

The background features a dark blue grid of squares. Some squares are filled with colors: light green, orange, light grey, and dark grey. The text is positioned in the lower-left quadrant of the grid.

> 2010  
Half-Year  
Report

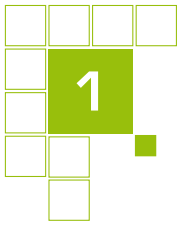
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# PRESENTATION OF THE GROUP

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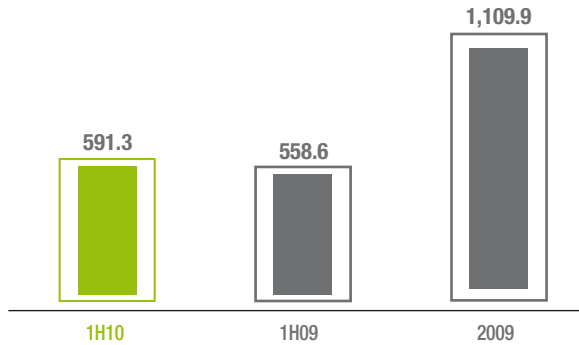


# Presentation of the Group

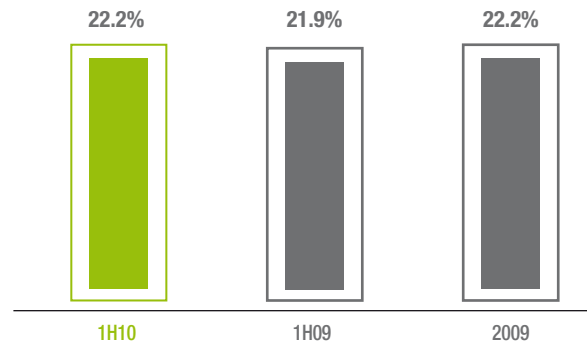
SELECTED FINANCIAL INFORMATION

## 1.1 SELECTED FINANCIAL INFORMATION

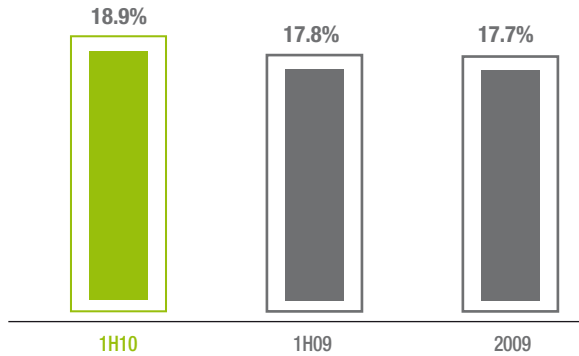
→ REVENUES (IN € MILLIONS)



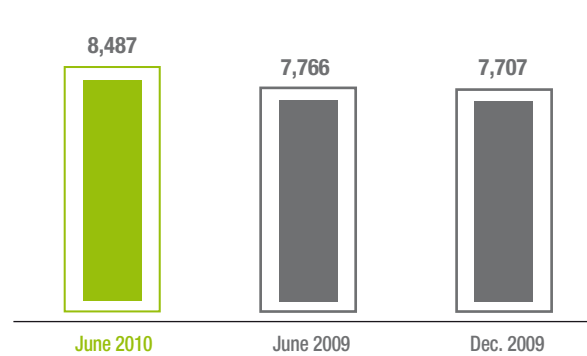
→ GROSS MARGIN RATE (% OF REVENUES)



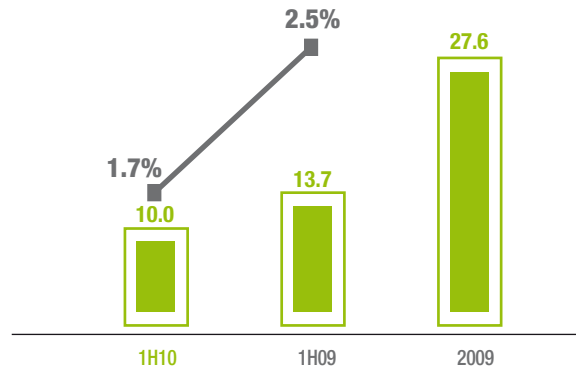
→ SELLING AND ADMINISTRATIVE EXPENSES (% OF REVENUES)



