

## Third quarter 2014 revenue

Revenue: € 2,209 million; up +5.9% year-on-year  
 Book to bill ratio\*: 101%; Strong backlog: € 16.3 billion  
 Net cash position: € 762 million

**€ 80 million cost synergies with Bull integration fully confirmed**

**Double-digit revenue growth for innovative offerings  
 in Cloud, Big Data and Cyber-security**

**With revenue expected to be circa +5% in 2014 (nearly stable organically),  
 full year objectives reaffirmed**

**Bezons, November 07, 2014** - Atos, an international leader in digital services, today announces its revenue for the third quarter of 2014. **Revenue** was **€ 2,209 million**, up +5.9% year-on-year and down -0.9% organically compared to the third quarter of 2013. **Order entry** was **€ 2,222 million**, representing a **book to bill ratio\*** of **101%**. At the end of September 2014 the Group backlog was € 16.3 billion and the full weighted pipeline was € 5.4 billion. The Group generated **€ 2 million free cash flow** in the third quarter of 2014. **Net cash position** was **€ 762 million** at the end of September 2014.

**Thierry Breton**, Chairman and CEO of Atos, said: "Since the beginning of 2014, the Group reported an improved revenue evolution which we expect to accelerate in the fourth quarter. Leveraging the new capabilities provided by Bull, we strengthen our focus on the strategic growth areas for Cloud computing, Big Data & Cyber-security, and Digital transformation as the Group continues its journey to higher value added services and differentiating offerings. The Group is mobilized to quickly integrate Bull's operations in order to deliver faster the planned cost synergies. The first nine months of 2014 have been very active, Atos teams having deeply transformed the Company from IT services to payment with Worldline and Big Data with Bull. With 2014 revenue expected at circa +5%, in line with its 2016 Ambition, the Group reaffirms its financial objectives for profitability and cash generation."

### Revenue at constant scope and exchange rates

Further to the acquisition of Bull in August 2014 through the successful tender offer on Bull's capital, Atos consolidates Bull operations from September 1<sup>st</sup>, 2014.

<i>In € million</i>	<b>Q3 2014</b>	<b>Q3 2013</b>	<b>% change</b>
Statutory revenue	2,209	2,086	+5.9%
Scope effect		121	
Exchange rates effect		23	
<b>Revenue at constant scope and exchange rates</b>	<b>2,209</b>	<b>2,230</b>	<b>-0.9%</b>

Scope effect resulted from the acquisitions of Bull and Cambridge Technology Partners. Exchange rates effect resulted mainly from the British pound strengthening against the euro.

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\* See "Commercial activity"

## Q3 2014 revenue performance by Service Line

Following the consolidation of Bull, the Service Lines "Managed Services" and "Consulting & Systems Integration" include the related activities of Bull since September 1<sup>st</sup>, 2014.

Figures below for "Big Data & Cyber-security" include the related activities acquired from Bull and the ones from "Consulting & Systems Integration", starting September 1<sup>st</sup>, 2014.

<i>In € million</i>	<b>Q3 2014</b>	<b>Q3 2013*</b>	<b>% yoy</b>	<b>% organic</b>
Managed Services	1,124	1,147	+4.4%	-2.1%
Consulting & Systems Integration	764	766	+5.3%	-0.2%
Big Data & Cyber-security	49	43	N/A	+13.9%
<b>Total IT Services</b>	<b>1,937</b>	<b>1,957</b>	<b>+6.9%</b>	<b>-1.0%</b>
<b>Worldline**</b>	<b>272</b>	<b>273</b>	<b>-0.7%</b>	<b>-0.5%</b>
<b>TOTAL GROUP</b>	<b>2,209</b>	<b>2,230</b>	<b>+5.9%</b>	<b>-0.9%</b>

\* at constant scope and exchange rates

\*\* Worldline reported +2.5% organic growth on a stand alone basis

### **Managed Services**

Managed Services **revenue** including BPO activities was **€ 1,124 million**, up +4.4% year-on-year and down -2.1% organically compared to the third quarter of 2013. UK & Ireland posted strong growth thanks to new major contracts, particularly in BPO. The business also grew in Asia Pacific and in North America with higher volumes and revenue from transition projects. The activity contracted in Germany, France, and Benelux & The Nordics, as a result of price pressure and continued ramp down of contracts already mentioned in the first half. The large contracts signed at the end of the first half of the year were in a transition phase in the third quarter and are expected to contribute to revenue as of the fourth quarter of the year.

