Press Information

First half 2010 results:

- Strong commercial growth in the first six months, driven in particular by strategic offerings
- Increase in orders of 17.8% and revenue growth of 4.8% at constant exchange rates
- Prudent re-evaluation of annual EBIT target to a minimum of €30 million[1]
- Net profit affected by non-recurring items

New pluri-annual strategic plan to be communicated in Q4 2010

Paris, 28 July 2010: Bull – expert in open, flexible, secure and mission-critical information systems and one of Europe's leading players in the IT industry – today announces its results for the first six months of 2010, following the approval on 27 July 2010 of the consolidated accounts for the period by the Board of Directors.

Summary results statement

€ millions	First six months		Variation
	2009	2010	
Revenues	558.6	591.3	+5.9%
Gross margin before PPA[2] *% of revenues*	122.1 *21.9%*	132.9 *22.5%*	+8.8% *+0.6 pt*
Gross margin *% of revenues*	122.1 *21.9%*	131.2 *22.2%*	+7.5% *+0.3 pt*
EBIT[2] before PPA	13.7	11.7	-€2.0 million
EBIT	13.7	10.0	-€3.7 million

Philippe Vannier, Bull Chairman and CEO, commented: "*In a difficult economic climate, Bull has successfully grown its business in the first six months of the year. Our major investments will enable us to maintain our commercial dynamic in the second half. Strengthened by our renewed corporate governance and with the establishment of a new, pluri-annual strategic plan running from this Autumn, our aim is to accelerate our long-term growth and improve our profitability.*"

[1] This objective relates to gross margin excluding PPA (Purchase Price Allocation).
[2] See glossary.

Key figures for the first six months of 2010:

- **Growth in order intake of 17.8% year-on-year; at a comparable business structure, the increase is 6.1%**
- **Consolidated revenues of €591.3 million, representing a 5.9% increase; revenue declined 3.0% at constant rates and structure**
- **For the Group's core offerings[3] which represent 96% of Bull's business activities (including Amesys), the growth rate was 9.7%; organic growth for the comparable business structure was 1.2%**
- **Gross margin before PPA (see glossary) was €132.9 million, or 22.5% of revenues (€131.2 million after PPA, or 22.2% of revenues), representing an increase both in absolute value and proportion of revenues**
- **EBIT before PPA (see glossary) was €11.7 million (€10.0 million after PPA); slightly lower than in the same period in 2009**
- **Net income of -€18.4 million was affected by non-recurring items**
- **Net cash (see glossary) stood at €199.0 million as at 30 June 2010; the year-on-year decrease is essential due to the acquisition of Amesys and an increase in operational investment**

Outlook: The Group's EBIT in the second half will take into account the seasonality of Amesys' business activities as well as a delay in the execution of certain contracts from the first half to the second half of the year. On this basis, Bull's new management team has decided to set the Group's target EBIT for the financial year to a minimum of €30 million[4]'.

Financial results for the first six months of 2010

Comparisons are made year-on-year with published figures for 2009, except where a recast is specifically indicated.

Order intake

	Hardware & Systems solutions	Maintenance & PRS	Services & Solutions	Security & Mission-Critical Systems	Fulfillment & Third-Party Products	Total
Variation des commandes vs H1 09	+19.0%	+11.6%	+4.7%	>30%[5]	-38.8%	+17.8%

Order intake grew by 17.8% year on year; at a comparable business structure, the increase was 6.1%. This strong commercial momentum – which was even more marked in Q2 than in Q1 – was driven by the Group's strategic offerings. A very good performance in the pace of growth in orders from the Amesys group was also recorded. Orders in the Fulfillment & Third-Party Products business fell significantly as a result of the decision to deliberately refocus the Group's resources on Bull's core offerings.

[3] Core offerings exclude the Fulfillment & Third-Party Products segment.
[4] Before PPA.
[5] Not in Bull Group scope in 2009. For information only.

Revenues

Revenues for the first six months of 2010	Hardware & Systems solutions	Maintenance & PRS	Services & Solutions	Security & Mission-Critical Systems	Fulfillment & Third-Party Products	Total
€ millions	190.6	91.6	241.2	44.0	23 .9	591.3
Variation vs H1 2009	+5.5%	-4.0%	+0.1%	+10.4%[6]	-42.3%	+5.9%

Consolidated revenues for the period were €591.3 million, representing a 5.9% increase compared with €558.6 million in 2009.

