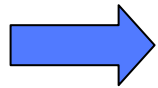




H1 2002 results
Bernard Bourigeaud



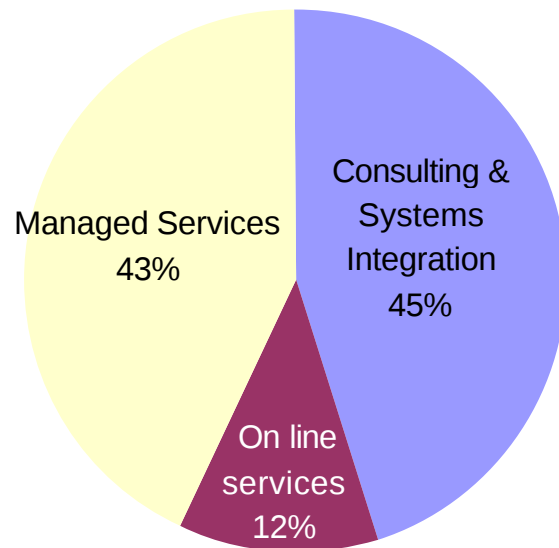
- **GROUP ACHIEVEMENTS**
- **H1 2002 BUSINESS PERFORMANCE**
- **YEAR 2002 OUTLOOK**
- **STRATEGY**

- Operating profit of € 135M (9.1% margin)
- All countries remain profitable
- Organic revenue growth of 1.8% (constant scope)
- Net debt reduced by 23% to € 181M at June 30, 2002
- Atos KPMG Consulting UK & NL
- Disposal of non-strategic assets

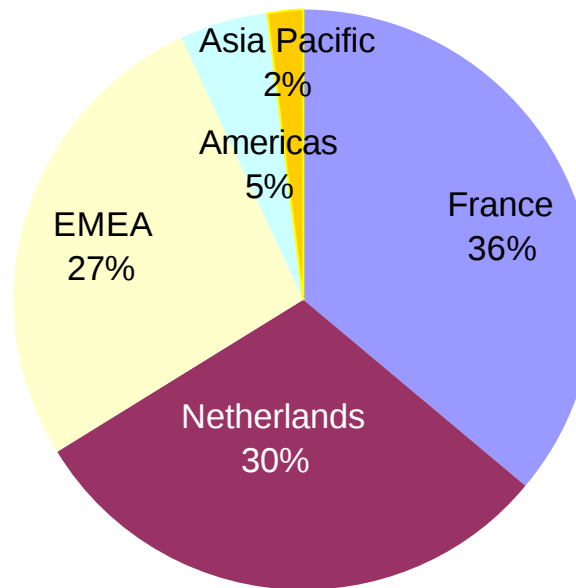
Highly focused on profitability

Atos Origin profile

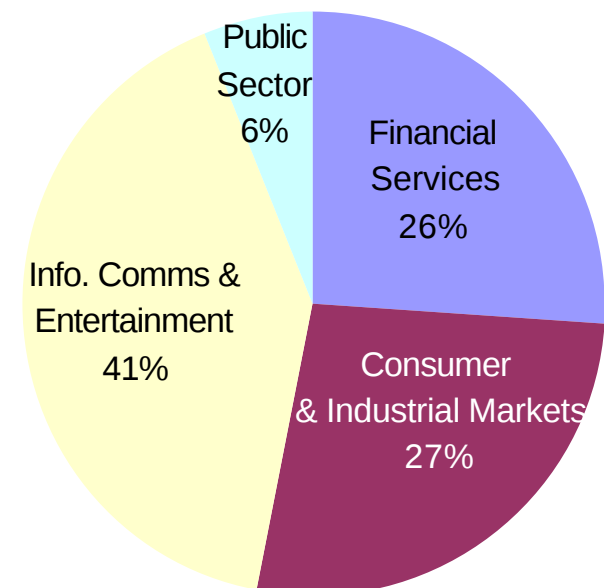
End to end offerings



Global presence



Balanced industry mix



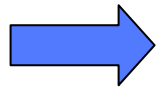
>50% recurring revenue

Strong European base

Focus on global accounts

NB : Based on results for the six months ended June 30, 2002 – Before KPMG Consulting acquisition

- **GROUP ACHIEVEMENTS**



- **H1 2002 BUSINESS PERFORMANCE**

- **YEAR 2002 OUTLOOK**

- **STRATEGY**

Financial performance

In € Millions	H1 2002	H1 2001	% change	H2 2001
Revenue	1,486.7	1,518.0	-2.1%	1,519.6
Revenue (constant scope)	1,486.7	1,459.8	+1.8%	1,484.0
Income from operations	135.1	128.9	+4.8%	132.3
Operating margin	9.1%	8.5%	+ 0.6 pt	8.7%
Net income	61.2	67.3	-9.1%	55.7
EPS before goodwill and non recurring items (€)	1.90	1.76	+7.5%	1.64
EPS after goodwill and non recurring items (€)	1.40	1.54	-9.2%	1.27
Average # employees	26,713	27,239	-2%	27,641
Net Debt	181.4	113.3	+60%	235.1

