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# **Citi 2013 Global Technology Conference**

-  
Tuesday, September 3<sup>rd</sup>, 2013

-  
New York

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- ▶ 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 2012 Reference Document filed with the Autorité des Marchés Financiers (AMF) on April 3<sup>rd</sup>, 2013 under the registration number: D13-0271.
- ▶ Business Units include **Germany, France, United Kingdom & Ireland, Benelux & The Nordics** (The Netherlands, Belgium, Luxembourg, Denmark, Finland, and Sweden), **Atos Worldline** (French, German, Belgian, Asian, and Indian subsidiaries), **Central & Eastern Europe** (CEE: Austria, Bulgaria, Croatia, Serbia, Poland, Czech Republic, Russia, Romania, Slovakia, Switzerland, Italy, and Turkey), **North America** (USA and Canada), **Iberia** (Spain and Portugal), and **Other Business Units** including Major Events (including MSL), Latin America (Brazil, Argentina, Mexico, Colombia and Chile), Asia Pacific (Japan, China, Hong Kong, Singapore, Malaysia, Indonesia, Philippines, Taiwan, Thailand and Australia), India, Middle East, Morocco, South Africa, New Business Ventures (blueKiwi, Yunano and Canopy).
- ▶ Revenue organic growth is presented at constant scope and exchange rates. 2013 objectives have to be considered with exchange rates as of 31 December 2012.
- ▶ Adjusted (non diluted) Earnings Per Share (EPS) represents the net income adjusted of restructuring, rationalization and customer relationship amortization, net of tax, divided by the weighted average number of shares during the year.
- ▶ Worldline figures are best estimates made by the company during the carve-out process and are unaudited.

1. Atos profile and performance
2. H1 2013 key figures
3. Key levers for value enhancement going forward
4. **worldline** e-payment services
5. Key takeaways
6. Q&A session

# Atos profile and performance

# Atos: Grown through acquisitions to become a Tier One global player and European IT Leader

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“Our vision for the future: to accelerate progress by uniting people, business and technology.”

Revenue 2012

EUR 8,844 million

No. of Employees

77,000

Countries

47

- No. 7 worldwide in IT Services
- No. 1 European player in Managed Services
- No. 1 electronic payment player in Europe
- Tier One industry recognition: Leader in Gartner’s Magic Quadrant in DataCenter, Infrastructure Utility, Helpdesk and Desktop Outsourcing
- Tier One customer base: E.g. Siemens, BNP Paribas, KPN, EDF, Department of Work and Pensions, BBC, NS&I, McGraw Hill, NSN, etc.
- Global IT-Partner of the Olympic & Paralympic Games since 1992

SIEMENS  
T Solutions  
and Services

2011

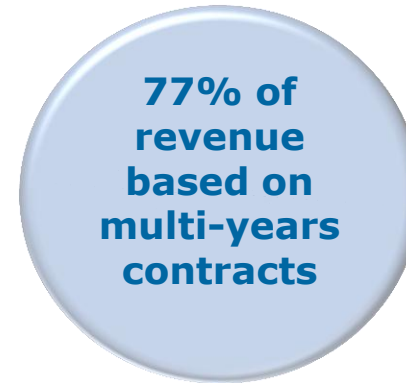
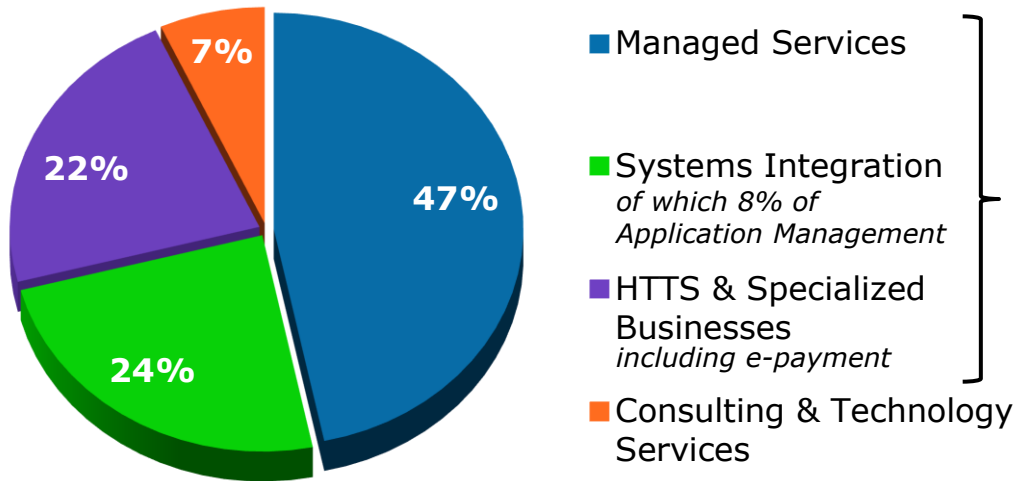
Atos