→ TOTAL WORKFORCE AT PERIOD END



→ EBIT <sup>(1)</sup>



■ € millions

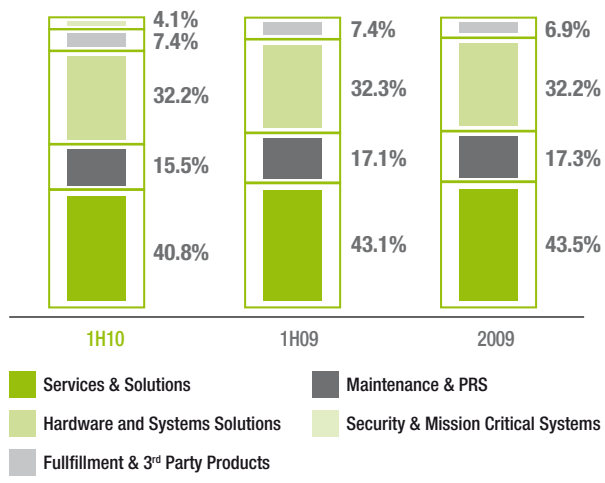
—■ % of revenues

(1) EBIT = Earnings before income tax, other non-recurring operating income and expense, financial costs and share of income from associates.

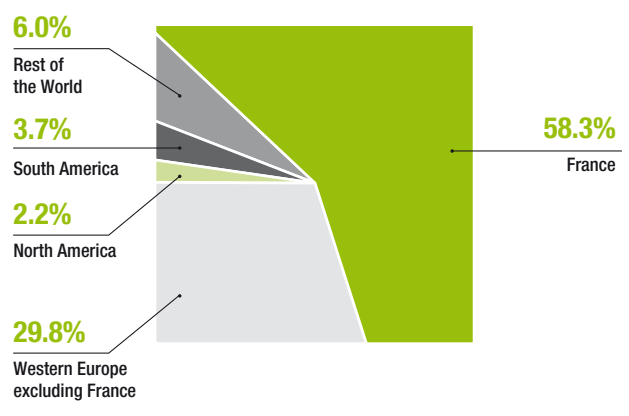


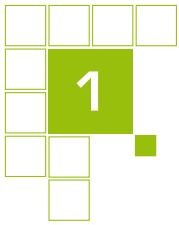
# 1.2 COMPANY PROFILE AND KEY FIGURES

→ REVENUES BY BUSINESS SEGMENT



→ REVENUES BY GEOGRAPHIC REGION (JUNE 30, 2010)





## Presentation of the Group

RISK MANAGEMENT

### 1.3 RISK MANAGEMENT

Bull regularly reviews its risks, in particular, by risk mapping. The Company does not believe it faces any significant risks other than those shown in this document.

#### Legal risk

Bull is a French company listed in compartment B of the Paris Euronext Exchange.

In this regard, the legal department ensures that all national and Community legislation and regulations applicable to public limited companies whose shares are traded on regulated markets are applied.

The Company is not subject to any specific regulation in relation to the operation of its businesses likely to impact on its financial position or involving special risks that could affect its growth.

In business terms, Bull's legal risks are related to its activities as an IT hardware designer, manufacturer and distributor and as an IT service provider.

The legal department ensures that contractual relations with third parties, whether customers or suppliers, are reasonably managed. The main risk factors to which Bull may, however, be exposed relate to industrial property issues and public liability in relation to the sale of products or the provision of services deemed to be unsatisfactory.

Exceptionally, and despite the precautions taken and guarantees obtained by the Group, investments or divestitures may lead to litigation not specifically related to Bull's intrinsic business, but rather to any growing business.

