



## Press Release

### Third-quarter 2013 revenues

- Revenues of **€264.8 million**, up **0.7%** at constant exchange rates
- **4.1%** increase in order intake to **€245 million**
- Outlook for 2013 confirmed

**Paris, 24 October 2013:** Following the meeting of the Board of Directors on 23 October 2013, Bull (Euronext Paris: FR0010266601 - BULL) has released its third-quarter 2013 revenues<sup>1</sup>.

#### 2013 third-quarter key figures

Bull reported revenues of €264.8 million in the third quarter of 2013, up 0.7% at constant exchange rates and down 0.9% at current exchange rates. During the quarter, order intake posted a solid year-on-year increase of 4.1% to €245.0 million. The group has continued to make up ground in terms of its business levels, and revenues in the first nine months of the year are now close to those of the previous year, down just 0.5% at constant exchange rates.

(€ millions)	Revenues		Order intake	
	2013	Year-on-year variation (constant exchange rates)	2013	Year-on-year variation
Third quarter	264.8	+0.7%	245.0	+4.1%
Nine months	870.9	(0.5%)	880.5	(2.8%)

**Philippe Vannier, Chairman and CEO of Bull, commented:** “The activity developed this quarter in line with our forecasts. Even so, there is a great deal of uncertainty in the current environment, and certain markets remain under pressure. The Group has tremendous potential in new markets and with the acquisition of FastConnect in September, Bull has followed through on its goal of speeding up its development in Cloud Computing and Big Data.”

<sup>1</sup> The figures provided in this press release are unaudited.



### Revenues and order intake by Business Line

Third quarter						
(€ millions)	Revenues			Order intake		
	Q3 2013	Q3 2012	variation	Q3 2013	Q3 2012	variation
Innovative Products + Computing Solutions	171.5	169.2	+1.4%	162.6	148.6	+9.4%
of which HPC	34.3	35.6				
Business Integration Solutions	66.5	71.1	(6.5%)	58.8	63.9	(7.9%)
Security Solutions	26.9	27.0	(0.4%)	23.6	22.9	+3.4%
<b>Total</b>	<b>264.8</b>	<b>267.3</b>	<b>(0.9%)</b>	<b>245.0</b>	<b>235.3</b>	<b>+4.1%</b>

  

Nine months to 30 September						
(€ millions)	Revenues			Order intake		
	9m 2013	9m 2012	variation	9m 2013	9m 2012	variation
Innovative Products + Computing Solutions	556.3	569.8	(2.4%)	544.1	579.3	(6.1%)
of which HPC	120.9	122.4				
Business Integration Solutions	224.9	231.8	(3.0%)	241.3	238.5	+1.2%
Security Solutions	89.8	82.4	+9.0%	95.1	87.7	+8.4%
<b>Total</b>	<b>870.9</b>	<b>884.0</b>	<b>(1.5%)</b>	<b>880.5</b>	<b>905.5</b>	<b>(2.8%)</b>

#### ***Innovative Products & Computing Solutions***

Taken together, revenues from the Innovative Products and Computing Solutions business lines rose by 1.4% to €171.5 million in the third quarter of 2013. The upbeat trends seen in IT infrastructure management, data center and cloud services in particular helped to underpin the top-line performance during the quarter. The quarter helped to make up for the weaker activity at the beginning of the year, and over the first nine months of 2013, revenues fell by just 2.4%. In High Performance Computing, quarterly revenues came to €34.3 million, down €1.3 million on the year-earlier figure.

The sharp rise of 9.4% in order intake to €162.6 million was driven by High Performance Computing during the quarter.

In France, the market remained under pressure, but revenues moved higher since the Group reached, as anticipated, the contract milestones that it just missed in the previous periods. In international markets, revenues were below their level in the third quarter of 2012 when they were boosted by high HPC billings in Europe.

#### ***Business Integration Solutions***

Third-quarter 2013 revenues and order intake for the business line came to €66.5 million and €58.8 million respectively. The quarter was characterised by a weak level of business in Brazil, exacerbated by unfavourable exchange rate trends, and persistent pressure in the French market. That said, the commercial pipeline in international markets remains strong.



### **Security Solutions**

During the third quarter, order intake rose by 3.4% to €23.6 million, with the aerospace and defence sectors leading the way. Over the first nine months of the year, order intake grew by 8.4% to €95.1 million. Revenues, which stood at €26.9 million for the quarter, were stable on the year-earlier period and rose by 9% over the first nine months of the year.

### **Other key highlights of the third quarter**

#### **Appointment**

Pierre Barnabé, 42 years old, has been named Chief Operating Officer of the Bull Group (see the press release of 25 July 2013). Since 2011, Pierre Barnabé had been Executive Vice President of the SFR Business Team. He began his career in venture capital with Thales. In 1998, he joined Alcatel-Lucent where he held various positions before becoming CEO of Alcatel-Lucent France. In 2010, Pierre Barnabé was appointed Director of Human Resources and Transformation at Alcatel-Lucent. Pierre Barnabé graduated from the Rouen ESC business school and gained a master's degree from the Ecole Centrale de Paris.