Atos  
Origin

sochi.ru  
2014

Rio2016

## Revenue by Service Line



## A company having:

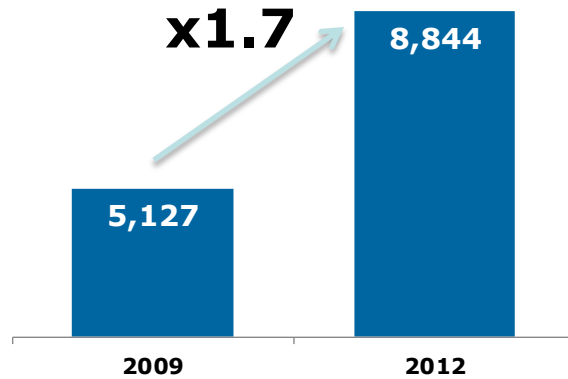
- ▶ 77% of **recurring multi-years revenue**,
- ▶ a **strong sales track record** with EUR 10 billion order entry in 2012
- ▶ a **dedicated electronic payment international entity** of EUR 1.1 billion revenue

**worldline**  
e-payment services

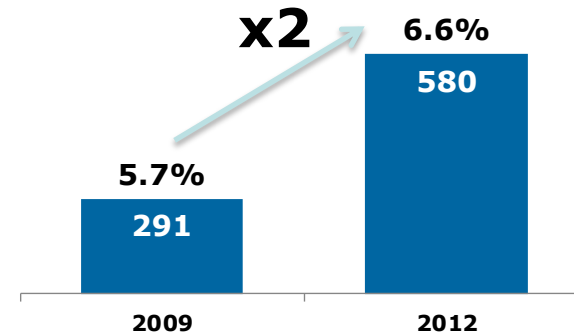
# Delivering on commitments and enhancing shareholders value

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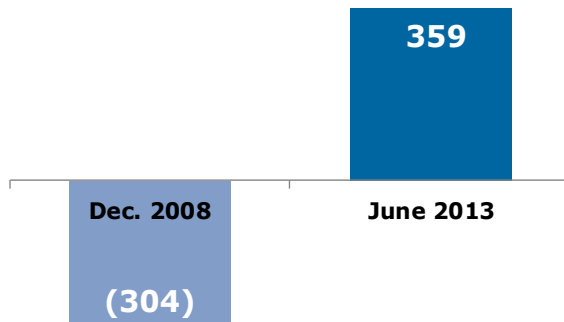
## ► Revenue (in EUR million)



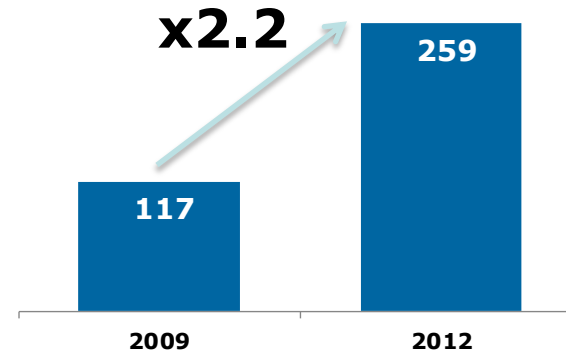
## ► Operating margin (in EUR million and % of revenue)



## ► Net cash position (in EUR million)



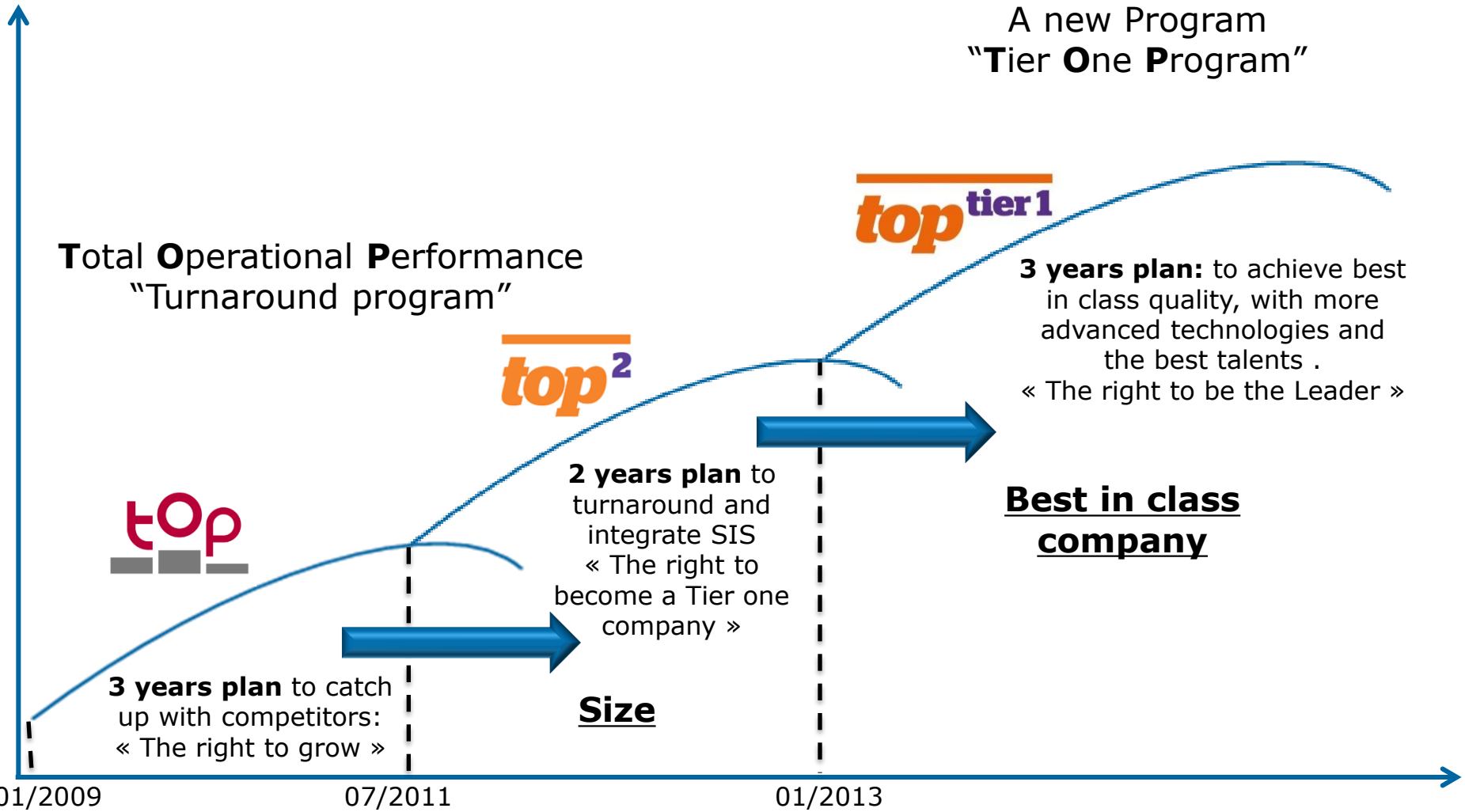
## ► Free cash flow (in EUR million)