In the normal course of business, certain Group companies are party to legal proceedings, for the most part commercial, both in France and abroad. As at June 30, 2010, there was no litigation before the courts or in arbitration or any exceptional event likely to have a material impact on the Group's financial position, income, business or assets and which had not been disclosed in the financial statements.

The various pre-litigation or litigation claims have been carefully analyzed and assessed for risk by the Group's legal counsel. The financial consequences were then analyzed and taken into consideration in the Group's financial statements. They were also corroborated by the various legal firms with which the Group works.

No governmental, legal or arbitration procedure exists (ongoing or with which the Company is threatened) that may have, or may have had, in the last six months, a material impact on the financial position or profitability of the Company and/or the Group.

#### Business-related risks

##### SUPPLIERS AND PARTNERS

For its server products, Bull is dependent on various technology cooperation agreements with its partners. The growth of Bull's activity in standard and open-source hardware and software component markets has resulted in the forging of partnerships to develop and refine the Company's own products.

Like its competitors, Bull therefore depends on a mixed environment of software developers, equipment suppliers and working groups. However, in a world of open systems, the commonality of platforms reduces this risk by frequently offering alternatives.

Bull often depends on a single source for the supply of certain products. However, Bull manages this risk through its ability to anticipate its needs and works from a very early stage with its suppliers. In addition, Bull's forecasting system fits in well with its suppliers' processes. Moreover, Bull relies on dependable and permanent suppliers, with a recognized ability to meet demand.

##### CUSTOMERS

The Group does not have any risk of over-dependence on any particular customer. Contracts satisfy the industry's standard criteria.

Bull believes its dependence on customers to be diversified.

##### EMPLOYEES

Group competitiveness is, in particular, reliant upon its "human capital". Its business success lies, in the main, in its capacity to attract and retain qualified staff and to maintain its skills in areas appertaining to current and future offers.

Some of its activities require its employees to have special accreditations or authorizations, the loss of which would hinder the Group's ability to provide specific services or to fulfill contracts with the customers in question.



The average usage rate of internal resources is calculated for “Services & Solutions” staff using time-sheets, i.e. the actual number of productive days as a percentage of available days, excluding holidays. The difference between the available days and the days which are actually productive is made up of time spent idle or on training or for management, sickness or pre-sales activities.

#### **USE OF INTERNAL RESOURCES AND INTER-GROUP CONTRACTS**

In the IT sector, it is usual for some contracts to be invoiced on the basis of services rendered (cost plus) and others on the basis of a fixed price (flat rate). Cost plus contracts generally lead to the provision of staff with skills that are specified in advance by the customer and invoiced on a daily or monthly basis. Fixed-rate contracts are invoiced on the basis of progress using project development indicators or using a method of contractually defined milestones.

### **Counterparty risk**

Customer risks are covered by a Group customer risk management policy. Credit limits are set for all private customers and are reviewed at least once a year. These credit limits require approval from the Group’s finance department if they exceed a certain amount.

The high proportion of public-sector customers considerably limits the customer risk to which the Group is exposed.

Finally, Bull SAS receivables for customers domiciled in France are up to around 95% covered by credit insurance within the scope of a factoring contract.

Other counterparty risks involve cash investments and currency derivatives. Only the most prestigious financial partners are used for these types of transaction.

### **Liquidity risk**

All the French subsidiaries and the majority of the Western European subsidiaries are involved in a daily process of automatic cash flow centralization by the Group’s parent company. The other subsidiaries regularly transfer their surplus available cash to the parent company which then covers their requirements.

Almost all of the debt is carried by the French companies, i.e. Bull, or Bull SAS. Debt maturing in over a year remains at a very modest level.

Cash flow corresponding to guarantee accounts (see Note 9 of the financial statements) is not disposable.