Operating profit drivers

• Income From Operations – H2 2001	€ 129M	8.5%
• Impact of economic slowdown	€ (46)M	
– Systems Integration suffering		
– Price under pressure		
• Business increase in outsourcing	€ 12M	
• Operational optimisation	€ 25M	
– Resource restructuring		
– Actions to reduce subcontractors		
• Other cost control actions	€ 15M	
– Indirect costs and capex		
– Group purchasing policy		
• Income From Operations – H1 2002	€ 135M	9.1%

Upward trend in profitability

In € Millions	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002	Q2 2002
Revenue	757.0	761.0	722.8	796.8	749.2	737.5
Income from operations	62.1	66.8	61.0	71.3	67.8	67.3
Operating margin	8.2%	8.8%	8.4%	8.9%	9.0%	9.1%

Cash Flow

	In € Millions	Comments	Gearing
Net Debt, Dec 31, 2001	-235.1		49%
Operating cash flow	125.4	8% of revenue	
Capital expenditure	-52.1	-19% vs H1 2001	
Free Cash Flow from operations	73.3		
Reorganisation & restructuring	-24.2	423 staff, 5 sites	
Origin FVA* cash commitment	-6.5	Software licences	
Net Financial investments	-12.4	Mainly KPN EUS	
Disposals	30.5	Premises, Assets	
Other cash items	-7.0	AOwner, Dividends to minority interests	
Net Cash Flow	53.7		
Net Debt, June 30, 2002	-181.4		34%

* Fair Value Adjustment

Balance sheet performance

In € Millions	June 30, 2002	June 30, 2001	Dec 31, 2001
Goodwill	401.7	355.7	405.4
Other fixed assets	324.4	271.1	366.3
Working capital	212.1	246.2	193.3
Capital employed	938.2	873.0	965.0
Equity	538.3	420.3	478.7
Provisions	218.5	339.4	251.1
Net debt	181.4	113.3	235.1
Total financing and provisions	938.2	873.0	965.0
Working Capital / Revenue	7.1%	8.1%	6.4%
Gearing	34%	27%	49%
Return on Capital Employed	14.8%	16.9%	13.5%

Provisions 2002

<i>In € Millions</i>	Provisions			Variance analysis			
	December 2001	June 2002	Change	Release with cash	Release with cash in future	Charge / release operations	Other
FVA* Origin	75.2	56.9	-18.3	-6.5	-0.5	0.0	-11.3
Merger Integration	24.7	5.1	-19.6	-13.1	-6.2	0.0	-0.3
Reorganization	20.2	2.5	-17.8	-11.2	-6.2	0.0	-0.3
Rationalization	3.1	2.3	-0.8	-0.8	0.0	0.0	0.0
Merger integration costs	1.4	0.4	-1.1	-1.1	0.0	0.0	0.0
Operations	58.2	37.0	-21.2	-11.1	-0.5	-6.9	-2.7
Pensions	93.0	119.5	26.5	-1.7	-4.5	4.7	28.0
TOTAL	251.1	218.5	-32.6	-32.4**	-11.7	-2.2	13.7

•Fair Value Adjustments

** of which cash out (see page 9) : € -6.5 M (Origin FVA adjustments) and €-24.2 M (reorganisation and restructuring)

Provisions 2002

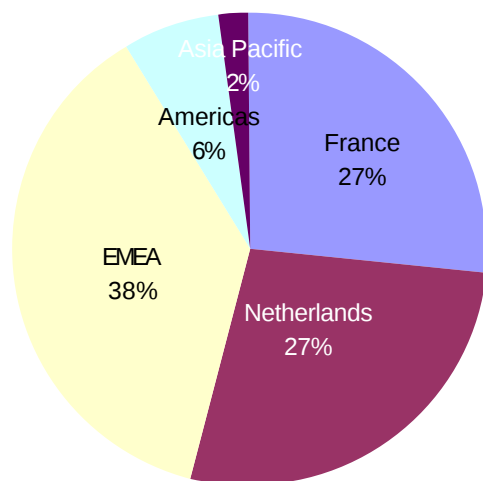
Variance analysis : other

- Fair Value Adjustments Origin
 - Write back of excess software licence provisions to goodwill (€ 4M)
 - Adjustment of provisions for employees and tax risk due to exchange rate in Brazil recorded against equity (€ 7 M)
- Pensions
 - KPN contracts (€ 28 M) as part of the acquired goodwill

Consulting & Systems Integration

Difficult market conditions

In € Millions	H1 2002	H1 2001	% change	H2 2001
Revenue	659.3	775.5	-15.0%	714.0
Revenue (constant scope)	659.3	767.2	-14.1%	714.0
Income from operations	49.5	66.3	-25.3%	67.4
Operating margin	7.5%	8.5%	-1.0 pt	9.4%
Average headcount	14,417	14,571	-1%	14,643