**Market capitalization x3.5 to EUR 5 billion**

# Strong discipline in the execution of transformation programs

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## 2013

### ► Revenue

- The Group expects to **continue to slightly grow** compared to 2012.

### ► Operating margin

- The Group has the objective to improve its operating margin rate to **around 7.5 percent** of revenue compared to 6.6 percent in 2012.

### ► Free Cash Flow

- The Group has the ambition to achieve a free cash flow above **EUR 350 million**.

### ► Earnings per share (EPS)

- The Group ambitions an EPS (adjusted, non diluted) representing an increase of **+50 percent** compared to 2011 statutory (up +25 percent compared to 2012).

## **H1 2013 key figures**

# H1 2013 performance

1/2

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	H1 2013	H1 2012
<b>Revenue</b> (EUR m)	<b>4,290</b>	<b>4,316</b>
<b>Operating margin</b> (in % and EUR m)	<b>6.5%</b> EUR 279 m	<b>5.6%</b> EUR 244 m
<b>Free cash flow</b> (EUR m)	<b>158</b>	<b>127</b>
<b>Net cash</b> (EUR m)	<b>359</b>	<b>101</b>

*Revenue and operating margin at constant scope and exchange rates*

# H1 2013 performance

2/2

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	H1 2013	H1 2012
<b>Net income Group share (EUR m)</b>	<b>116</b>	<b>102</b>
<b>Book to bill</b>	<b>106%</b>	<b>113%</b>
<b>Backlog (EUR b)</b>	<b>15.5</b> 1.8 years of revenue	<b>14.9</b> 1.7 years of revenue
<b>Total number of employees</b>	<b>77,105</b>	<b>75,329</b>

# H1 2013 commercial activity

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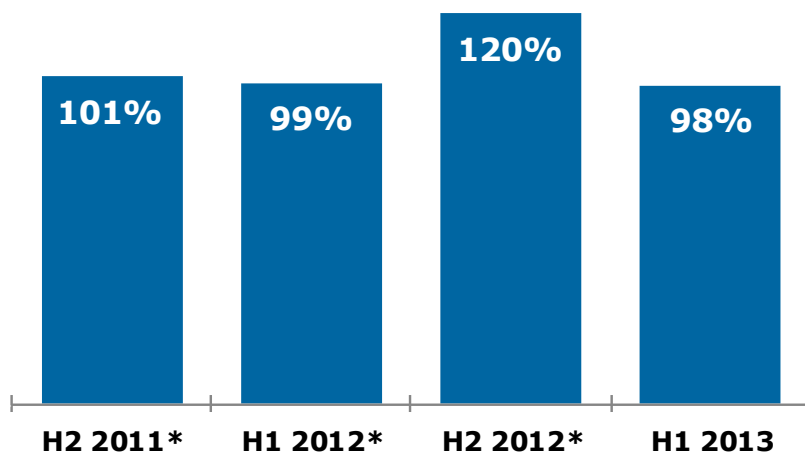
## ► Book to bill

	H1 2013	H1 2012*
Cyclical activities	98%	99%
Recurring businesses	110%	121%
<b>Total Group</b>	<b>106%</b>	<b>113%</b>

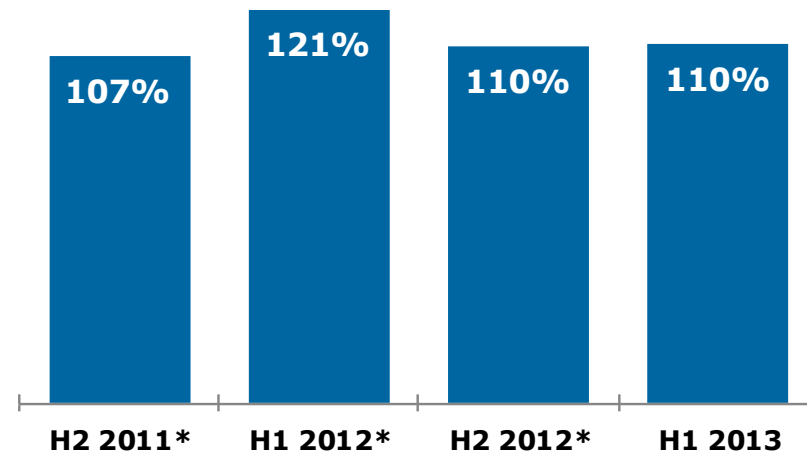
## ► Pipeline

**Weighted pipeline was  
at EUR 5.0 billion**

## ► Cyclical activities



## ► Recurring businesses



■ Book to bill (in %)

