



Cancel & replace : corrections made in the paragraph "Financial restructuring process"

Third quarter 2024 revenue in line with September 2nd Business Plan

Cash position in line with September 2nd business plan & FY2024 outlook

Q3 2024 revenue of €2,305m, down -4.4% organically, consistent with September 2nd business plan communicated on September 2nd, 2024

- Eviden down -6.4% organically due to continued market softness in the Americas and Central Europe and previously-established contract scope reductions
- Tech Foundations down -2.6% organically, reflecting lower scope of work and previously-established contract completions and terminations
- Q4 and FY2024 outlook in line with September 2nd business plan¹

Q3 order entry of €1.5bn, with stronger commercial activity and improved order entry expected in Q4

- Eviden book-to-bill at 73%, compared with 80% in prior year. Solid commercial activity in BDS with several High-Performance Computing contracts signed. Eviden Q4 book-to-bill expected to be close to Q4 2023²
- Tech Foundations book-to-bill at 60%, consistent with previous years³. Q4 book-to-bill expected to be close to historical average⁴ thanks to anticipated return of multi-year contracts with existing customers
- Group Q3 book-to-bill at 66% (84% in prior year), in line with Q3 2023 book-to-bill excluding large exceptional deals⁵. Group Q4 2024 book-to-bill expected in line with prior year⁶

Cash position of €1.1bn as at September 30, 2024

- Net debt position of €4.6bn, including a €1.6bn reduction of working capital optimization compared with December 2023
- Q3 cash consumption of €-3m excluding change in working capital optimization for €232m
- Full year free cash flow before normalization of working capital optimization expected in line with September 2nd business plan

Atos focused on its industrial turnaround and growth:

- Decision from the Court on pre-arranged financial restructuring plan expected today
- Financial restructuring plan expected to close in December 2024 or early January 2025
- New governance in place with Philippe Salle named chairman and becoming CEO on February 1st.

¹ Eviden Q4 organic revenue evolution expected slightly negative and Tech Foundations Q4 revenue expected to decrease double digit on previously established contract completions and terminations

² Q4 2023 Eviden book-to-bill of 100%

³ 2021 (54%), 2022 (58%) and 2023 (84% including one large exceptional deal)

⁴ Q4 2021-2023 book-to-bill average of 98%

⁵ Q3 2023 book-to-bill of 65% excluding one large exceptional deal in Eviden and another one in Tech Foundations

⁶ 108%

Paris, France – October 24, 2024 - Atos, a global leader in digital transformation, high-performance computing and information technology infrastructure, today announces its revenue for the third quarter of 2024.

Jean Pierre Mustier, Atos Chief Executive Officer, declared:

"With our financial restructuring plan and our new governance in place, Atos can confidently focus on its industrial turnaround and growth under the leadership of Philippe Salle. He is the best person to lead our transformation journey and restore confidence in Atos.

I have seen a positive change of perception with our clients, who have taken note of our restructuring, and are looking to resume a normalized interaction with us. I expect stronger commercial activity in the coming months, with the anticipated return of multi-year strategic contracts with existing customers.

I would like to take this opportunity to sincerely thank our employees for their ongoing commitment, and our customers and partners for their continued support."

Revenue by Businesses

<i>In € million</i>	Q3 2024 Revenue	Q3 2023 revenue	Q3 2023 revenue*	Organic variation*
Eviden	1,093	1,202	1,167	-6.4%
Tech Foundations	1,212	1,373	1,244	-2.6%
Total	2,305	2,575	2,412	-4.4%

*at constant scope and average exchange rates

Group revenue was €2,305 million in Q3 2024, down -4.4% organically compared with Q3 2023 as expected. Overall, Group revenue in the third quarter reflects softer market conditions and is consistent with the business plan communicated on Sept 2nd.

Eviden revenue was €1,093 million, down -6.4% organically.

- **Digital** activities decreased high single-digit. The business was impacted by the general market slowdown in Americas and Central Europe and previously-established contract scope reductions.
- **Big Data & Security (BDS)** revenue was roughly stable organically. In Advanced Computing, stronger activity in Denmark and France was offset by a high comparison basis in the prior year. Revenue in Digital Security slightly decreased, despite the growth of Mission Critical Systems, notably in Central Europe.

Tech Foundations revenue was €1,212 million, down -2.6% organically.

- **Core revenue** (excluding BPO and value-added resale ("VAR")) decreased low single-digit. Stronger contributions related to the Paris Olympic & Paralympic games were offset by contract terminations in Americas and previously-established contract scope and volume reduction in Northern Europe & APAC.
- **Non-core revenue** declined high single-digit during the quarter as expected, reflecting contract completion in BPO activities in the UK.

Revenue by Regional Business Unit

<i>In € million</i>	Q3 2024 Revenue	Q3 2023 revenue	Q3 2023 revenue*	Organic variation*
Americas	500	606	558	-10.5%
Northern Europe & APAC	707	769	757	-6.6%
Central Europe	544	627	546	-0.4%
Southern Europe	477	501	480	-0.7%
Others & Global Structures	76	73	69	+10.1%
Total	2,305	2,575	2,412	-4.4%

*at constant scope and average exchange rates

Americas revenue decreased by **-10.5%** on an organic basis, reflecting the current general slowdown in market conditions and previously-established contract terminations and completions.