### **Consulting & Systems Integration**

**Revenue** in Consulting & Systems Integration was **€ 764 million**, up +5.3% year-on-year and stable organically compared to the third quarter of 2013. The activity was strong in Public & Health across all geographies and particularly with new projects in Germany with the Ministry of Defense and in Iberia with Correos. While the business was almost flat in Manufacturing, Retail & Transportation, Financial Services declined in France due to the conditions surrounding the renewed contract with LCH Clearnet. Telcos, Media & Utilities was impacted in Germany and in Benelux & The Nordics, mainly by the ramp down of contracts with KPN as reported in the first half of the year.

### **Big Data & Cyber-security**

Figures for "Big Data & Cyber-security" are reported, based on related activities acquired from Bull and the ones from Consulting & Systems Integration. In September 2014, **revenue** was **€ 49 million** a strong increase compared to September 2013 pro forma revenue. The activity grew with large customers in line with the strong demand for the highly innovative products and services in the fields of Big Data & Cyber-security.

### **Worldline**

On a standalone basis, Worldline **revenue** grew by +2.5%, including revenue generated with Atos or with Atos customers as part of the sales synergy program. From a contributive perspective, revenue was **€ 272 million, flat** year-on-year.

A detailed review of the revenue of Worldline for the third quarter can be found at [worldline.com](http://worldline.com), in the investors section.

## Q3 2014 revenue performance by Business Unit

<i>In € million</i>	<b>Q3 2014</b>	<b>Q3 2013*</b>	<b>% yoy</b>	<b>% organic</b>
United-Kingdom & Ireland	424	395	+16.5%	+7.3%
Germany	390	428	-7.8%	-9.0%
France	298	312	+25.0%	-4.6%
Benelux & The Nordics	252	273	-5.1%	-7.6%
Central & Eastern Europe	206	207	+6.5%	-0.2%
North America	147	147	+0.5%	+0.1%
Iberia	76	81	+2.4%	-6.2%
Other BUs	145	114	+34.0%	+26.9%
<b>Total IT Services</b>	<b>1,937</b>	<b>1,957</b>	<b>+6.9%</b>	<b>-1.0%</b>
<b>Worldline**</b>	<b>272</b>	<b>273</b>	<b>-0.7%</b>	<b>-0.5%</b>
<b>TOTAL GROUP</b>	<b>2,209</b>	<b>2,230</b>	<b>+5.9%</b>	<b>-0.9%</b>

\* at constant scope and exchange rates

\*\* Worldline reported +2.5% organic growth on a stand alone basis

By geography, the Group reported growth in the UK & Ireland, in Asia-Pacific, and in IMEA while North America and Central & Eastern Europe were stable. Revenue declined in Benelux & The Nordics and in France mainly due to the ramp down of several large contracts, while Germany faced a -4.2% base effect related to hardware sales in Q3 2013.

### Commercial activity

The Group **order entry** in the third quarter of 2014 totaled **€ 2,222 million**, representing a **book to bill ratio of 101%**.

At the occasion of Bull integration, order entry recognition rules have been harmonized after an in-depth review of main the on-going contracts with the Group key clients, to take into account the Atos and Bull track record with their customers. On a stand-alone basis and with former recognition methodology, book to bill would have been 86% compared to 85% in Q3 2013.

During the third quarter, the Group signed several new contracts such as a new 5-years Managed Services contract with a large aircraft manufacturer in France, two contracts with the European Commission in Belgium in Managed Services and in Systems Integration, and two Systems Integration contracts in France in the Public sector.

Several Managed Services contracts were also renewed and extended, for instance in Germany with Carl Zeiss and Unify, and with Symrise including Cloud components and a new project in Systems Integration.

The dynamic was also very positive for the innovative offerings which represent the focus area of the Group. New contracts in Cloud were signed with, among others, Schlumberger and Achmea. LNCC in Brazil agreed for a new contract for an HPC and Big Data related services and the Group signed a new deal with Audi for Digital transformation.

On September 30, 2014, the **full backlog** was **€ 16.3 billion** including Bull's contribution of € 0.9 billion. The **full qualified pipeline** remained healthy at **€ 5.4 billion**, with € 0.6 billion coming from Bull.

