



FY 2020 Results

Bezons, February 18, 2021



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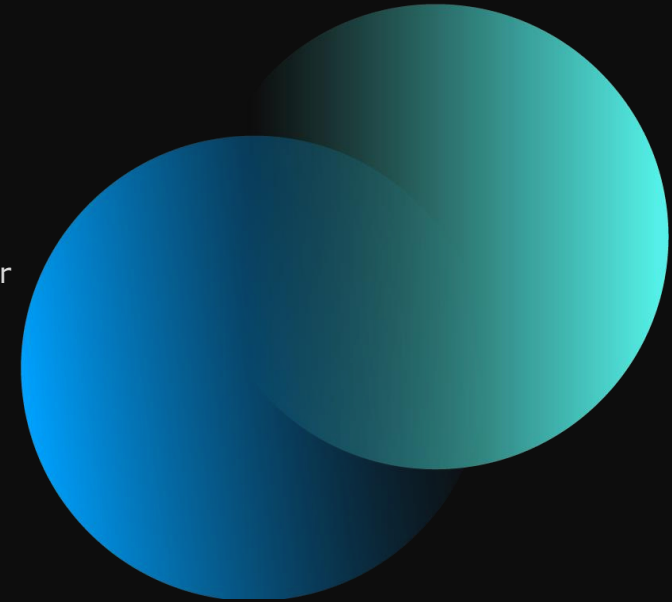
This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitor's behaviors. Any forward-looking statements made in this document are statements about Atos' beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Atos' plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. 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 2019 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF) on March 3, 2020 under the registration number D.20-0096 and the Amendment to the 2019 Universal Registration Document filed with the AMF on July 30, 2020 under number D.20-0096-A01. Atos does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law. This document does not contain or constitute an offer of Atos' shares for sale or an invitation or inducement to invest in Atos' shares in France, the United States of America or any other jurisdiction.

Atos consolidated and statutory financial statements for the year ended December 31, 2020, were approved by the Board of Directors on February 17, 2021. Audit procedures are in progress.

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

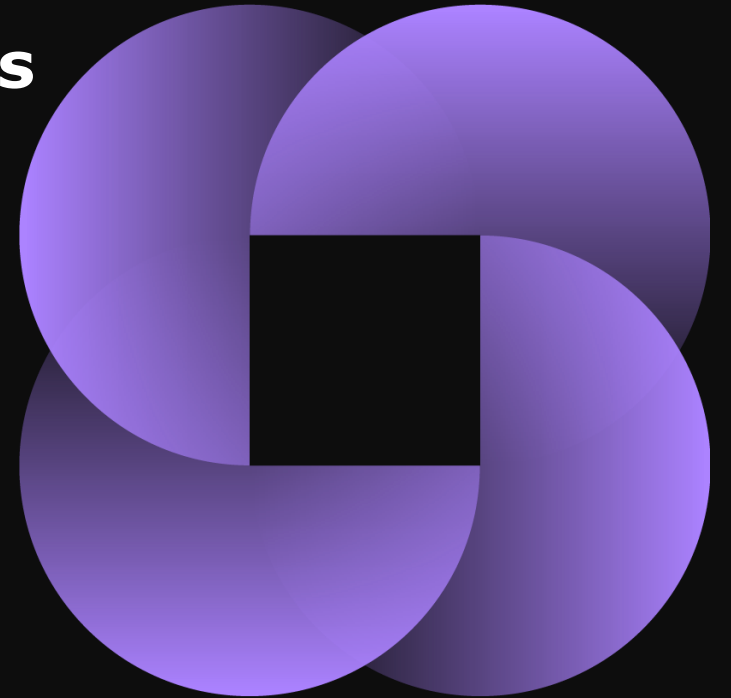
Industries include **Manufacturing** (Aerospace, Automotive, Chemicals, Consumer Packaged Goods (Food & Beverage), Discrete Manufacturing, Process Industries, Services and Siemens), **Financial Services & Insurance** (Insurance, Banking & Financial Services, and Business Transformation Services), **Public Sector & Defense** (Defense, Education, Extraterritorial Organizations, Public Administration, Public Community Services and Major Events), **Telecom, Media & Technology** (High Tech & Engineering, Media, and Telecom), **Resources & Services** (Energy, Retail, Transportation & Hospitality, and Utilities) and **Healthcare & Life Sciences** (Healthcare and Pharmaceutical).

Regional Business Units include **North America** (USA, Canada, Guatemala and Mexico), **Northern Europe** (United Kingdom & Ireland, Belgium, Denmark, Estonia, Belarus, Finland, Lithuania, Luxembourg, The Netherlands, Poland, Russia, and Sweden), **Central Europe** (Germany, Austria, Bulgaria, Bosnia, Croatia, Czech Republic, Greece, Hungary, Romania, Serbia, Slovenia, Slovakia, Israel, and Switzerland), **Southern Europe** (France, Andorra, Spain, Portugal, and Italy) and **Growing Markets** including Asia-Pacific (Australia, China, Hong Kong, India, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand), South America (Argentina, Brazil, Chile, Colombia, Uruguay, and Peru), Middle East & Africa (Algeria, Benin, Burkina Faso, Egypt, Gabon, Ivory Coast, Kenya, Kingdom of Saudi Arabia, Madagascar, Mali, Mauritius, Morocco, Qatar, Senegal, South Africa, Tunisia, Turkey and UAE), Major Events, Global Cloud Hub, and Global Delivery Centers.