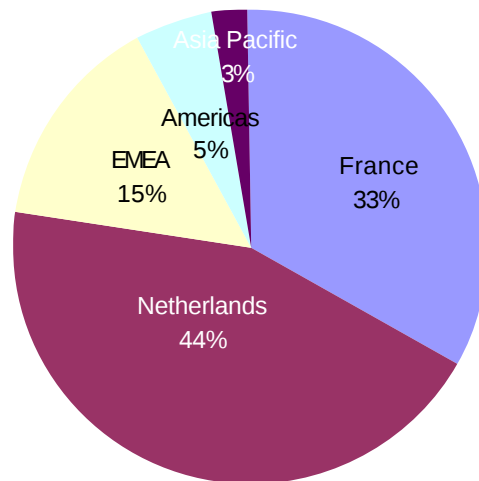
NB : include Application lifecycle Management (€ 11 M)

- Netherlands and Belgium suffered
- France and UK stable
- German and Italian markets very weak
- Plan of action to limit volume and pricing effects on profitability :
 - Reduction of subcontractors
 - Restructuring
- Solid ERP operations provide 39% revenue
- Average utilization rate : 73%

Leadership confirmed

In € Millions	H1 2002	H1 2001	% change	H2 2001
Revenue	645.0	528.0	+22.2%	591.8
Revenue (constant scope)	645.0	525.0	+22.9%	519.8
Income from operations	81.8	60.8	34.6%	67.1
Operating margin	12.7%	11.5%	+1.2 pt	11.3%
Average headcount	9,135	7,021	+30%	7,605

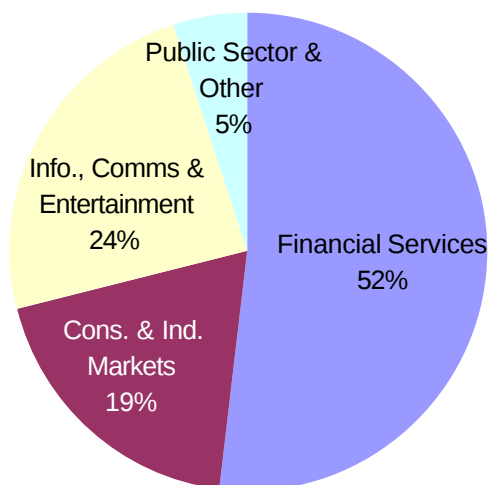
- Good market trend to outsourcing
- Netherlands and France grew by 56% and 25%
- Streamlining of datacenters and purchasing actions
- KPN Datacenter & End User Services : profitability on track
- Full backlog at 2.6 years



On track to meet targets

In € Millions	H1 2002	H1 2001	% change	H2 2001
Revenue	182.4	214.5	-15.0%	213.8
Revenue (constant scope)	182.4	167.6	+8.8%	178.3
Income from operations	21.7	23.4	-7.1%	21.4
Operating margin	11.9%	10.9%	+1.0 pt	10.0%
Average headcount (CC)	3,059	2,828	+8%	2,582

- 19% growth in payment processing
 - Sustained activity in France
 - New clients in Germany
- Stable performance of multimedia activities
- Non recurring expense for euro transition
- CCC disposal impacts favourably on profitability



All countries remain profitable

In € Millions	Revenue H1 2002	Revenue H1 2001	% change	Operating margin	Average headcount
France	543.3	492.7	+10.3%	10.6%	8,555
Netherlands	440.6	381.3	+15.6%	14.0%	7,654
EMEA	396.9	438.8	-9.6%	6.9%	7,815
Americas	75.5	117.3	-35.6%	5.3%	1,440
Asia Pacific	30.4	37.0	-17.8%	6.9%	1,147
Corporate				-1.2%	102
Disposed operations		50.9			
Total Group	1,486.7	1,518.0	-2.1%	9.1%	26,713

Country highlights

- France
 - Outsourcing up by 25%,
 - C&SI decline limited to 2%
 - On Line Services grew by 9%
 - Recurring revenue > 50%
- Netherlands
 - Outsourcing soars 56% with the KPN success story
 - Tough impact from the market for C&SI, including Philips
 - Well balanced operations : recurring revenue > 50%

Country highlights (Continued)

- EMEA
 - Difficult market environment hits C&SI
 - Buoyant payment processing in Germany
 - Large ERP rollouts in the Middle East for oil & gas companies
 - Priority on profitability, with further actions in Germany, Italy, UK, Spain
- Americas & Asia Pacific
 - Focused USA operations and further projects for European clients
 - Developing our existing offshore business in India and expanding China
 - Economic turmoil in South America with unfavourable exchange rates

Focus on vertical markets

- Slight decrease in Financial Services
- KPN contracts greatly offset overall Telco market slowdown
- High-Tech impacted by Philips decline
- Industries : strong growth in oil sector
- New contracts in Retail & CPG, especially in the UK
- Promising foothold in Public Services