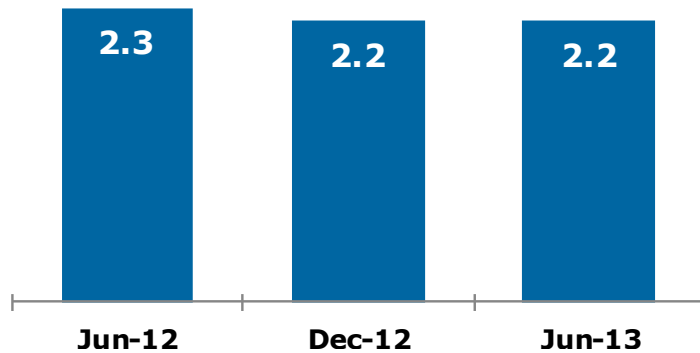
\* Statutory figures

# Backlog to revenue evolution by Service Line

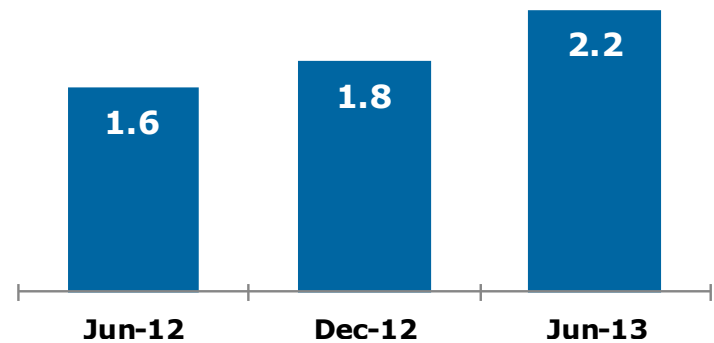
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▶ Total backlog at EUR 15.5 billion at the end of June 2013

▶ Managed Services



▶ HTTS & Specialized Businesses



▶ Systems Integration



▶ Consulting & Technology Services



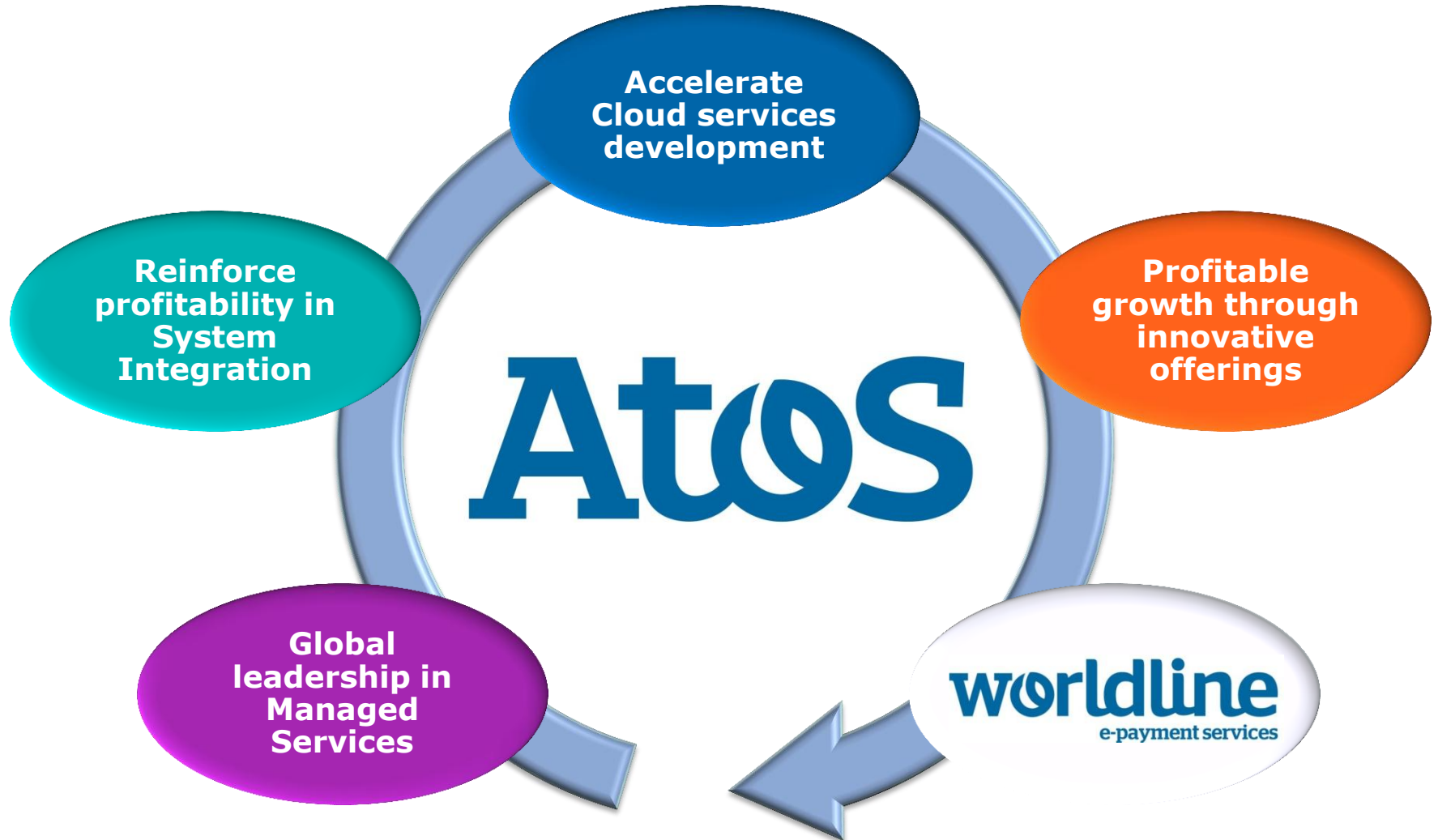
■ Backlog to revenue\* (in number of year)