Agenda

- 1** | **FY 2020 overview and 2021 objectives**
- 2** | **FY 2020 highlights**
- 3** | **FY 2020 performance**
- 4** | **Conclusion and Q&A**



SECTION 1

FY 2020 Overview and 2021 Objectives

2020

All objectives set in April achieved
All foundations for growth laid down



**2020 objectives
ACHIEVED**

Revenue Organic Evolution
-3.0%

Operating Margin Rate
9.0%

Free Cash Flow
€ 513 m



**SPRING
ACHIEVED**

Step 1
Feb 2020

Step 2
Jul 2020

Step 3 (last)
Feb 2021



**Commercial Activity
RECORD HIGH BOOKINGS**

Order Entry
+10% yoy at cc

Pipeline
+23% yoy at cc

Backlog
+€ 2.0 bn yoy at cc



**Reshaping of offering
Digital, Cloud, Security
& Decarbonization** at
46% of revenue



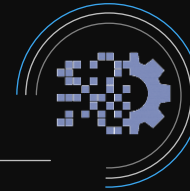
M&A Execution
10 acquisitions in Digital, Cloud,
Security & Decarbonization
Total revenue above €300m in 2019

2021

A year of growth between 3.5% and 4.0%

A clear path towards mid-term targets

	2021*	Mid-term
Revenue growth (at constant currency)	+3.5% to +4.0%	+5.0% to +7.0%
Operating Margin (% of revenue)	+40 to +80 bps vs 2020	11% to 12%
Free cash flow/ cash conversion (% of operating margin)	€550m to €600m	> 60%



Pivoting Atos

- ▶ Full effect of Spring transformation to accelerate growth
- ▶ 65% of revenue in Digital, Cloud, Security & Decarbonization mid-term



M&A Strategy

- ▶ Self-financed bolt-on acquisitions in Digital, Cloud, Security & Decarbonization to accelerate growth
- ▶ Leverage available for larger M&A if in line with growth agenda and mid-term targets

* based on the current macroeconomic scenario of a progressive recovery over the year

SECTION 2

FY 2020 highlights

Atos

2020

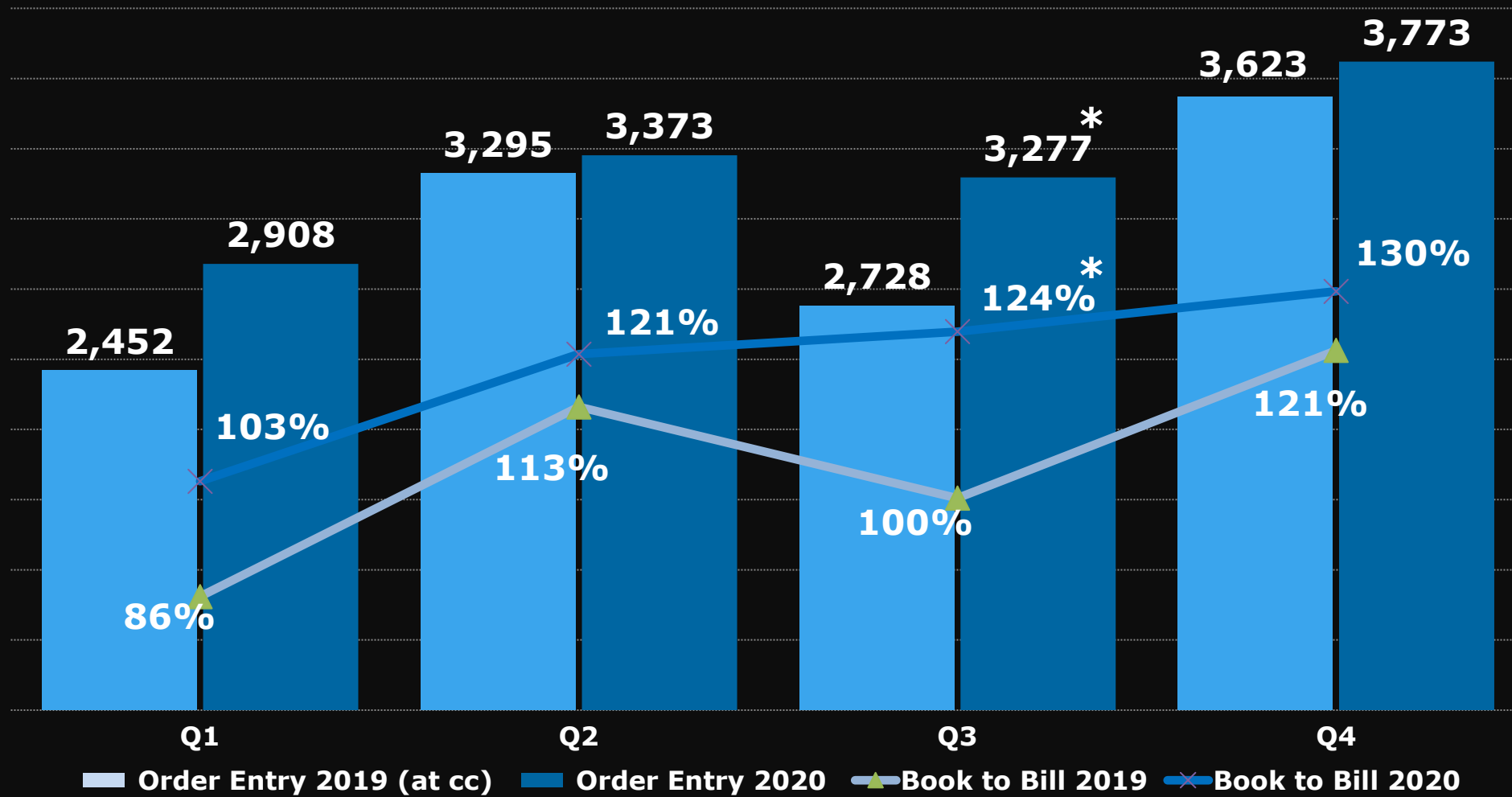
Key Figures

Revenue	OMDA	Operating Margin	Headcount
€ 11,181m -2.3% yoy, constant currency -3.0% yoy, organic	€ 1,661m 14.9% of revenue -70 bps yoy	€ 1,002m 9.0% of revenue -112 bps yoy	104,430 o/w 1,830 from bolt-on acquisitions
Net income	Normalized Diluted EPS	Free Cash Flow	Net Debt
€550m € 414m in 2019*	€ 6.65 € 7.74 in 2019*	€ 513m 51% of operating margin	€ 467m Net debt free assuming the full conversion of the OEB

