share capital.

Next steps

The voting of classes of affected parties is intended to take place on September 27, 2024.

The hearing before the Specialized Commercial Court of Nanterre for the approval of the accelerated safeguard plan is intended to take place on October 15, 2024.

Following the Court approval, the plan will be implemented through several capital increases and debt issuances from November 2024 until January 2025.

Condition precedent and implementation

The implementation of the financial restructuring remains subject to the fulfilment of several conditions precedent, including in particular:

- Finalization and conclusion of the long form financial restructuring documentation, including the accelerated safeguard plan;
- Approval by the AMF of the securities notes (*note d'opérations*) relating to the contemplated share capital transactions;

- Receipt of a report from an independent expert confirming that the terms of the proposed financial restructuring (including in relation to the share capital increases) are fair from a financial perspective in accordance with the AMF General Regulation, as customary for transactions of this nature;
- Judgment of the specialized Commercial Court of Nanterre (*Tribunal de Commerce spécialisé de Nanterre*) approving the accelerated safeguard plan implementing the definitive financial restructuring agreement; and
- Obtaining regulatory approvals, if applicable[4].

New Secured Financings[5]

In accordance with the Agreement on the Restructuring Terms, the New Secured Financings are allocated between the Banks (the "**Banks**") and the Bondholders (the "**Bondholders**") at June 14, 2024, after close of market (the "**Record Date**") as follows:

- Up to €837.5 million by the Banks (consisting of up to €337.5 million in the form of a term loan, circa €440 million in Revolving Credit facility (RCF) and circa €60 million in bank guarantees);
- Up to €837.5 million by Bondholders in the form of a new bond issue.

On June 30, 2024 and July 5 and 15, 2024, Atos announced the opening of syndication periods for the New Secured Financings.

The New Financings to be provided by the Banks (as detailed below) was fully subscribed by a group of Banks that executed the Lock Up Agreement.

At the close of these syndication periods, 67% of Bondholders at the Record Date contributed to the New Secured Financings. Participants to the Bondholders New Financings have joined the Lock Up Agreement in support of the Company's financial restructuring plan.

Following these syndication periods, the target of New Financings of €1,750 million has been reached, allocated between the Banks and the Bondholders at the Record Date as follows:

- Up to €837.5 million by the Banks (consisting of up to €337.5 million in the form of a term loan, circa €440 million in Revolving Credit facility (RCF) and circa €60 million in bank guarantees);
- Up to €837.5 million by Bondholders in the form of a new bond issue;
- €75 million by Bondholders in the form of backstop in cash of the Rights Issue.

Governance

Upon closing of the financial restructuring, it is specified that the banks and the bondholders of the Company do not intend to act in concert together and that consequently, the Company will remain not controlled[6]. The Company will continue to refer to the Corporate Governance Code of Listed Corporations (*Code Afep-Medef*), as amended from time to time.

The Board of directors will remain composed by a majority of independent directors, and certain creditors will have the right to propose the appointment of members and/or observers (*censeurs*) of the Board of directors following the completion of the financial restructuring.

Interim financing until the final implementation of the financial restructuring agreement

On **April 9, 2024**, Atos announced an agreement in-principle with a group of banks, a group of bondholders and the French State on interim financing of €450 million for additional liquidity until refinancing agreement is reached.

[4] *Ongoing analysis by the parties of the need to obtain any potential regulatory approvals required implement the contemplated transactions.*

[5] *As defined in June 30, 2024 press release: provision of secured new money debt in an amount from €1.5 billion to €1.675 billion in the form of new secured financings (the "New Secured Financings") as well as €75 million in the form of backstop in cash of the Rights Issue (the "Equity Financings Backstop", together with the New Secured Financings, the "New Financings").*

[6] *As defined by Art. L.233-3 of the French Commercial Code*

On **June 13**, **2024,** Atos said that, in a press release dated 29 April 2024, the Company indicated that it it was seeking incremental interim financing in a total amount of 350 million euros, repayable no later than the date of completion of the Restructuring. This incremental interim financing has been arranged as part of the overall Financial Restructuring Proposal (as defined below).

On **June 20, 2024**, Atos published an update on the targeted €800 million short-term Incremental Interim Financing Atos presented the final structure agreed for the €450 million short-term interim financing previously committed:

- The €100 million revolving credit and term loan facilities provided by a group of bondholders was received on May 14, 2024;
- The €50 million loan from the French State through the FDES (Fonds de Développement Economique et Social) to a subsidiary of Atos, Bull SAS, which controls sovereign sensitive activities, was received on May 16, 2024;
- Regarding the €300 million factoring program that was initially agreed in-principle, after alignment between the Company and its financial creditors, this factoring program will be reduced to €75 million for efficiency purposes and the banks' participations will be reallocated under the program (as indicated below);
- In order to fill the gap of Initial Interim Financing resulting from the reduction of the factoring program, an agreement has been reached between the Company, a group of banks and a group of bondholders for an increase of the Facilities by an additional tranche of €225 million of revolving credit facility to be drawn shortly after close of syndication, subject to a waiver from the banks under the €1.5 billion term loan of the Company, to an amendment to the Facilities previously provided by a group of bondholders and to an agreement in principle on the restructuring terms with the Onepoint Consortium, the Company and the group of banks and bondholders. A group of banks and a group of bondholders have agreed to backstop the additional tranche of €225 million of facilities for €125 million and €100 million respectively.

This same market update dated June 20, 2024 indicates that an agreement has been reached on an additional tranche of facilities of €350 million:

- Backstopped by a group of banks for €175 million and a group of bondholders for €175 million
- To be available by end of July to secure liquidity until the close of the financial restructuring process
- Subject to the signing of a lock-up agreement in respect of the financial restructuring and the entry into a dedicated accelerated procedure[7].

On **July 15, 2024**, Atos announced that the interim financing of 800 million euros had been secured, providing the liquidity necessary to fund the business until close of the financial restructuring plan. Atos also announced that the entire €450 million of initial interim financing is accessible by the Company.

As announced on July 5, 2024, Atos also specified that the process of the syndication process for the incremental interim financing program of €350 million, available from the end of July, has already been completed (specifying that it was still subject to the openning of a dedicated accelerated proceedings).

The characteristics of the interim financing and the collateral securing this financing are described in the notes to the half-year consolidated financial statements.

Finalization of the agreement aimed at protecting the sovereign interests of the French State with respect to certain activities carried out by the Atos group

On **June 26, 2024**, Atos announced, further to the agreement announced on April 29, 2024, that it has finalized negotiations with the French State of an agreement aimed at protecting the sovereign interests of the French State with respect to certain activities carried out by the Atos group. This agreement, approved on June 25 by the Atos Board of Directors, was signed on June 26, 2024.

The rights granted to the French State will initially result from the agreement and will be supplemented by the issuance by Bull SA of a preferred share (*action de preference*) for the benefit of the French State.

[7] *The Company may request the opening of an accelerated safeguard proceedings - the effects of which would be limited to financial creditors and shareholders only - for the sole purpose of implementing and obtaining the Court's approval of the terms of the restructuring plan agreed in the lock-up agreement. The accelerated safeguard proceedings only concern Atos' financial indebtedness and do not in any way affect suppliers, employees, the Company's governance or other creditors of the Company or its subsidiaries.*

The French State will benefit from governance rights at the level of Bull SA, in particular rights of representation on corporate bodies (without voting rights at this stage) and prior authorization and approval rights (*droits d'autorisation préalable et d'agrément)* designed to protect sovereign sensitive activities.

The agreement also provides for a right for the French State to purchase sovereign sensitive activities if a third-party has acquired 10% or a multiple of 10% of Atos' or Bull SA's share capital or voting rights and that the parties have not reached a reasonable agreement on how to protect national interests in relation to these sovereign sensitive activities (without prejudice to the application of the French FDI regime).

The Company also reminds that, as indicated in its press release of June 14, 2024, it has received from the French State a non-binding confirmatory offer letter regarding the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of the Company's BDS (Big Data & Cybersecurity) division.

The issuance of this preferred share is expected in the course of the second semester of 2024.

Non-binding letter of intent received from the French state to acquire 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE ("BDS sovereign activities")

On **April 29, 2024**, Atos announced it has received on April 27, 2024, a non-binding letter of intent from the French state concerning the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE's BDS division for an indicative enterprise value comprised between €700 million and €1 billion. This perimeter represents a turnover of circa €1 billion in 2023, out of a total of €1.5 billion for the BDS division as a whole.

The letter of intent provides for a limited exclusivity undertaking, applying to direct offers on the perimeter covered by the letter of intent (expressly allowing exchange of information and global offers in the context of the financial restructuring plan), until the earlier of July 31, 2024, and the conclusion of a global restructuring agreement.

On **May 6, 2024**, Atos SE announced that it is conducting discussions with the APE (Agence des participations de l'Etat) of the French State. Financial restructuring proposals received on May 3 as part of the ongoing conciliation procedure, are compatible with the non-binding letter of intent received from the French State.

On **June 14, 2024**, Atos announced the reception of a non-binding confirmatory offer letter from the French State regarding the potential acquisition of BDS sovereign activities.

This non-binding confirmatory offer is for a total enterprise value of €700 million.

The Atos' Board of Directors, under the aegis of the Conciliator Maître Hélène Bourbouloux, and the Company's management will discuss this proposal with the French State, noting that no assurances can be made that the parties will successfully negotiate and enter into a definitive agreement.

On **July 15, 2024**, Atos announced that the net proceeds from the potential disposals of Worldgrid and of the French Sovereign activities of Atos' BDS business will be used to repay the reinstated debt if the forecasted cash balance of the Company as at December 31, 2026 is at least €1.1 billion. Otherwise, the Company will be entitled to retain part of those proceeds to maintain a cash balance of €1.1 billion as at December 31, 2026.

Appointment by the Board of Directors of Sorgem Evaluation as Indepent expert for the purpose of providing an opinion on the financial restructuring

The Board of Directors of the Company has appointed, on a voluntary basis pursuant to Article 261-3 of the AMF's General Regulation, and on the proposal of the Company's ad hoc Committee, the firm Sorgem Evaluation, represented by Mr. Maurice Nussenbaum and Mr. Florent Myara, as independent expert, for the purpose of providing an opinion on the financial restructuring. The independent expert will assess the financial conditions of the financial restructuring for shareholders and issue a report containing a fairness opinion, which will be made available to shareholders prior to the consultation of the shareholders class and in accordance with applicable legal and regulatory provisions.

2.2. Atos in the first half of 2024

The Group provided new updates to the market for the first half 2024.

In **January 2024**:

- Group's strategy adjusted in light of financial constraints to ensure the repayment and refinancing of its financial debts while maintaining an attractive business mix.
- During the first quarter of 2024, Atos will assess whether these measures are sufficient to cover financing maturities and cash requirements on a long-term basis.
- Reduction in the planned size of Eviden's capital increase, as a result of changing market conditions and reactions.
- Atos has reshaped management team to implement adjusted strategy. Paul Saleh, former Group CFO is appointed Chief Executive Officer; and Jacques-François de Prest joins Atos as Group CFO.
- Changes to the Group's Board of Directors with the appointment of Françoise Mercadal-Delasales and Jean-Jacques Morin, Sujatha « Suja » Chandrasekaran et Monika Maurer, strengthening its skills in the strategic areas of finance and major transformation projects.

In **February 2024**:

- Atos has entered into discussions with its banks with a view to reaching a refinancing plan for its financial debt. Following these initial discussions, it appeared pertinent to request the appointment of a *mandataire ad hoc*[8] in order to frame these discussions and facilitate a rapid outcome.
- Negotiations for the sale of the Tech Foundations perimeter to EPEI have ended with no deal reached.
- Atos has announced the nomination of three new directors to further strengthen its Board of Directors during the company's transformation period. The Board approved the cooptation of David Layani and Helen Lee Bouygues as Directors representing the anchor shareholder Onepoint, which holds 11.4% of the Group. The Board of Directors also approved the appointment of Mandy Metten as Employee Director.

In **March 2024**:

- Atos has been informed by Airbus that discussions related to the sale of its BDS (Big Data & Security) business will not proceed.
- Atos announced that the Company has entered into an amicable conciliation procedure[9]. The purpose of this procedure is to facilitate a global refinancing agreement with the banks and bondholders of Atos SE's (the "**financial creditors**").

In **April 2024**:

- Atos announced the nomination of Alain Crozier, a new Independent Director to strengthen its Board of Directors during the company's transformation period.
- Atos announced the parameters of its refinancing framework, based on its full business perimeter of Tech Foundations and Eviden.
- Atos announced revisions to the 2024-2027 business plan to lead to an increase in new money needs and to a potential additional debt reduction.
- Atos announced the reception of a non-binding letter of intent received from the French state to acquire 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE's BDS (Big Data & Security) business.

[8] The mandataire ad hoc is an independent third party whose mission is to assist the Company in its discussions, in order to converge on an appropriate financial solution as soon as possible, in the Company's corporate interests. The mandat ad hoc is an amicable procedure allowing negotiations to be conducted within a confidential framework. The mandat ad hoc would only concern the financial debt of the Company and would have no impact on the employees, customers and suppliers of the group.

[9] According to French law, a conciliation procedure lasts four months, which may be extended by one month; Maître Hélène Bourbouloux of FHB SELARL was appointed as conciliator. The conciliation procedure concerns only the financial indebtedness of Atos SE and will not impact suppliers, employees, the governance of the Company, or other creditors of the Company or its subsidiaries.

In **May 2024**:

- Atos received four financial restructuring proposals as part of the current conciliation process: a group of bondholders and banks of the Company's banking group, Bain Capital, EP Equity Investment, controlled by Mr. Daniel Kretinsky in partnership with Attestor Limited, and Onepoint, controlled by Mr. David Layani in consortium with Butler Industries.
- Atos announced that a €100 million interim financing agreement with bondholders has been signed and discussions are progressing with banks and the French State on the remaining €350 million.
- Atos announced that it has requested and obtained the extension of the deadline for the Annual General Meeting to approve the 2023 financial statements to December 31, 2024, by the President of the Pontoise Commercial Court, to provide Atos with a stable framework to complete the current discussions on a financial restructuring agreement by July 2024.

In **June 2024**:

- Atos received two financial restructuring proposals received as part of the conciliation process from EPEI in consortium with Attestor Limited; and a consortium comprising Onepoint, Butler Industries and Econocom, and a group of some of the Company's creditors.
- Atos' Board of Directors authorized management to work with the Company's financial creditors, under the aegis of the Conciliator, to ensure the maximum support is likely to be secured for one of those proposals by June 5, 2024. Otherwise, an interim financing of €450 million has been agreed with financial creditors.
- Atos confirmed that it is in discussions with the two parties that submitted revised restructuring proposals to further improve certain terms of those proposals and extends the deadline for the selection of a preferred financial restructuring proposal to the beginning of the week of June 10, 2024.
- The Board of Directors decided to proceed with the financial restructuring proposal submitted by the Onepoint consortium consisting of Onepoint, Butler Industries and Econocom, and a group of some of the Company's financial creditors. Atos will work with the Onepoint consortium to reach a definitive financial restructuring agreement to be subsequently implemented by a dedicated accelerated procedure by July 2024.
- Atos announced that it has entered into exclusive negotiations with ALTEN SA ("**ALTEN**") for the sale of its Worldgrid business unit for a binding enterprise value of €270 million.
- Atos engaged in discussions with stakeholders on the financial restructuring proposal submitted by the Onepoint consortium, composed of Onepoint, Butler Industries and Econocom, and a group of some of the Company's financial creditors (the "**Restructuring Proposal"**) as published by the Company on June 3, 2024.
- Atos announced it has received a non-binding confirmatory offer letter from the French State regarding the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of the Company's BDS (Big Data & Cybersecurity) division. This non-binding confirmatory offer is for a total enterprise value of €700 million. Atos confirms its objective of reaching a definitive financial restructuring agreement with the Onepoint consortium and its financial creditors, which will then be implemented through a dedicated accelerated procedure by July 2024.
- Atos announced that an agreement has been reached with a group of banks and a group of bondholders on the final structure of the €450 million interim financing for additional liquidity it had previously announced on April 9, 2024 and on the incremental interim financing of €350 million requested on April 29, 2024.
- Atos announced it has received from the representative committee of its bondholders (Steerco) a revised global financial restructuring proposal taking into account the decision from Onepoint, Butler Industries and Econocom to withdraw from discussions on 25 June 2024.