The Group’s net cash position is largely positive. A sizeable percentage of this cash flow comes from factoring contracts, the impact of which, in terms of cash flow, is shown in Note 9 of the financial statements. The main contract is the Bull SAS contract which can only be cancelled on an annual basis, subject to compliance with the ratios shown in this same note. The excellent quality of Bull SAS customer risk, as well as its outstanding recovery performance will ensure the renewal of this contract.

Group cash flow shows significant seasonal variations linked to invoicing and collection cycles. These variations are in the order of €100 million, peaking at the end of the half year. The Group’s net cash position does, however, remain positive throughout the year, even if cash from factoring is excluded.

The medium-term loan’s early repayment clause, impacting to the tune of €7.5 million on the net cash position at June 30, 2010, is shown in Note 14 of the financial statements. The Group’s ratios are currently a long way from the values that would activate this clause.

### **Interest rate risk**

A breakdown of financial assets and liabilities is given in Note 18 to the financial statements. Variable-rate financial assets greatly exceed variable-rate financial liabilities. Variable rate financial assets and liabilities are for the most part denominated in euros, and pegged to floating-rate indices.

The Group does not use derivatives to hedge its interest rate risk.

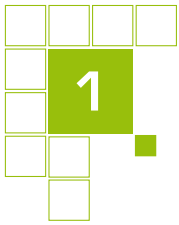
### **Currency risk**

The Bull Group is exposed to currency risks arising from transactions denominated in foreign currencies, as well as from financial relationships between entities, particularly with the parent company.

Cash transactions are coordinated by the Group treasury department. For the most part, transactions conducted by subsidiaries are in local currency, apart from those conducted by Bull SAS, the entity in charge of Group purchases, some of which are in USD.

The Group uses currency derivatives such as spot and forward purchases and sales of foreign currency and optional instruments to reduce its exposure to currency risks. These instruments are traded on the markets by the Group’s parent company, Bull, which then makes them available to the subsidiaries in question.

Currency risk exposure arises on the Group’s trade and financial foreign exchange positions.



# Presentation of the Group

RISK MANAGEMENT

## **CURRENCY RISK ARISING ON THE TRADE POSITION**

Bull mainly hedges purchases in USD made by Bull SAS. In 2010 the Group decided to change its trade position currency risk hedging policy by hedging Bull SAS projected purchases, on a half-yearly basis, as well as those relating to unitary contracts for particularly large amounts.

At June 30, 2010, the Group chose not to prepare a hedging report on its transactions for accounting purposes. Gains or losses on the valuation of corresponding derivatives at fair value are systematically recorded in operating income.

## **CURRENCY RISK ARISING ON THE FINANCIAL POSITION**

These are entities holding loans or borrowings within the Group, denominated in a currency other than their functional currency. In the main this involves the Bull parent company. The corresponding currency risk hedging gives rise to forward currency purchases or sales.

## **Share price risk**

At June 30, 2010, the Bull Group's exposure to share price risk mainly relates to the 570,589 Bull treasury shares. These shares were valued at the closing price on June 30, 2010, i.e. €1.5 million. By way of example, a 10% drop in the price of Bull shares compared with the price at June 30, 2010 would have a negative impact of approximately €154,000 on the Group's financial statements. Accordingly, the Group did not deem it necessary to implement an equity risk management policy.

## **Country risk**

The Group considers that there is no material risk given the low volume of business conducted out in countries with significant political or economic instability.

## **Trademarks, patents and licenses**

The Group owns or controls under license or otherwise all intellectual and industrial property rights necessary to perform its current activities.

Some of these licenses were granted for a fixed period, but the Group believes that there should be no major problems renewing them to ensure unobstructed use.

# 2

# MANAGEMENT REPORT ON THE FIRST HALF OF 2010

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## 2.1 HIGHLIGHTS

### 2.1.1 CALENDAR OF SIGNIFICANT EVENTS

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The first half of 2010 confirmed Bull's ongoing sales dynamic in its main areas of growth i.e. Services, Data Storage Security and high-performance computing.

#### January

Results of the combined shareholders' meeting of January 18, 2010: massive support from shareholders for Bull's strategy.