## Integration of Bull

Following the success of the public offers, Atos now owns more than 95% of Bull (95.6%) allowing its tax consolidation. The Group is now launching a public buy-out offer followed by a squeeze-out of Bull's shares to be completed before the end of 2014.

The Group decided to accelerate the integration of Bull's operations, leveraging on its proven integration methodology. 14 work streams covering all aspects of the integration (solutions portfolio, human resources, facilities, purchasing...) have already been launched in order to optimize business opportunities, share technological knowledge, and accelerate the realization of the planned synergies. Depending on the timing of implementation, the Group may cash out an additional circa € 20 million during the fourth quarter for the reorganization of the Bull operations.

The tentative timetable of the offer is the following:

- 25 November 2014: Statement by the AMF certifying that the offer is compliant
- 02 December 2014: Opening of the buy-out offer period
- 15 December 2014: Closing of the buy-out offer period
- 16 December 2014: Implementation of the squeeze-out procedure and last day of trading on Euronext Paris

## Net cash and free cash flow

The Group **free cash flow** was **€ 2 million** for the third quarter of the year.

Further to the acquisition of Bull and completion of the Worldline IPO, the Group **net cash position** as of September 30, 2014 was **€ 762 million**.

Atos has signed a new five year multi-currency revolving credit facility for an amount of € 1.8 billion, maturing in November 2019, with an option for Atos to request the extension of the facility maturity date until November 2021. The facility has been arranged by a syndicate of 13 international banks and was largely oversubscribed, showing the confidence of the market in the credit quality of Atos. It will be available for general corporate purposes and is replacing the former € 1.2 billion facility signed in April 2011 and expiring in April 2016.

The new facility will enable Atos to maintain its financial flexibility and extend the maturity of its financial resources, while being consistent with the Group's current size, notably after the recent acquisition of Bull. The opening margin is 0.40% per annum above EURIBOR compared to 0.85% per annum for the former facility.

## Human Resources

The Atos **total headcount** was **85,239** at the end of September of 2014, compared to 76,465 at the end of June 2014. 9,054 staff joined the Group from Bull on September 1<sup>st</sup>, 2014 and 488 people left following the outsourcing of on-site activities in North America.

The majority of the hirings made in the third quarter were in offshore locations and in the UK while around 500 staff were restructured, mostly in continental Europe. At the end of September 2014, the Group offshore capability was 17,111 staff, representing 20% of the Group total headcount (including Bull).

## 2014 objectives

The Group reaffirms its objectives for 2014:

### Revenue

Taking into account 4 months of Bull contribution, the Group expects to grow circa +5% year-on-year (nearly stable organically).

### Operating margin

The Group confirms its objective to reach an operating margin rate **between 7.5% and 8.0%** of revenue, including 4 months of Bull consolidation.

### Free cash flow

The Group expects to achieve a free cash flow **above 2013** level (before circa € 20 million potential additional cash-out to accelerate the Bull reorganization as mentioned above).

## Conference call

Today, November 07, 2014, Senior Executive Vice President in charge of Global Operations Charles Dehelly along with Chief Financial Officer Michel-Alain Proch, and Patrick Adiba, Chief Commercial Officer, will comment on Atos' third quarter 2014 revenue and answer questions from the financial community during a **conference call** in English starting at 8:00 am (CET - Paris).

The audio conference numbers are:

France dial-in:	+33 1 70 99 32 08	code 948756
UK dial-in:	+44 20 71 62 00 77	code 948756
US dial-in:	+1 334 323 6201	code 948756

The conference (audio and webcast) and the presentation will also be available on our website at: [atos.net](http://atos.net), in the Investors section.