\* Figures reported to 2012 revenue at June 2013 exchange rates

# Key levers for value enhancement going forward

# Key levers for value enhancement going forward

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# Global leader in Managed Services

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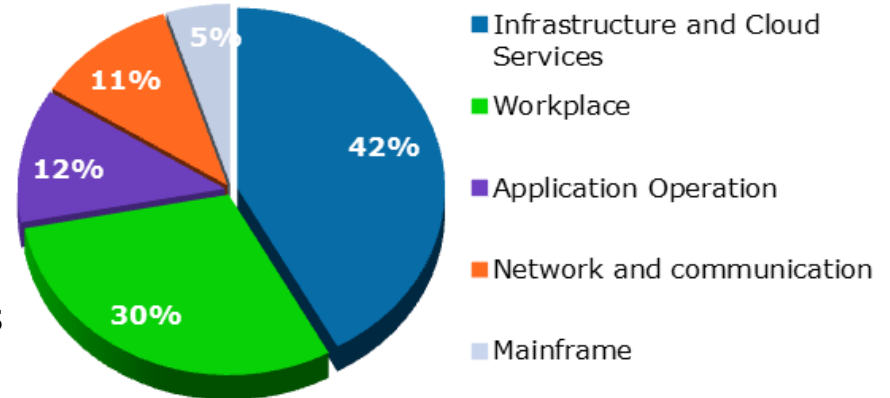
## Key figures

- ▶ EUR 4 billion annual revenue
- ▶ 28,000 staff worldwide in 47 countries
- ▶ 30% in near/off shore locations

## Capabilities

- ▶ **Server management:** 90,000 servers (UNIX, Linux, Windows)
- ▶ **Desktop:** 2.7 million seats & 40 million calls / year
- ▶ **Data Centers:** 30 main Data Centers; >40,000 m<sup>2</sup>

## Managed Services revenue mix by portfolio



- ▶ **ERP Applications:** 900,000 SAP users
- ▶ **Network & Security Services:** 50,000 managed network devices

- **Tier One Program to leverage large international deals**
- **Industrialization through the delivery by Global Factories**
- **Leadership positioning in key Gartner magic quadrants**

# Reinforce profitability in System Integration

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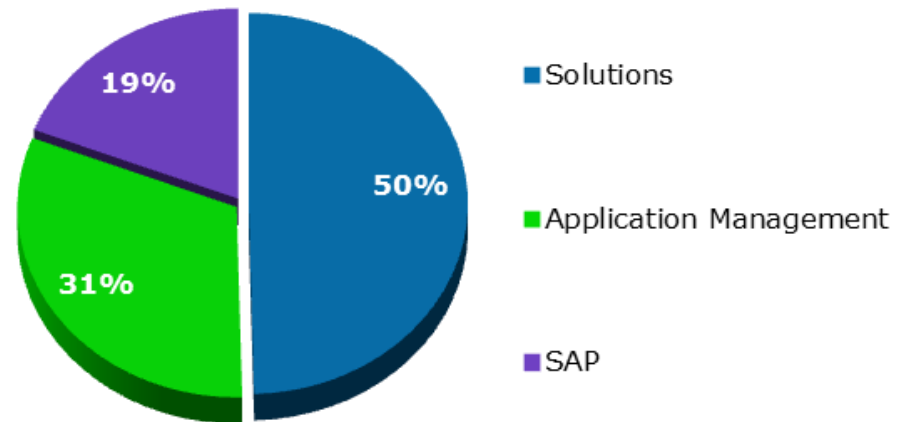
## Key figures

- ▶ EUR 2 billion annual revenue
- ▶ 23,500 staff worldwide in 47 countries
- ▶ 7,000 staff in 7 offshore locations

## Practices

- ▶ **Solutions:** Creating business value by leveraging technology with 33 offerings
- ▶ **SAP:** Rationalization and integration of SAP to create business value: 9,735 consultants supporting > 500,000 SAP Business users and > 5,000 SAP Instances
- ▶ **Application Management:** Leader on transformation AM deals

## Systems Integration revenue mix by practice



- **Tier One Program to improve significantly operational profitability**
- **Increase offshore capabilities**
- **Leveraging key offerings and partnerships**

- ▶ **Major player** in the **Private Cloud** area for **large public** and **private organizations**
- ▶ A specific **focus on vertically oriented** services and enterprise level integration
- ▶ Cloud is already **a reality** for years **in Atos** with circa **EUR 200 million of revenue in 2012, now consolidated within Canopy** our specialized JV with EMC<sup>2</sup> and VMware