At a comparable business structure[7], revenues were down by 2.0%. It should be noted that the intentional reduction in the Fulfillment & Third-Party Products business had the effect of reducing revenue growth by 3.3 points. Without this deliberate move to disengage from pure reselling activities, overall revenues would have increased by 1.2% at a comparable business structure.

The Hardware and Systems Solutions business benefited from a good level of orders and recorded revenues of €190.6 million, a growth rate of 5.5% for the six month period. Extreme Computing and secure storage offerings made a particularly significant contribution to this growth.

The Services and Solutions business, which recorded revenues of €241.2 million for the period, grew very slightly, by 0.1%, compared with the published figures for the first six months of 2009. This performance is still ahead of expectations in terms of market growth for the period, thanks to the growth of the Services business in France, especially outsourcing activities. The segment relating to telecoms operators remains difficult.

Revenues from the Maintenance and PRS business recorded a decline of 4.0% for the six-month period, as previously anticipated. This is the result of a number of support contracts for proprietary servers coming to an end, as expected.

The Security and Mission-Critical Systems business continued to achieve sustained growth, thanks to the dynamism of the markets targeted by these offerings.

Revenues from Fulfillment and Third-Party Products activities fell by 42.3%, as a result of the Group's deliberate strategy to refocus its sales and marketing efforts on the Group's own, higher added-value offerings.

Geographic breakdown of consolidated revenues showed an increase in the contribution of France. This change reflects the continued good performance in France, as well as the inclusion of the Amesys group, which operates primarily in this country.

[6] Revenues from this segment are compared with the revenues from the first half of 2009 (which have not been recast) used in the preparation of the pro-forma information contained in the document presenting the Amesys group's contribution (AMF visa no. E-10.001).

[7] At a comparable business structure: the contribution to revenues of companies acquired during 2010 was €44.0 million in the first six months of 2010.

Gross margin

Gross margin for the first six months of 2010	Hardware & Systems solutions	Maintenance & PRS	Services & Solutions	Security & Mission-Critical Systems	Fulfillment & Third-Party Products	Total
Before PPA € millions	60.1	24.1	36.2	10.1	2.4	132.9
% of revenues	*31.5%*	*26.3%*	*15.0%*	*22.9%*	*10.2%*	*22.5%*
Variation rate vs H1 09	+3.1 pt	-3.2 pt	-0.6 pt	n/a	-2.2 pt	+0.6 pt

Gross margin for the period was €132.9 million, or 22.5% of revenues before taking into account the amortization of the portion of the purchase price allocated to intangible assets. Once this depreciation is taken into account, gross margin was €131.2 million, or 22.2% of revenues.

The improvement in gross margin comes from an increase in margins achieved by the Hardware and Systems Solutions business (where all product lines made improvements) and, to a lesser extent, from the falling proportion of third-party resale activity, a lower added-value activity. On the other hand, margins in the Services and Solutions and Maintenance and PRS businesses fell. Continued strong competitive pressures on price, both in France and internationally, as well as adjustments on a number of contracts, explain the lower margins in the Services business. The fall in the gross margin in the Maintenance business is the result of the decline in traditional maintenance activities, which typically achieve higher margins than 'Product Related Services'.

EBIT

EBIT before PPA was €11.7 million, or 2.0% of revenues for the first six months of 2010. Once depreciation related to the Purchase Price Allocation for the Amesys group is taken into account, EBIT was €10.0 million.

Administrative, general and selling costs amounted to €111.6 million compared with €99.3 million for the same period in 2009. The inclusion of Amesys in the scope of the consolidation, increased investment in internal information systems and expenditure related to rearrangement of locations in the Paris area contributed to this increase. As a proportion of revenues administrative, general and selling costs increased by 1.1 percentage points.

In terms of R&D, Bull is now focusing its efforts on Extreme Computing, storage and security. In Extreme Computing, Bull's priority is to invest in areas that involve technical and financial collaborations with its strategic partners. These contributions to financing, as well as the Research tax credit, enabled the Group to make significant and greater R&D efforts in the first six months of the year. However, net R&D costs for the period were €8.4 million compared with €8.9 million for the first half of 2009.

Net income

Falling income from investments and the decrease in net cash, the result most notably of the acquisition of the Amesys group, explain the changes to net financial expenses from -€2.5 million for the first half of 2009 to -€4.1 million for the first half of 2010.

Taxation charges for the period were €0.8 million.