Proposed dividend at € 0.90 per share

2020

Record High Bookings



* excl. € 3 bn Siemens renewal and expansion

2020

Q4 Main Wins

Manufacturing



Upgrade, harmonize and standardize technology platforms and applications across the globe

Financial Services & Insurance



End to end pension platform and operations including mission critical applications in the Cloud

Public Sector & Defense



Modern and flexible Digital infrastructure

Telecom, Media & Technology



Transform and manage Digital Workplace

Resources & Services



Consumer experience enhanced by edge computing, connected IoT vending machines and AI

Healthcare & Life Sciences



Design, implementation and support of Electronic Health Record System (EHRS)

2020

Technology investments to support mid-term ambition



Full Stack Cloud



Cybersecurity



Quantum



Decarbonization



GAIA-X
Industry Data platform
Cloud EDGE continuum
BareMetal as a service

Digital Identities as a service

Data Sanctuary for Data Sovereignty
Managed Extended Detection & Response

Quantum Learning Machine
First Quantum Applications

Q-Score
NISQ Quantum accelerator for 2023
Quantum safe Cryptography

AtoZero advisory

BullSequana X
Greenest supercomputer ever designed
Grid optimisation, smart metering, smart cities

2020

Key Non-Financial Information

**Net promoter score
from our clients**

65%
vs 59% in 2019

**New Digital
Certifications**

85,216
vs 51,376 in 2019

**tCO2 Emissions /
M€ revenue**

15.4*
reduced by -50%
since 2015

Great Place To Work

65%
+9 points vs 2019
first quartile of Digital
industry

**% of total spend
assessed by Ecovadis**

63%
vs 56% in 2019

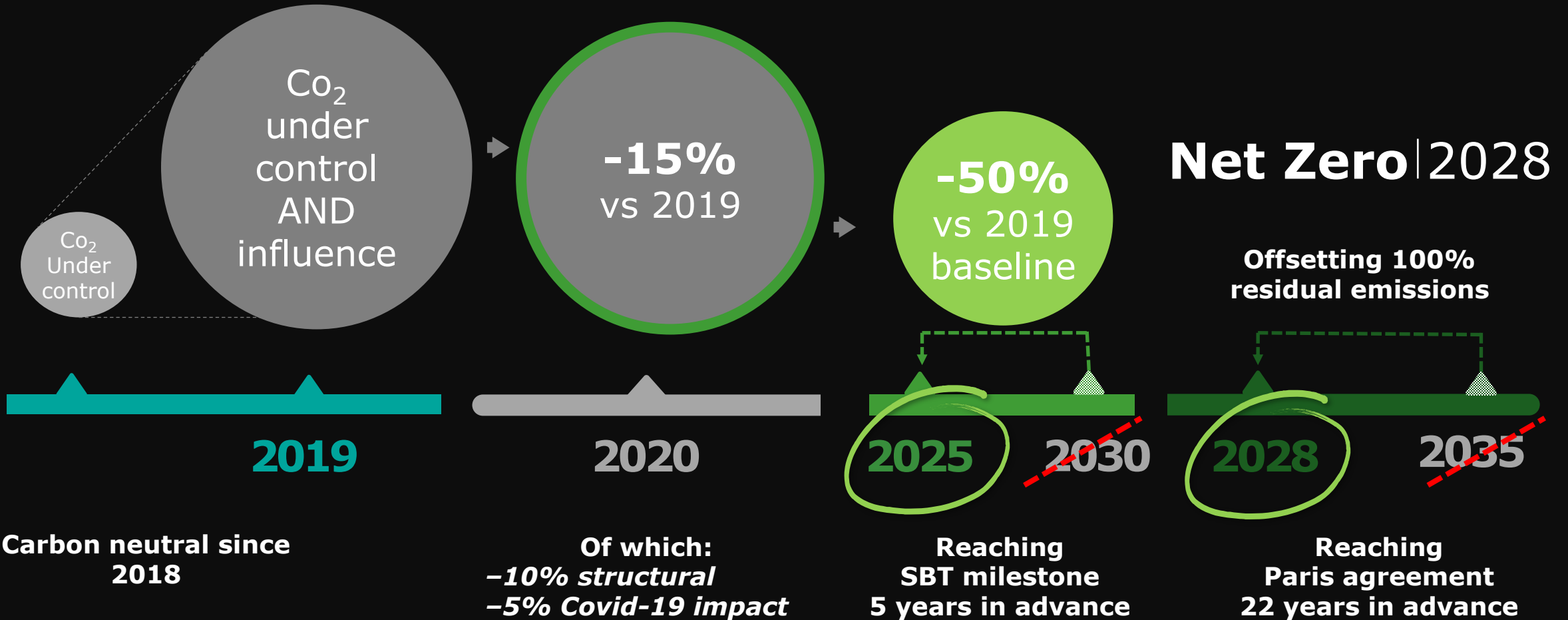
**% of Women in
Executive Management
(top 450)**

30%
from 13% in 2019

* Scopes under control: 1, 2 & 3a; including Covid-19 impact of -2.7 tons / M€ revenue