**Ambition to grow above the Cloud IT market rate**  
( **x5 in 2020** – *Source Forrester 2011* )

# Extensive Cloud portfolio

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Canopy Consulting	Strategy	Professional Services		
	Canopy Strategic Advisory Services	Canopy Transformation Services		
Canopy SaaS	Core applications	Cross applications	Collaboration	
	Canopy PLM powered by Siemens Teamcenter	Canopy Enterprise Mobility powered by SAP	Canopy ECM powered by EMC Documentum	Canopy A3C powered by Microsoft
	Canopy Contracts powered by EMC Beach Street	Canopy Remote Backup powered by EMC Mozy	Canopy SharePoint	Canopy Email powered by VMware Zimbra
	Canopy CRM powered by Microsoft Dynamics or Yunano	Canopy Archive powered by EMC SourceOne	Canopy Program Mgmt powered by Microsoft	Canopy Anytime Files powered by Citrix
Canopy PaaS	Production Platforms	Dev and Test Platforms		
	Canopy SAP Platform	Canopy CDE for Java powered by VMware		
Canopy Infrastructure	Managed Cloud	Private Cloud		
	Canopy Helix Nebula powered by OpenNebula	Canopy Next Generation Workspace		
	Canopy Trusted Agile Infrastructure	Canopy Realtime Business Platform powered by SAP HANA		
	Canopy Cloud Infrastructure Services	Canopy Enterprise Private Cloud powered by VCE		

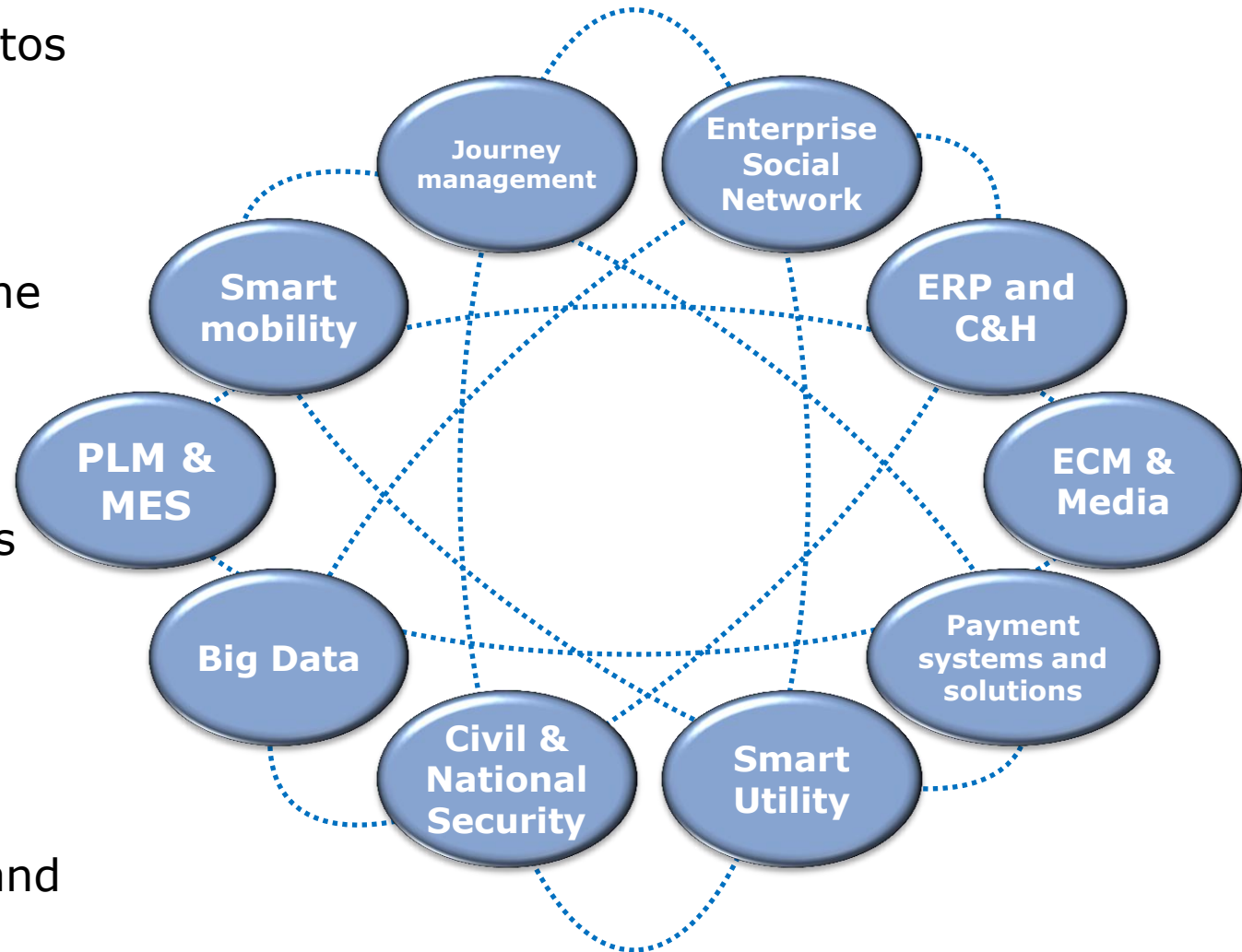
**Development strategy:**

- **Vertical SaaS**
- **Business process-aaS**
- **Cloud transformation expertise combining classic ITO and cloud**