H1 2002 business performance

- Top 42 global accounts represent 58% of revenue
- Global accounts (excl. Philips) grew at >20%
- Philips :
 - Revenues 23% lower at € 220M
 - Improved market share
- KPN's additional contracts
- Euronext's cost reduction program

Building-up a strategic alliance

	Revenue	Consolidation	Staff transferred	Assets taken over	Price	Comments
Datacenter	€ 1,100 M 6 years	Oct 1, 2001	> 1000	7 datacenters	€ 163 M	- Revenue guaranteed : € 1.1 B - DSO 30 days
End User Services	€ 300 M 6 years	Jan 1, 2002	> 800	25,000 workstations and servers	€ 12 M	- Revenue guaranteed : € 300M - DSO 30 days
Software House	> € 60 M per year	Sept 1, 2002	> 600	n.a.	€ 32 M	- Utilization rate guaranteed (73.5%) - DSO 30 days

Design, Build & Run

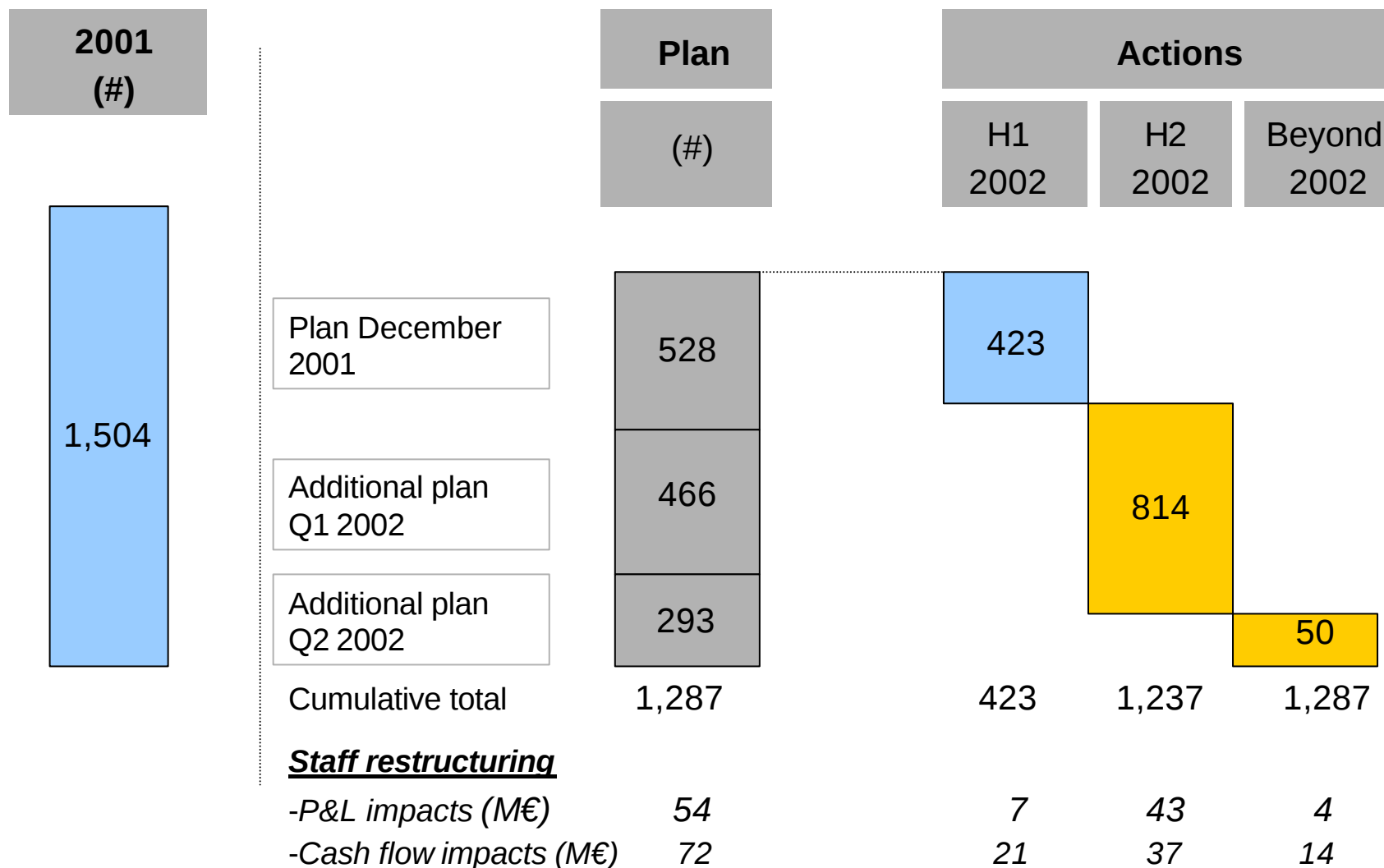
Headcount

Headcount at December 31, 2001	26,278
Operations taken over (e.g. KPN)	+ 1,007
Hiring	+1,660
Leavers	- 1,189
Reorganisation & restructuring	- 423
Other out*	-681
Headcount at June 30, 2002	26,652