Bull Evidian links up with McAfee Security Innovation Alliance and combines its Single Sign-On with McAfee Endpoint Encryption.

Bull signs a major pan-European outsourcing contract with PaperlinX.

Bull strengthens its professional storage services via ASP/APSP NetApp accreditation in Europe.

#### February

The Bull Group announces 600 new hirings in 2010, including 250 in France.

Ilion Animation Studios announces that Planète 51 was designed with a Bull supercomputer.

Bull and Microsoft announce a strategic cooperation agreement in the field of interoperability.

Agarik, a Bull subsidiary, comes up with a new solution to cloud computing: *Cloud Maker*.

With its new generation, high-performance and eco-efficient Escala® servers, Bull affirms its commitment to sustainable development.

Bull affirms its resilience and offers a new dimension with the acquisition of Amesys.

Bull announces "Bull World", its Web TV channel dedicated to digital innovation.

Bull to manage the integration of Phil@poste's commercial management, the first stage in modernizing its entire information system.

#### March

The Open CIO Summit publishes its white paper: Are you ready for innovation? The real challenges of open source for DSIs.

The European open source pioneer, Bull strengthens its commitment to an open world.

NovaForge® becomes the forge for the OW2 consortium.

Massive investment and new certifications: Bull consolidates its position as a major outsourcing player in Europe.

Bull and Vordel combine their TrustWay® box and Vordel Gateway® products to offer security and performance for Services Oriented Architectures.

Bull and Lex Persona announce the availability of MobileSign sur globull®, the first complete mobile and secure dematerialization solution.

Bull extends and updates its bullx™ family of supercomputers to offer the most comprehensive and powerful range of solutions on the Extreme Computing market.

#### April

With novascale bullion™, Bull is back in force in the top-of-the-range enterprise server market.

Bull gives the mainframe a new lease of life with the launch of a new novascale gcos system.

Bull announces that its board of directors, meeting on April 28, has received the resignation of Didier Lamouche, chairman and chief executive officer.

First quarter 2010: a good start for Bull.

#### May

Bull's board of directors appoints Philippe Vannier as the Group's chairman and chief executive officer.

Bull opens its Bio Demo Center, a new European facility for demonstrating energy-efficient data center solutions.

Tera-100, Europe's most powerful supercomputer, is powered up for the first time.

Bull strengthens its mid-range StoreWay Optima line with the Optima 2000 family of SAN solutions.



## June

AWE (*Atomic Weapons Establishment*) signs a contract with Bull to purchase two large-scale bullx supercomputers.

Bull takes part in *Matinales de l'Innovation* on cloud computing.

Infor and Bull announce a significant extension of the partnership.

Bull to integrate RH@psodie, the French Navy's new human resources Payroll Information System (HRIS).

The 2010 Bull – Joseph Fourier Prize affirms the importance placed by the Company on digital simulation.

Combined shareholders' meeting of June 16, 2010: Approval of all resolutions proposed.

## 2.1.2 RECORDS AND AWARDS

**In June, the 2010 Bull – Joseph Fourier Prize affirmed the importance placed by the Company on digital simulation.**

At the 2010 Ter@tec 2010 Forum, bringing together more than 600 scientific computation and digital simulation specialists at the *École Polytechnique*, Bull and GENCI awarded the Bull – Joseph Fourier Prize to three young researchers for their work in the field of digital simulation. The Bull – Joseph Fourier Prize aims to recompense the researchers for their work in the field of parallelization of digital simulation applications, conducted in a French laboratory. With twice as many entrants as in 2009, the Bull – Joseph Fourier Prize affirms its importance to the scientific community. The first prize was awarded to Dimitri Komatitsch, a researcher at the *Laboratoire de Modélisation et d'Imagerie en Géosciences* at the *Université de Pau et des Pays de l'Adour* and at *INRIA*. He was awarded this prize for his work in the parallelization of codes to simulate global phenomena, as well as for the impact of his research which enables earthquakes and their aftershocks to be predicted more accurately. His work has already been used by the Italian authorities following the Aquila earthquake. The second prize was awarded to Sébastien Jan, a researcher at the CEA, the French Atomic Energy Authority. His work made it possible to make improvements in the detection and treatment of cancer. Finally, the third prize went to Vincent Moureau, a researcher at the CNRS, the French National Centre for Scientific Research. The main objective of Vincent Moureau's work is to achieve high fidelity simulations of jet fuel combustion. The results of these simulations will make it possible to lower energy consumption and reduce emissions of combustion pollutants, whether these are from automobile engines, aeronautical gas turbines or industrial furnaces.