# Profitable growth through innovative offerings

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- ▶ Initiated by the Atos Scientific Community
- ▶ Industrialized development in the Service Lines and Worldline
- ▶ Global and local offering managers
- ▶ Structured sales strategy
- ▶ Supported by training, communication, and branding



**worldline**  
e-payment services



## leading European player in e-payment services

**GLOBAL  
INTEGRATION**

**BRAND  
RECOGNITION**

**EFFICIENT  
OPERATION**

**GROWTH  
ACCELERATION**

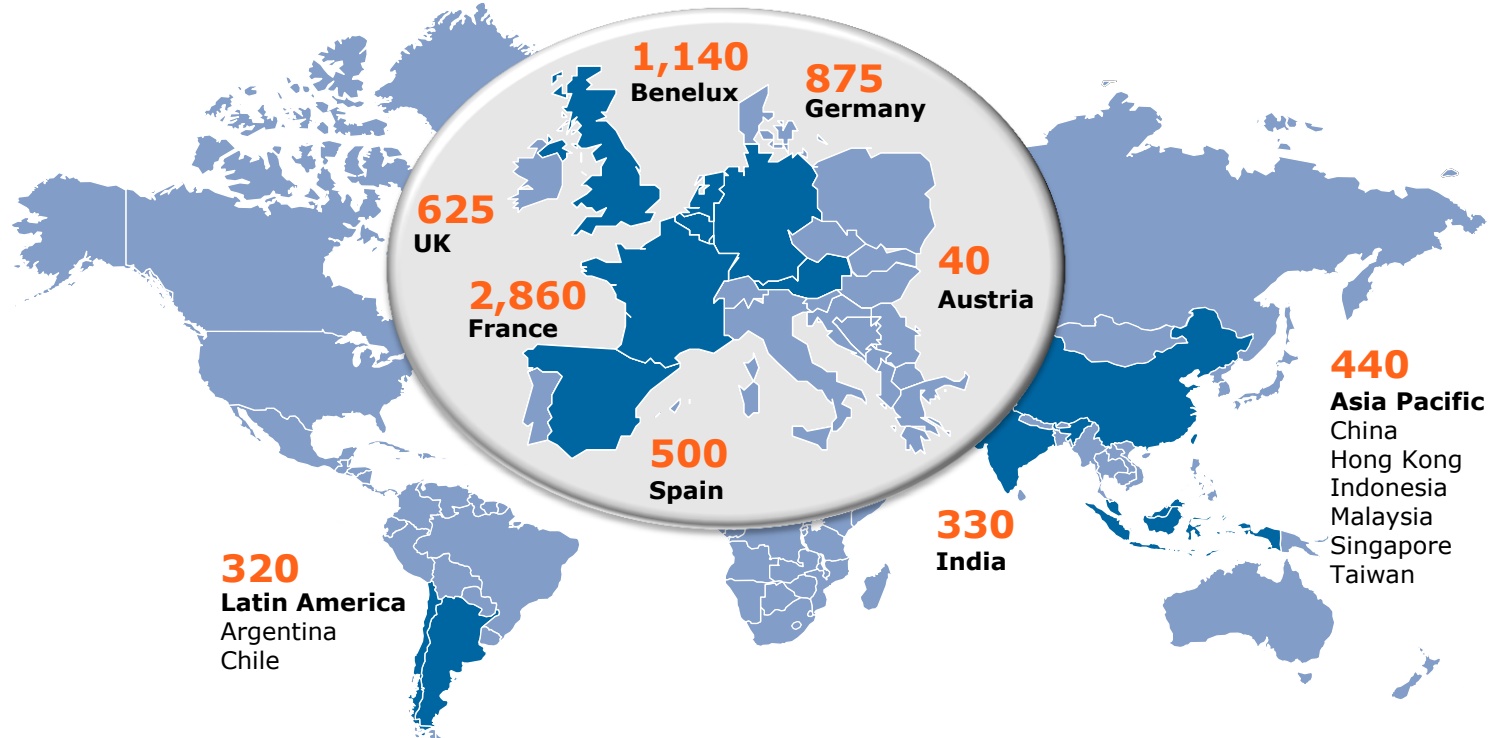
# Key figures and geographical presence of Worldline

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## Key figures

- ▶ EUR 1.1 billion revenue
- ▶ 15% operating margin rate
- ▶ EUR ~100 million free cash flow

7,100 staff in 17 countries





# A client-centric e-Payment company built around 3 Global Business Lines

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e-payment services  
for merchants



**EUR 353 million  
revenue in 2012**

- ▶ Commercial acquiring and acceptance services
- ▶ Online services
- ▶ Private label cards and loyalty services
- ▶ Payment terminals

e-payment and transaction  
services for governments,  
transportations,...



