

Atos Origin acquisition of SchlumbergerSema

Creating a European IT leader and world player

Atos Origin today announced that it has signed an agreement to acquire the core IT services activities of SchlumbergerSema from Schlumberger. The agreement, which is expected to be completed no later than January 2004, is subject to regulatory approvals and approval by the shareholders of Atos Origin.

The transaction will create one of the leading global IT services companies, with combined annual revenues in excess of EUR 5 billion.

Highlights of the deal are as follows:

- * Creating a global organisation with annual revenues of more than EUR 5 billion
- * A combined workforce of 50,000 staff operating in 50 countries
- * The new group will have a major presence in the critical UK market
- * Together with a strong foothold in all key European markets.
- * Reinforced presence in Outsourcing and Public Sector

Atos Origin and SchlumbergerSema have complementary geographic operations and key competencies, and the deal will strengthen the new company's offerings to its extended base of clients.

Business Rationale

Atos Origin's primary strategy is to establish a strong and balanced presence in all of the major IT spending markets of Europe, in order to be able to provide comprehensive IT support services for its multinational client base. The acquisition of SchlumbergerSema creates an organisation with a leading presence in the IT services markets in France, Benelux, the United Kingdom, Spain and Italy and Atos Origin remains intent on achieving critical mass in the Central Europe region. The deal complements Atos Origin's strategy of providing extended support operations for its multinational clients in The Americas and Asia Pacific.

Financial Structure

As consideration for the purchase of SchlumbergerSema, Atos Origin will deliver 19.3 million shares to Schlumberger including 0.3 million treasury shares, representing 28.9% of the outstanding capital of the combined group, together with EUR 400 million in cash. The transaction, based on the volume weighted average price of Atos Origin shares for the 20 days preceding September 19th, 2003 (EUR 45.9), values the purchase consideration at EUR 1,287 million.

Subsequent to closing, Schlumberger intends to reduce its shareholding in Atos Origin to 19%, which will improve Atos Origin's free float and stock liquidity.

As a result of this transaction Philips' shareholding will be diluted from 44.7% to 32.0%

Benefits of the Deal and Funding Structure

Schlumberger has agreed in principle to enter into an IT services agreement with Atos Origin with minimum revenues of US\$700 million, subject to final agreement on pricing and service levels.

During the remainder of 2003, SchlumbergerSema's existing restructuring plans will be accelerated. Atos Origin intends to execute its merger plans rapidly, thereby achieving incremental top line growth, organisational streamlining and significant cost synergies. Cost savings in excess of EUR 200 million per annum are expected to accrue within two years and the deal will be accretive to earnings in 2004, before the costs of restructuring and goodwill amortisation.

At the completion of this deal, Atos Origin expects to have net debt of approximately EUR 750 million, representing a gearing level of around 50%. The group has negotiated a new syndicated loan facility for EUR 900 million with three major banks, which will provide adequate funding for the group's foreseeable needs. It is the group's intention to divest a number of non-strategic assets during 2004, which will enhance the group's strong operational cash flow.

Management

Following shareholder and regulatory approvals, the new group will be led by Bernard Bourigeaud, Chairman of the Management Board and Chief Executive Officer. The composition and responsibilities of the new Management Board, which will take effect at closing, will be as follows:

Bernard Bourigeaud Chief Executive Officer

Xavier Flinois UK, The Americas and Asia Pacific

Coordinating Global Markets & Key Accounts/Olympics

Dominique Illien France and Central Europe

Coordinating Managed Operations, AtosEuronext & Worldline

Wilbert Kieboom Benelux/ICA and Scandinavia
Coordinating Consulting and Systems Integration

Giovanni Linari Italy, Spain, Middle East and Africa

Eric Guilhou Chief Financial Officer

Jans Tielman Human Resources and Communication

Once we have shareholders and regulatory approvals, an integrated sales organisation will be prepared in outline and plans will be determined for Atos Origin's large accounts program to be extended to integrate the major clients of SchlumbergerSema. The merged group is expected to be fully operational in January 2004 and will trade as Atos Origin.

An Exciting Venture

Bernard Bourigeaud, Atos Origin's Chief Executive commented:

"This transaction provides Atos Origin with critical mass in almost all of the major IT spending markets of Europe, together with strong extended support coverage on a global basis. This is absolutely essential if we are to provide our clients with effective support and have the capacity and flexibility to win major new clients.

The global IT services industry is going through an important phase of consolidation and Atos Origin intends to be at the forefront of this structural change. We are acquiring excellent management at SchlumbergerSema and fresh opportunities to drive top line and cost synergies. We will continue to execute our strategy and I am confident that the integration of our two companies will be a great success.

We are pleased and proud to welcome SchlumbergerSema staff worldwide. SchlumbergerSema is widely recognised for its competence and innovative technology, which will be of enormous value to our expanded client base."

About Atos Origin

Atos Origin is an international information technology services provider. Its business is turning client vision into results through the application of consulting, systems integration and managed operations, including outsourcing and on-line services. In August 2002, Atos Origin acquired KPMG Consulting in the UK and The Netherlands, trading as Atos KPMG Consulting. The company currently generates annual revenues of EUR 3 billion and employs 28,000 staff in 30 countries. The Group's client list includes major companies such as ABN AMRO, Akzo-Nobel, Alstom, BNP Paribas, BP, Euronext, Fiat, ICI, ING, KPN, Lucent, Philips, Renault, Royal Bank of Scotland, Saudi Aramco, Shell, UBS Warburg, Unilever, Vivendi Universal, Vodafone and Wolters Kluwer.

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

About Schlumberger

Schlumberger is a global oilfield and information services company with major activity in the energy industry. The company employs 78,000 people of more than 140 nationalities working in 100 countries and comprises three primary business segments. Schlumberger Oilfield Services is the world's premier oilfield services company supplying a wide range of technology services and solutions to the international oil and gas industry. WesternGeco, jointly owned with Baker Hughes, is the world's largest and most advanced surface seismic company. SchlumbergerSema is a leading supplier of IT consulting, systems integration, and network and infrastructure services and employs approximately 22,000 staff in more than 40 countries. In 2002, Schlumberger operating revenue was \$13.2 billion of which SchlumbergerSema generated just under \$3 billion. The activities being acquired by Atos currently produce annual revenues of approximately \$2.6 billion. For more information, visit slb.com.