- Atos announced that it has been informed by Mr. David Layani and Ms. Helen Lee Bouygues of their resignation from the Board of Directors with immediate effect with a view to Onepoint's intention to withdraw from the Company's share capital[10].
- Atos announced the reach of an agreement on financial restructuring terms between the Company and a group of banks and bondholders.

In **July 2024**:

- Atos announced the close of the syndication of the additional tranches for €225 million and €350 million and the receipt of the required waiver from the banks under the €1.5 billion term loan of the Company.
- Atos announced the successful funding of the Group financial restructuring plan as a targeted New Secured Financings of €1.675 billion was committed by a group of banks and a group of bondholders.
- Atos announced that a Lock-Up Agreement was reached between the Company, a group of banks and a group of bondholders covering all key terms of the financial restructuring plan.
- Atos announced that the Interim financing of €800 million had been secured, providing the necessary liquidity to finance the business until the financial restructuring plan is completed.
- Atos has announced the opening of an accelerated safeguard procedure to enable the Company to implement its financial restructuring plan.
- Atos announced the appointment of Jean Pierre Mustier as Atos CEO in addition to his role as Chairman.

[10] *By letter received on July 4, 2024, the simplified joint stock company Onepoint (29 rue des Sablons, 75016 Paris) declared that on June 28, 2024, it had fallen below the thresholds of 10% of the capital and voting rights of Atos SE and held 10,686,050 Atos SE shares representing the same number of voting rights, i.e. 9.57% of the capital and voting rights of Atos SE. In a second letter received on July 9, 2024, the simplified joint stock company Onepoint declared that on July 3, 2024, it had fallen below the thresholds of 5% of the capital and voting rights of Atos SE and held 5,409,726 Atos SE shares representing an equal number of voting rights, i.e. 4.85% of the capital and voting rights of Atos SE.*

2.3. Operational review

2.3.1. Statutory to constant scope and exchange rates reconciliation

For the analysis of the Group's performance, revenue and OM for H1 2024 is compared with H1 2023 revenue and OM at constant scope and foreign exchange rates. Reconciliation between the H1 2023 reported revenue and OM, and the H1 2023 revenue and OM at constant scope and foreign exchange rates is presented below, by Business Lines and Regional Business Units.

In 2023, the Group reviewed the accounting treatment of certain third-party standard software resale transactions following the decision published by ESMA in October 2023 that illustrated the IFRS IC decision and enacted a restrictive position on the assessment of Principal vs. agent under IFRS 15 for such transactions. The H1 2023 revenue is therefore restated by € 33 million. The impact affected Eviden in the Americas RBU without impacting the operating margin.

H1 2023 revenue In € million	**H1 2023 published**	**Restatement**	**H1 2023 restated**	**Internal transfers**	**Scope effects**	**Exchange rates effects**	**H1 2023***
Eviden	2,625	-33	2,592	37	-139	0	2,490
Tech Foundations	2,923	0.0	2,923	-37	-277	4	2,614
Total	**5,548**	**-33**	**5,515**	**0**	**-416**	**4**	**5,104**

H1 2023 revenue In € million	**H1 2023 published**	**Restatement**	**H1 2023 restated**	**Internal transfers**	**Scope effects**	**Exchange rates effects**	**H1 2023***
Americas	1,311	-33	1,279	0	-77	-11	1,190
Norther Europe & APAC	1,584	0	1,584	0	-39	18	1,563
Central Europe	1,297	0	1,297	0	-171	2	1,127
Southern Europe	1,211	0	1,211	0	-128	0	1,083
Others & Global structures	145	0	145	0	0	-4	141
Total	**5,548**	**-33**	**5,515**	**0**	**-416**	**4**	**5,104**

H1 2023 Operating Margin In € million	**H1 2023 published**	**Restatement**	**H1 2023 restated**	**Internal transfers**	**Scope effects**	**Exchange rates effects**	**H1 2023***
Eviden	138	0	138	1	-22	0	117
Tech Foundations	73	0	73	-1	-21	-1	51
Total	**212**	**0**	**212**	**0**	**-43**	**-1**	**168**

H1 2023 Operating Margin In € million	**H1 2023 published**	**Restatement**	**H1 2023 restated**	**Internal transfers**	**Scope effects**	**Exchange rates effects**	**H1 2023***
Americas	133	0	133	0	-19	-1	113
Norther Europe & APAC	63	0	63	0	-3	0	60
Central Europe	16	0	16	0	-5	0	11
Southern Europe	58	0	58	0	-16	0	42
Others & Global structures	-58	0	-58	0	0	0	-59
Total	**212**	**0**	**212**	**0**	**-43**	**-1**	**168**

**: at constant scope and June 2024 average exchange rates*

Scope effects on revenue amounted to €-416 million and €-43 million on operating margin. They mainly related to the divesture of Italy in Southern Europe, of UCC across all regions, of EcoAct in Americas, Southern Europe and Northern Europe & Asia-Pacific, of State Street JV in Americas and of Elexo in Southern Europe.

Currency effects contributed to revenue for €+4 million and €-1 million on operating margin. They mostly came from the appreciation of the British pound, and by the depreciation of the Argentinian peso and the Turkish lira.

Q2 2023 Revenue and operating margin at constant scope and exchange rates reconciliation

For the analysis of the Group's performance, revenue for Q2 2024 is compared with 2023 revenue at constant scope and foreign exchange rates.

Reconciliation between the 2023 reported second quarter revenue and the 2023 second quarter revenue at constant scope and foreign exchange rates is presented below, by Business Lines and Regional Business Units:

Q2 2023 revenue In € million	Q2 2023 published	Restatement	Q2 2023 restated	Internal transfers	Scope effects	Exchange rates effects	Q2 2023*
Eviden	1,291	-16	1,275	37	-37	3	1,278
Tech Foundations	1,450	0	1,450	-37	-139	6	1,280
Total	**2,741**	**-16**	**2,725**	**0**	**-176**	**9**	**2,558**

Q2 2023 revenue In € million	Q2 2023 published	Restatement	Q2 2023 restated	Internal transfers	Scope effects	Exchange rates effects	Q2 2023*
Americas	653	-16	636	0	-39	2	599
Norther Europe & APAC	796	0	796	0	-20	8	784
Central Europe	663	0	663	0	-90	-1	573
Southern Europe	550	0	550	0	-28	0	522
Others & Global structures	79	0	79	0	0	0	79
Total	**2,741**	**-16**	**2,725**	**0**	**-176**	**9**	**2,558**

*: at constant scope and June 2024 average exchange rates

2.3.2. H1 2024 Performance by Businesses

In € million	H1 2024 Revenue	H1 2023 revenue	H1 2023 revenue*	Organic variation*
Eviden	2,386	2,592	2,490	-4.2%
Tech Foundations	2,578	2,923	2,614	-1.4%
Total	**4,964**	**5,515**	**5,104**	**-2.7%**

In € million	H1 2024 Operating margin	H1 2023 Operating margin	H1 2023 Operating margin*	H1 2024 Operating margin %	H1 2023 Operating margin%	H1 2023 Operating margin%*	Organic variation*
Eviden	58	138	117	2.4%	5.3%	4.7%	-230 bps
Tech Foundations	57	73	51	2.2%	2.5%	1.9%	+30 bps
Total	**115**	**212**	**168**	**2.3%**	**3.8%**	**3.3%**	**-100 bps**

: at constant scope and June 2024 average exchange rates

Group revenue was €4,964 million in H1 2024, down -2.7% organically compared with H1 2023.

Eviden revenue decreased by **-4.2%** organically.

- **Digital** activities decreased mid-single digit. While revenue grew in Southern Europe with public sector and utility customers, the business was impacted by the general market slowdown in Americas and by contract scope reductions in the UK.
- **Big Data & Security (BDS)** decreased low-single digit. Revenue in Advanced Computing was up slightly, with stronger activity in Denmark and in France. Revenue in Digital Security decreased, impacted by a delay in ramping up a large project in Europe.

Tech Foundations revenue decreased by **-1.4%** organically.

- **Core revenue** (excluding BPO and value-added resale ("VAR")) decreased by low-single digit. Stronger contributions related to the Paris Olympic & Paralympic games and the UEFA contract were offset by slowdown with banking and manufacturing customers in Central Europe as well as by contract scope and volume reductions in Americas and Southern Europe.
- **Non-core revenue** grew low-single digit during the semester, reflecting a moderate growth in BPO activities in the United Kingdom and a strong demand for hardware and software products from European customers during the first quarter.

Group operating margin was €115 million representing 2.3% of revenue, down -100 basis points organically compared with H1 2023:

- This margin decrease comes mainly from the allocation to the business of SG&A costs previously allocated to Other expenses, as part of the separation project in prior year
- **Eviden's** operating margin was €58 million or 2.4% of revenue, down -230 basis points organically. Beyond the allocation of SG&A costs, profitability was also impacted by revenue decrease and lower utilization of resources.
- **Tech Foundations'** operating margin was €57 million or 2.2% of revenue, up +30 basis points organically. The business benefitted from the continued execution of its transformation program. There was also a positive impact from the accelerated reduction of under-performing contracts via renegotiation and improved delivery, which more than compensated the SG&A cost allocation.

2.3.3. Performance by Regional Business Units

In € million	H1 2024 Revenue	H1 2023 revenue	H1 2023 revenue*	Organic variation*
Americas	1,108	1,279	1,190	-6.9%
Northern Europe & APAC	1,542	1,584	1,563	-1.3%
Central Europe	1,077	1,297	1,127	-4.5%
Southern Europe	1,084	1,211	1,083	+0.0%
Others & Global Structures	154	145	141	+9.2%
Total	**4,964**	**5,515**	**5,104**	**-2.7%**

In € million	H1 2024 Operating margin	H1 2023 Operating margin	H1 2023 Operating margin*	H1 2024 Operating margin %	H1 2023 Operating margin%	H1 2023 Operating margin%*	Organic variation*
Americas	99	133	113	8.9%	10.4%	9.5%	-60 bps
Northern Europe & APAC	66	63	60	4.3%	4.0%	3.9%	+40 bps
Central Europe	-4	16	11	-0.3%	1.3%	1.0%	-130 bps
Southern Europe	46	58	42	4.3%	4.8%	3.9%	+40 bps
Others/Global Structures	-93	-58	-59	NA	NA	NA	NA
Total	**115**	**212**	**168**	**2.3%**	**3.8%**	**3.3%**	**-100 bps**

**: At constant scope and June 2024 average exchange rates*

Americas revenue was €1,108 million, down **-6.9%** organically, reflecting a general slowdown in market conditions.

- Eviden revenue was down low-double digit impacted by contract completions and volume decline in Healthcare and Finance. The delivery of a supercomputer project in South Americas in H1 2023 also provided a higher prior year comparison basis for BDS.
- Tech Foundations revenue declined low-single digit due to contract completions and scope reductions with selected customers.

Operating margin was €99 million or **8.9%** of revenue, down -60 basis points organically. Eviden's margin declined, impacted by revenue decrease. Tech Foundations margin improved reflecting stronger productivity and costs improvements.

Northern Europe & Asia-Pacific revenue was €1,542 million, down **-1.3%** organically.

- Eviden revenue declined low-single digit. The revenue increase at BDS due to new business in advanced computing with an innovation center in Denmark was offset by the decline of Digital revenue, reflecting a lower demand from Public Sector, Healthcare and Insurance customers.
- Revenue in Tech Foundations was down low-single digit, with volume decline in the healthcare, in Insurance and Public sector.

Operating margin was €66 million, or **4.3%** of revenue, up +40 basis points organically thanks to margin expansion at Tech Foundation, particularly in Asia with Banking customers and in the UK with BPO contracts.

Central Europe revenue was €1,077 million, down **-4.5%** organically.

- Eviden revenue declined mid-single digit, impacted by a project delay in Mission Critical Systems and contract ramp downs in Manufacturing and in Defense
- Tech Foundations revenue declined mid-single digit, reflecting volume reduction in Manufacturing and in Banking sectors, and delays in public sector spending.

Operating Margin was €-4 million or **-0.3%** of revenue, down -130 basis points organically. Profitability was impacted by revenue decrease and lower utilization of Eviden employees.

Southern Europe revenue was €1,084 million, stable organically.

- Eviden revenue grew low-single digit. Digital activities grew, benefitting from the ramp-up of large contracts in Spain and with a major European utility company in France. Revenue in BDS grew thanks to HPC deliveries in France.
- Tech Foundations revenue declined low single-digit due to contract completions with selected customers.

Operating margin was €46 million or **4.3%** of revenue**,** slightly up by +40 basis points organically thanks to strong improvement of BDS profitability following ongoing contracts deliveries.

Others and global structures which encompass Middle East, Africa, Major Events as well as the Group's global delivery centers and global structures.

- **Revenue of Middle East, Africa, Major Events** was €154 million, up +9.2% organically, reflecting stronger contributions related to the Paris Olympic & Paralympic Games and the UEFA contract.
- **Operating margin of Middle East, Africa, Major Events** was €-7 million and decreased by €17 million reflecting higher marketing expenses for Major Events as planned.

- **Global delivery centers net costs** were €-42 million, an improvement of €+6 million compared with H1 2023.
- **Global Structures net costs** were €-44 million and increased by €22 million, impacted by higher SG&A costs allocated to Operating Margin (rather than allocated to Other expenses).

2.3.4. Commercial Portfolio

2.3.4.1. Order entry and book to bill

Order entry reached €3.6 billion in H1 2024. Eviden order entry was €2.0 billion and Tech Foundations order entry was €1.6 billion.

Book-to-bill ratio for the Group was **73%** in H1 2024, down from 93% in H1 2023, reflecting delays in contract awards as clients await the final resolution of the Group's refinancing plan.

Eviden reported a book-to-bill ratio of 85% for the first half, decreasing by -14 points compared with H1 2023. Book-to-bill slightly improved in Q2 2024 at 86% vs 83% in Q1 2024 Main contract signatures in the second quarter included a project to deliver a control room for a major European utility provider, the renewal of an application management contract with a German telecommunication provider and a new contract with a Spanish bank for application management services,

Tech Foundations reported a book-to-bill ratio of 63% for the first half, down from 87% in H1 2023 with a strong recovery in Q2 2024 at 79% vs 47% in Q1 2024. Main contract signatures in the second quarter included several renewals, notably a 4-year renewal to provide mission critical systems as well as hybrid cloud & security services to the European Organisation for the Safety of Air Navigation (Eurocontrol).

2.3.4.2. Full backlog and full qualified pipeline

At the end of June 2024, the **full backlog** reached €15.7 billion representing 1.6 years of revenue. The **full qualified pipeline** amounted to €5.4 billion at the end of June 2023, representing 6.4 months of revenue.