2020

Net Zero Ambition from 2035 to 2028 – Scopes 1, 2, 3a & 3b



SECTION 3

FY 2020 Performance

2020 Financial Overview

€M	FY 2020	FY 2019	Variation	Variation at constant currency
Revenue*	11,181	11,529	-3.0%	-2.3%
Operating Margin*	1,002	1,163		
<i>% operating margin rate*</i>	9.0%	10.1%	-112 bps	
OMDA	1,661	1,802		
<i>% OMDA rate</i>	14.9%	15.5%	-70 bps	
Normalized Net income**	725	834		
Net income**	550	414		
Free Cash Flow***	513	605		
Net debt	467	1,736		

* 2019 at constant scope and exchange rates

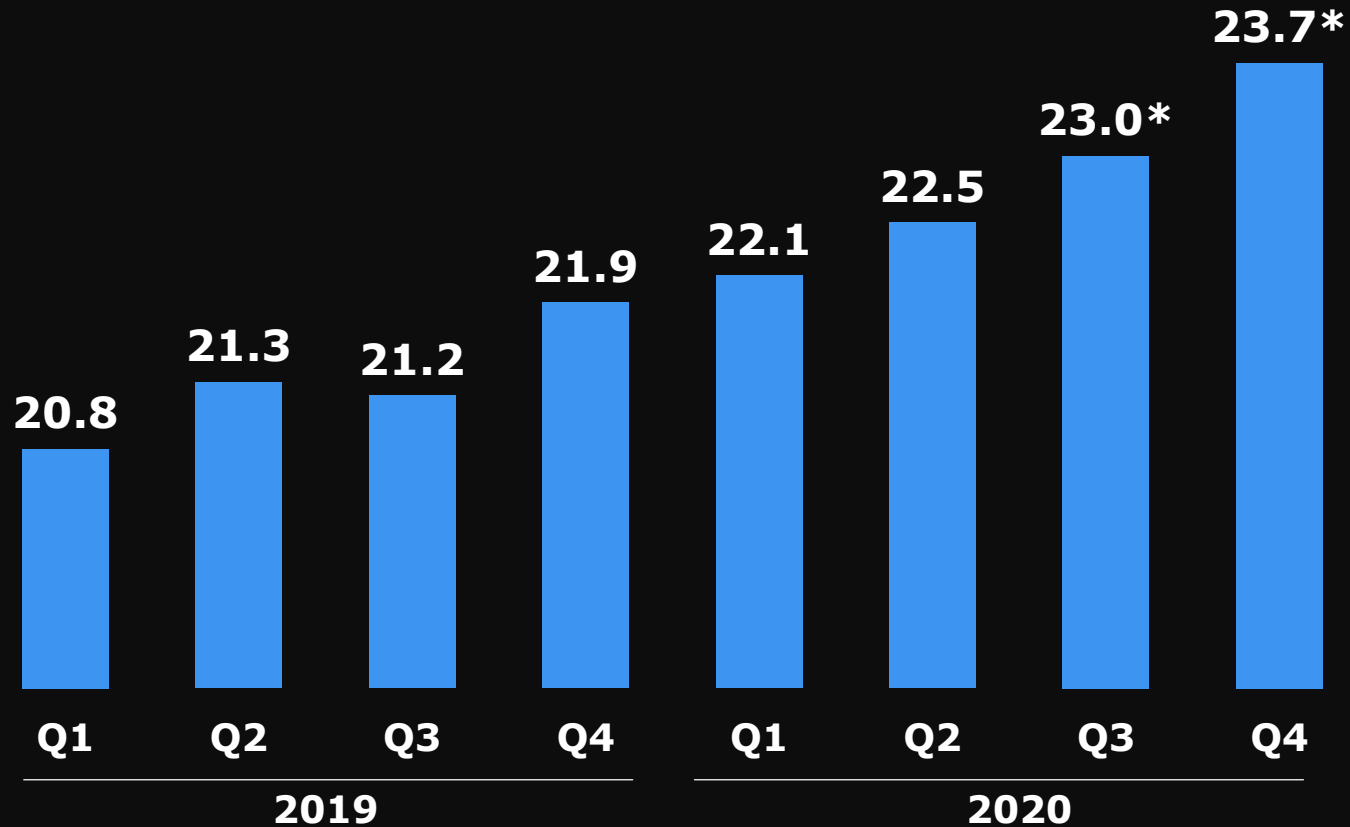
** from continuing operations

*** 2019 excluding € +37 million of one-off item related to the Optional Exchangeable Bond

2020

Backlog Development

Backlog (€ bn), end of period



FY Highlights



Full backlog grew by **+10%** yoy



At Jan 1st, backlog for 2021 + **8%** yoy



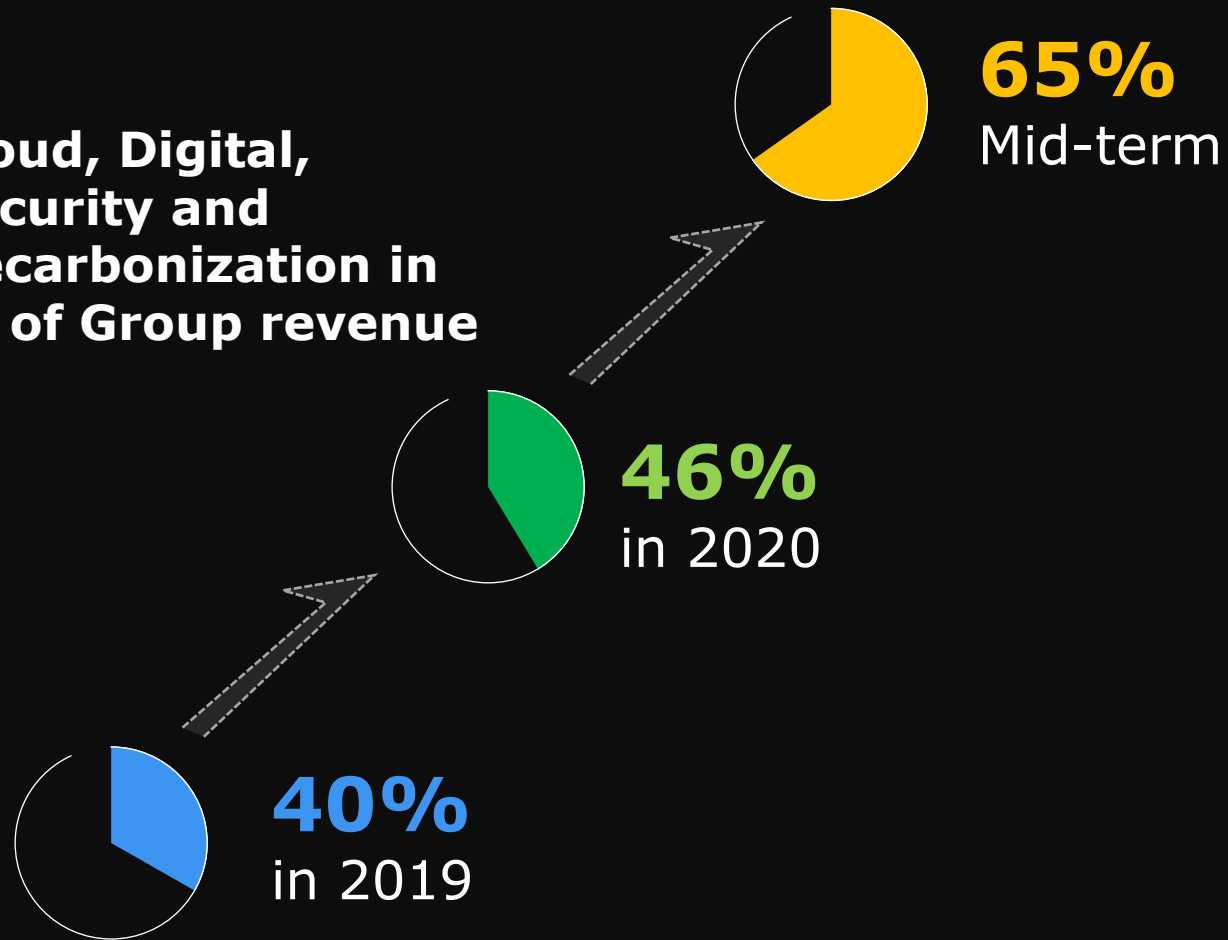
Well balanced across Industries

* excl. € 3 bn Siemens renewal and expansion

2020

Acceleration of revenue mix towards mid-term target

Cloud, Digital,
Security and
Decarbonization in
% of Group revenue



FY Highlights


























>**70%** of pipeline in
Cloud, Digital, Security
and Decarbonization



Reinforced by **10**
acquisitions in 2020

2020

Self Financed M&A

 Maven Wave [™] an atos company		Cloud	 c.2,600 Experts		
		AI and Machine Learning		 >€300m 2019 Annual Revenue	
		SAP for Energy & Utilities			 >10% Revenue growth YoY
		Cyber and IoT Security			
		Managed Detection & Response			
		Decarbonization			
		Salesforce			
		Salesforce and Cloud			
		Cybersecurity Consulting			