## 2.1.3 SUCCESSES

The first half of 2010 was marked by major successes in a number of projects. Here are a few examples of the many achievements:

**Bull signed a major outsourcing contract with PaperlinX, one of the largest distributors of paper, sign and display products and packaging materials in Europe.** PaperlinX was looking for a partner that could standardize and centralize its entire IT infrastructure. By outsourcing its IT, PaperlinX is able to reduce costs, improve its service levels and focus on its core business. This contract stipulates that Bull is responsible for PaperlinX data centre operations, as well as for providing desktop management and technical support to some 4,500 users. PaperlinX Europe has 22 branch offices in 16 different countries.

**Bull was chosen by Phil@poste to carry out the first stage of modernizing its entire information system.** Phil@poste, part of the French Post Office Group (La Poste) mail division, has chosen Bull to integrate its commercial management system. The expertise provided by Bull to Phil@poste, which is responsible for all the Group's philatelic activities, will enable it to streamline and modernize its commercial management, with end-to-end control and simplified business processes to meet the demands of this highly specialized market involving huge volumes (3 billion stamps are sold every year). Eventually, the flow of commercial information will be integrated with production management to deliver end-to-end control. The objective is twofold: to improve the service being provided, while at the same time optimizing resources. The challenge is to design a commercial management system that makes it easy to develop new services (payment methods, subscriptions, etc.), particularly via the Internet.

**Bull and Microsoft have announced a strategic cooperation agreement in the field of interoperability.** Under this agreement, teams from Bull and Microsoft will work together in a number of different areas to further strengthen synergies and interoperability between Microsoft software environments and third party solutions, most notably open source and UNIX® solutions, to which Bull is one of the main contributors and integrators in Europe. This new agreement extends the long-standing, close partnership between Bull and Microsoft on Microsoft environments. It covers cooperation in the following areas:

- infrastructure virtualization, to support the development of optimized, very large-scale combined Windows®/Linux® platforms, in particular, to take into account hosted Web environments;
- critical applications, to ensure better integration between UNIX and Linux systems and Microsoft technologies and to reduce the total cost of ownership (TCO);
- Extreme Computing, taking into account the need to effectively manage combined Windows HPC/Linux clusters.



## Management report on the first half of 2010

### HIGHLIGHTS

The first concrete result of this partnership is the launch by Bull, via its subsidiary Agarik, of Cloud Maker, a cloud computing offering that allows users to adapt the level of service to their requirements and to monitor the operation of their platforms in real time.

**The Military Applications Department of the French Atomic Energy Authority (the CEA) and Bull have powered up the Tera-100, the most powerful supercomputer in Europe, for the first time.** The result of a collaborative program between Bull and the CEA, Tera-100 is the first petaflop-scale supercomputer to be designed and developed in Europe. Its theoretical power of 1.25 petaflops means its ranks amongst the three most powerful supercomputers in the world. Tera-100 is intended for the CEA's Simulation program, aimed at guaranteeing the reliability of nuclear deterrents. Tera-100 was powered up on May 26, 2010, just a few weeks after the commencement of its installation in March 2010. Tera-100 consists of 4,300 bullx S series servers, launched by Bull in April 2010. It incorporates 140,000 Intel® Xeon® 7500 series processing cores, 300TB of central memory and has a total storage capacity of over 20PB. In addition, its 500 GB/sec throughput is a world record for this type of system. Tera-100 offers exceptional processing capacity. By way of comparison, the machine can carry out more operations in a single second than the world's population would be capable of performing in 48 hours, if each person completed one operation a second, day and night. Its capacity to transfer information is equivalent to a million people watching high-definition films simultaneously and its storage capacity corresponds to the equivalent of over 25 billion books.