2.3.5. Human ressources

Detailed **Headcount** movements during the first six months were the following:

	End of December 2023	Scope	Hiring	Leavers, dismissals, restructuring & transfers	End of June 2024
Americas	10,729	0	907	-2,143	9,493
Northern Europe & APAC	13,515	0	1,137	-1,285	13,367
Central Europe	9,826	0	226	-485	9,567
Southern Europe	13,887	0	694	-1,229	13,352
Others & Global Structures	39,575	0	2,509	-3,347	38,737
Total Direct	**87,532**	**0**	**5,473**	**-8,489**	**84,516**
Total Indirect	**7,608**	**0**	**346**	**-859**	**7,095**
TOTAL GROUP	**95,140**	**0**	**5,819**	**-9,348**	**91,611**

The **total headcount** was **91,611** at the end of June 2024, decreasing by -3.7% compared with the end of December 2023. During the first half, the Group hired 5,819 staff (of which 94.1% were Direct employees), while attrition rate in the first half of 2024 was at 14.3% vs 15.0% in 2023.

2.4. Risk Factors

Update on the risk factor linked to the liquidity and going concern risk included in section 7.1 of the 2023 Universal Registration Document

After many updates, Atos announced on July 15th, 2024 the successful funding of its financial restructuring plan, as well as Lock-Up Agreement reached with a group of banks and a group of bondholders willing to support the agreement on the terms of the financial restructuring announced on June 30th, 2024. The group still targets the opening of an accelerated safeguard proceedings during the week of July 22, 2024 with the purpose of obtaining a Court approval and implementing the financial restructuring plan.

There are still many factors that could impact the timing of the implementation of the financial restructuring plan, including in particular:

- Finalization and conclusion of the long form financial restructuring documentation, including the accelerated safeguard plan;
- Approval by the AMF of the securities notes (note d'opérations) relating to the contemplated share capital transactions;
- Receipt of a report from an independent expert confirming that the terms of the proposed financial restructuring (including in relation to the share capital increases) are fair from a financial perspective in accordance with the AMF General Regulation, as customary for transactions of this nature;
- Judgment of the specialized Commercial Court of Nanterre (Tribunal de Commerce spécialisé de Nanterre) approving the accelerated safeguard plan implementing the definitive financial restructuring agreement; and
- Obtaining regulatory approvals, if applicable

There can therefore be no guarantee that the financial restructuring will be implemented timely, whereas any delays encountered in the process of this financial restructuring, could have an adverse effect upon its ability to effectively mitigate in full the going concern risk. In case the financial restructuring plan would be further delayed, it might increase customer attrition, and impact the revenues, the level of expenses, the operating results and the generated cash-flows of Atos.

Other risk factors

All other risk factors are included in section 7.2 of the 2023 Universal Registration Document, it being specified that those related to key people retention and acquisition (sections 7.2.2.1 and 7.2.2.2) have become even more relevant in the current context, and mitigation actions are being amplified accordingly.

It should also be noted that in the early morning of 19 July, the CrowdStrike update caused Windows systems crash. The Atos group was impacted and this worldwide incident was promptly mitigated to protect Atos and customers data and ensure the operation of critical services. Given the circumstances, the risk 7.2.3.2 Systems security of the Universal Registration Document 2023 is highlighted.

2.5. Claims and litigations

The Atos Group is a global business operating in 69 countries. In many of the countries where the Group operates there are no claims, and in others there is only a very small number of claims or actions involving the Group.

The current level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of the quality of the services performed by the Group as well as to the intervention of a fully dedicated Risk Management department, which effectively monitors contract management from offering through delivery and provides early warnings on potential issues. All potential and active claims and disputes are carefully monitored, reported, and managed in an appropriate manner and are subject to legal reviews by the Group Legal Department.

During the first half-year of 2024 the Group has successfully put an end to several significant litigations through settlement agreements.

Group Management considers that sufficient provisions have been made.

The total amount of the provisions for litigation risks, in the consolidated accounts closed as of June 30, 2024, to cover for the identified major claims and litigations, added up to €62.5 million (including tax and commercial claims but excluding labor claims).

2.5.1. Tax claims

The Group is involved in several routine tax claims, audits, and litigations. Such claims are usually solved through administrative non-contentious proceedings.

Certain tax claims are in Brazil, where Atos is a defendant in several cases and a plaintiff in others. Such claims are typical for companies operating in this region. Proceedings in this country usually take a long time to be processed. In other jurisdictions, such matters are normally resolved by simple non-contentious administrative procedures.

The total provision for tax claims, as set forth in the consolidated financial statements as of June 30, 2024, was €15.7 million.

2.5.2. Commercial claims

There are a small number of commercial claims across the Group.

There are several significant on-going commercial cases in various jurisdictions that the Group has integrated because of several acquisitions, notably a litigation inherited from Syntel.

In October 2020, a jury found Syntel liable for trade secret misappropriation and copyright infringement and awarded Cognizant and TriZetto approximately $855 million in damages. Throughout the trial and in its post-trial motion, Syntel maintained that Cognizant and TriZetto had failed to meet their burden to show trade secret misappropriation and that their damages theories were improper as a matter of law.

In its decision, the District Court held that sufficient evidence existed to support the jury's verdict of trade secret misappropriation and that the jury's award of $285 million in compensatory damages was not contrary to law. However, the District Court found that the jury's $570 million punitive damages award was excessive and should be reduced to $285 million. TriZetto agreed to this reduction. The District Court issued an injunction prohibiting future use by Syntel of the specific trade secrets at issue in the trial.

On 25 May 2023, the United States Second Circuit Court vacated a decision issued by the United States District Court for the Southern District of New York, as part of Syntel's ongoing litigation with Cognizant and its subsidiary TriZetto, which was finding Syntel, now part of Atos, liable for damages due to Syntel's alleged trade secret misappropriation and copyright infringement.

The Second Circuit Court remanded the case to the District Court for further consideration if any amount of damages are still appropriate.

On 13 March 2024, the District Court issued the decision on the remand briefing and vacated the entire compensatory damages award ($201,527,596). The compensatory damages award is now $0. The decision also granted TriZetto's motion for attorney's fees ($14,548,992.98).

The parties submitted additional motions.

The total provision for commercial claim risks, as set forth in the consolidated accounts closed as of June 30, 2024, amounts to €46.8 million.

2.5.3. Labor claims

There are close to 92,000 employees in the Group and relatively few labor claims. In almost every jurisdiction there are no or very few claims. Latin America is the only area where there is a significant number of claims, but such claims are often of low value or inflated and typical for companies operating in this region.

The Group is respondent in a few labor claims of higher value, but in the Group's opinion most of these claims have little or no merit and are provisioned appropriately.

All the claims exceeding €300,000 have been provisioned for an overall amount of €2.3 million as set forth in the consolidated financial statements as of June 30, 2024.

2.5.4. Representation & Warranty claims

The Group is a party to a very small number of representation & warranty claims arising out of acquisitions/disposals.

2.5.5. Miscellaneous

To the knowledge of the Company, there are no other administrative, governmental, legal or arbitration proceedings, pending or potential, over the past 12 months, likely to have or having had significant consequences on the Company's and the Group's financial position or profitability.

2.6. Related parties

This paragraph is aimed at ensuring transparency in the relationship between the Group and its Shareholders (and their representatives), as well as in the links between the Group and related companies that the Group does not exclusively control (i.e. joint ventures or investments in associates).

The related-party transactions are described in the Note 17 – Related party transactions on page 395 of the 2023 Universal Registration Document.

3. Financial statements

3.1. Financial review

3.1.1. Main events

Liquidity and continuity of operations

The Group's half-year interim condensed consolidated financial statements for the six months ended June 30, 2024 have been prepared on a going concern basis. The Group's cash flow forecasts for the twelve months following the approval of the 2024 half-year interim condensed consolidated financial statements by the Board of Directors result in a cash situation that meets its liquidity needs over that period.

The cash forecasts, which take into account the latest business forecasts, have been prepared in particular based on the following assumptions:

- The interim financing of € 800 million has been secured with € 725 million of loans and the access to € 75 million of factoring facility, thus providing the liquidity necessary to fund the business until the close of the financial restructuring plan;
- The short-term interim financing to be refinanced with the € 1,750 million new money of which debt in an amount from € 1.5 billion to € 1.675 billion, and € 75 million in the form of backstop in cash of rights issue; and
- The proceeds from the sale of the Worldgrid business unit to Alten in the first half of 2025 for an enterprise value of € 270 million.

At June 30, 2024, cash, cash equivalents, and short term financial assets of the Group amounted to € 881 million, including the benefits of working capital actions at June end. Borrowings amounted to € 5,098 million, of which € 2,400 million of bonds and € 2,600 million of bank financing. As a result, the total net debt for the Group amounted to € 4,218 million at June 30, 2024. In addition, the Atos SE's leverage ratio applicable to the multi-currency revolving credit facility and the Term Loan A amounted to 7.32x at June 30, 2024.

Atos SE wishes to draw attention to the maturity of Atos SE's borrowings and the risks associated with its refinancing. The coming maturities of its borrowings are as follows:

- the € 1.5 billion Term Loan A, which expired on July 29, 2024, since the extension request shall be considered as being without effect because of the opening of the accelerated safeguard procedure on July 23, 2024;
- the € 500 million bond (Optional Exchangeable Bond) maturing in November 2024;
- the € 750 million bond maturing in May 2025;
- the € 900 million revolving credit facility maturing in November 2025;
- the € 50 million NEU MTN maturing in April 2026;
- the € 350 million bond maturing in November 2028; and
- the € 800 million bond (Sustainability-Linked Bond) maturing in November 2029.

It should be noted that in the context of the opening of the accelerated safeguard procedure announced on July 24, 2024, a debt freeze is now in effect, prohibiting the payment of assigned receivables arising prior to the opening of the accelerated safeguard and of certain debts arising after the opening relating to assigned receivables that are not useful for the restructuring – this rule does not apply to creditors who are not affected by the accelerated safeguard procedure.

As stated in its press release of February 5, 2024, Atos SE has entered into discussions with its banks and bondholders with a view to reaching a global agreement on the restructuring of its financial debt. These discussions, that were held under the aegis of the CIRI ("Comité Interministériel de Restructuration Industrielle") and the mandataire ad hoc appointed since the beginning of February 2024, continued under an amicable conciliation procedure in order to frame these discussions and facilitate the emergence of a global agreement within a short and well-defined timetable. These discussions led to an agreement on the terms of the financial restructuring between the Company and a group of banks and bondholders, as announced on June 30, 2024 by the Company, and to the conclusion of a Lock-Up Agreement with a majority of the Company's financial creditors, as announced on July 15, 2024 by the Company.

In this context, on July 24, 2024 the Company announced the opening of an accelerated safeguard procedure in order to implement and obtain the approval of the Nanterre Specialized Commercial Court on the terms of the financial restructuring plan agreed in the Lock-Up Agreement. As a reminder, this restructuring plan provides for the implementation of the plan through several capital increases and debt issuance from November 2024 until January 2025, as well as the provision of € 800 million short-term interim financing available to the Company and secured until the closing of the financial restructuring, and to be refinanced with the € 1,750 million new financings to be put in place before year end (for further details, please refer to section 1.1).

Considering the interim financing, the Group has sufficient liquidity to operate its business until the financial restructuring plan is implemented.

The implementation of the financial restructuring remains subject to the fulfilment of several conditions precedent, including in particular:

- Finalization and conclusion of the long form financial restructuring documentation, including the accelerated safeguard plan;
- Approval by the AMF of the securities notes (note d'opérations) relating to the contemplated capital increases;
- Receipt of a report from an independent expert confirming that the terms of the proposed financial restructuring (including in relation to the capital increases) are fair from a financial perspective in accordance with the AMF General Regulation, as customary for transactions of this nature;
- Judgment of the specialized Commercial Court of Nanterre (Tribunal de Commerce spécialisé de Nanterre) approving the accelerated safeguard plan implementing the definitive financial restructuring agreement; and
- Obtaining regulatory approvals, if applicable.

At the same time, the Company has entered into discussions with the Agence des participations de l'Etat français (APE) regarding its intention to acquire 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE's BDS (Big Data & Cybersecurity) division. Atos announced on June 14, 2024 that it had received a non-binding confirmatory offer letter from the French State for the potential acquisition of these businesses for a proposed enterprise value of € 700 million.

The Company has also entered into exclusive negotiations with Alten for the sale of Wordgrid.

However there remains a material uncertainty upon the ability of the Group to continue as a going concern in the event that the Group is unable to implement the envisaged financial restructuring plan. In that case, Atos SE may not be able to realize its assets or settle its liabilities within the ordinary course of its operations, and the application of IFRS accounting standards in the ordinary context of going concern, in particular with regard to the measurement of assets and liabilities, may not be appropriate.

3.1.2. Income statement

The Group reported a net loss (attributable to owners of the parent) of € 1,941 million for the half year ended June 30, 2024.

The normalized net loss before unusual, abnormal and infrequent items (net of tax) for the period was € 124 million, representing -2.5% of Group revenue of the period.

(in € million)	6 months ended June 30, 2024	% of revenue	6 months ended June 30, 2023	% of revenue**
Operating margin	**115**	**2.3%**	**212**	**3.8%**
Other operating income (expense)	-1,819		-646	
Operating income (loss)	**-1,704**	**-34.3%**	**-434**	**-7.9%**
Net financial income (expense)	-175		-103	
Tax charge	-62		-65	
Non-controlling interests	0		-	
Share of net profit (loss) of equity-accounted investments	-		2	
Net income (loss) – Attributable to owners of the parent	**-1,941**	**-39.1%**	**-600**	**-10.9%**
Normalized net income (loss)* – Attributable to owners of the parent	**-124**	**-2.5%**	**-113**	**-2.0%**

** The normalized net income (loss) is defined hereafter*
*** Restated as described below*

In 2023, the Group reviewed the accounting treatment of certain third-party standard software resale transactions following the decision published by ESMA in October 2023 that illustrated the IFRS IC decision and enacted a restrictive position on the assessment of Principal vs. agent under IFRS 15 for such transactions. The revenue for the six-month period ended June 30, 2023 was restated by € 33 million to € 5,515 million. The impact affected Eviden in the Americas RBU without impacting the operating margin.

3.1.2.1. Operating margin

Operating margin represents the underlying operational performance of the on-going business and is analyzed in detail in the operational review.

3.1.2.2. Other operating income and expense

Other operating income and expense relate to income and expense that are unusual, abnormal and infrequent and represented a net expense of € 1,819 million in the first half of 2024.

The following table presents this amount by nature:

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Reorganization costs	-60	-430
Rationalization and associated costs	-5	-30
Integration and acquisition costs	-2	-4
Amortization of intangible assets (PPA from acquisitions)	-29	-60
Equity-based compensation	-3	-14
Impairment of goodwill and other non-current assets	-1,570	-55
Other items	-150	-53
TOTAL	**-1,819**	**-646**

Reorganization costs amounted to € 60 million, evenly shared between restructuring measures mostly in Northern Europe & APAC and Corporate functions, and costs related to the outstanding activities on the separation of the Group over the first quarter of the year.

Rationalization and associated costs significantly decreased from € 30 million in the first semester of 2023 to € 5 million in the first semester of 2024 as the consolidation plan of data centers in North America reached completion at the end of 2023.

Integration and acquisition costs of € 2 million mainly related to the cost of retention schemes, as well as residual integration activities on past acquisitions.