		Managed Security Services			

2020

Performance by Industry

€M	REVENUE				OPERATING MARGIN		% OM RATE	
	FY	FY	% YoY	% YoY	FY	FY	FY	FY
	2020	2019*	ORGANIC	@CONSTANT CURRENCY	2020	2019*	2020	2019*
Manufacturing	2,010	2,224	-9.6%	-9.3%	67	124	3.3%	5.6%
Financial Services & Insurance	2,116	2,196	-3.6%	-2.5%	261	299	12.3%	13.6%
Public Sector & Defense	2,565	2,387	+7.5%	+7.5%	259	242	10.1%	10.1%
Telecom, Media & Technology	1,574	1,662	-5.3%	-3.7%	134	132	8.5%	7.9%
Resources & Services	1,627	1,782	-8.7%	-7.9%	121	203	7.4%	11.4%
Healthcare & Life Sciences	1,288	1,278	+0.7%	+1.4%	160	164	12.4%	12.8%
Total	11,181	11,529	-3.0%	-2.3%	1,002	1,163	9.0%	10.1%

* At constant scope and exchange rates

2020

Performance by Regional Business Unit

€M	REVENUE				OPERATING MARGIN		% OM RATE	
	FY	FY	% YoY	% YoY	FY	FY	FY	FY
	2020	2019*	ORGANIC	@CONSTANT CURRENCY	2020	2019*	2020	2019*
North America	2,612	2,781	-6.1%	-2.2%	393	412	15.1%	14.8%
Northern Europe	2,717	2,697	+0.7%	+1.1%	226	266	8.3%	9.8%
Central Europe	2,699	2,763	-2.3%	-3.2%	123	200	4.6%	7.2%
Southern Europe	2,339	2,478	-5.6%	-4.4%	182	209	7.8%	8.4%
Growing Markets	814	810	+0.5%	-4.3%	119	118	14.6%	14.6%
Global Structures	-	-	-	-	-42	-42	-0.4%	-0.4%
Total	11,181	11,529	-3.0%	-2.3%	1,002	1,163	9.0%	10.1%

* At constant scope and exchange rates

2020

Performance by Division

€M	REVENUE			
	FY	FY	% YoY	% YoY
	2020	2019*	ORGANIC	@CONSTANT CURRENCY
Infrastructure & Data Management	6,112	6,301	-3.0%	-2.1%
Business & Platform Solutions	3,832	4,159	-7.9%	-7.9%
Big Data & Cybersecurity	1,237	1,068	+15.8%	+18.6%
Total	11,181	11,529	-3.0%	-2.3%