#### **The Group is refocusing on its core businesses**

The Group has followed through on its goal of speeding up its development in Cloud Computing and Big Data by acquiring FastConnect, a French leader in distributed application architecture (30 September 2013). By clinching this deal, Bull has strengthened its ability to provide a fully integrated Cloud offering, from infrastructure through to applications. With the same aim in mind, the Group is focusing on its core businesses and has sold its Bull Formation IT training activities to M2i Tech (11 September 2013).

#### **Big Data**

Bull's Big Data offering has achieved unmatched performance thanks to its bullion servers with the Real-time Search and Big Analytics solution (23 September 2013). The bullion-Sinequa platform, which brings together bullion technology, one of the most powerful servers in the world with the Real-time Search and Big Analytics solution, has reached a capacity of 100 billion records and performed 10 million indexed records per second, while at least 40 standard servers would be required to achieve comparable capacity. This quantum leap in performance on a single server opens up a whole new range of end-user experience in search-based real-time data analytics.

#### **Next-generation data storage and management**

Bull has launched StoreWay Optima 4600 and shored up its presence in next-generation data management (10 July 2013). Bull has extended its current product range by launching StoreWay Optima 4600, an ultra high-performance storage bay designed to address the challenges of next-generation data management.

#### **Policy of supporting innovation**

For the third year in a row, the Group has continued its efforts to support innovation and launched the 2013 Bull-Joseph Fourier Prize, aimed at boosting the development of computer simulation in France (2 July 2013). In 2012, the top prize was awarded to the team led by astrophysicist Jean-Michel Alimi, Director of Research at the CNRS. The prize was awarded for a major advance in understanding the Universe, with the first model of how the entire observable Universe is structured, from the Big Bang through to the present day on Genci's Curie supercomputer.



### The Group's financial position

The Group's financial position remains healthy. Cash continues to show significant seasonal fluctuations, as in previous years, and is being depressed in 2013 by the roll-out of some major projects.

### Outlook

Market conditions remain beset by uncertainty, and the outlook in certain geographical regions and especially in France is still not as promising as it was in 2012. Even so, the Group should benefit during the second half from the initial gains of its action plans to improve profitability that it launched in the first six months and from some significant contract milestones that were delayed into the third quarter. Taking these factors into account, the Group maintains its objective of an EBIT between €40 million and €50 million for 2013.

### Conference call

Philippe Vannier, Chairman and CEO of the Bull Group, will host a conference call today to discuss this press release.

<u>Time:</u>	08:30 (CET) on 24 October 2013
<u>Dial in number:</u>	France : +33 (0)1 70 99 32 12
	UK: +44 (0)207 1620 177
	Germany: +49 (0)695 8999 0509

The presentation used during the conference call will be available for download from <http://www.bull.com/investors/>. Analysts may take part in the question and answer session that will follow the presentation using the same number.

### Financial Calendar

20 January 2014	Presentation of the 2014-2016 strategic plan
27 February 2014	Fourth-quarter 2013 revenues and full-year 2013 results

### About Bull

Bull is a leader in secure mission-critical digital systems. The Group is dedicated to developing and implementing solutions where computing power and security serve to optimize its customers' information systems, to support their business. Bull operates in very high added-value markets including computer simulation, cloud computing and computing power plants, outsourcing and security.

Bull currently employs around 9,300 people across more than 50 countries, with over 700 staff totally focused on R&D. In 2012, Bull recorded revenues of €1.3 billion.

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### Geographic analysis of revenues:

Third quarter			
(€ millions)	Revenues		
	2013	2012	Variation at constant exchange rates
France	151.2	139.4	+8.5%
Europe excluding France	75.1	83.5	(9.0%)
Rest of the world	38.5	44.3	(5.4%)
<b>Total</b>	<b>264.8</b>	<b>267.3</b>	<b>+0.7%</b>

Nine months to 30 September			
(€ millions)	Revenues		
	2013	2012	Variation at constant exchange rates
France	485.6	490.0	(0.9%)
Europe excluding France	258.1	261.4	(0.7%)
Rest of the world	127.2	132.5	+1.6%
<b>Total</b>	<b>870.9</b>	<b>884.0</b>	<b>(0.5%)</b>



### Quarterly summary:

At the beginning of 2013, the revaluation of certain business activities, notably in Brazil, resulted in very marginal adjustments (less than 0.5% of consolidated revenues) to the scope of the Computing Solutions and Business Integration Solutions business lines. To make year-on-year comparisons more relevant, 2012 figures by business line have been adjusted to reflect the current scope of these units.