In the first half of 2024, the amount related to the amortization of intangible assets recognized in the **purchase price allocation** exercises amounted to € 29 million, compared to € 60 million in the first half of 2023, and was mainly composed of:

- € 20 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 2 million of Maven Wave customer relationships amortized over 10 to 12 years starting February 1, 2020.

The decrease originated from the impairment of certain customer relationships in connection with the acquisition of Syntel, the end of the amortization period for Bull assets as well as PPA assets being derecognized as the underlying entities were disposed of.

The **equity-based compensation** expense amounted to € 3 million in the first half of 2024 compared to € 14 million in the first half of 2023 mainly as a result of a high level of forfeitures due to a significant attrition rate.

Impairment of goodwill and other non-current assets amounted to € 1,570 million and mostly related to the impairment of goodwill for € 1,452 million in both Eviden (Americas and Northern Europe & APAC) and Tech Foundations (Northern Europe & APAC), and to the impairment of customer relationships for € 109 million in Americas as a result of customer contract terminations.

In the first half of 2024, **other items** were a net expense of € 150 million compared to € 53 million in the first half of 2023. In 2024, those exceptional items mainly included an additional loss on a past disposal for € 55 million, the advisors fees on the financial restructuring of the Group and on the disposals for € 51 million, as well as the reassessment on an onerous contract in Northern Europe that was accounted for under Other items in 2021 for € 11 million.

3.1.2.3. Net financial expense

Net financial expense amounted to € 175 million for the period (compared to € 103 million in the first half of 2023) and was composed of a net cost of financial debt of € 73 million and other financial expense of € 102 million.

Net cost of financial debt increased from € 40 million in the first half of 2023 to € 73 million in the first half of 2024. This variation mainly resulted from higher interest rates on the Term loan A and the multi-currency revolving credit facility for which additional portions were drawn in the second half of 2023 and in January 2024, combined with a lower interest income as a result of a lower level of deposits. The average expense rate of the Group was 3.66% on the average gross borrowings compared to 2.35% in the first half of 2023. The average income rate on the average gross cash was 4.69% compared to 2.05% in the first half of 2023.

Other financial items were a net loss of € 102 million compared to a net loss of € 63 million in the first half of 2023 and were mainly composed of:

- net foreign exchange loss (including hedges) of € 8 million compared to a loss of € 8 million in the first half of 2023, mainly coming from an exposure spreading across many geographies and currencies, in particular as a result of the unavailability to the Group of foreign exchange hedging instruments. In the first half of 2023, the loss was notably due to unhedged positions in South-Africa;

- lease liability interest of € 19 million compared to € 12 million in the first half of 2023. This variation mainly resulted from the increase in discount rates;
- other items notably,
  - pension related financial expense of € 16 million compared to € 17 million for the first half of 2023;
  - transaction costs incurred in the first half of 2024 and directly attributable to the ongoing financial restructuring of the Group for € 12 million;
  - prior years transaction costs included in financial debts and amortized applying the effective interest rate method, which were fully amortized in the first half of 2024 in the context of the current financial restructuring of the Group for € 15 million;
  - € 10 million of factoring costs for the first semester of 2024.

3.1.2.4. Corporate tax

The tax charge for the first half of 2024 was € 62 million with a loss before tax of € 1,879 million. This charge included a net € 7 million tax charge resulting from taxes withheld on internal dividend distributions.

In addition, the Group estimated the impacts of its adjusted business plan as presented to the market on April 29, 2024 on the recoverability of its deferred tax assets; it resulted in the derecognition of deferred tax assets for a net amount of € 11 million, which was considered in the determination of the tax charge for the first half of 2024.

Due to the loss before tax of the period, the Effective Tax Rate (ETR) of the period is not meaningful.

3.1.2.5. Normalized net income

The normalized net loss excluding unusual, abnormal and infrequent items (net of tax) was € 124 million, representing -2.5% of Group revenue for the period.

(in € million)	**6 months ended June 30, 2024**	**6 months ended June 30, 2023**
Net income (loss) - Attributable to owners of the parent	**-1,941**	**-600**
Other operating income and expense, net of tax	-1,817	-486
Normalized net income (loss) - Attributable to owners of the parent	**-124**	**-113**

3.1.2.6. Half year Earning Per Share

(in € million and shares)	6 months ended June 30, 2024	% of revenue	6 months ended June 30, 2023	% of revenue*
Net income (loss) – Attributable to owners of the parent [a]	**-1,941**	**-39.1%**	**-600**	**-10.9%**
Impact of dilutive instruments	-		-	
Net income (loss) restated of dilutive instruments - Attributable to owners of the parent [b]	**-1,941**	**-39.1%**	**-600**	**-10.9%**
Normalized net income (loss) – Attributable to owners of the parent [c]	**-124**	**-2.5%**	**-113**	**-2.0%**
Impact of dilutive instruments	-		-	
Normalized net income (loss) restated of dilutive instruments - Attributable to owners of the parent [d]	**-124**	**-2.5%**	**-113**	**-2.0%**
Weighted average number of shares [e]	111,072,554		110,681,896	
Impact of dilutive instruments	-		-	
Diluted weighted average number of shares [f]	111,072,554		110,681,896	

(in €)		
Basic EPS (Earning Per Share) [a] / [e]	**-17.48**	**-5.42**
Diluted EPS [b] / [f]	**-17.48**	**-5.42**
Normalized basic EPS [c] / [e]	**-1.11**	**-1.02**
Normalized diluted EPS [d] / [f]	**-1.11**	**-1.02**

* *Restated as described in the section 1.1.2*

3.1.3. Free Cash Flow and net debt

The Group reported a net debt position of € 4,218 million at the end of June 2024 and a free cash flow of € -1,914 million for the first half of 2024.

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Operating Margin before Depreciation and Amortization (OMDA)	**373**	**487**
Capital expenditures	-278	-110
Lease payments	-159	-181
Change in working capital requirement*	-1,393	-645
Cash from operations (CFO)	**-1,457**	**-450**
Tax paid	-45	-40
Net cost of financial debt	-73	-40
Reorganization in other operating income	-162	-247
Rationalization & associated costs in other operating income	-7	-25
Integration and acquisition costs in other operating income	-2	-2
Other changes**	-167	-165
Free Cash Flow (FCF)	**-1,914**	**-969**
Net (acquisitions) disposals	-63	190
Capital increase	0	0
Share buy-back	-1	-3
Dividends paid	-14	-31
Change in net cash (debt)	**-1,992**	**-812**
Opening net cash (debt)	**-2,230**	**-1,450**
Change in net cash (debt)	-1,992	-812
Foreign exchange rate fluctuation on net cash (debt)	5	-59
Closing net cash (debt)	**-4,218**	**-2,321**

** Change in working capital requirement excluding the working capital requirement change related to items reported in other operating income and expense and other financial income and expense.*

*** "Other changes" include other operating income and expense with cash impact (excluding staff reorganization, rationalization and associated costs, integration and acquisition costs) and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals, and profit sharing amounts payable transferred to debt.*

Free cash flow representing the change in net cash or net debt, excluding net (acquisitions) disposals, equity changes and dividends paid to shareholders, was € -1,914 million versus € -969 million in the first half of 2023.

Cash From Operations (CFO) amounted to € -1,457 million compared to € -450 million in the first half of 2023, the evolution coming from the following items:

- OMDA, net of lease payments (€ -92 million);
- Capital expenditures (€ -168 million);
- Change in working capital requirement (€ -748 million).

OMDA of € 373 million, representing a decrease of € 114 million compared to June 2023, reached 7.5% of revenue compared to 8.8% of revenue in June 2023. The bridge from operating margin to OMDA was as follows:

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Operating margin	**115**	**212**
+ Depreciation of fixed assets	125	136
+ Depreciation of right of use	138	157
+ Net book value of assets sold/written off	5	2
+/- Net charge (release) of pension provisions	-21	-20
+/- Net charge (release) of provisions	11	0
OMDA	**373**	**487**

Capital expenditures totaled € 278 million, representing 5.6% of revenue. This sharp increase compared to the 2.0% in the same period last year reflected a significant investment for a HPC project in Germany, as well as specific capital expenditures on two projects in Americas and APAC, respectively.

The negative contribution from change in **working capital requirement** was € 1,393 million (compared to € -645 million in the first half of 2023). It was affected by a significant reduction in the volume of specific actions carried out on the working capital at the end of June 2024 compared to the end of December 2023. The DSO increased by 13 days (from 42 days at the end of December 2023 to 55 days at the end of June 2024), while the DPO decreased by 53 days (from 83 days at the end of December 2023 to 30 days at the end of June 2024) as a result of the Group's decision to normalize the trade payables' level and of demanding payment terms from suppliers arising from the financial situation of the Group. The level of trade receivables sold with no recourse to banks with transfer of risks as defined by IFRS 9 decreased from € 712 million at the end of December 2023 to € 33 million at the end of June 2024.

Total specific actions carried out by the Group to optimize its working capital amounted to € 496 million compared to € 1.8 billion at the end of December 2023. They comprised € 33 million of non-recourse transfer of trade receivables (compared to € 712 million at the end of December 2023), other specific actions on trade receivables for € 254 million (compared to € 455 million at the end of December 2023), consisting mainly in the reduction in the average payment period for trade receivables, as well as specific actions on trade payables for € 208 million (compared to € 650 million at the end of December 2023), consisting mainly in the extension of supplier payment terms. Those specific actions did not comprise any reverse factoring measure.

Those specific actions have positively impacted DSO by 11 days at June 30, 2024 (compared to 37 days at December 31, 2023) and DPO by 13 days (compared to 41 days at December 31, 2023).

Cash out related to **taxes paid** increased by € 5 million and amounted to € 45 million in the first half of 2024, including € 6 million of taxes paid in connection with carve-out transactions completed in 2024.

Cost of net debt increased to € 73 million as a result of higher interest costs on the multi-currency revolving credit facility and Term loan A for which additional portions were drawn in the second half of 2023 and in January 2024, combined with a lower interest income as a result of a lower level of deposits.

Reorganization, rationalization and associated costs, and integration and acquisition costs reached € -171 million compared to € -274 million in the first half of 2023.

Cash paid for reorganization costs included € 91 million in connection with restructuring measures, mainly in Northern Europe & APAC and Corporate functions, as well as the continuation of the German restructuring plans, and € 71 million of costs related to the outstanding activities on the separation of the Group over the first quarter of the year.

Other changes amounted to € -167 million compared to € -165 million in the first half of 2023. They included in particular € 96 million of costs incurred on those onerous contracts for which the provision was accounted for under Other items at the end of December 2021, € 23 million of payments for advisors fees on the financial restructuring of the Group and on asset disposals, and € 13 million of legal costs.

As a result of the above impacts mainly driven by the change in the working capital requirement, the Group presented a **Free Cash Flow (FCF)** of € -1,914 million during the first half of 2024, compared to € -969 million in the first half of 2023.

Net (acquisitions) disposals of € -63 million were mainly made of the revaluation of the short-term financial asset that is no longer expected to be collected considering the probable price adjustment on a past disposal.

There was no **capital increase** in the first half of 2024, similarly as the previous period.

Share buy-back amounted to € 1 million during the first half of 2024 compared to € 3 million in the first half of 2023. Share buy-back programs relate to the delivery of performance shares to managers and aim at avoiding a dilution effect for the shareholders.

No **dividends** were paid to Atos SE shareholders in the first half of 2024. The € 14 million cash out (€ 31 million for the first semester of 2023) corresponded mainly to taxes withheld on internal dividend distributions.

Foreign exchange rate fluctuation determined on debt or cash exposure by country represented a decrease in net debt of € 5 million.

As a result, the Group **net debt position** as of June 30, 2024 was € 4,218 million, compared to € 2,230 million as of December 31, 2023.

3.1.4. Financial situation

Bank covenant

At June 30, 2024, the € 900 million muti-currency revolving credit facility and the € 1.5 billion Term Loan A were fully drawn. As a consequence of the opening of the accelerated safeguard procedure on July 23, 2024, the conditions for the extension of the Term Loan A termination date from July 29, 2024 to January 29, 2025 will not be satisfied. Therefore, the extension request which was notified to the agent on June 26, 2024 shall be considered as being without any effect.

According to the documentation applicable to the multi-currency revolving credit facility and the Term Loan A, the borrowing covenant (net debt divided by a 12-month rolling OMDA, excluding IFRS 16 impacts) is tested only once a year at 31 December of each fiscal year and cannot exceed 3.75. For information, the leverage ratio was 7.32 at the end of June 2024.

Hedging instruments and bank guarantees

The deterioration of the credit rating and the financial situation of the Group have materially affected its ability to access foreign exchange credit lines and bank guarantees. The availability of such lines has dwindled over the first half of 2024, resulting in a higher exposure of the Group to foreign exchange fluctuations, and difficulties in commercial tenders.

3.2. Interim condensed consolidated financial statements

3.2.1. Interim condensed consolidated income statement

(in € million)	Notes	6 months ended June 30, 2024	6 months ended June 30, 2023*
Revenue	**Note 3**	**4,964**	**5,515**
Personnel expense	Note 4.1	-2,615	-2,818
Non-personnel operating expense	Note 4.2	-2,235	-2,485
Operating margin		**115**	**212**
% of revenue		**2.3%**	**3.8%**
Other operating income and expense	Note 5	-1,819	-646
Operating income (loss)		**-1,704**	**-434**
% of revenue		**-34.3%**	**-7.9%**
Net cost of financial debt	Note 6.1	-73	-40
Other financial expense	Note 6.1	-135	-82
Other financial income	Note 6.1	33	19
Net financial income (expense)	**Note 6.1**	**-175**	**-103**
Net income (loss) before tax		**-1,879**	**-537**
Tax charge	Note 7	-62	-65
Share of net profit (loss) of equity-accounted investments		-	2
Net income (loss)		**-1,941**	**-600**
Of which:			
▪ attributable to owners of the parent		-1,941	-600
▪ non-controlling interests		0	-

(*) Restated as described in Note 3

(in € million and shares)	6 months ended June 30, 2024	6 months ended June 30, 2023
Net income (loss) - Attributable to owners of the parent	**-1,941**	**-600**
Weighted average number of shares	111,072,554	110,681,896
Basic earnings per share (in euros)	**-17.48**	**-5.42**
Diluted weighted average number of shares	111,072,554	110,681,896
Diluted earnings per share (in euros)	**-17.48**	**-5.42**

3.2.2. Interim condensed consolidated statement of comprehensive income

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Net income (loss)	**-1,941**	**-600**
Other comprehensive income		
To be reclassified subsequently to profit or loss (recyclable)	**41**	**-116**
Change in fair value of cash flow hedge instruments	-6	13
Exchange differences on translation of foreign operations	47	-128
Deferred tax on items to be reclassified to profit or loss	0	-
Not reclassified to profit or loss (non recyclable)	**26**	**15**
Actuarial gains and losses on defined benefit plans	39	18
Deferred tax on items not reclassified to profit or loss	-12	-3
Total other comprehensive income (loss)	**68**	**-101**
Total comprehensive income (loss) for the period	**-1,873**	**-701**
Of which:		
▪ attributable to owners of the parent	-1,873	-701
▪ non-controlling interests	0	-