* At constant scope and exchange rates

2020

Cost containment program

2020 status

Resource costs down **c. - 2%** YoY thanks to hiring and salary containment and subcos rationalization

Travel costs reduced by **c. -70%** YoY

Non-personnel costs down by **c. -2%** YoY

Positive structural effects

Hiring focused on graduates, offshore and experts

Continued actions on replacement of high-cost subcontractors

Travel cost savings to remain at **c. -50%** pre-Covid

Office footprint to reduce by **c. -30%** mid-term

2020 Syntel synergies

2020 Revenue Synergies



353 Deals > € 1M closed in 2020

Secured synergy deals leading to above **\$ 300+ M** revenue in 2021

Leveraging both **Atos and Syntel portfolios/ customer base**

Pipeline at **€ 0.8 Bn**

2020 Operations Highlights



Positive **Customer Satisfaction** trend: Net Promoter Score at **72%**

\$ 70 M run rate margin improvement on business transferred to Syntel

Real estate/ G&A/ Procurement synergies run-rate at **\$ 20 M**

2020 Wins Highlights



Willis Towers Watson Cloud and Digital Workplace, Application Modernization

A major Hospital Trust Digital Workplace, Applications Management, Cloud and Cybersecurity

A multi-national insurer Application management, development and maintenance activities

Nest Full Business Transformation, Apps Management and Cybersecurity

2020

Income Statement (statutory)

€M	FY 2020	FY 2019
Revenue	11,181	11,588
Operating margin	1,002	1,190
Reorganization, Rationalization, Integration costs	-205	-175
Amortization of intangible assets (PPA from acquisitions)	-153	-157
Equity based compensation	-74	-73
Others	80	-125
Operating income	650	660
Net financial expenses	-51	-208
Profit before tax	599	452
Tax charge	-51	-82
<i>Effective tax rate*</i>	8.6%	18.2%
Non-controlling interests	-3	-3
Share of net profit/(loss) of associates	5	47
Net income – Group share	550	414
Normalized net income – Group share	725	834

Impact of Worldline transactions

Disposal of shares through ABO (Others)

- ▶ 2020: Net gain on disposal of 13.1% share capital of € +171 M
- ▶ 2019: Loss on disposal of c. 10% share capital of € -53 M

Fair value underlying 3.8% Worldline stake (Net financial expenses)

- ▶ 2020: € +108 M
- ▶ 2019: 0 as recorded under equity method

Fair value Optional Exchangeable Bond (Net financial expenses)

- ▶ 2020: € -52 M
- ▶ 2019: € -54 M

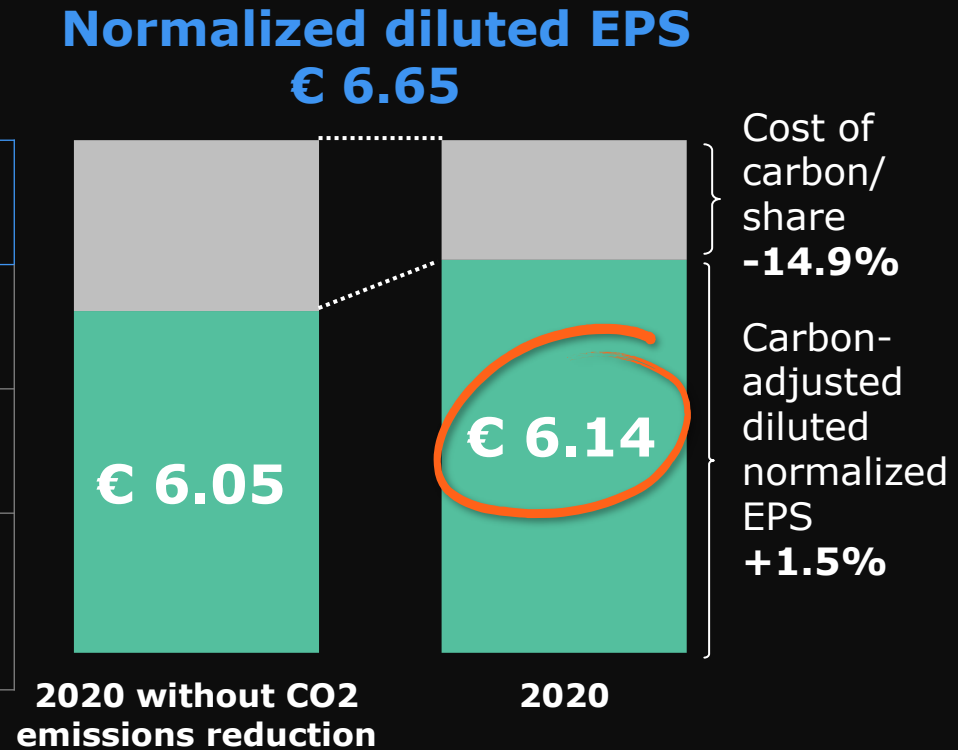
Share of net profit/(loss) of associates (equity method)

- ▶ 2020: from January to the disposal date (Feb)
- ▶ 2019: From May to December

2020

Carbon-Adjusted Normalized Diluted EPS

	FY 2020	FY 2019	Variation
CO ₂ emissions (M tons) (scope 1, 2, 3a & 3b)	2.8	3.3	-14.9%
Cost of CO ₂ emissions* (€/tCO ₂)	20	20	
Total cost of CO ₂ emissions (€M) (scopes 1, 2, 3a & 3b)	56	66	-14.9%