**Atomic Weapons Establishment (AWE) signed a contract with Bull to purchase two large-scale bullx supercomputers.** Bull announced the signing of a contract to supply the AWE, based in the United Kingdom, with two large-scale supercomputers, with a combined peak performance in excess of 75 teraflops (trillions of calculations per second). The systems chosen are the latest bullx supercomputers launched by Bull last year, which are the first European-designed supercomputers to be totally dedicated to Extreme Computing. The first of the two supercomputers has already been successfully installed at the AWE site, following an integration and testing process at Bull's industrial plant at Angers, in France. The second system was also installed and brought into service in spring 2010.

**RH@psodie, the French Navy's new human resources Payroll Information System (HRIS), for which Bull was the main contractor, is now operational.** This new HRIS is based on a new dematerialization approach: the first full dematerialization of a public-sector payroll. Supporting documents are stored in a secure electronic strong box. They can be transferred to the French Paymaster General and can be audited by the audit authorities. This chain guarantees improved circulation, traceability of information and major productivity gains. Innovative, mobile and perfectly suited to the Navy's specific requirements, it is accessible both on land and at sea aboard ships deployed in international waters.

**The French government has also confirmed that, of the areas recommended by Bull, digital simulation and cloud computing are two of the strategic targets that it intends meet within the scope of its future investment in the future of the digital economy.** Bull, a major French and European player in the digital economy is ready to take part in the innovations involved in building the digital France of the future and, together with the CEA and Ter@tec, has responded to the public consultation launched on this subject by proposing the creation of a consortium dedicated to digital simulation in cloud computing mode: NumInnov.

## 2.1.4 CORPORATE GOVERNANCE

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Philippe Vannier was co-opted by the board of directors on May 10, 2010 to replace Dominique Lesourd as director, then appointed as chairman and chief executive officer to replace Didier Lamouche.

By means of a letter received on May 17, 2010, Crescendo Industries informed the French Financial Markets Authority of its intentions in relation to its statement, published in D&I 210C0088 dated January 21, 2010: "Due to a change in governance of the Bull Group resulting, in particular, from the resignation of Bull's chairman and chief executive officer, the expansion of the board of directors which has grown from 13 to 14 members and the proposed appointment of 7 new directors at the next annual general shareholders' meeting, Crescendo Industries intends to seek the appointment of a third director."

The combined shareholders' meeting of June 16, 2010 ratified the appointment of Philippe Vannier as director.

In addition, it appointed seven new directors to the board and renewed Michel Davancens' term of office which was due to expire.

The general shareholders' meeting also decided to amend the Company's bylaws so as to authorize, on an exceptional basis, the appointment of directors with terms lasting for one, two or four years so as to stagger the renewal of the board of directors.

It also decided to amend the Company's bylaws with effect from December 17, 2010, the date on which the terms of office of the current employee directors come to an end, so as not to continue, beyond December 17, 2010, the director posts elected by employees in accordance with the current bylaws.

To date, the board of directors consists of 14 members, 7 of whom are independent:

Name	Position	Independent	Non-independent	Expiry of term of office
Philippe Vannier	Chairman and chief executive officer		X	12/31/2012
Valérie Bernis	Director	X		12/31/2012
Jean Bréchon	Director		X	12/31/2010
Henri Conze	Director	X		12/31/2010
Crescendo Industries	Director represented by Dominique Lesourd		X	12/31/2012
Michel Davancens	Director	X		12/31/2011
France Telecom	Director represented by Laurent Kocher		X	12/31/2013
Marc Heriard Dubreuil	Director		X	12/31/2011
Michel Paulin	Director	X		12/31/2012
Jean-François Rambicur	Director	X		12/31/2011
Hugues de Saint Germain	Director	X		12/31/2012
Philippe Vassor	Director	X		12/31/2013
Robert Signorini	Director		employees' representative	12/17/2010
Claudi Menard	Director		employees' representative	12/17/2010

On December 18, 2010, the board of directors will be reduced to twelve members, with the expiry of the term of office of the two employee directors, 7 of whom will be independent.