3.2.3. Interim condensed consolidated statement of financial position

(in €million)	Notes	June 30, 2024	December 31, 2023
ASSETS			
Goodwill	Note 8	1,451	2,875
Intangible assets		406	529
Tangible assets		499	355
Right-of-use assets		638	687
Equity-accounted investments		11	11
Non-current financial assets	Note 6.3	131	142
Deferred tax assets		234	206
Total non-current assets		**3,372**	**4,806**
Trade accounts and notes receivable	Note 3.2	2,833	2,459
Current taxes		100	83
Other current assets	Note 4.4	1,776	1,637
Current financial instruments		9	13
Cash and cash equivalents	Note 6.2	767	2,295
Total current assets		**5,486**	**6,488**
TOTAL ASSETS		**8,858**	**11,294**

(in €million)	Notes	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
Common stock	Note 11	112	111
Additional paid-in capital		1,499	1,499
Consolidated retained earnings		-1,484	1,887
Net income (loss) attributable to the owners of the parent	Note 11	-1,941	-3,441
Equity attributable to the owners of the parent		**-1,815**	**55**
Non-controlling interests		3	5
Total shareholders' equity		**-1,812**	**61**
Provisions for pensions and similar benefits	Note 9	695	741
Non-current provisions	Note 10	283	282
Borrowings	Note 6.4	2,100	2,530
Deferred tax liabilities		90	35
Non-current lease liabilities	Note 6.5	544	588
Other non-current liabilities		2	1
Total non-current liabilities		**3,715**	**4,177**
Trade accounts and notes payable	Note 4.3	1,371	2,066
Current taxes		81	74
Current provisions	Note 10	186	280
Current financial instruments		2	2
Current portion of borrowings	Note 6.4	2,998	2,124
Current lease liabilities	Note 6.5	230	234
Other current liabilities	Note 4.5	2,086	2,276
Total current liabilities		**6,954**	**7,056**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**8,858**	**11,294**

3.2.4. Interim condensed consolidated cash flow statement

(in € million)	Notes	6 months ended June 30, 2024	6 months ended June 30, 2023
Net income (loss) before tax		**-1 879**	**-537**
Depreciation of fixed assets	Note 4.2	125	136
Depreciation of right-of-use	Note 4.2	138	157
Net addition (release) to operating provisions		-10	-20
Net addition (release) to financial provisions		28	20
Net addition (release) to other operating provisions		-55	-11
Amortization of intangible assets (PPA from acquisitions)	Note 5	29	60
Impairment of goodwill and other non-current assets	Note 5	1 570	55
Losses (gains) on disposals of non-current assets		71	9
Net charge for equity-based compensation	Note 5	3	14
Unrealized losses (gains) on changes in fair value and other		-1	-2
Net cost of financial debt	Note 6.1	73	40
Interests on lease liability	Note 6.1	19	12
Net cash from (used in) operating activities before change in working capital requirement and taxes		**111**	**-67**
Tax paid		-45	-40
Change in working capital requirement		-1 477	-512
Net cash from (used in) operating activities		**-1 411**	**-618**
Payment for tangible and intangible assets		-278	-110
Proceeds from disposals of tangible and intangible assets		5	1
Net operating investments		**-273**	**-110**
Amounts paid for acquisitions and long-term investments		-10	-21
Net proceeds from disposals of financial investments		-1	218
Cash and cash equivalents of companies sold during the period		-	-12
Net long-term financial investments		**-11**	**186**
Net cash from (used in) investing activities		**-284**	**76**
Common stock issued		0	0
Purchase and sale of treasury stock		-1	-3
Dividends paid*		-12	-28
Dividends paid to non-controlling interests		-2	-3
Lease payments	Note 6.5	-159	-181
New borrowings	Note 6.5	470	1 700
Repayment of current and non-current borrowings	Note 6.5	-10	-1 440
Interests paid	Note 6.5	-53	-40
Other flows related to financing activities	Note 6.5	-77	-81
Net cash from (used in) financing activities		**155**	**-75**
Increase (decrease) in net cash and cash equivalents		**-1 540**	**-618**
Opening net cash and cash equivalents		**2 295**	**3 190**
Increase (decrease) in net cash and cash equivalents	Note 6.5	-1 540	-618
Impact of exchange rate fluctuations on cash and cash equivalents	Note 6.5	4	-57
Closing net cash and cash equivalents	Note 6.5	**759**	**2 515**

(*) corresponded to taxes withheld on internal dividend distributions.

3.2.5. Interim consolidated statement of changes in shareholders' equity

(in € million)	Number of shares at period end (thousands)	Common Stock	Additional paid-in capital	Consolidated retained earnings	Net income (loss)	Total attributable to the owners of the parent	Non controlling interests	Total shareholders' equity
At December 31, 2022	**110,951**	**111**	**1,499**	**3,195**	**-1,012**	**3,793**	**7**	**3,799**
• Common stock issued	-	-	-	-		-		-
• Appropriation of prior period net income (loss)				-1,012	1,012	-		-
• Dividends paid				-		-	-3	-3
• Equity-based compensation				11		11		11
• Changes in treasury stock				-3		-3		-3
• Other				0		0	0	0
Transactions with owners	**-**	**-**	**-**	**-1,003**	**1,012**	**9**	**-3**	**6**
• Net income (loss)				-	-600	-600	-0	-600
• Other comprehensive income (loss)				-101		-101	0	-101
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**-101**	**-600**	**-701**	**-0**	**-701**
At June 30, 2023	**110,951**	**111**	**1,499**	**2,091**	**-600**	**3,101**	**4**	**3,105**
• Common stock issued	488	0	-	-		-		-
• Dividends paid				-0		-0	-0	-0
• Equity-based compensation				5		5		5
• Other				-2		-2	-0	-2
Transactions with owners	**488**	**0**	**-**	**4**	**-0**	**4**	**-0**	**3**
• Net income (loss)				-	-2,841	-2,841	2	-2,839
• Other comprehensive income (loss)				-208		-208	-0	-208
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**-208**	**-2,841**	**-3,049**	**2**	**-3,048**
At December 31, 2023*	**111,439**	**111**	**1,499**	**1,887**	**-3,441**	**55**	**5**	**61**
• Common stock issued	214	0	-0	-		-		-
• Appropriation of prior period net income (loss)				-3,441	3,441	-		-
• Dividends paid				-0		-0	-2	-2
• Equity-based compensation				4		4		4
• Changes in treasury stock				-1		-1		-1
• Other				0		0	-0	0
Transactions with owners	**214**	**0**	**-0**	**-3,438**	**3,441**	**3**	**-2**	**1**
• Net income (loss)				-	-1,941	-1,941	0	-1,941
• Other comprehensive income (loss)				68		68	-0	68
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**68**	**-1,941**	**-1,873**	**0**	**-1,873**
At June 30, 2024	**111,653**	**112**	**1,499**	**-1,484**	**-1,941**	**-1,815**	**3**	**-1,812**

*The consolidated financial statements of the Group for the twelve months ended December 31, 2023 have not yet been approved by the General Meeting of shareholders of Atos. Hence, the appropriation of the net loss for the year ended December 31, 2023 to retained earnings is not final.

3.2.6. Notes to the interim condensed consolidated financial statements

These interim condensed consolidated financial statements were approved by the Board of Directors on July 31, 2024. As a reminder, the consolidated financial statements of the Group for the twelve months ended December 31, 2023 have not yet been approved by the General Meeting of shareholders of Atos.

3.2.6.1. Basis of preparation

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

Accounting framework

The interim condensed consolidated financial statements of Atos ("the Group") for the six-month period ended June 30, 2024, have been prepared in accordance with the international accounting standards endorsed by the European Union and whose application was mandatory as at June 30, 2024.

The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the IFRS Interpretations Committee (IFRS IC).

The Group interim condensed consolidated financial statements for the six-month period ended June 30, 2024, have been prepared in accordance with IAS 34 - Interim Financial Reporting.

This standard provides that interim condensed financial statements do not include all the information required under IFRS for the preparation of annual consolidated financial statements. These interim condensed consolidated financial statements must therefore be read in conjunction with the Group consolidated financial statements as at and for the year ended December 31, 2023. However selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the Group financial position and performance since the latest annual consolidated financial statements.

The accounting policies and measurement methods used to prepare these interim condensed consolidated financial statements are identical to those applied by the Group at December 31, 2023 and described in the notes to the consolidated financial statements for the year ended December 31, 2023, except:

- new standards and interpretations mandatorily applicable presented in the paragraph below;
- the specific measurement methods of IAS 34 presented in the paragraph below.

New standards and interpretations applicable from January 1, 2024

The following new standards, interpretations or amendments whose application was mandatory for the Group for the fiscal year beginning January 1, 2024 had no material impact on the interim condensed consolidated financial statements:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.

Other standards

The Group does not apply IFRS standards and interpretations that have not yet been approved by the European Union at the closing date. In addition, none of the new standards effective for annual periods beginning after January 1, 2024 and for which an earlier application is permitted have been applied by the Group.

The potential impacts of these new pronouncements are currently being analyzed.

Use of estimates and judgments

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date.

Material judgments made by the management on accounting principles applied, as well as the main sources of uncertainty related to the estimates used to elaborate the interim condensed consolidated financial statements remain identical to those described in the latest annual report, except the specific measurement methods of IAS 34 regarding estimate of income tax expense (as described in Note 7) and pension plans and other long-term benefits valuations (as described in Note 9). In addition, the context of the opening of the accelerated safeguard procedure and the uncertainty on the Group's ability to continue as a going concern required additional judgments to be made, in particular with regard to the classification of borrowings as current or non-current, and the accelerated amortization of transaction costs directly attributable to financial debts (as described in Note 6).

3.2.6.2. Main events

Liquidity and continuity of operations

The Group's half-year interim condensed consolidated financial statements for the six months ended June 30, 2024 have been prepared on a going concern basis. The Group's cash flow forecasts for the twelve months following the approval of the 2024 half-year interim condensed consolidated financial statements by the Board of Directors result in a cash situation that meets its liquidity needs over that period.

The cash forecasts, which take into account the latest business forecasts, have been prepared in particular based on the following assumptions:

- The interim financing of € 800 million has been secured with € 725 million of loans and the access to € 75 million of factoring facility, thus providing the liquidity necessary to fund the business until the close of the financial restructuring plan;
- The short-term interim financing to be refinanced with the € 1,750 million new money of which debt in an amount from € 1.5 billion to € 1.675 billion, and € 75 million in the form of backstop in cash of rights issue; and
- The proceeds from the sale of the Worldgrid business unit to Alten in the first half of 2025 for an enterprise value of € 270 million.

At June 30, 2024, cash, cash equivalents, and short term financial assets of the Group amounted to € 881 million, including the benefits of working capital actions at June end. Borrowings amounted to € 5,098 million, of which € 2,400 million of bonds and € 2,600 million of bank financing. As a result, the total net debt for the Group amounted to € 4,218 million at June 30, 2024. In addition, the Atos SE's leverage ratio applicable to the multi-currency revolving credit facility and the Term Loan A amounted to 7.32x at June 30, 2024.

Atos SE wishes to draw attention to the maturity of Atos SE's borrowings and the risks associated with its refinancing. The coming maturities of its borrowings are as follows:

- the € 1.5 billion Term Loan A maturing on July 29, 2024, since the extension request shall be considered as being without effect because of the opening of the accelerated safeguard procedure on July 23, 2024;
- the € 500 million bond (Optional Exchangeable Bond) maturing in November 2024;
- the € 750 million bond maturing in May 2025;
- the € 900 million revolving credit facility maturing in November 2025;
- the € 50 million NEU MTN maturing in April 2026;

- the € 350 million bond maturing in November 2028; and
- the € 800 million bond (Sustainability-Linked Bond) maturing in November 2029.

It should be noted that in the context of the opening of the accelerated safeguard procedure announced on July 24, 2024, a debt freeze is now in effect, prohibiting the payment of assigned receivables arising prior to the opening of the accelerated safeguard and of certain debts arising after the opening relating to assigned receivables that are not useful for the restructuring – this rule does not apply to creditors who are not affected by the accelerated safeguard procedure.

As stated in its press release of February 5, 2024, Atos SE has entered into discussions with its banks and bondholders with a view to reaching a global agreement on the restructuring of its financial debt. These discussions, that were held under the aegis of the CIRI ("Comité Interministériel de Restructuration Industrielle") and the mandataire ad hoc appointed since the beginning of February 2024, continued under an amicable conciliation procedure in order to frame these discussions and facilitate the emergence of a global agreement within a short and well-defined timetable. These discussions led to an agreement on the terms of the financial restructuring between the Company and a group of banks and bondholders, as announced on June 30, 2024 by the Company, and to the conclusion of a Lock-Up Agreement with a majority of the Company's financial creditors, as announced on July 15, 2024 by the Company.

In this context, on July 24, 2024 the Company announced the opening of an accelerated safeguard procedure in order to implement and obtain the approval of the Nanterre Specialized Commercial Court on the terms of the financial restructuring plan agreed in the Lock-Up Agreement. As a reminder, this restructuring plan provides for the implementation of the plan through several capital increases and debt issuance from November 2024 until January 2025, as well as the provision of € 800 million short-term interim financing available to the Company and secured until the closing of the financial restructuring, and to be refinanced with the € 1,750 million new financings to be put in place before year end.

Considering the interim financing, the Group has sufficient liquidity to operate its business until the financial restructuring plan is implemented.

The implementation of the financial restructuring remains subject to the fulfilment of several conditions precedent, including in particular:

- Finalization and conclusion of the long form financial restructuring documentation, including the accelerated safeguard plan;
- Approval by the AMF of the securities notes (note d'opérations) relating to the contemplated capital increases;
- Receipt of a report from an independent expert confirming that the terms of the proposed financial restructuring (including in relation to the capital increases) are fair from a financial perspective in accordance with the AMF General Regulation, as customary for transactions of this nature;
- Judgment of the specialized Commercial Court of Nanterre (Tribunal de Commerce spécialisé de Nanterre) approving the accelerated safeguard plan implementing the definitive financial restructuring agreement; and
- Obtaining regulatory approvals, if applicable.

At the same time, the Company has entered into discussions with the Agence des participations de l'Etat français (APE) regarding its intention to acquire 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE's BDS (Big Data & Cybersecurity) division. Atos announced on June 14, 2024 that it had received a non-binding confirmatory offer letter from the French State for the potential acquisition of these businesses for a proposed enterprise value of € 700 million.

The Company has also entered into exclusive negotiations with Alten for the sale of Wordgrid.

However there remains a material uncertainty upon the ability of the Group to continue as a going concern in the event that the Group is unable to implement the envisaged financial restructuring plan. In that case, Atos SE may not be able to realize its assets or settle its liabilities within the ordinary course of its operations, and the application of IFRS accounting standards in the ordinary context of going concern, in particular with regard to the measurement of assets and liabilities, may not be appropriate.

3.2.6.3. Notes to the interim condensed consolidated financial statements

Note 1 Changes in the scope of consolidation

Worldgrid

On June 11, 2024, Atos announced that it had entered into exclusive negotiations with ALTEN SA for the sale of its Worldgrid business unit for a binding enterprise value of € 270 million. Worldgrid provides consulting and engineering services to energy and utility companies. The business currently employs close to 1,100 employees and, in 2023, it generated revenue of circa € 170 million from a diverse and longstanding client base.

The transaction is expected to close before the end of 2024 and is subject to the consultation of the relevant employee representative bodies and other customary regulatory approvals.

The disposal group was not reclassified as held for sale at June 30, 2024 as it was deemed not material although the disposal group met the held for sale classification criteria considering the advanced stage of the negotiations and the expected closing of the transaction during the second semester of 2024. The Worldgrid activity is mainly reported in the RBU Southern Europe.