Net income includes an exceptional charge of €9.2 million which represents the depreciation of the residual goodwill related to Siconet, a Spanish subsidiary. This depreciation, which is the result of an assessment of risks carried out by the new management team, is related to the fall in profitability of this subsidiary against the backdrop of the deep and lasting economic crisis in Spain.

Net income has also been affected by charges and expenses related to the acquisition of the Amesys group, in particular adjustments to the CRMF profit-sharing agreement (see glossary) of €4.3 million and deferred tax assets of €0.3 million in order to take account of the changed scope of the Group, as well as various costs and fees relating to the operation, amounting to €2.7 million.

Net restructuring charges of €7.2 million were lower in comparison to the same period in 2009.

Net cash position

As at the end of June 2010, gross cash (see glossary) stood at €247.9 million and the Group's net cash position (see glossary) was €199.0 million, compared with €285.5 million as at 1 January 2010 and €250.4 million as at 30 June 2009.

The Group's funds are invested either as certificates of deposit or in euro-denominated money-market funds.

As in previous years, Group cashflow demonstrates a market seasonal variance, with the second half of the year typically being much more favorable in terms of cash generation than the first. Seasonal variations are also strong within each six-month period: the months of June and December representing high-points in the Group's cash position.

In the first six months of 2010, operating cashflow was negative, at €41.7 million, compared with a negative cashflow of €34.5 million for the first half of 2009. This change is mainly explained by increased investment in outsourcing capacity, which will provide on-going revenue streams for the Group in the future.

Finally, non-recurring items in the first half of 2010 relating to acquisitions and restructuring resulted in a negative cashflow of €44.8 million, the majority of which was linked to Bull's acquisition of the Amesys group.

Glossary

PPA (Purchase Price Allocation): A proportion of the purchase price for the Amesys group is allocated to intangible assets to be amortized as part of EBIT. This amortization is offset in 'EBIT before PPA' in order that the Group's performance can be compared against targets set before the PPA was determined.

Clause de Retour à Meilleure Fortune **(CRMF)** or profit sharing agreement: In return for the forgiveness of a shareholder's loan, Bull agreed in 2004 to pay annually to the French State a portion of pre-tax profits (EBT) between 2005 and 2012 on condition that (i) EBT for the year is at least €10 million; (ii) operating cashflow for the year after restructuring payments exceeds €10 million; (iii) shareholders' equity at does not fall below €10 million by application of the clause. If any of these conditions are not met, no payment is due for that period. Please refer to Bull's annual report for a full description of the CRMF

EBIT: Earnings before Interest and Taxes, non-operating and non-recurring items and contribution of equity affiliates

Gross cash: Cash and cash equivalents including marketable securities available for sale, deposits and guarantees

Net cash: Gross cash minus financial debt

Financial debt: Financing linked to receivables sold with recourse, bank loans and bonds

Capital expenditure: Acquisition of assets by Bull for its own account or for the account of customers of managed services

About Bull

Bull is an Information Technology company, dedicated to helping Corporations and Public Sector organizations optimize the architecture, operations and the financial return of their Information Systems and their mission-critical related businesses.

Bull focuses on open and secure systems, and as such is the only European-based company offering expertise in all the key elements of the IT value chain.

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Financial calendar

29 October 2010: Third quarter revenues for 2010

Key figures for the first half of 2010

€ millions	First half 2009		First half 2010	
Revenues	558.6	*100%*	591.3	*100%*
of which Services & Solutions	*241.0*	*43%*	*241.2*	*41%*
of which Hardware & Systems Solutions	*180.6*	*32%*	*190.6*	*32%*
of which Fulfillment & Third-Party Products	*41.5*	*7%*	*23.9*	*4%*
of which Maintenance & PRS	*95.5*	*17%*	*91.6*	*16%*
of which Security and Mission-Critical Systems	-	-	*44.0*	*7%*
Gross margin before PPA	122.1	*21.9%*	132.9	*22.5%*
Gross margin	122.1	*21.9%*	131.2	*22.2%*
EBIT before PPA	13.7	*2.5%*	11.7	*2.0%*
EBIT	13.7	*2.5%*	10.0	*1.7%*
Net income	2.0	*0.4%*	(18.4)	*n/a*

Numbers may not add up precisely to the total, due to rounding.