- Hiring policy aligned with the economic environment
- Turnover : 8.9%
- Subcontractors reduced from 2,130 to 1,380 in H1 2002

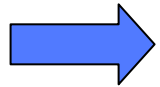
* Other departures unrelated to the restructuring program, at the end of trial periods or fixed term contracts

Staff restructuring actions

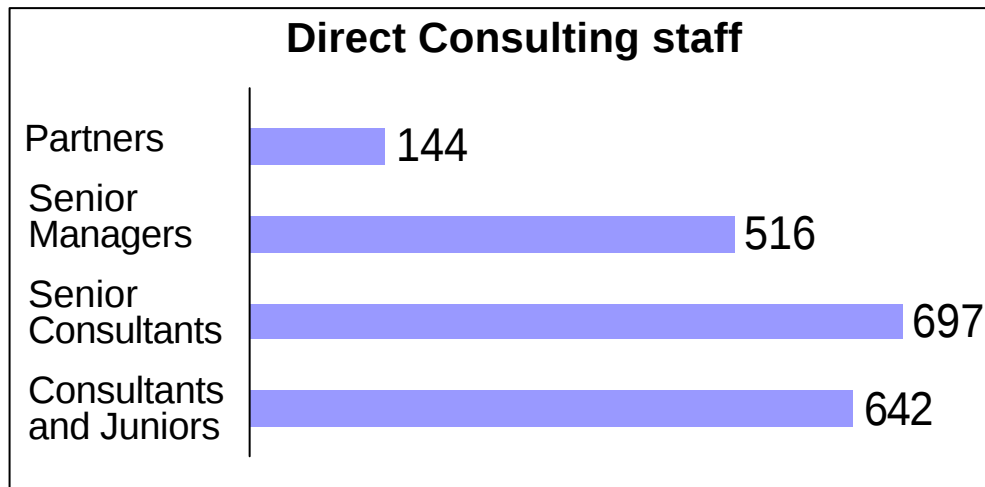


*NB : Do not include any restructuring of Atos KPMG Consulting UK or NL

- **GROUP ACHIEVEMENTS**
- **H1 2002 BUSINESS PERFORMANCE**
- **YEAR 2002 OUTLOOK**
- **STRATEGY**

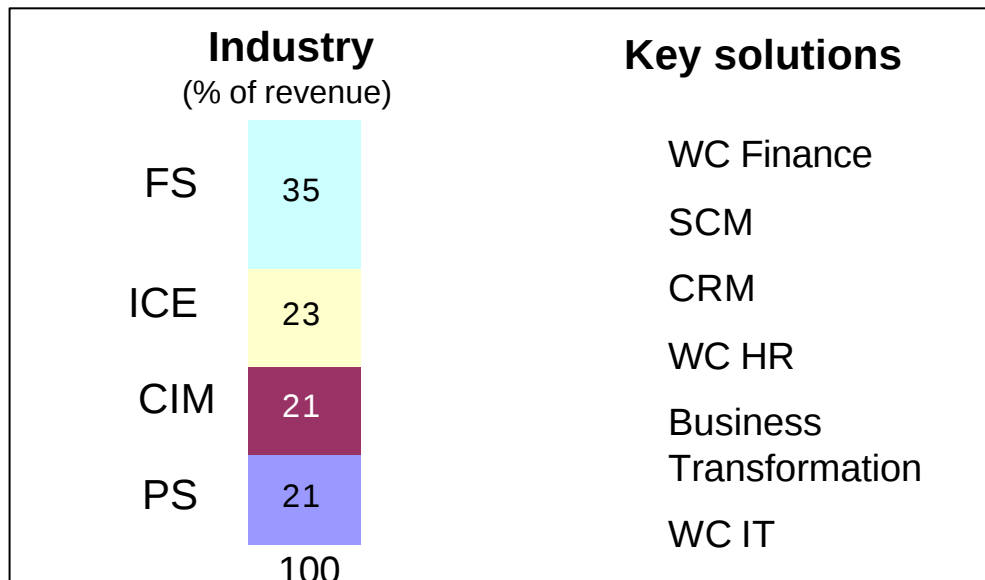


KPMG Consulting UK & NL



Performance

<i>In Millions €</i>	H1 2002
Revenue	298
Income from operations	26.8
Operating margin	9.0%
Total staff	2,765



- Highlights**
- Strong management capabilities
 - Performance based compensation
 - Market driven organisation
 - Strong Financial Services position
 - Fast growing Public Sector presence
 - Focus on global account management
 - Blue chip client base

A major strategic move

- Excellent platform of consulting operations in Europe
- Strong brand recognition in the UK and NL
- Significant presence in the UK
- Market leadership in the Netherlands
- Atos Origin was selected as the best partner

Transaction structure

✍ Total consideration : € 659 M

- Cash : € 424 M financed by long term debt
- 3.66 M new shares @ € 64.2 : € 235 M
- Shares will be issued as ORA's, converted 1 year after closing