- Eviden was down double-digit, impacted by contract terminations and volume decline in Healthcare, Finance, and Transport & Logistics. BDS declined high single-digit due to volume reductions.
- Tech Foundations revenue declined mid single-digit due to contract completions and terminations as well as scope reductions with select customers.

Northern Europe & Asia-Pacific revenue decreased by **-6.6%** on an organic basis.

- Eviden revenue declined mid-single-digit. A 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 customers in the UK.
- Revenue in Tech Foundations was down high single-digit, with contract completions and volume decline in Public Sector BPO.

Central Europe revenue was nearly stable at **-0.4%** on an organic basis.

- Eviden revenue declined low single-digit, impacted by volume reductions in Digital from Manufacturing and Public Sector customers.
- Tech Foundations revenue grew mid-single-digit, with strong demand for hardware products.

Southern Europe revenue was down **-0.7%** organically.

- Eviden revenue was roughly flat. Growth in Digital, which benefitting from a contract win with a major European utility company, was offset by lower revenue in BDS compared to Q3 2023, when a supercomputer project was delivered in Spain.
- Tech Foundations revenue declined low single-digit due to volume reductions with select customers.

Revenue in Others and Global Structures, which encompass Middle East, Africa, Major Events as well as the Group's global delivery centers and global structures, grew double-digit reflecting stronger contributions from the Paris Olympic & Paralympic Games and the positive performance of Africa.

Commercial activity

Order entry for the Group was **€1,526 million**. Eviden order entry was €794 million and Tech Foundations order entry was €733 million.

Book-to-bill ratio for the Group was **66%** in Q3 2024, down from 84% in Q3 2023, reflecting softer market conditions and delays in contract awards as clients await the final resolution of the Group's refinancing plan. This ratio is in line with the book-to-bill ratio for Q3 2023, excluding exceptionally large contract⁷.

Book-to-bill ratio at **Eviden** was **73%**. Main contracts signatures during the third quarter included the supply of an HPC to a leading player in the Aerospace sector, another HPC contract signed with a major French utility provider, together with control room utility solutions.

Book-to-bill ratio at **Tech Foundations** was **60%**, consistent with the seasonality observed in previous years, in particular in Q3 2021 (54%) and in Q3 2022 (58%). Main contracts signatures in the third quarter included several renewals to provide Hybrid Cloud & Infrastructure services in Financial Services, Public Sector, and Manufacturing industries.

Stronger commercial activity is expected in the coming months in both Eviden and Tech Foundation, which would lead to a significant improvement of the Group book-to-bill ratio in the fourth quarter, as confidence in the Group's financial sustainability has been restored.

At the end of September 2024, the **full backlog** was €14.7 billion representing 1.4 years of revenue. The **full qualified pipeline** amounted to €5.7 billion at the end of September 2024.

Human resources

The **total headcount** was **82,211** at the end of September 2024, decreasing by -10.3% since the end of June 2024. Following contract completions in Americas and the UK, the Group transferred circa 4,900 employees to the new providers. Excluding these transfers, headcount has decreased by circa -5%.

During the third quarter, the Group hired 1,839 staff (of which 91% were Direct employees), while attrition rate increased compared with Q2. The attrition rate over the past 9 months is in line with normal historical levels.

⁷ Book-to-bill ratio of 65% in Q3 2023, excluding an exceptionally large contract at Eviden and another at Tech Foundations.

Q3 cash position

As of September 30, 2024, cash & cash equivalents was €1.1 billion, down €1.2 billion compared with December 31, 2023 primarily reflecting €1.6 billion lower working capital actions compared with the end of fiscal 2023 and €1.1 billion of new borrowings.

As of September 30, 2024, net debt was €4.6 billion compared with €2.2 billion at the end of last year, reflecting primarily the reduction of working capital optimization down to €265 million.

Cash consumption was €-3 million in the third quarter, excluding change in working capital optimization of €232 million.

Full year 2024 outlook

The Group expects for the full year 2024:

- Mid-single-digit organic revenue decrease, corresponding to revenue of circa €9.7 billion
- Operating margin of circa €238 million excluding additional provisions to be booked for some underperforming contracts⁸
- Change in cash before debt repayment of circa €-783 million excluding the full unwind of the working capital optimization of circa €1.8 billion as of December 31, 2023.

Financial restructuring process

Atos has received today the decision from the Court on its pre-arranged financial restructuring plan.

In the absence of a suspensory appeal against the judgment approving the plan, it is envisaged that all the financial restructuring transactions provided for in the plan will be executed between November 2024 and December 2024/January 2025⁹, subject in particular to the approval by the *Autorité des Marchés Financiers (AMF)* of the prospectuses relating to the various securities issues provided for in the Plan.