* Average between European and US geographies where the Group operates

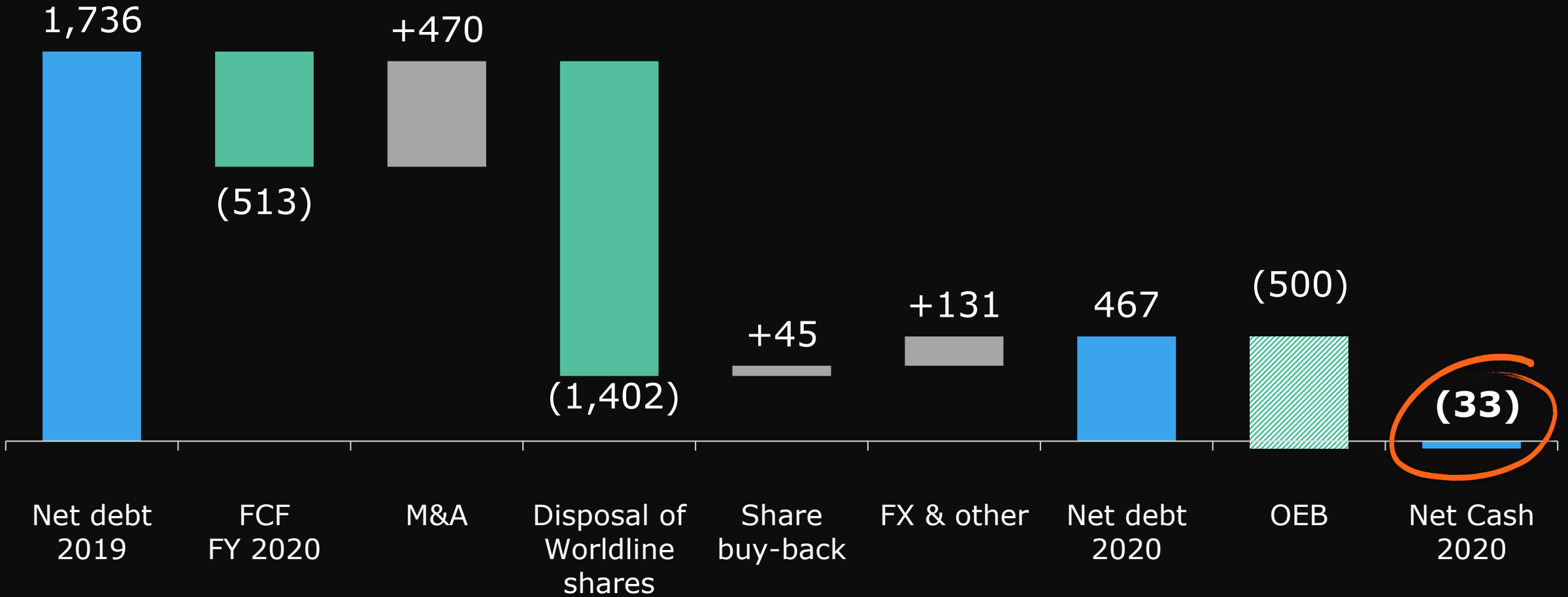
2020

Cash Flow Statement

€M	FY 2020	FY 2019
Operating Margin	1,002	1,190
+ Depreciation of fixed assets	332	334
+ Depreciation of right of use	352	336
+ Net book value of assets sold/written off	15	24
+/- Net charge/(release) of pension provisions	-41	-60
+/- Net charge/(release) of provisions	1	-23
Operating Margin before Depreciation & Amortization	1,661	1,802
Capital Expenditures	-320	-324
Lease payments	-361	-345
Change in working capital requirement	-63	-130
Cash from operations	916	1,004
Tax paid	-113	-99
Net cost of financial debt paid	-33	-64
Reorganization, Rationalization & Integration and acquisition costs	-191	-172
Other changes*	-66	-62
Free cash flow*	513	605