Contemplated disposal of BDS' Advanced Computing, Mission-Critical Systems and Cybersecurity Products businesses to the French State

On June 14, 2024, Atos SE announced that it had received a non-binding confirmatory offer letter from the French State for the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of its Big Data & Cybersecurity ("BDS") division.

Atos considered that at June 30, 2024 the contemplated disposal did not meet the IFRS 5 criteria to be classified as held for sale and discontinued operations since this business was not available for immediate sale in its present condition, and the sale was not highly probable as of the reporting date.

In order to protect the French State's sovereign interests in relation to these businesses, an agreement was signed between the Group and the French State which provides for:

- a preference share issued by Bull SA,
- governance rights at the level of Bull SA,
- a right to acquire these sovereign sensitive activities in circumstances notably where a third party would cross some share capital or voting rights thresholds of Atos or Bull SA and the national interests in relation to these activities could not be secured.

Note 2 Segment information

Since 2022, the Group is governed around four Regional Business Units ("RBU") and two perimeters, Tech Foundations and Eviden, gathering three Business Lines: Tech Foundations, Digital and Big Data & Security.

While both perimeters and RBUs are reviewed by the chief operating decision maker, RBUs, for which more information are available, remain the main axis for analysis.

As a result, and for IFRS 8 requirements, RBUs remain the reported operating segments. Information for Eviden and Tech Foundations available to the chief operating decision maker are however also presented in this Note.

As at June 30, 2024, Regional Business Units are made of the following countries:

Operating segments	
Americas	Argentina, Brazil, Canada, Chile, Colombia, Guatemala, Mexico, Peru, the United States of America and Uruguay.
Northern Europe & APAC	Australia, Belgium, China, Denmark, Estonia, Finland, Hong Kong, India, Ireland, Japan, Lithuania, Luxembourg, Malaysia, New Zealand, Norway, Philippines, Singapore, Sweden, Taiwan, Thailand, the Netherlands, the United Kingdom and South Korea.
Central Europe	Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Poland, Israel, Romania, Serbia, Slovakia and Switzerland.
Southern Europe	Andorra, France, Portugal and Spain.
Corporate and Other	Algeria, Benin, Burkina Faso, Egypt, Gabon, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Namibia, Qatar, Saudi-Arabia, Senegal, South Africa, Togo, Tunisia, Turkey, UAE as well as Major Events activities, Corporate functions and Global Delivery Centers (GDC).

Each Business Line is represented in each RBU.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. The revenue from each external contract amounted to less than 10% of the Group revenue.

The operating segment information was the following:

(in € million)	Americas	Northern Europe & APAC	Central Europe	Southern Europe	Corporate and Other	Elimination	Total Group
6 months ended June 30, 2024							
External revenue by segment	**1,109**	**1,542**	**1,077**	**1,084**	**153**		**4,964**
% of Group revenue	22.3%	31.1%	21.7%	21.8%	3.1%		100.0%
Inter-segment revenue	38	74	87	61	747	-1,007	-
Total revenue	1,146	1,616	1,164	1,144	900	-1,007	4,964
Segment operating margin	**99**	**66**	**-4**	**46**	**-93**		**115**
% of margin	8.9%	4.3%	-0.3%	4.3%	-60.7%		2.3%
Total segment assets as at June 30, 2024	**1,619**	**1,722**	**1,110**	**1,925**	**1,379**		**7,756**
6 months ended June 30, 2023*							
External revenue by segment	**1,278**	**1,584**	**1,297**	**1,211**	**145**		**5,515**
% of Group revenue	23.2%	28.7%	23.5%	22.0%	2.6%		100.0%
Inter-segment revenue	51	83	107	64	686	-991	0
Total revenue	1,330	1,667	1,404	1,275	831	-991	5,515
Segment operating margin	**133**	**63**	**16**	**58**	**-58**		**212**
% of margin	10.4%	4.0%	1.3%	4.8%	-40.3%		3.8%
Total segment assets as at December 31, 2023	**2,396**	**2,255**	**1,010**	**1,583**	**1,466**		**8,709**

(*) Revenue restated as described in Note 3

The assets detailed above by segment are reconciled to total assets as follows:

(in € million)	**June 30, 2024**	**December 31, 2023**
Total segment assets	**7,756**	**8,709**
Tax assets	334	289
Cash and cash equivalents	767	2,295
Total assets	**8,858**	**11,294**

Revenue and operating margin for Tech Foundations and Eviden were as follows:

(in € million)	**Tech Foundations**	**Eviden**	**Total Group**
6 months ended June 30, 2024			
External revenue	**2,579**	**2,385**	**4,964**
% of Group revenue	52.0%	48.0%	100.0%
Operating margin	**57**	**58**	**115**
% of margin	2.2%	2.4%	2.3%

(in € million)	**Tech Foundations**	**Eviden**	**Total Group**
6 months ended June 30, 2023*			
External revenue	**2,923**	**2,592**	**5,515**
% of Group revenue	53.0%	47.0%	100.0%
Operating margin	**73**	**138**	**212**
% of margin	2.5%	5.3%	3.8%

(*) Revenue restated as described in Note 3

Note 3 Revenue, trade receivables, contract assets, contract liabilities and contract costs

3.1 – Disaggregation of revenue from contracts with customers

Most of the revenue generated by the Group is recognized over time. The Group applies the "cost-to-cost" method to measure progress to completion for fixed price contracts. Most of the Big Data & Security activities revenue is recognized at a point in time when solutions are delivered except for High Performance Computer solutions when Atos is building a dedicated asset with no alternative use and has an enforceable right to payment arising from the contract or local regulation for costs incurred including a reasonable margin. In this specific case, revenue is recognized over time.

Disaggregated revenue by Region and according to the Tech Foundations and Eviden perimeters is presented in Note 2.

Restatement of revenue for the 6 months ended June 30, 2023

In 2023, the Group reviewed the accounting treatment of certain third-party standard software resale transactions following the decision published by ESMA in October 2023 that illustrated the IFRS IC decision and enacted a restrictive position on the assessment of Principal vs. agent under IFRS 15 for such transactions. The revenue for the six-month period ended June 30, 2023 was restated by € 33 million to € 5,515 million. The impact affected Eviden in the Americas RBU without impacting the operating margin.

3.2 – Trade accounts and notes receivable, and contract liabilities

(in € million)	**June 30, 2024**	**December 31, 2023**
Contract assets	1,031	1,002
Trade receivables	1,803	1,443
Contract costs	78	85
Expected credit loss allowance	-79	-71
Trade accounts and notes receivable	**2,833**	**2,459**
Contract liabilities	-939	-980
Net accounts receivable	**1,894**	**1,479**
Number of days sales outstanding (DSO)	**55**	**42**

Contract assets, net of contract liabilities slightly increased compared to the positions at the end of December 2023, due to the consumption of advance payments received on HPC projects, as well as major deferred revenues and advance payments reversing over time in Central Europe and Americas.

The DSO ratio increased from 42 days to 55 days at June 30, 2024.

Transfer of trade receivables

As part of the interim financing announced, the Group entered into a factoring program with the banks.

Under these factoring agreements, € 181 million of trade receivables were transferred to the banks as of June 30, 2024. These trade receivables were not derecognized from the statement of financial position as of June 30, 2024, notably because the Group retains substantially all the risks and rewards of ownership of those receivables.

Preliminary consideration received from the factors as at June 30, 2024 under these agreements amounted to € 35 million and were recognized as part of other borrowings (see Note 6.4).

The following information shows the carrying amount of trade receivables that were transferred to the factors and were not derecognized from the statement of financial position, and the associated borrowings at the reporting date.

(in € million)	**June 30, 2024**
Carrying amount of trade receivable transferred to the banks	181
Carrying amount of associated borrowings	35

Payments from the customers received by the factors for an amount of € 31 million at June 30, 2024 were reported as short-term financial assets (see Note 6.5). This amount included € 7 million of payments received in relation to receivables not funded by the factors (and which therefore would be returned to Atos by the factors) and € 24 million of payments received in relation to eligible receivables, and which will either subsequently be paid by the factor to Atos, or be offset against the € 35 million borrowing.

In addition, as of June 30, 2024, € 33 million of trade receivables were transferred to third parties under previous agreements with conditions of the transfers meeting IFRS 9 requirements, meaning transfer of contractual cash flows and transfer of substantially all risks and rewards are achieved (€ 712 million as at December 31, 2023). Those trade receivables were therefore derecognized in the statement of financial position as of June 30, 2024.

Note 4 Operating items

4.1 – Personnel expense

(in € million)	**6 months ended June 30, 2024**	**% Revenue**	**6 months ended June 30, 2023**	**% Revenue***
Wages and salaries	-2,114	42.6%	-2,279	41.3%
Social security charges	-496	10.0%	-526	9.5%
Tax, training, profit-sharing	-26	0.5%	-32	0.6%
Net (charge) release to provisions for staff expense	0	0.0%	-	0.0%
Net (charge) release of pension provisions	21	0.4%	20	0.4%
TOTAL	**-2,615**	**52.7%**	**-2,818**	**51.1%**

(*) Restated as described in Note 3

4.2 – Non-personnel operating expense

(in € million)	6 months ended June 30, 2024	% Revenue	6 months ended June 30, 2023	% Revenue*
Subcontracting costs direct	-870	17.5%	-1,002	18.2%
Hardware and software purchase	-369	7.4%	-489	8.9%
Maintenance costs	-244	4.9%	-261	4.7%
Rent expense	-4	0.1%	-5	0.1%
Telecom costs	-78	1.6%	-98	1.8%
Travelling expense	-31	0.6%	-33	0.6%
Professional fees	-135	2.7%	-116	2.1%
Other expense	-247	5.0%	-223	4.0%
Subtotal expense	**-1,978**	**39.8%**	**-2,226**	**40.4%**
Depreciation of fixed assets	-125	2.5%	-136	2.5%
Depreciation of right-of-use	-138	2.8%	-157	2.9%
Net (charge) release to provisions	-11	0.2%	4	0.1%
Gains (losses) on disposal of assets	-4	0.1%	-2	0.0%
Trade receivables write-off	-2	0.0%	-4	0.1%
Capitalized production	24	0.5%	35	0.6%
Subtotal other expense	**-256**	**5.2%**	**-260**	**4.7%**
TOTAL	**-2,235**	**45.0%**	**-2,485**	**45.1%**

(*) Restated as described in Note 3

Rent expense corresponds to short-term lease contracts and low value assets.

4.3 – Trade accounts and notes payable

(in € million)	June 30, 2024	December 31, 2023
Trade accounts and notes payable	**1,371**	**2,066**
Net advance payments	-201	-46
Prepaid expense and advanced invoices	-627	-531
TOTAL	**543**	**1,489**
Number of days payable outstanding (DPO)	**30**	**83**

4.4 – Other current assets

(in € million)	June 30, 2024	December 31, 2023
Inventories	212	175
State - VAT receivables	281	356
Prepaid expense and advanced invoices	627	531
Other receivables and current assets	455	529
Net advance payments	201	46
TOTAL	**1,776**	**1,637**

€ 50 million of R&D tax credit were refunded by the French Tax Administration in the first half of 2024. Those receivables were presented in line item "other receivables and current assets".

The significant increase in net advance payments reflected demanding payment terms from suppliers arising from the financial situation of the Group, in particular for the purchase of components.

4.5 – Other current liabilities

(in € million)	**June 30, 2024**	**December 31, 2023**
Employee-related liabilities	497	473
Social security and other employee welfare liabilities	153	159
VAT payables	309	442
Contract liabilities	939	980
Other operating liabilities	189	223
TOTAL	**2,086**	**2,276**

At June 30, 2024, employee-related liabilities included € 106 million of signed settlements with employees in connection with the German restructuring plans, compared to € 145 million at December 31, 2023.

4.6 – Working capital requirement

(in € million)	**June 30, 2024**	**December 31, 2023**
Trade accounts and notes receivable	2,833	2,459
Trade accounts and notes payable	-1,371	-2,066
Other current assets	1,776	1,637
Other current liabilities	-2,086	-2,276
less Short-term financial assets	-113	-128
less Payables on acquisitions of non-current assets	35	56
TOTAL	**1,074**	**-319**

Note 5 Other operating income and expense

Other operating income and expense relate to income and expense that are unusual, abnormal and infrequent and represented a net expense of € 1,819 million in the first half of 2024.

The following table presents this amount by nature:

(in € million)	**6 months ended June 30, 2024**	**6 months ended June 30, 2023**
Reorganization costs	-60	-430
Rationalization and associated costs	-5	-30
Integration and acquisition costs	-2	-4
Amortization of intangible assets (PPA from acquisitions)	-29	-60
Equity-based compensation	-3	-14
Impairment of goodwill and other non-current assets	-1,570	-55
Other items	-150	-53
TOTAL	**-1,819**	**-646**

Reorganization costs amounted to € 60 million, evenly shared between restructuring measures mostly in Northern Europe & APAC and Corporate functions, and costs related to the outstanding activities on the separation of the Group over the first quarter of the year.

Rationalization and associated costs significantly decreased from € 30 million in the first semester of 2023 to € 5 million in the first semester of 2024 as the consolidation plan of data centers in North America reached completion at the end of 2023.

Integration and acquisition costs of € 2 million mainly related to the cost of retention schemes, as well as residual integration activities on past acquisitions.

In the first half of 2024, the amount related to the amortization of intangible assets recognized in the purchase price allocation exercises amounted to € 29 million, compared to € 60 million in the first half of 2023, and was mainly composed of:

- € 20 million of Syntel customer relationships and technologies amortized over 12 years starting November 1, 2018;
- € 2 million of Maven Wave customer relationships amortized over 10 to 12 years starting February 1, 2020.

The decrease originated from the impairment of certain customer relationships in connection with the acquisition of Syntel, the end of the amortization period for Bull assets as well as PPA assets being derecognized as the underlying entities were disposed of.

The equity-based compensation expense amounted to € 3 million in the first half of 2024 compared to € 14 million in the first half of 2023 mainly as a result of a high level of forfeitures due to a significant attrition rate.

Impairment of goodwill and other non-current assets amounted to € 1,570 million and mostly related to the impairment of goodwill for € 1,452 million in both Eviden (Americas and Northern Europe & APAC) and Tech Foundations (Northern Europe & APAC) – See Note 8, and to the impairment of customer relationships for € 109 million in Americas as a result of customer contract terminations.

In the first half of 2024, other items were a net expense of € 150 million compared to € 53 million in the first half of 2023. In 2024, those exceptional items mainly included an additional loss on a past disposal for € 55 million, the advisors fees on the financial restructuring of the Group and on the disposals for € 51 million, as well as the reassessment on an onerous contract in Northern Europe that was accounted for under Other items in 2021 for € 11 million.

Equity-based compensation

The € 3 million expense recorded within other operating income and expense relating to equity-based compensation (€ 14 million in the first half of 2023) was mainly related to performance share plans granted from 2021 until 2023.

Equity-based compensation plans are detailed by year and by nature as follows:

By year

(in € million)	**6 months ended June 30, 2024**	**6 months ended June 30, 2023**
Plans 2023	2	0
Plans 2022	-2	8
Plans 2021	3	4
Plans 2020	-0	2
TOTAL	**3**	**14**

By category of plans

(in € million)	**6 months ended June 30, 2024**	**6 months ended June 30, 2023**
Performance share plans	3	12
Employee share purchase plans	-	1
Cash-settled incentive plans	-	1
TOTAL	**3**	**14**

Performance share plans

In the first half of 2024, Atos implemented no new performance share plan.