✍ Shareholder dilution

- Issued share capital will increase by 8.3%
- Earn out : max 1.4 M new shares to consulting partners

- Set-up the new organisation
 - New organisational structure in place from day 1
 - Consultants involved in Market, Account and Solution management
 - Budget review in Q3 2002
 - Disentanglement of shared services during 2002/2003
- Synergies
 - Joint client visits
 - Joint commercial proposals
- Closing on August 16, 2002 due to delayed regulatory approvals
 - Consolidation from September 1, 2002
- Additional restructuring plan launched this Summer
 - Approximately 250 staff, € 20 M restructuring costs

Syndicated loan

A € 840 M loan facility in place from August 6, 2002

Allocation	In € M	Tranches	Conditions
Acquisition KPMG Consulting UK & NL	424	n°1 € 475 M	5 years
Acquisition costs	20		
Redeemed debt	31		
Existing debt refinanced	100	n°2 € 150 M	4 years
KPN Software House	32		
KPMG Consulting UK & NL : advance of restructuring expenses	18		
Long Term financing facility (not used)	215	n°3 € 215 M	3 year fixed term
Total	840		

Debt calendar

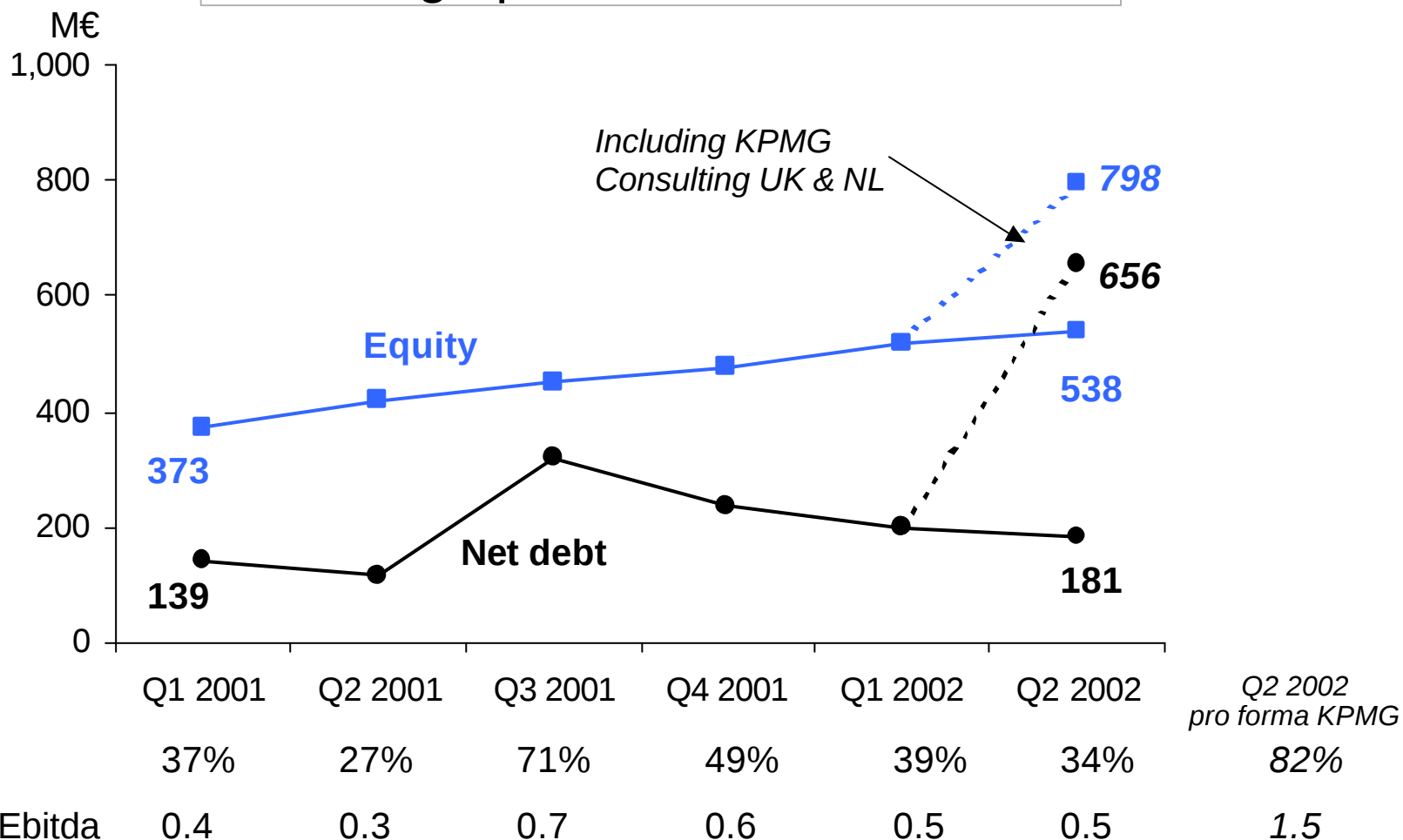
August 2002

In Millions €	Total August 2002	Repayment term				
		2002	2003	2004	2005	Beyond 2005
Convertible bonds	-173.0			173.0		
Finance leases	-19.3	3.3	9.3	6.1	0.6	
Long-term borrowings	-622.7	0.0	100.0	150.0	150.0	222.7
Other borrowings	-12.5	0.5	1.3	1.9	3.2	5.6
Total Borrowings	-827.5	3.8	110.6	331.0	153.8	228.3
Transferable securities	84.4					
Cash at bank and in hand	82.2					
Total cash and cash equivalents	166.6					
Total net debt	-660.9					

