

Atos Origin 2001 Annual Results:

OPERATING PROFIT INCREASES BY NEARLY 50%

Atos Origin, a leading European information technology services provider, today announced results for the year ended 31 December 2001. Revenues increased by 7.3%, to EUR 3,038 million and net income after goodwill amortisation was EUR 123 million, an increase of 74% compared with the previous year. The merger has been completed in record time and the financial results are ahead of the targets we set at the time of announcing the merger.

In Euro Millions	FY 2001	FY 2000	% change
Revenue	3,038	2,830	+ 7.3%
Income from Operations	261.2	175.2	+ 49.1%
Operating margin %	8.6%	6.2%	+ 2.4 pts
Net Income	123.0	70.5	+ 74.5%
EPS before Goodwill (Euros)	3.34	2.06	+ 62.1%
EPS after Goodwill (Euros)	2.81	1.61	+ 74.5%

Extracts from the statement by Bernard Bourigeaud, Chairman of the Management Board and Chief Executive Officer:

"Merger completed in Record Time, Financials on Track"

"2001 was a milestone year for the company, during which the merger between Atos and Origin was completed in record time.

Our main financial focus has been, and continues to be, the profitability of the business. In 2001 we surpassed the target that we set ourselves at the time of the merger by achieving an operating profit of EUR 261 million, which was nearly 50% higher than a year ago. The operating margin was 8.6 per cent, compared with 6.2 per cent in 2000. Net income after goodwill amortisation was EUR 123 million, compared with EUR 70.5 million, an increase of 74 %.

The new company's operations have been radically reorganized and the financial results for 2001 demonstrate the substantial benefits that have been achieved. Immediately following the merger we acted swiftly to stem operating losses in several countries and to dispose of low-margin businesses. Corporate costs were halved and direct and indirect costs reduced substantially, thereby delivering better utilisation and productivity across all of our businesses. We have also exploited the enhanced purchasing power of the new group to reduce costs in 2001, and negotiated significant follow-on savings that will take effect in 2002.

"Success in a Tough Environment"

Total group revenues increased to EUR 3,038 million, compared with EUR 2,830 million in 2000, which was an increase of 7.3 per cent. This result was achieved in spite of the fact that trading conditions in North America and Asia Pacific were tough throughout the year, and became more difficult in Europe during the second half. Revenue growth in our Managed Services business was strong but activity in Consulting & Systems Integration and On-Line Services was comparatively flat, in line with experience throughout the sector. The main exception was enterprise resource planning (ERP), where there was solid demand for the company's substantial SAP implementation capabilities.

Considerable time and attention has been devoted to strengthening our global client relationships and account management program and to building up our International Competence Centre (ICA), which supports the roll-out of major contracts. The global account program, which now focuses on the top 42 customers and contributes more than 55% of total group revenues, had tremendous success. Excluding our largest client, Philips, revenue growth among this key group was more than 25% in 2001.

"Significant Commercial Wins"

During 2001 the company won a major contract with KPN, the Dutch telecommunications provider, to take over its Datacenter operations. The 6-year contract will generate revenues of EUR 220 million in 2002, with a guarantee of not less than EUR 1.1 billion during the first six years.

In recent months we have been negotiating for additional business with KPN, which is now our second largest customer after Philips. Last month we signed a letter of intent to manage desktop support operations for KPN. I expect to be able to announce full financial details for this contract at completion, which should take place before the end of April 2002.

"Concentrating on Core Activities"

At the time of the merger I said that we intended to dispose of businesses with annual revenues of approximately EUR 200 million. So far we have completed the disposal of operations generating revenues up to a value of EUR 130 million per annum and there are several other activities that we intend to divest during 2002.

"A Continuing Focus on the Bottom Line"

In 2002 we expect that there will be further opportunities in the outsourcing market, but that trading conditions in Consulting and Systems Integration will continue to be difficult. It is for that reason that we reduced our indication for overall revenue growth this year to between 7-9%. At the same time, however, we are maintaining a tight rein on the company's cost base and a strong focus on raising the operating profit margin to 10%, which is our principal target in 2002.

We are rigorously managing recruitment, staff turnover and utilisation levels, and are currently in the process of reducing significantly the number of subcontractors. We have taken steps to reduce cost still further through the effective use of central purchasing. We expect these and all other actions above to have a positive impact on operating margins early in 2002.

"Strategy - A Client-centric Company with Global Operations"

The IT services industry is undergoing a period of consolidation in response to the increasingly global nature of business activity. In Atos Origin our strategy is directly derived from the strategies of our clients. We already have a large base of global clients and it is important that we extend our business so that we are able to provide end-to-end solutions in the key geographies and industry sectors where we operate.

Because we believe it will provide competitive advantage, we want to retain a balance between Managed Services - with its long-term recurring revenues and good order book visibility - and the Consulting and Systems Integration business, with its potential for rapid growth. In order to improve the knowledge we have of our client's business, we want to build a strong and focused consulting capability to help us leverage our IT activities.

The most important strategic priority is to increase our size in Germany and the UK. Together with our existing strengths in France and the Netherlands this will create a leading IT service company with significant presence in the four main European markets. The USA and Asia Pacific are key areas for expansion in the future, once we have consolidated our position in Europe.

About Atos Origin

Atos Origin is a leading international business and technology integrator. Its business is turning client visions into results through the application of management consulting, enterprise, e-business and outsourcing solutions. The company has annual revenues of more than EUR 3 billion, operates in more than 30 countries worldwide and has 27,000 employees. Atos Origin's clients include ABN-Amro, Alstom, BNP Paribas, Euronext, Fiat, ICI, Lucent, Philips, Renault, Saudi Aramco, Shell, Unilever, Vivendi Universal and Wolters Kluwer.

For more information, please visit the company's web site at <http://www.atosorigin.com>