Rules governing the performance share plans in the Group are as follows:

- To receive the share, the grantee must generally be an employee or a corporate officer of the Group or an employee of a company related to Atos;
- Vesting is generally conditional upon both the continued employment and the achievement of performance criteria, financial and non-financial ones that vary according to the plan rules such as:
    - internal financial performance criteria including Group revenue growth, Group Operating Margin and Group Free Cash Flow (FCF);
    - internal and external social and environmental responsibility performance criteria;
    - an external stock market performance criterion;
- The vesting period varies according to the plan rules but never exceeds 3 years;
- The lock-up period ranges from 0 to 2 years.

Main plans impacting the consolidated income statement of the first semester of 2024 are detailed as follows:

Board of directors meeting date	June 28, 2023	June 28, 2023	June 28, 2023	June 28, 2023
Number of shares granted	375,266	375,285	750,549	581,750
Share price at grant date (€)	13.1	13.1	13.1	13.1
Vesting date	June 28, 2024	June 28, 2025	June 28, 2026	June 28, 2026
Expected life (years)	1	2	3	3
Expected dividend yield (%)	0.67	0.67	0.67	0.67
Fair value of the instrument (€)	**13.08**	**13.08**	**12.82**	**12.84**
2024 (expense) income recognized (in € million)	**-2**	**-1**	**-0**	**0**

Board of directors meeting date	May 18, 2022	May 18, 2022	May 18, 2022	June 13, 2022
Number of shares granted	309,703	619,352	264,000	39,000
Share price at grant date (€)	23.4	23.4	23.4	18.8
Vesting date	May, 18 2024	May, 18 2025	May, 18 2025	June, 18 2025
Expected life (years)	2	3	3	3
Expected dividend yield (%)	1.74	1.74	1.74	1.74
Fair value of the instrument (€)	**21.19**	**20.82**	**19.27**	**14.91**
2024 (expense) income recognized (in € million)	**-0**	**2**	**0**	**0**

Board of directors meeting date	July 24, 2020	July 24, 2021
Number of shares granted	870,630	862,100
Share price at grant date (€)	75.0	41.2
Vesting date	July 24, 2023	July 24, 2024
Expected life (years)	3	3
Expected dividend yield (%)	2.07	2.09
Fair value of the instrument (€)	**68.74**	**39.67**
2024 (expense) income recognized (in € million)	**0**	**-3**

Note 6 Financial assets, liabilities and financial result

6.1 – Financial result

Net financial expense amounted to € 175 million for the period (compared to € 103 million in the first half of 2023) and was composed of a net cost of financial debt of € 73 million and other financial expense of € 102 million.

Net cost of financial debt

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Interest income	94	84
Interest expense	-167	-124
Net cost of financial debt	**-73**	**-40**

In the first half of 2024, interests on cash pooling accounts represented an income of € 84 million and an expense of € 75 million (compared to € 66 million and € 64 million, respectively in the first half of 2023).

Net cost of financial debt increased from € 40 million in the first half of 2023 to € 73 million in the first half of 2024. This variation mainly resulted from higher interest rates on the Term loan A and the multi-currency revolving credit facility for which additional portions were drawn in the second half of 2023 and in January 2024, combined with a lower interest income as a result of a lower level of deposits. The average expense rate of the Group was 3.66% on the average gross borrowings compared to 2.35% in the first half of 2023. The average income rate on the average gross cash was 4.69% compared to 2.05% in the first half of 2023.

Other financial income and expense

(in € million)	**6 months ended June 30, 2024**	**6 months ended June 30, 2023**
Foreign exchange income (expense)	-10	-7
Fair value gain (loss) on forward exchange contracts	3	-1
Net gain (loss) on financial instruments related to Worldline shares	-1	0
Interest on lease liability	-19	-12
Other income (expense)	-75	-43
Other financial income and expense	**-102**	**-63**
Of which:		
- other financial expense	-135	-82
- other financial income	33	19

Other financial items were a net loss of € 102 million compared to a net loss of € 63 million in the first half of 2023 and were mainly composed of:

- net foreign exchange loss (including hedges) of € 8 million compared to a loss of € 8 million in the first half of 2023, mainly coming from an exposure spreading across many geographies and currencies, in particular as a result of the unavailability to the Group of foreign exchange hedging instruments. In the first half of 2023, the loss was notably due to unhedged positions in South-Africa;
- lease liability interest of € 19 million compared to € 12 million in the first half of 2023. This variation mainly resulted from the increase in discount rates;
- other items notably,
  - pension related financial expense of € 16 million compared to € 17 million for the first half of 2023;
  - transaction costs incurred in the first half of 2024 and directly attributable to the ongoing financial restructuring of the Group for € 12 million;
  - prior years transaction costs included in financial debts and amortized applying the effective interest rate method, which were fully amortized in the first half of 2024 in the context of the current financial restructuring of the Group for € 15 million;
  - € 10 million of factoring costs for the first semester of 2024.

6.2 – Cash and cash equivalents

(in € million)	**June 30, 2024**	**December 31, 2023**
Cash in hand and short-term bank deposit	762	2,285
Money market funds	6	10
TOTAL	**767**	**2,295**

Depending on market conditions and short-term cash flow expectations, Atos invests from time to time in Money Market Funds or bank deposits for a maturity period not exceeding three months.

6.3 – Non-current financial assets

(in € million)	June 30, 2024	December 31, 2023
Pension prepayments	2	3
Fair value of non-consolidated investments, net of impairment	9	10
Other*	120	129
TOTAL	**131**	**142**

** "Other" includes loans, deposits, guarantees and up-front and underwriting fees related to past acquisitions amortized over the duration of the debt instrument.*

Other also included the funding of the non-current portion of the 2021 German restructuring plan and the deferred price receivable related to the disposal of the Unified Communications & Collaboration business.

6.4 – Financial liabilities

	June 30, 2024			December 31, 2023		
(in € million)	Current	Non-current	Total	Current	Non-current	Total
Bonds	750	1,150	1,900	-	1,900	1,900
Optional exchangeable bond	500	-	500	500	-	500
Banks loans and NEU CP/ MTN	1,650	950	2,600	1,500	630	2,130
Other borrowings	98	-	98	124	-	124
Total borrowings	**2,998**	**2,100**	**5,098**	**2,124**	**2,530**	**4,654**

As of June 30, 2024, borrowings were classified based on the contractual maturities on the reporting date without taking into account the terms of the Lock-Up Agreement reached with a group of banks and a group of bondholders on July 14, 2024 (see Note 13). Besides, the covenant is tested only once a year at 31 December of each fiscal year; as a result, the leverage ratio determined at the end of June 2024 did not impact the current versus non-current classification of borrowings.

€ 2,100 million of non-current borrowings were made of:

- the € 900 million revolving credit facility maturing in November 2025;
- the € 50 million NEU MTN (Negotiable European Medium-Term Note) maturing in April 2026;
- the € 350 million bond maturing in November 2028; and
- the € 800 million bond (Sustainability-Linked Bond) maturing in November 2029.

€ 2,998 million of current borrowings were mainly made of:

- the € 1,500 million Term Loan A maturing in July 2024; the option to extend it by another six months was notified to the agent on June 26, 2024. However, the extension failed to materialize due to the opening of the accelerated safeguard procedure announced on July 24, 2024;
- the € 500 million bond (Optional Exchangeable Bond) maturing in November 2024;
- the € 750 million bond maturing in May 2025; and
- in the context of the interim financing announced by the Group,
  - the € 100 million of revolving credit and term loan facilities provided by a group of bondholders;

- the € 50 million of loan from the French State through the FDES (Fonds pour le Développement Economique et Social) to a subsidiary of Atos, Bull SAS, which controls sovereign sensitive activities;
- the € 35 million of borrowings associated to the trade receivables that were transferred to the factors and not derecognized from the statement of financial position as of June 30, 2024 as conditions of the transfers did not meet IFRS 9 requirements (see Note 3.2).

The € 50 million loan from the French State to Bull SAS is guaranteed by Atos SE and Bull SA, as well as secured by pledges granted over the shares of its subsidiaries Bull SAS, Avantix and Bull International and over certain Bull SA's intra-group receivables.

6.5 – Change in net debt

Change in net cash (debt) reconciles to the cash flow statement as follows:

(In € million)	Bonds	Optional exchan-geable bond	Banks loans and NEU CP/ MTN	Other borrow-ings excl. overdraft	Total borrowings excl. overdraft	Cash & cash equiva-lents	Over draft	Total net cash & cash equivalents	Short-term financial assets (liabilities)*	Net cash (debt)	Lease liabilities
At January 1, 2024	**1 900**	**500**	**2 130**	**124**	**4 654**	**2 295**	**-**	**2 295**	**128**	**-2 230**	**822**
Lease payments	-	-	-	-	-	-159	-	-159	-	-159	-159
New borrowings	-	-	470	-	470	470	-	470	-	-	-
Repayment of borrowings	-	-	-	-10	-10	-10	-	-10	-	-	-
Interests paid	-	-	-	20	20	-53	-	-53	-	-73	-
Other flows related to financing activities	-	-	-	-46	-46	-77	-	-77	-21	-52	-
Other cash flow changes	-	-	-	-0	-0	-1 702	-9	-1 711	3	-1 708	-
Cash flows impacts	**-**	**-**	**470**	**-36**	**434**	**-1 531**	**-9**	**-1 540**	**-18**	**-1 992**	**-159**
Change in lease liabilities	-	-	-	-	-	-	-	-	-	-	88
Interest on lease liability	-	-	-	-	-	-	-	-	-	-	19
Impact of exchange rate fluctuations	-	-	-	1	1	4	-	4	2	5	5
Other changes	**-**	**-**	**-**	**1**	**1**	**4**	**-**	**4**	**2**	**5**	**111**
At June 30, 2024	**1 900**	**500**	**2 600**	**90**	**5 090**	**767**	**-9**	**759**	**113**	**-4 218**	**774**
Non-current portion	1 150	-	950	-	2 100	-	-	-	-	-2 100	544
Current portion	750	500	1 650	90	2 990	767	-9	759	113	-2 118	230

(*) Short-term financial assets and liabilities bearing interests with maturity of less than 12 months.

New borrowings corresponded to € 320 million of additional drawdown made on the revolving credit facility in January 2024, € 100 million of revolving credit and term loan facilities provided by a group of bondholders and € 50 million of loan from the French State through the FDES (Fonds pour le Développement Economique et Social) (see Note 6.4).

Net cash and cash equivalents

(in € million)	June 30, 2024	December 31, 2023
Cash and cash equivalents	767	2,295
Overdrafts	-9	-
Net cash and cash equivalents	**759**	**2,295**

Bank covenant

At June 30, 2024, the € 900 million muti-currency revolving credit facility and the € 1.5 billion Term Loan A were fully drawn. As a consequence of the opening of the accelerated safeguard procedure on July 23, 2024, the conditions for the extension of the Term Loan A termination date from July 29, 2024 to January 29, 2025 will not be satisfied. Therefore, the extension request which was notified to the agent on June 26, 2024 shall be considered as being without any effect.

According to the documentation applicable to the multi-currency revolving credit facility and the Term Loan A, the borrowing covenant (net debt divided by a 12-month rolling OMDA, excluding IFRS 16 impacts) is tested only once a year at 31 December of each fiscal year and cannot exceed 3.75. For information, the leverage ratio was 7.32 at the end of June 2024.

Note 7 Income tax

The income tax charge includes current and deferred tax expense.

For the purposes of the interim condensed consolidated financial statements, consolidated income tax is recognized based on management's estimate of the effective tax rate for the whole financial year applied to the "net income before tax" of the interim period. The estimated effective tax rate for the full-year is determined on the basis of forecasted current and deferred tax expense for the whole year in the light of full-year earnings projections.

The tax charge for the first half of 2024 was € 62 million with a loss before tax of € 1,879 million. This charge included a net € 7 million tax charge resulting from taxes withheld on internal dividend distributions.

In addition, the Group estimated the impacts of its adjusted business plan as presented to the market on April 29, 2024 on the recoverability of its deferred tax assets; it resulted in the derecognition of deferred tax assets for a net amount of € 11 million, which was considered in the determination of the tax charge for the first half of 2024.

Due to the loss before tax of the period, the Effective Tax Rate (ETR) of the period is not meaningful.

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in France, the jurisdiction in which the ultimate parent entity is incorporated and came into effect from 1 January 2024.

The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as provided in the amendments to IAS 12 issued in May 2023. Besides, as of June 30, 2024, the Group made an assessment of its tax exposure to Pillar Two legislation. Based on this estimate and taking into account the Pillar Two regulations enacted by the various jurisdictions as of now, Atos does not anticipate material impact for the Group.

Note 8 Goodwill

Goodwill is not amortized and is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on the latest mid-term plan, or more often whenever events or circumstances indicate that the carrying amount could not be recovered. Such events and circumstances include but are not limited to:

- significant deviance of economic performance of the asset when compared with budget;
- significant worsening of the asset's economic environment;
- loss of a major client;
- significant increase in interest rates.

Goodwill is allocated to a Cash Generating Unit (CGU) or a group of CGUs for the purpose of impairment testing. Goodwill is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level at which management monitors goodwill. Goodwill is tested for impairment at the level of Tech Foundations and Eviden operations within each Regional Business Unit as it is the lowest level at which the goodwill is monitored for internal management purposes.

For the purpose of preparing the interim condensed consolidated financial statements, an impairment test is performed only if the Group has determined that indicators of impairment exist.

Considering the ongoing financial restructuring of the Group and the resulting offers received, an impairment test was carried out at June 30, 2024.

To perform the impairment tests, the recoverable value was determined based on the enterprise value resulting from the terms of the Lock-Up Agreement dated July 14th, 2024. Such value was allocated to Tech Foundations and Eviden within each Regional Business Unit based on Discounted Cash Flows ("DCF") derived from the adjusted 2024-2027 business plan as presented to the market on April 29th, 2024, but also considering the non-binding confirmatory offer letter received from the French State for the potential acquisition of 100% of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products activities of Atos SE's Big Data & Cybersecurity division.

Assumptions used for the DCF were the following:

- the terminal value was calculated beyond the horizon of the business plan using an estimated perpetual growth rate of 0% for Tech Foundations regions, and between 2% and 3% for Eviden regions, depending on the mix of BDS and Digital activities within the region;
- discount rates were determined by RBU and by Business Line based on the Group weighted average cost of capital and adjusted to consider specific tax rates and country risks relating to each geographical area, as well as specific risk premiums.

Discount rates used can be presented as follows:

	June 30, 2024		**December 31, 2023**	
	Tech Foundations	**Eviden**	**Tech Foundations**	**Eviden**
Americas	23.5%	25.6%	29.0%	17.7%
Northern Europe & APAC	22.5%	20.5%	28.5%	16.8%
Central Europe	22.5%	17.4%	28.5%	15.3%
Southern Europe	22.5%	18.8%	28.5%	16.1%
Other	26.0%	15.1%	32.0%	18.0%

The test is sensitive to discount rates, long-term growth rates and operating margin rates.