⁸ Negotiations are in progress with customers, which could lead to a low double digit % reduction of the operating margin

⁹ Subject to the required regulatory approvals.

Asset disposal processes

The discussions with Alten regarding the sale of the Worldgrid business are progressing well and are on track.

Following the communication issued on October 7, discussions related to the potential acquisition by the French state of the Advanced Computing, Mission-Critical Systems and Cybersecurity Products businesses of BDS are continuing based on a new proposal compatible with the financial restructuring plan of the Company.

Governance

As communicated on October 15, 2024, Philippe Salle has been appointed as Chairman of the Board of Directors of the Company with immediate effect and as Chairman and Chief Executive Officer with effect from February 1, 2025.

Conference call

Atos' Management invites you to a conference call on the Group revenue for the third quarter of 2024, on **Thursday, October 24, 2024 at 08:00 am (CET – Paris)**.

You can join the **webcast** of the conference:

- via the following link: <https://edge.media-server.com/mmc/p/bkriazto>
- by telephone by dial-in, 10 minutes prior the starting time. Please note that if you want to join the webcast by telephone, **you must register in advance of the conference** using the following link:

<https://register.vevent.com/register/BI8dc47a058ab84cb88b1ba638c295b440>

Upon registration, you will be provided with Participant Dial In Numbers, a Direct Event Passcode and a unique Registrant ID. Call reminders will also be sent via email the day prior to the event.

During the 10 minutes prior to the beginning of the call, you will need to use the conference access information provided in the email received upon registration.

After the conference, a replay of the webcast will be available on atos.net, in the Investors section.

APPENDIX

9-month organic revenue evolution by RBUs and business lines

<i>In € million</i>	9-month 2024 Revenue	9 month 2023 revenue*	Organic variation*
Americas	1,608	1,748	-8.0%
Northern Europe & APAC	2,249	2,320	-3.0%
Central Europe	1,621	1,673	-3.1%
Southern Europe	1,561	1,564	-0.2%
Others & Global Structures	230	211	+9.1%
Total	7,268	7,516	-3.3%

**at constant scope and average exchange rates*

<i>In € million</i>	9-month 2024 Revenue	9- month2023 revenue*	Organic variation*
Eviden	3,478	3,658	-4.9%
Tech Foundations	3,790	3,858	-1.8%
Total	7,268	7,516	-3.3%

**at constant scope and average exchange rates*

Q3 2023 Revenue at constant scope and exchange rates reconciliation

For the analysis of the Group's performance, revenue is compared with Q3 2023 revenue at constant scope and foreign exchange rates. Reconciliation between the Q3 2023 reported revenue and the Q3 2023 revenue at constant scope and foreign exchange rates is presented 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 Q3 2023 revenue is therefore restated by €-15 million. The restatement impacted Eviden in the Americas RBU without impacting the operating margin.

Q3 2023 revenue In € million	Q3 2023 published	Restatement	Q3 2023 restated	Internal transfers	Scope effects	Exchange rates effects	Q3 2023*
Eviden	1,217	-15	1,202	-3	-31	-1	1,167
Tech Foundations	1,373	0	1,373	3	-122	-9	1,244
Total	2,590	-15	2,575	0	-154	-10	2,412

Q3 2023 revenue In € million	Q3 2023 published	Restatement	Q3 2023 restated	Internal transfers	Scope effects	Exchange rates effects	Q3 2023*
Americas	621	-15	606	0	-34	-13	558
Norther Europe & APAC	769	0	769	0	-18	7	757
Central Europe	627	0	627	0	-81	0	546
Southern Europe	501	0	501	0	-21	0	480
Others & Global structures	73	0	73	0	0	-3	69
Total	2,590	-15	2,575	0	-154	-10	2,412

*: At constant scope and foreign exchange rates

Scope effects on revenue amounted to €-154 million. They mainly related to the divesture of UCC across all regions, EcoAct in Americas, Southern Europe and Northern Europe & Asia-Pacific, State Street JV in Americas and Elexo in Southern Europe.

Currency effects negatively contributed to revenue for €-10 million. They mostly came from the depreciation of the American dollar, Argentinian peso, Brazilian real, and Turkish lira, not offset by the appreciation of the British pound.

Disclaimer

This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors' behaviors. Any forward-looking statements made in this document are statements about Atos's beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Atos's plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2023 Universal Registration Document filed with the *Autorité des Marchés Financiers* (AMF) on May 24, 2024 under the registration number D.24-0429 and the half-year report filed with the *Autorité des Marchés Financiers* (AMF) on August 6, 2024. Atos does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law.

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About Atos

Atos is a global leader in digital transformation with circa 82,000 employees and annual revenue of circa €10 billion. European number one in cybersecurity, cloud and high-performance computing, the Group provides tailored end-to-end solutions for all industries in 69 countries. A pioneer in decarbonization services and products, Atos is committed to a secure and decarbonized digital for its clients. Atos is a SE (*Societas Europaea*) and listed on Euronext Paris.

The [purpose of Atos](#) is to help design the future of the information space. Its expertise and services support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence. Across the world, the Group enables its customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space.

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