Free cash-flow after capex 2002F : € 150 M

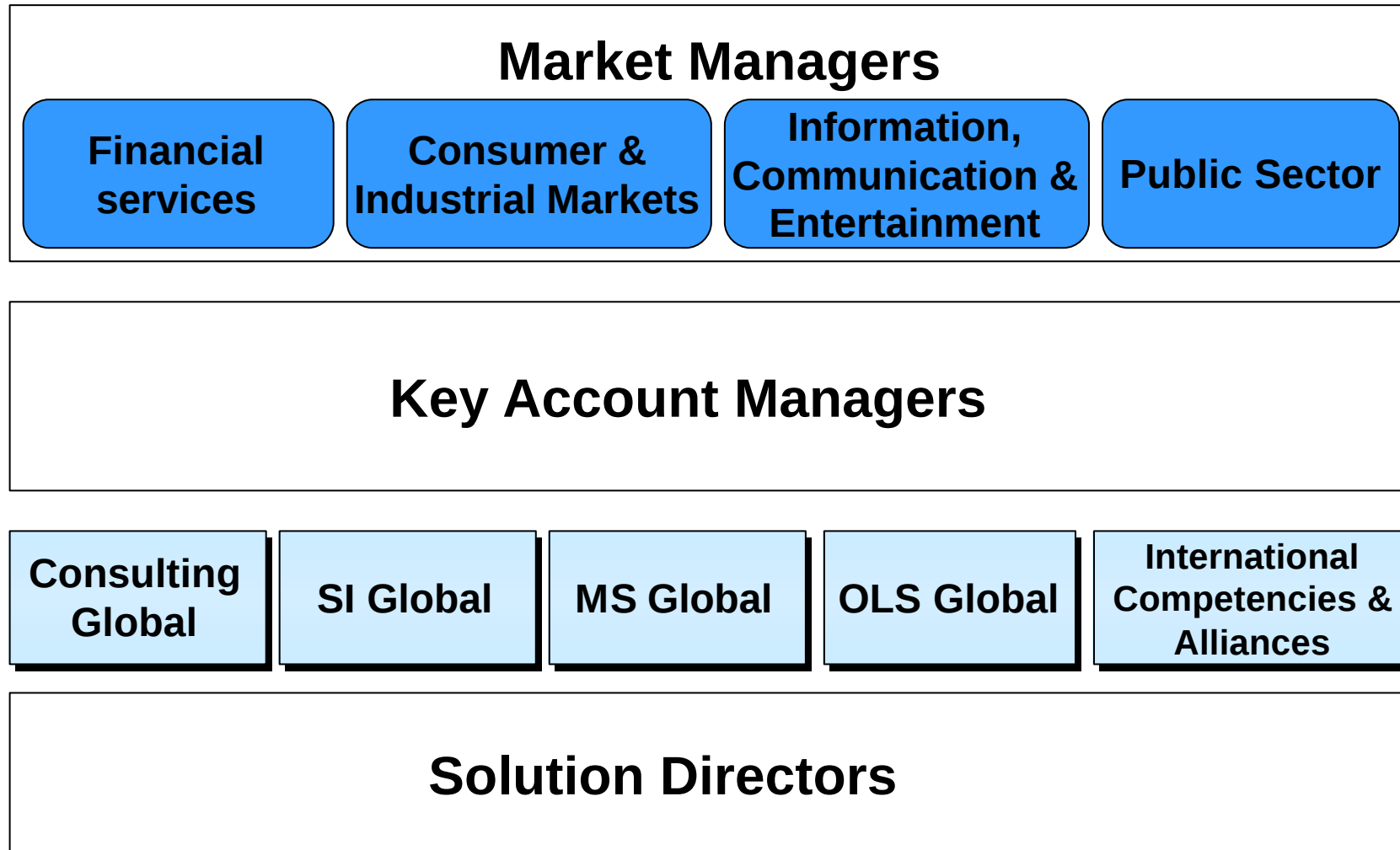
Gearing evolution

Strong operational cash inflow



Management Board

- Bernard Bourigeaud, CEO *French*
- Wilbert Kieboom *Dutch*
- Dominique Illien *French*
- Tim Lomax *Canadian*
- Jeremy Anderson *English*
- Eric Guilhou, CFO *French*
- Jans Tielman, HR & C *Dutch*





Inform, Comm. & Entertain.