## Forthcoming event

February 19, 2015      Full year 2014 results

## Contacts

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## Appendix

### Q3 2014 revenue by Market

<i>In € million</i>	<b>Q3 2014</b>	<b>Q3 2013*</b>	<b>% organic</b>
Manufacturing, Retail & Transportation	752	781	-3.7%
Public & Health	568	533	+6.7%
Telcos, Media & Utilities	495	508	-2.7%
Financial Services	395	408	-3.4%
<b>TOTAL GROUP</b>	<b>2,209</b>	<b>2,230</b>	<b>-0.9%</b>

\* at constant scope and exchange rates

### 9 months revenue by Service Line

<i>In € million</i>	<b>9M 2014</b>	<b>9M 2013*</b>	<b>% organic</b>
Managed Services	3,262	3,337	-2.2%
Consulting & Systems Integration	2,267	2,301	-1.5%
Big Data & Cyber-security	49	43	+13.9%
<b>Total IT Services</b>	<b>5,579</b>	<b>5,681</b>	<b>-1.8%</b>
<b>Worldline</b>	<b>807</b>	<b>807</b>	<b>-0.0%</b>
<b>TOTAL GROUP</b>	<b>6,385</b>	<b>6,488</b>	<b>-1.6%</b>

\* at constant scope and exchange rates

### 9 months revenue by Business Unit

<i>In € million</i>	<b>9M 2014</b>	<b>9M 2013*</b>	<b>% organic</b>
United-Kingdom & Ireland	1,236	1,192	+3.7%
Germany	1,174	1,237	-5.1%
France	803	828	-3.0%
Benelux & The Nordics	752	819	-8.1%
Central & Eastern Europe	595	607	-2.1%
North America	439	445	-1.5%
Iberia	221	229	-3.1%
Other BUs	359	325	+10.5%
<b>Total IT Services</b>	<b>5,579</b>	<b>5,681</b>	<b>-1.8%</b>
<b>Worldline</b>	<b>807</b>	<b>807</b>	<b>-0.0%</b>
<b>TOTAL GROUP</b>	<b>6,385</b>	<b>6,488</b>	<b>-1.6%</b>

\* at constant scope and exchange rates

### 9 months revenue by Market

<i>In € million</i>	<b>9M 2014</b>	<b>9M 2013*</b>	<b>% organic</b>
Manufacturing, Retail & Transportation	2,193	2,282	-3.9%
Public & Health	1,579	1,501	+5.2%
Telcos, Media & Utilities	1,431	1,504	-4.9%
Financial Services	1,183	1,200	-1.4%
<b>TOTAL GROUP</b>	<b>6,385</b>	<b>6,488</b>	<b>-1.6%</b>

\* at constant scope and exchange rates

## About Atos

Atos SE (Societas Europaea) is a digital services leader with 2013 pro forma annual revenue of € 10 billion and 86,000 employees in 66 countries. Serving a global client base, the Group provides Consulting & Systems Integration services, Managed Services & BPO, Cloud operations, Big Data & Cyber-security solutions, as well as transactional services through Worldline, the European leader in the payments and transactional services industry. With its deep technology expertise and industry knowledge, the Group works with clients across different business sectors: Defense, Financial Services, Health, Manufacturing, Media, Utilities, Public sector, Retail, Telecommunications, and Transportation.

Atos is focused on business technology that powers progress and helps organizations to create their firm of the future. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and is listed on the Euronext Paris market. Atos operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, and Worldline.

For more information, visit: [atos.net](http://atos.net).

## Disclaimers

This document contains further forward-looking statements that involve risks and uncertainties concerning the Group's expected growth and profitability in the future. 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 2013 Reference Document filed with the Autorité des Marchés Financiers (AMF) on April 2, 2014 under the registration number: D14-0272 and its update filed with the Autorité des Marchés Financiers (AMF) on August 5, 2014 under the registration number: D.14-0272-A01.

Business Units include **Germany, France, United-Kingdom & Ireland, Benelux & The Nordics** (BTN: The Netherlands, Belgium, Luxembourg, Denmark, Finland, Sweden, and Estonia), **Worldline, Central & Eastern Europe** (CEE: Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russia, Serbia, Slovakia, Switzerland and Turkey), **North America** (USA and Canada), **Iberia** (Spain, Portugal, and Andorra), and **Other Business Units** including Major Events, Latin America (Brazil, Argentina, Mexico, Colombia, Chile and Uruguay), Asia-Pacific (Australia, China, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand), India, Middle East & Africa (IMEA: Algeria, Benin, Burkina Faso, Egypt, Gabon, India, Ivory Coast, Lebanon, Madagascar, Mali, Mauritius, Morocco, Qatar, Saudi Arabia, Senegal, South Africa and UAE), and Cloud & Enterprise Software.

Revenue organic growth is presented at constant scope and exchange rates.