



## Press release

### First quarter 2014

- **+15% increase in order intake to €273 million**
- **Revenues of €268 million, up +1.2% at constant exchange rates**
- **Very strong cloud and HPC business levels, driven by international markets**
- **Implementation of the new One Bull internal organisation**

**Paris, 30 April 2014:** Following the meeting of the Board of Directors on 29 April 2014, Bull (Euronext Paris: FR0010266601 - BULL) has released its first-quarter 2014 revenues<sup>1</sup>.

#### First-quarter 2014 key figures

Revenues in the first quarter of 2014 totalled €268.4 million, up 1.2% at constant exchange rates and up 0.3% unadjusted. Business levels saw solid growth in Europe, were stable in France, but were adversely affected outside Europe by weakness in North Africa.

Order intake grew 15.1% to €272.9 million, resulting in a book-to-bill ratio of 102%.

(€ millions)	Revenues			Order intake	
	2014	Change (constant exchange rates)	Change (unadjusted)	2014	Change (unadjusted)
First quarter	268.4	+1.2%	+0.3%	272.9	+15.1%

**Philippe Vannier, Chairman and CEO of Bull, commented:** "In early 2014, the whole group joined forces to launch our One Bull strategic plan, with a particular focus on its organisational aspects. The Bull Group offers services that contribute significantly to the competitiveness of our clients. With economic conditions still fragile, we are maintaining our focus in terms of protecting our margins on new projects."

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



## New organisation and presentation of financial information

On 20 January 2014, Bull presented its strategic development plan for 2014-17, known as One Bull. Accordingly, the One Bull organisation was put in place on 1 March 2014, and this implies a new presentation in terms of segment reporting. The group's businesses are now divided between two segments, i.e. Data Infrastructure and Data Management, each corresponding to a customer need and with a distinct business model.

All segment reporting figures for 2013 (quarterly, half-year and full-year) used for comparison purposes in 2014 are provided according to this new presentation in Appendix 2 to this press release.

## Segment reporting

(€ millions)	First quarter					
	Revenues			Order intake		
	Q1 2014	Q1 2013	Change	Q1 2014	Q1 2013	Change
Data Infrastructure	115.6	124.6	(7.2%)	128.0	116.6	+9.9%
Data Management	152.8	143.0	+6.8%	144.9	120.5	+20.2%
<b>Total</b>	<b>268.4</b>	<b>267.6</b>	<b>+0.3%</b>	<b>272.9</b>	<b>237.1</b>	<b>+15.1%</b>

### **Data Infrastructure**

*This segment consists of the businesses of modernizing processing & storage infrastructure for enterprise data. It includes the design, deployment and maintenance of infrastructure, data centres, servers and high-performance appliances, along with supercomputers.*

Order intake in this segment rose almost 10% to €128 million. This was driven by strong growth in orders for high-performance Bullion servers and supercomputers. In particular, the first quarter brought several large international contracts, including a substantial order for Bullion servers in the telecoms sector and an order for a new supercomputer in the meteorology sector.

The decline in sales in the first quarter of 2014 was mainly due to lower French business levels related to modernisation projects of traditional enterprise data centres (excluding cloud), and this was only partly offset by a sharp increase in sales of high-performance Bullion servers.

### **Data Management**

*This segment consists of the service businesses for managing the enterprise data along its lifecycle. These include system integration, security solutions, along with private cloud management services.*

Order intake was €144.9 million, 20.2% higher than in the first quarter of 2013. This growth was driven by strong performance in private cloud management services.

In the first quarter of 2014, revenues rose 6.8% to €152.8 million, supported by double-digit growth in cloud services both in France and elsewhere in Europe. The system integration business was stable overall, while sales of security solutions achieved substantial growth in France.

## Other first-quarter highlights

### **Appointments**

Edouard Guillaud, former Chief of the Defence Staff in the French army, was co-opted as director. This cooptation will be submitted to the next shareholders' Annual General Meeting for ratification on 6 June 2014 (press release of 24/03/2014). Arnaud Bertrand was appointed head of the Cloud division in Bull's Data Management business segment (04/03/2014).



### **Cloud**

In accordance with the One Bull plan, the Group is continuing to grow its Cloud business, and the healthcare edition of its Le Cloud by Bull service has received HDS (healthcare data host) accreditation in France. This accreditation will enable Bull to also position as a provider of remote medicine services, and of medical image archiving and sharing services. Bull will provide these highly secure services in SaaS mode, and will work with the healthcare profession in meeting new requirements in the field of remote medicine. The healthcare edition of Le Cloud by Bull uses a business model that adapts to client needs by offering pay-as-you-go terms (24/03/2014).

### **Big Data**

In line with the One Bull plan, the Group is developing appliances to enable companies to meet the challenges of Big Data. Accordingly, it has launched "bullionDB", an appliance designed to modernise databases, which are seeing rapid growth in usage because of the rising volume of data (13/02/2014). Also in the field of Big Data, Bull invests to offer companies comprehensive solutions regarding the "internet of things" (machine-to-machine or M2M technologies). In China, the Group will be involved in implementing "smart cities" solutions under an agreement with well-known Chinese company IZP Technologies. Bull has been chosen because of its experience in the "smart cities" field, including environmental management, water distribution management and intelligent transport projects. These services rely on technology platforms that combine real-time analysis and big data value extraction with widespread use of connected smart objects (07/03/2014).