**EUR 341 million  
revenue in 2012**

- ▶ e-Government services (tolling systems, fine processing centers,...)
- ▶ e-Ticketing solutions and services
- ▶ e-Consumer and mobility services

e-payment for  
banking institutions



**EUR 375 million  
revenue in 2012**

- ▶ Issuing processing services
- ▶ Acquiring processing services
- ▶ Online banking platforms
- ▶ Payment software licensing

**A European leading multi-channel transactional specialist focused on value added services**

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**Payment transactions volumes in 2012**

- 2.2 billion of acquiring transactions
- 51 million of credit and debit cards
- 568 million of remote payment
- Over 1 million terminals

**worldline**  
e-payment services

**A leading position**

- N° 1 Commercial acquirer in Benelux
- N° 1 e-Commerce payment provider in France
- N° 1 POS acceptance platform in Germany
- N° 1 Issuing processing in Germany
- N° 1 POS Terminal provider in the Netherlands
- N° 1 DCC acquiring provider in India
- Leading Issuing solution provider in Asia



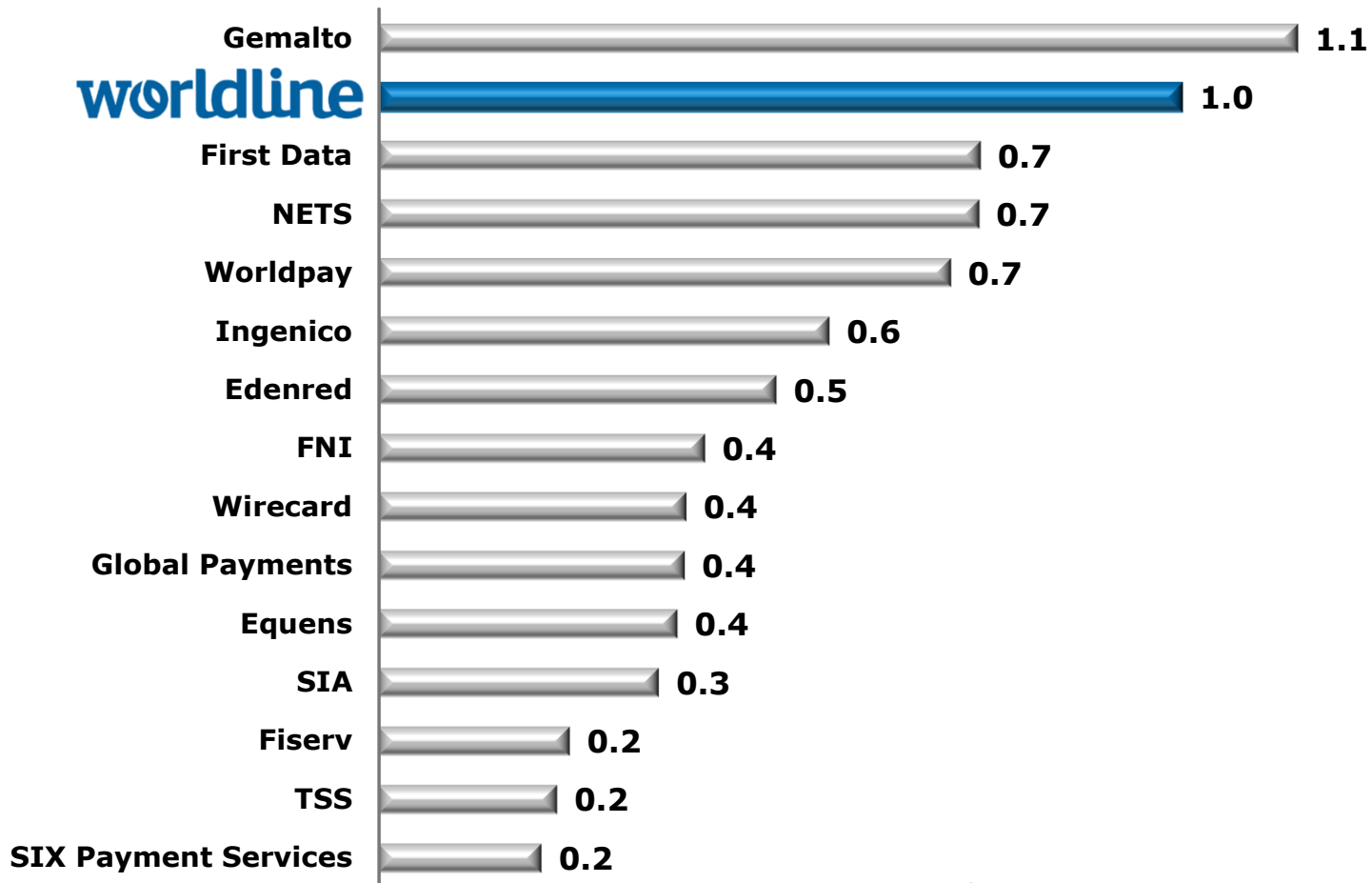
**Digital transactions volumes in 2012**

- 2.2 billion calls (IRV & contact centers)
- 3 billion SMS (Short Message Services), +85 percent growth compared to 2011
- 68 million email boxes

# worldline : revenue vs. peers

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## ► Estimated revenue in Europe (in EUR billion)



Sources: Atos, companies, analysts consensus

## **Key takeaways**

## Robust company performance

- ▶ **Successful integration of Siemens SIS delivered**
- ▶ **H1 2013 performance in line with FY 2013 guidance and 3 years plan 2011 - 2013**
- ▶ **Strong commercial momentum created since 2011 with record-high backlog**

## Key levers for future operational performance improvement

- ▶ **Tier One Program set-up on gross margin to reach best in class KPIs**
- ▶ **Worldline carve-out completed as a first step for its development**
- ▶ **Continuous investment in innovation: Payment, Cloud, Big Data,...**

**After completion of SIS integration and Worldline carve-out,  
the Group is ready for its next journeys**

## **Q&A session**

# From Questions to Answers



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## Thank you

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