Revenues						
(€ millions)		First quarter	Second quarter	Third quarter	Fourth quarter	Year
<b>2013</b>	<i>Innovative Products</i>	14.9	17.9	14.7		
	<i>Computing Solutions</i>	155.3	196.7	156.7		
	<i>Business Integration Solutions</i>	70.2	88.1	66.5		
	<i>Security Solutions</i>	27.1	35.7	26.9		
	<b>Total</b>	<b>267.6</b>	<b>338.5</b>	<b>264.8</b>		
<b>2012</b>	<i>Innovative Products</i>	11.3	19.7	15.4	26.1	72.5
	<i>Computing Solutions</i>	175.3	194.3	153.8	239.7	763.2
	<i>Business Integration Solutions</i>	74.1	86.6	71.1	95.0	326.9
	<i>Security Solutions</i>	25.9	29.5	27.0	40.3	122.7
	<b>Total</b>	<b>286.5</b>	<b>330.2</b>	<b>267.3</b>	<b>401.2</b>	<b>1,285.2</b>
<b>variation</b>	<i>Innovative Products</i>	+32.5%	(9.1%)	(4.4%)		
	<i>Computing Solutions</i>	(11.4%)	+1.2%	+1.9%		
	<i>Business Integration Solutions</i>	(5.2%)	+1.7%	(6.5%)		
	<i>Security Solutions</i>	+4.8%	+21.1%	(0.4%)		
	<b>Total</b>	<b>(6.6%)</b>	<b>+2.5%</b>	<b>(0.9%)</b>		
Order intake						
(€ millions)		First quarter	Second quarter	Third quarter	Fourth quarter	Year
<b>2013</b>	<i>Innovative Products</i>	16.4	17.8	18.2		
	<i>Computing Solutions</i>	132.5	214.9	144.4		
	<i>Business Integration Solutions</i>	59.0	123.5	58.8		
	<i>Security Solutions</i>	29.2	42.3	23.6		
	<b>Total</b>	<b>237.1</b>	<b>398.4</b>	<b>245.0</b>		
<b>2012</b>	<i>Innovative Products</i>	10.5	26.2	9.4	25.3	71.5
	<i>Computing Solutions</i>	212.6	181.5	139.1	311.9	845
	<i>Business Integration Solutions</i>	76.3	98.3	63.9	120.6	359.1
	<i>Security Solutions</i>	35.1	29.8	22.9	49.9	137.6
	<b>Total</b>	<b>334.4</b>	<b>335.8</b>	<b>235.3</b>	<b>507.7</b>	<b>1,413.2</b>
<b>variation</b>	<i>Innovative Products</i>	+56.4%	(32.3%)	+92.7%		
	<i>Computing Solutions</i>	(37.7%)	+18.4%	+3.8%		
	<i>Business Integration Solutions</i>	(22.7%)	+25.6%	(7.9%)		
	<i>Security Solutions</i>	(16.7%)	+41.8%	+3.4%		
	<b>Total</b>	<b>(29.1%)</b>	<b>+18.6%</b>	<b>+4.1%</b>		

### Revenues and order intake by Business Line:



Third quarter					
(€ millions)	<i>Innovative Products</i>	<i>Computing Solutions</i>	<i>Business Integration Solutions</i>	<i>Security Solutions</i>	<b>Total</b>
<b>Order intake</b>					
Gross	37.8	144.9	60.3	25.9	269.0
Inter Business Lines	(19.6)	(0.5)	(1.5)	(2.3)	(24.0)
<b>Consolidated Q3 2013</b>	<b>18.2</b>	<b>144.4</b>	<b>58.8</b>	<b>23.6</b>	<b>245.0</b>
Consolidated Q3 2012	9.4	139.1	63.9	22.9	235.3
<i>Variation</i>	+92.7%	+3.8%	(7.9%)	+3.4%	+4.1%
<b>Revenues</b>					
Gross	26.7	157.6	69.4	29.0	282.7
Inter Business Lines	(11.9)	(0.8)	(2.9)	(2.1)	(17.9)
<b>Consolidated Q3 2013</b>	<b>14.7</b>	<b>156.7</b>	<b>66.5</b>	<b>26.9</b>	<b>264.8</b>
Consolidated Q3 2012	15.4	153.8	71.1	27.0	267.3
<i>Variation</i>	(4.4%)	+1.9%	(6.5%)	(0.4%)	(0.9%)
<i>Organic variation</i>					+0.7%
<b>Book-to-bill ratio</b>	<b>1.24</b>	<b>0.92</b>	<b>0.88</b>	<b>0.88</b>	<b>0.93</b>

#### Glossary and presentation of financial information:

**Revenues:** Unless stated otherwise, 'revenues' refers to consolidated revenues from external customers. Unless stated otherwise, changes have been calculated in respect of published data.

**Order intake** represents the total value of definite contracts signed during the period. This total value of definite contracts reflects the contractual commitments of clients, on which the Group's management may make a judgement regarding long-term contracts or those which are not for a fixed period (automatic renewals, for instance). **Book-to-bill ratio:** represents the ratio of new orders to revenues for the period.

In the various tables in this press release, sums may not add up to 100% due to rounding.