### **HPC**

Bull is Europe's leading player in high-performance computing, and is supplying Poland's national centre for nuclear research with that country's largest supercomputer. The infrastructure designed by Bull will be cooled using the world's most environmentally efficient system, which is based on warm water. This technology will enable the Swierk Data Center to save €120,000 per year (18/03/2014).

### **Cybersecurity**

In this area, Bull is continuing to provide solutions that meet market requirements. It has integrated its TrustWay Proteccio solution within the OpenTrust software suite, providing companies with a major technological innovation and enhanced security (04/02/2014). The Identity & Access Manager solution offered by Bull subsidiary Evidian was recognised in Gartner's first "Magic Quadrant for Identity Governance and Administration (IGA)" report (03/02/2014).

### **Financial position**

The Group's financial position remains healthy. As in previous years, the cash position is showing large seasonal variations.

On 7 March 2014, to accompany the new One Bull strategic plan, to enhance financial flexibility and to increase liquidity, Bull initiated a new €100 million, 5-year syndicated revolving credit facility provided by French and international financial institutions. This new facility replaces the €50 million syndicated loan taken out in January 2011, and may be used to finance new investments.

### **Outlook**

In January 2014, the Bull Group presented and launched the One Bull plan, which aims to position Bull as the trusted operator for enterprise data and to double EBIT margin to 7% by 2017.



## Conference call

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

Time: 30/04/2014, 8:30am Paris time.  
Telephone number: +33 (0)1 70 99 32 12  
+44 (0)207 1620 177  
+49 (0)695 8999 0509

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

## Financial calendar

6 June 2014	General shareholders' meeting (more information on <a href="http://www.bull.com/investors">www.bull.com/investors</a> )
31 July 2014	Second-quarter 2014 revenues and half-year 2014 results
30 October 2014	Third-quarter 2014 revenues

## Disclaimer

This press release includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual performance to differ from expected results.

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## About Bull

Bull is the trusted operator for enterprise data. It provides cloud and big data services, as well as integrating and managing high-performance systems and end-to-end security solutions. Bull helps its clients to process all information at their disposal and use it in new ways. Bull transforms organisations' data into value, in a fully secure manner.

Bull currently employs around 9,200 people across more than 50 countries, with over 700 staff totally focused on R&D. In 2013, Bull recorded revenues of €1.3 billion.

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### Appendix 1: Geographic analysis of revenues:

Revenues				
(€ millions)	Q1 2014	Q1 2013	Change at constant exchange rates	Change at constant exchange rates
France	148.7	148.2	+0.4%	+0.4%
Europe excluding France	88.0	82.2	+6.9%	+7.0%
Rest of the world	31.7	37.2	(8.1%)	(14.8%)
<b>Total</b>	<b>268.4</b>	<b>267.6</b>	<b>+1.2%</b>	<b>+0.3%</b>

### Appendix 2: 2013 financial reporting

As announced on 20 January 2014 as part of the presentation of the One Bull plan, a new operational organisation has been adopted, implying a new presentation of financial information. The changes are as follows:

- activities have been divided between two business segments,
- EBIT is defined as earnings before taxes, other operational income and expenses, other financial income and expenses, income from associates and, to be consistent with the other companies in this industry, now exclude amortisation of acquisition-related intangible assets (€2.7 million in 2013),
- the unallocated portion of functional costs ("cross-functional costs") has been reduced.

The 2013 financial information is represented under this new presentation for information purpose (figures not yet audited):

Order intake and revenues						
(€ millions)		First quarter	Second quarter	Third quarter	Fourth quarter	Full year 2013
<b>Order intake</b>	<i>Data Infrastructure</i>	116.6	164.1	122.0	212.6	<b>615.3</b>
	<i>Data Management</i>	120.5	234.3	123.0	219.4	<b>697.2</b>
	<b>Total</b>	<b>237.1</b>	<b>398.4</b>	<b>245.0</b>	<b>432.0</b>	<b>1312.5</b>
<b>Revenues</b>	<i>Data Infrastructure</i>	124.6	167.1	125.8	208.0	<b>625.6</b>
	<i>Data Management</i>	143.0	171.4	139.0	182.7	<b>636.1</b>
	<b>Total</b>	<b>267.6</b>	<b>338.5</b>	<b>264.8</b>	<b>390.7</b>	<b>1261.6</b>

### Simplified income statement

<i>(€ millions)</i>	First half 2013			Full year 2013		
	Data Infrastructure	Data Management	Bull	Data Infrastructure	Data Management	Bull
<b>Revenues</b>	<b>291.7</b>	<b>314.4</b>	<b>606.1</b>	<b>625.6</b>	<b>636.1</b>	<b>1,261.6</b>
Gross profit	69.0 23.7%	52.8 16.8%	121.8 20.1%	151.3 24.2%	115.8 18.2%	267.1 21.2%
Operating expenses	(46.3)	(46.0)	(92.3)	(90.0)	(92.4)	(182.4)
<b>Profit contribution</b>	<b>22.7</b> 7.8%	<b>6.8</b> 2.2%	29.5	<b>61.3</b> 9.8%	<b>23.4</b> 3.7%	84.7
Cross-functional costs			(17.5)			(35.6)
Foreign exchange gains and losses			(0.6)			(1.7)
<b>EBIT</b>			<b>11.4</b>			<b>47.5</b>
<b>Net income - group share</b>			<b>(5.5)</b>			<b>10.9</b>