For information purposes, a sensitivity analysis was carried out on the recoverable values of the RBU that still hold goodwill on their balance sheet. Results are presented below:

	Tech Foundations enterprise value increase (decrease)					
	Discount rate		Perpetual growth rate		Operating margin rate	
(in € million)	+300 basis points	-300 basis points	+50 basis points	-50 basis points	+50 basis points	-50 basis points
Americas	-60	79	8	-8	20	-20
Northern Europe & APAC	-64	85	9	-9	29	-29
Other	-5	6	1	-1	3	-3

	Eviden enterprise value increase (decrease)					
	Discount rate		Perpetual growth rate		Operating margin rate	
(in € million)	+100 basis points	-100 basis points	+50 basis points	-50 basis points	+50 basis points	-50 basis points
Americas	-33	38	13	-12	26	-26
Northern Europe & APAC	-44	51	19	-17	37	-37
Central Europe	-37	44	16	-15	37	-37
Other	-3	4	1	-1	2	-2

At June 30, 2024, carrying values of goodwill by RBU for Tech Foundations and Eviden were the following:

	June 30, 2024			December 31, 2023		
(in € million)	Tech Foundations	Eviden	Group	Tech Foundations	Eviden	Group
Americas	356	464	820	331	1,227	1,558
Northern Europe & APAC	0	350	350	172	853	1,026
Central Europe	-0	249	249	-0	250	250
Southern Europe	-0	0	0	-0	0	-0
Other	17	16	33	18	24	42
Total	**373**	**1,079**	**1,451**	**521**	**2,354**	**2,875**

Changes in carrying amounts can be presented as follows:

(in € million)	December 31, 2023	Increase	Decrease	Exchange differences and other	June 30, 2024
Gross value	6,763	0	-	105	6,868
Impairment loss	-3,887	-1,452	0	-77	-5,417
Carrying amount	**2,875**	**-1,452**	**0**	**28**	**1,451**

(in € million)	December 31, 2022	Increase	Decrease	Exchange differences and other	December 31, 2023
Gross value	6,956	0	-109	-85	6,763
Impairment loss	-1,652	-2,299	51	13	-3,887
Carrying amount	**5,305**	**-2,299**	**-58**	**-73**	**2,875**

Over the first semester of 2024, goodwill decreased from € 2,875 million to € 1,451 million as a result of the following:

- a € 1,452 million impairment pursuant to the exercise described above, affecting Tech Foundations for € 173 million in Northern Europe & APAC, and Eviden for € 1,279 million (€ 771 million for Americas and € 508 million for Northern Europe & APAC);
- a € 28 million foreign exchange positive impact coming mainly from goodwill denominated in USD.

Note 9 Pension plans and other long-term benefits

For the purpose of preparing the interim condensed consolidated financial statements, the liabilities and assets related to post-employment and other long-term employee defined benefits are calculated using the latest valuation at the previous financial year closing date. Adjustments of actuarial assumptions are performed on the largest pension plans of the Group only if significant fluctuations or one-time events have occurred during the six-month period.

The net total amount recognized on the balance sheet in respect of pension plans was € 652 million at June 30, 2024 compared to € 698 million at December 31, 2023. The total amount recognized for other long-term employee benefits was € 41 million at June 30, 2024 compared to € 40 million at December 31, 2023.

(in € million)	June 30, 2024	December 31, 2023
Prepaid pension asset	2	3
Accrued liability – pension plans [a]	-654	-700
Total Pension plan	**-652**	**-698**
Accrued liability – other long-term employee benefits [b]	-41	-40
Total accrued liability [a] + [b]	**-695**	**-741**

In the UK and across the Eurozone, the market yields on AA-rated corporate bonds increased over the semester while they slightly decreased in Switzerland. Those changes were reflected in the discount rates determined at the end of June 2024.

	United Kingdom		Eurozone		Switzerland	
	6 months ended June 30, 2024	December 31, 2023	6 months ended June 30, 2024	December 31, 2023	6 months ended June 30, 2024	December 31, 2023
Discount rate	5.30%	4.70%	3.6%~3.8%	3.3%~3.5%	1.40%	1.50%
Salary increase	3.00%	2.75%	2.5%~2.95%	2.5%~2.95%	2.25%	2.25%
Inflation assumption	RPI: 3.35% CPI: 2.65%	RPI: 3.15% CPI: 2.45%	2.2%	2.2%	na	na

The fair value of plan assets for major schemes was remeasured at June 30, 2024. Overall, for these schemes, the combined impact of the discount rates and the actual returns on plan assets led to a decrease in net liabilities of € 39 million (amount recognized in other comprehensive income).

The net impact of defined benefit plans on Group income statement can be summarized as follows:

(in € million)	6 months ended June 30, 2024	6 months ended June 30, 2023
Operating margin	-23	-28
Other operating income and expense	-3	-4
Financial result	-16	-17
Total (expense) profit	**-42**	**-48**

Note 10 Provisions

(in € million)	December 31, 2023	Addition	Release used	Release unused	Other*	June 30, 2024	Current	Non-current
Reorganization	110	7	-25	-3	0	90	17	73
Rationalization	11	1	-1	-0	0	10	4	6
Project commitments	390	29	-93	-16	4	313	126	187
Litigations and contingencies	50	14	-3	-5	-0	56	39	17
Total provisions	**562**	**50**	**-122**	**-24**	**4**	**469**	**186**	**283**

** Other movements mainly consist of currency translation adjustments and reclassifications.*

Reorganization provisions were consumed across all locations but mainly in Northern Europe and Central Europe.

In project commitments, additions were mainly made of reassessments on onerous contracts in Northern Europe. Release used corresponded for the most part to costs incurred on customer and vendor onerous contracts for which a provision had been accrued at the end of 2021.

Note 11 Shareholders' equity

As at June 30, 2024, Atos SE issued share capital amounted to € 112 million, divided into 111,653,359 fully paid-up common stock of € 1.00 par value each.

Earnings (loss) per share

(in € million and shares)	6 months ended June 30, 2024	6 months ended June 30, 2023
Net income (loss) – Attributable to owners of the parent [a]	**-1,941**	**-600**
Impact of dilutive instruments		-
Net income (loss) restated of dilutive instruments - Attributable to owners of the parent [b]	**-1,941**	**-600**
Weighted average number of shares outstanding [c]	111,072,554	110,681,896
Impact of dilutive instruments [d]	-	-
Diluted weighted average number of shares [e]=[c]+[d]	111,072,554	110,681,896

(in €)		
Basic earning per share [a] / [c]	**-17.48**	**-5.42**
Diluted earning per share [b] / [e]	**-17.48**	**-5.42**

There are no dilutive instruments for the six-month period ended June 30, 2024.

Note 12 Litigations

TriZetto

In October 2020, a jury found Syntel liable for trade secret misappropriation and copyright infringement and awarded Cognizant and TriZetto approximately $855 million in damages. Throughout the trial and in its post trial motion, Syntel maintained that Cognizant and TriZetto had failed to meet their burden to show trade secret misappropriation and that their damages theories were improper as a matter of law.

In its decision, the District Court held that sufficient evidence existed to support the jury's verdict of trade secret misappropriation and that the jury's award of $285 million in compensatory damages was not contrary to law. However, the District Court found that the jury's $570 million punitive damages award was excessive and should be reduced to $285 million. TriZetto agreed to this reduction. The District Court issued an injunction prohibiting future use by Syntel of the specific trade secrets at issue in the trial.

On 25 May 2023, the United States Second Circuit Court vacated a decision issued by the United States District Court for the Southern District of New York, as part of Syntel's ongoing litigation with Cognizant and its subsidiary TriZetto, which was finding Syntel, now part of Atos, liable for damages due to Syntel's alleged trade secret misappropriation and copyright infringement.

The Second Circuit Court remanded the case to the District Court for further consideration if any amount of damages are still appropriate.

On 13 March 2024, the District Court issued the decision on the remand briefing and vacated the entire compensatory damages award ($202 million). The compensatory damages award is now $0. The decision also granted TriZetto's motion for attorney's fees ($14.5 million).

The parties submitted additional motions.

Unisys

Atos hired two former employees of Unisys Inc. and this latter filed its first complaint and a Temporary Restraining Order (TRO) against them alleging they misappropriated confidential Unisys documents. In a later stage Unisys enlarged the dispute to two additional employees. The court ordered expedited discovery in relation to the Temporary Restraining Order. Following this discovery, Unisys amended its complaint to include Atos IT and Atos SE claiming that Atos aided the ex-Unisys employees in soliciting Unisys employees. Unisys claimed violation of the Defend Trade Secrets Act, Pennsylvania Uniform Trade Secrets Act, and Tortious Interference with Contract. Plaintiff requested a TRO to: prevent the alleged disclosure of confidential information, prevent the ex-employees for working for Atos for 1 year, prevent solicitation of Unisys employees.

On 12 April 2023, the TRO was just granted in respect to the disclosure of Unisys confidential, proprietary or trade secret information and to the solicitation of other employees to leave their employment at Unisys. However the Court stated that at present the 2 employees may continue to work at Atos.

On 10 June 2024, the Parties received an order from the Court setting a pre-trial conference for 17 July 2024 and setting a trial to begin on 23 July 2024.

Note 13 Subsequent events

On July 15, 2024, Atos announced the successful funding of its financial restructuring plan, as well as a Lock-Up Agreement reached with a group of banks and a group of bondholders willing to support the agreement on the terms of the financial restructuring announced on June 30, 2024.

On July 24, 2024, Atos announced the opening of an accelerated safeguard proceedings by the specialized Commercial Court of Nanterre, for an initial period of two months, which may be renewed for two additional months. The purpose of this procedure is to enable Atos to implement its financial restructuring plan in accordance with the Lock-Up Agreement.

On July 10, 2024, an amendment to the interim financing agreement was signed with a group of bondholders and banks pursuant to which additional tranches have been made available for € 225 million (fully drawn on July 12, 2024) and for € 350 million. The repayment obligations under the initial financing agreement and its amendment are guaranteed by Atos SE and certain of its subsidiaries, as well as secured by security interests over assets of which notably the shares of certain subsidiaries (in particular Atos International B.V., Syntel Europe Limited et Atos Syntel Inc.) and certain trade receivables.

3.3. Statutory auditors' Review Report on the half-yearly financial information for the period from January 1 to June 30, 2024

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by the General Meetings and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying interim condensed consolidated financial statements of Atos S.E., for the period from January 1 to June 30, 2024,
- the verification of the information presented in the interim management report.

These interim condensed consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I- Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

We draw attention to the uncertainty about the Group's ability to continue as a going concern as described in the "Liquidity and continuity of operations" section of Note 1.1.6.2 "Main events". Our conclusion is not modified in respect of this matter.

II- Specific verification

We have also verified the information presented in the interim management report on the interim condensed consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the interim condensed consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, August 2nd, 2024

The Statutory Auditors

French original signed by

Deloitte & Associés

Jean-François Viat

Grant Thornton

Membre français de Grant Thornton International

Samuel Clochard

4. . Governance

4.1. Composition of the Board of Directors

Changes in the composition of the Board of Directors

On June 27, 2024, the Company was informed by Mr. David Layani and Mrs. Helen Lee Bouygues of their resignation from the Board of Directors, with immediate effect.

As of the date hereof, the Board of Directors comprises twelve directors, eight of whom are independent, as follows:

		PERSONAL INFORMATION				EXPERIENCE	POSITION ON THE BOARD				MEMBERSHIP IN COMMITTEES[3]
		Age	Gender	Nationality	Number of shares	Number of other mandates in listed companies[1]	Independence	Date of first appointment[2]	End of term of office	Seniority on Board	
Chairman and CEO	Jean-Pierre Mustier	63	M	French	500	0	NO	05/16/2023	AGM 2025	0	AH
Directors (L225- 17 CCom)	Laurent Collet-Billon	74	M	French	750	1	YES	06/28/2023	AGM 2026	0	VC, N&G, C◆, AH★
	Elizabeth Tinkham	62	F	American	500	0	YES	05/18/2022	AGM 2025	1	N&G★, AH
	Sujatha Chandrasekaran	57	F	American, Australian, Indian	500	3	YES	01/14/2024	AGM 2024	0	N&G
	Alain Crozier	63	M	French-Canadian	500	0	YES	04/02/2024	AGM 2024	0	
	Monika Maurer	68	F	German	750	1	YES	01/14/2024	AGM 2024	0	CSR
	Françoise Mercadal-Delasalles	61	F	French	500	2	YES	01/02/2024	AGM 2025	0	CSR★, Rem
	Jean-Jacques Morin	63	M	French	500	1	YES	01/02/2024	AGM 2025	0	C★◆, AH
	Astrid Stange	58	F	German	3900	1	YES	05/18/2022	AGM 2024	1	Rem★, C◆, AH
Director representing the employee shareholders (L225- 23 CCom)	Kat Hopkins	45	F	British	3912	0	NO	05/18/2022	AGM 2025	1	N&G
Employee Directors (L225- 27- 1 CCom)	Farès Louis	62	M	French	0	0	NO	04/25/2019	AGM 2026	4	CSR
	Mandy Metten	45	F	Dutch	232	0	NO	01/02/2024	AGM 2027	0	Rem

[1] Other mandates exercised in listed companies (outside the Atos Group). Mandates exercised in listed companies belonging to the same group account for one single mandate.

[2] Date of first appointment on the Board of Directors of Atos

[3] N&G: Nomination and Governance Committee, Rem: Remuneration Committee, C : Audit Committee, CSR : CSR Committee, AH: Ad hoc Commitee, VC: Vice-Chair

★ Chair of the Committee

◆ Jean-Jacques Morin, Laurent Collet-Billon and Astrid Stange have sufficient financial and accounting skills by virtue of their educational and career backgrounds for the purpose of their membership in the Audit Committee

4.2 Appointment of Mr. Jean-Pierre Mustier, previously Chairman of the Board of Directors, as Chairman and Chief Executive Officer

The opening of the accelerated safeguard procedure on July 24, 2024 marks the completion of an important stage in Atos' financial restructuring process and the start of a new era of recovery and development.

In this context, Mr. Paul Saleh, Chief Executive Officer, has decided to leave the Group and has presented his resignation to the Board of Directors, which has accepted it with immediate effect. The Board saluted Mr. Paul Saleh's commitment and contributions over the past year.

Upon proposal from the Nomination Committee, the Atos Board of Directors decided to appoint Mr. Jean-Pierre Mustier, previously Chairman of the Board of Directors, as Chairman and Chief Executive Officer with immediate effect.

4.3 Annual General Meeting called to approve the financial statements for the year ending December 31, 2023

In a press release dated May 21, 2024, in accordance with applicable legal provisions, the Company announced that it has requested and obtained from the President of the Commercial Court of Pontoise an extension of the deadline for the Annual General Meeting of its shareholders convened to approve the statutory and consolidated financial statements for the year ending December 31, 2023, which had previously been approved by the Company's Board of Directors and certified without any reserve by the Company's statutory auditors. The order issued on May 21, 2024 extends the meeting deadline to December 31, 2024.

This decision, taken in the best interest of Atos, is intended to provide the Company with a stable framework to complete the discussions initiated since early February 2024 with all stakeholders, in order to reach a financial restructuring agreement.

In accordance with applicable legal provisions, Atos shareholders will be consulted on the financial restructuring plan in a dedicated framework, separate from the Annual General Meeting to approve the financial statements for the year ending December 31, 2023.

Atos will inform its shareholders in due course of the date of the next Annual General Meeting.

5. Appendices

5.1 Contacts

Institutional investors, financial analysts as well as individual shareholders can contact:

David Pierre-Kahn

Head of Investor Relations

Email: david.pierre-kahn@atos.net

Tel: +33 6 2851 4596

Requests for information can also be sent by email to **investors@atos.net**

5.2 Financial calendar

September 27, 2024	General Assembly for the vote of classes of affected parties on the accelerated safeguard proceedings
October 24, 2024 (Before Market Opening)	Third quarter 2024 revenue

5.3 Full index