Geographic breakdown of revenues:

€ millions	First half 2009	First half 2010	Variation
France	285.3	344.7	+20.8%
Europe excluding France	197.1	176.5	-10.5%
Rest of the world	76.2	70.2	-7.9%
Total	558.6	591.3	+5.9%

Numbers may not add up precisely to the total, due to rounding.

Geographic breakdown of consolidated revenues has changed significantly compared with 2009. Revenue contributions from the Amesys group are mainly accounted for in France and reinforce the trend observed by continuing business activities, where the good performance in France means that its proportion of revenues is growing at the expense of other geographic areas.

Cashflow

€ millions	First half 2009	First half 2010
EBIT	13.7	10.0
Depreciation (including PPA)	7.0	8.7
Capital expenditure (see glossary)	(7.0)	(13.9)
Variation in working capital	(42.6)	(41.6)
Financial charges	(2.5)	(4.1)
Cash taxes	(3.0)	(0.8)
Operating cashflow	(34.5)	(41.7)
Cashflow from non-current operations	(17.5)	(44.8)
Cashflow	(52.0)	(86.5)
Gross cash position	277.7	247.9
Net cash position	250.4	199.0

Summary consolidated financial statements

- **Consolidated income statement**

€ millions	H1 09		H1 10	
Revenues	558.6		591.3	
Gross margin before PPA*	122.1	*21.9%*	132.9	*22.5%*
Gross margin	122.1	*21.9%*	131.2	*22.2%*
R&D expenses	(8.9)	*1.6%*	(8.4)	
Selling, General and Administrative expenses	(99.3)	*17.8%*	(111.6)	
Forex gain/loss	(0.2)		(1.2)	
EBIT before PPA*	13.7	*2.5%*	11.7	*2.0%*
EBIT (see glossary)	13.7	*2.5%*	10.0	*1.7%*
Other operating income	3.4		-	
Other operating expenses	(8.4)		(19.5)	
Share in the net income of associated enterprises	0.1		(0.4)	
Operating income	8.8		(9.9)	
Forex impact on financial income	(1.3)		1.0	
Financial income	(2.5)		(4.1)	
Taxes	(3.0)		(0.8)	
CRMF adjustment (see glossary)	-		(4.3)	
Deferred tax assets adjustment	-		(0.3)	
Net income	2.0		(18.4)	n/s
Minority interests	-	-	-	-
Net income: Group share	2.0		(18.4)	

* For illustrative purposes, to enable comparison with the annual target published in February 2010 before the PPA relating the acquisition of the Amesys group was determined

- **Simplified consolidated balance sheet**

€ millions	30 June 2009		30 June 2010
Tangible and intangible assets	44.9		78.9
Goodwill	57.8		129.7
Non-current financial assets	13.4		13.5
Deferred taxes	16.5		15.2
Non-current assets	132.6		237.3
Inventory	51.3		64.9
Accounts receivable	142.0		154.9
Other current assets	75.3		81.6
Guarantee deposits	10.7		17.5
Cash and cash equivalents	234.4		199.4
Current assets	513.7		518.3
Total assets	646.3		755.6
Shareholders' equity: Group share	95.2		164.4
Minority interests	0.1		0.1
Non-current reserves and liabilities	148.6		175.7
of which CRMF (see glossary)	*19.4*		*18.4*
Current reserves and liabilities	402.4		415.4
*of which financial debt**	*27.2*		*49.6*
Total liabilities	646.3		755.6

* Short-term borrowings stood at €16.8 million at 30 June 2009 and at €18.5 million at 30 June 2010.

Appendix

Published quarterly revenues for the financial years 2010 and 2009 (unaudited data):

€ millions		Q1	Q2	Q3	Q4	Full year
2010	Services & Solutions	113.7	127.5	-	-	-
	Hardware & Systems Solutions	84.0	106.6	-	-	-
	Maintenance & PRS	42.2	49.4	-	-	-
	Security & Mission-Critical Systems	22.1	21.9	-	-	-
	Fulfillment & Third-Party products	11.3	12.6	-	-	-
	Total	273.2	318.1	-	-	-
2009	Services & Solutions	111.1	129.9	105.9	136.3	483.2
	Hardware & Systems Solutions	74.7	105.9	55.8	121.3	357.7
	Maintenance & PRS	45.0	50.5	46.4	50.2	192.1
	Fulfillment & Third-Party products	19.0	22.5	13.2	22.2	76.9
	Total	249.8	308.8	221.2	330.1	1 109.9

Numbers may not add up precisely to the total, due to rounding.

Disclaimer