2020

Net Debt Evolution



2020

Headcount Evolution



2021

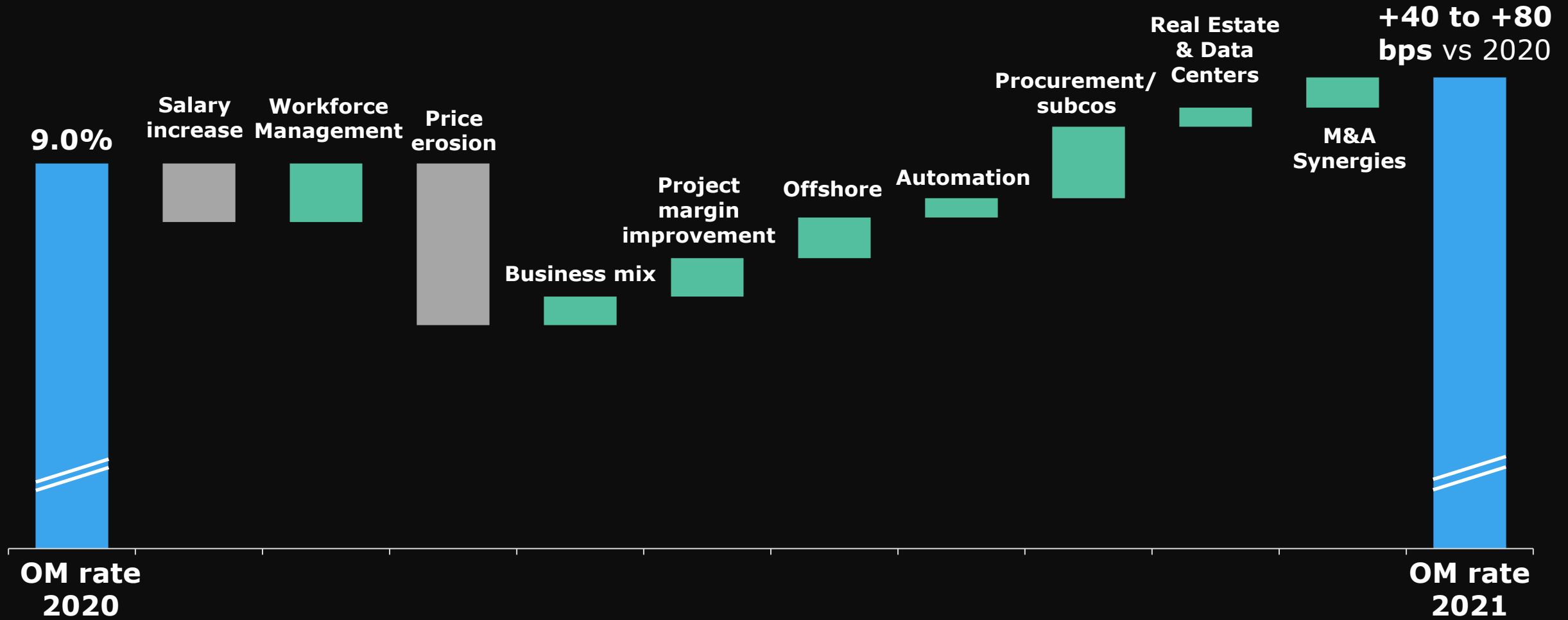
A major step towards mid-term targets

	2020	2021*	Mid-term	
Revenue (at constant currency)	-2.3%	+3.5% to +4.0%	+5.0% to +7.0%	<ul style="list-style-type: none">▶ c. 2% self financed M&A▶ Progressive business mix evolution towards 65% share of: Cloud, Digital, Security and Decarbonization
Operating Margin (% of revenue)	9.0%	+40 to +80 bps vs 2020	11% to 12%	<ul style="list-style-type: none">▶ Back to pre-Covid level in 2022
Free cash flow/ cash conversion (% of operating margin)	€ 513m	€ 550 to € 600m	> 60%	<ul style="list-style-type: none">▶ Reorganization, Rationalization, Acquisition & Integration below 1% of revenue

* based on the current macroeconomic scenario of a progressive recovery over the year

2021

From 2020 to 2021 Operating Margin



2021

From 2020 to 2021 Free Cash Flow



SECTION 4

Conclusion

2021

Main Priorities


Return to organic revenue growth
as soon as Q2

Maintain **high commercial dynamism**
over 2021

Focus on **structural profitability**
actions

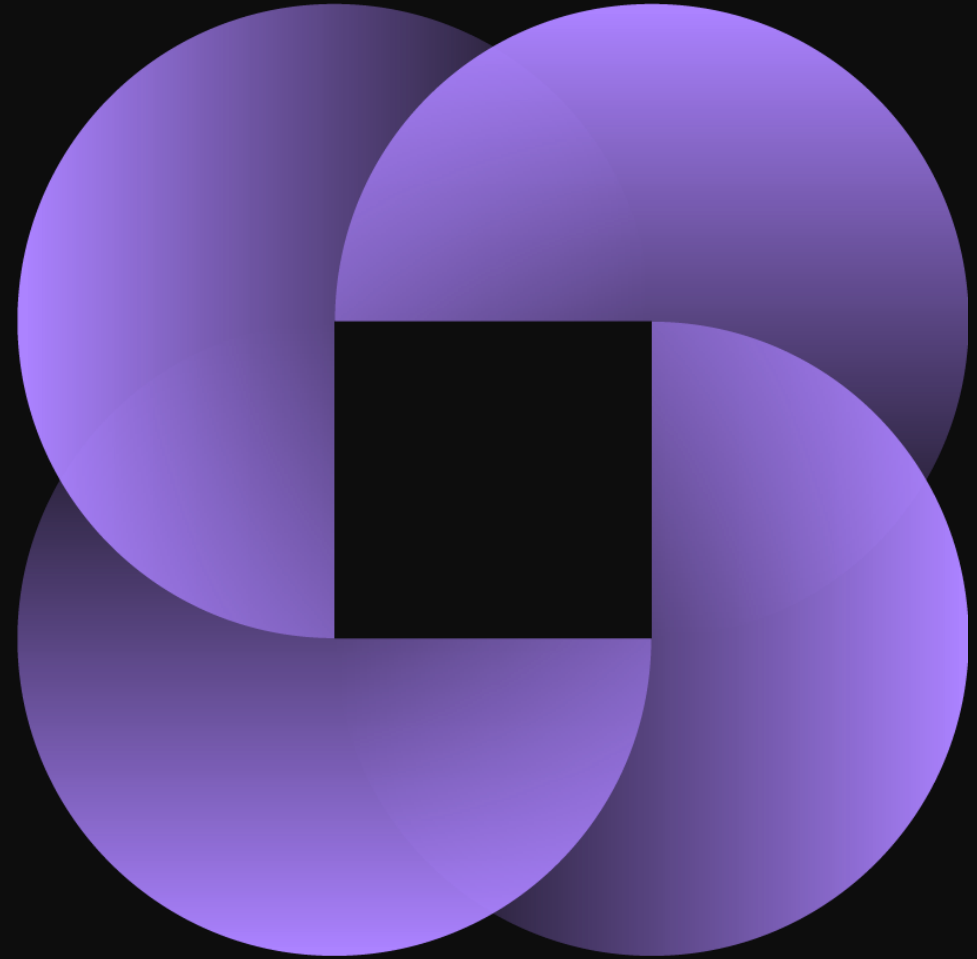
Pursue **pivoting of business profile**
including through **self-financed bolt-on**
acquisitions

Maintain and reinforce **#1 ESG**
position in the Industry **worldwide**



**All actions, programs,
projects performed in 2021
will support our growth
agenda and the achievement
of mid-term targets**

Q&A





Thank
You

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