Philips (Worldwide)
Lucent (8 countries)
France Telecom (France, UK)
KPN (Netherlands)
Vodafone (2 countries)
Vivendi Universal (France, UK)
Flextronics (2 countries)
Telefonica (Iberia, Lat. Am.)
Canon (UK)
Siemens (France, Germany)

Consumer & Indus. markets

Philip Morris (10 countries)
Procter & Gamble (10 countries)
Unilever (9 countries)
PPR (France)
Akzo Nobel (Worldwide)
Acordis (3 countries)

Alstom (6 countries)
FIAT (France, Italy)
Novartis (4 countries)
ICI (6 countries)
Aramco (Middle East)
Sabic (Middle East)
BP (UK, Mle East, NL)
ENI (Italy)
Exxon Mobil (7 Countries)
Shell (12 countries)
Total Fina Elf (France)
Peugeot (France)
Renault (France)
DSM (Netherlands)
Repsol (Iberia, Lat. Am.)
Novartis (Switzerland)
EDF (France)
Eneco (NL)

Global clients

Financial Services

ABN Amro (Frce, Brazil, NI, UK)
BNP Paribas (France)
Credit Lyonnais (France)
Fortis (France, Belux, NI)
HSBC - CCF (France)
Deutsche Bank (Ger.,Sp., UK)
ING (Netherlands, Belux, UK)
Société Générale (Frce)
Axa (Fce, Belux, UK, Germ.)
Euronext (20 countries)
Rabobank (Netherlands)
Royal Bank of Scotland (UK)
Prudential (UK)
CGNU (UK)

Public Sector

ANPE (France)
Ministries (NI, UK, France)
NHS & Loc. Authorities (UK, NL)

The Joint-Venture model

Joint-Venture	Nature	Group's control stake
Atos Euronext (France, Benelux)	Financial services IT processing	50%
Atos Origin Middle East	IT services	75%
AOPS services gmbh	Payment transaction processing	52%
A2B	Desktop services outsourcing	85%
Atos TPI	Remote IT management	51%
Bourse Connect	Stock Exchange IT network services	59%
Diamis	Interbank systems integration	60%
Twinsoft Spain	IT Services	50%

- 15% Group revenue
- 16% Group income from operations

2002 business outlook

Total group backlog

	Dec 2001				June 2002	
	Total Backlog	Revenue H1 2002	Order entry H1 2002	Change of scope	Total Backlog	
	(M€)	(M€)	(M€)	(M€)	(M€)	(Year)
Consulting				99	99	0.2
Systems Integration	830	-659	587		758	0.6
Managed Services	3,320	-645	662		3,337	2.6
On Line Services	760	-183	192		769	2.1
Total Atos Origin	4,910	-1,487	1,441	99	4,963	1.4

Profit improvement plan

Launched in the aftermath of the merger

- **Matching of staff resources to demand**
 - 2,800 staff involved since late 2000 (10% total workforce)
 - 70% achieved as of June 2002, of which 423 occurred since January 2002
- **Building efficient business support organizations**
 - Indirect cost ratio improved to 18.5% of revenue
 - Financial management system rollout in France, Netherlands, UK, Germany
- 45 out of 58 premises and data centers rationalized
- Reduced subcontractors from 2,240 in June 2001 to 1380 in June 2002
- Purchasing organisation in place in 2001
 - Savings reached 0.4% of revenue in H1 2002 and aim at 1% revenue

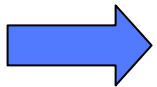
- Established a syndicated loan
- Broadening our European cash pooling system worldwide (end 2002)
- Tightened capital expenditure
 - 3.5% of revenue in H1 2002 vs 4.3% in H1 2001
- Non core assets and businesses disposal program
 - € 120 M cash generated
- Working capital management
 - From 9.7% revenue in FY2000 to 7.1% (H1 2002)
 - Constant pressure on DSO : reduced to 73 days (June 2002)
- Full staff restructuring costs € 170 M since 2000
 - Remaining part as of June 2002 : € 51 M

FY2002 financial outlook

- 3-5% revenue growth
- Operating margin aligned with our H1 2002 performance at 9.1%
- Including Atos KPMG Consulting from September 1, 2002

- Action plan for Operating Margin
- Action plan for Cash/Debt
- Integrate KPMG Consulting UK & NL
- Leverage market, Global account, solution management

- **GROUP ACHIEVEMENTS**
- **H1 2002 BUSINESS PERFORMANCE**
- **YEAR 2002 OUTLOOK**



- **STRATEGY**

- Macroeconomic environment still flat
- IT industry in consolidation phasis
- No signs of recovery in Consulting & Systems Integration
- Critical size in outsourcing makes the difference

- End to end service offerings
- Balanced mix of consulting, build and run
- Capitalize on industry sector knowledge
- Develop a focused management consulting practice
- Focus on clients
- Leverage strong HR management

Build on global presence

**A client centric company with global operations
... powered by people**