The composition of the various committees has also changed in line with the reformation of the board of directors.

## The Audit committee

This committee has three members, two of whom are independent, including the chairman.

It also includes an "observer" who is a permanent guest at committee meetings. This is Claude Benmussa, himself a former member of the Bull Audit committee, who has the same professional experience in accounting and finance as the chairman of the Audit committee. Each member has the specific financial competencies required by Article L. 823-19 of the French Business Code. Claude Benmussa's role is to provide the members of the new committee with any support that they may need. He may give advice on questions put before the committee but he does not have a vote.

The committee members are:

- Philippe Vassor, independent member and chairman;
- Valérie Bernis, independent member;
- Marc Heriard Dubreuil, non-independent member;

Observer:

- France Telecom represented by Claude Benmussa.

## The people and organization committee

This committee has three members. Two are independent, including the chairman.

The committee members are:

- Jean-François Rambicur, independent member and chairman;
- Michel Davancens, independent member;
- Crescendo Industries, represented by Dominique Lesourd, non-independent member.

The strategic committee has not been continued, the board of directors having the authority to review the Company's strategic issues direct.



## Management report on the first half of 2010

### HIGHLIGHTS

#### **DEPARTURE OF DIDIER LAMOUCHE, CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

Didier Lamouche resigned from his duties as chairman and chief executive officer with effect from May 10, 2010 and has been replaced by Philippe Vannier, himself co-opted director by the same meeting to replace Dominique Lesourd.

Didier Lamouche's term of office as director also came to an end at the combined shareholders' meeting on June 16, 2010.

The terms of Didier Lamouche's departure were set out in a settlement agreement signed on May 27, 2010.

This settlement agreement aimed to set the amount of compensation to be paid in relation to the termination of Didier Lamouche's employment contract, said contract having been reactivated with immediate effect of termination of his duties as chairman and Chief Executive Office. This compensation also incorporated the remuneration procedures of the non-competition clause provided for by the employment contract. In addition, it includes a mutual waiver of the right to institute legal proceedings or action in this respect.

The compensation amount was, therefore, set at €2,100,000 to include €1,575,000 by way of settlement and €525,000 by way of compensation under the non-competition clause. In addition, under the terms of this agreement, Didier Lamouche retains the stock options that he had already acquired the right to exercise on May 10, 2010. Other options have lapsed. The options retained are exercisable under the terms of the allocation plan.

This agreement was submitted for approval by the combined shareholders' meeting of June 16, 2010 and was the subject of an additional special auditor's report in application of Article L. 225-38 of the French Business Code which was presented to the meeting.



## 2.2 GROUP RESULTS

### 2.2.1 REPORTING BASIS

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The results for the first half of 2010 reported below are based upon the Group's current consolidation scope.

### 2.2.2 NOTES

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#### Changes in consolidation scope

The only change in the consolidation scope in the first half of 2010 concerns the acquisition of the Amesys Group.

At its meeting on January 18, 2010, the Bull shareholders' meeting was very much in favor of the transfer of the Amesys Group to Bull by Crescendo Industries. The transaction means that Bull is now a European leader in large-scale computer processing solutions for critical, high-security systems by combining, on the one hand, the Amesys Group's know-how when it comes to real-time signal processing and, on the other, Bull's expertise in the processing, analysis and operation of information systems including high-performance computing (HPC) and storage systems, as well as in related infrastructure services and outsourcing activities. The shareholders' meeting also approved an increase in share capital for the benefit of Crescendo Industries, an Amesys Group shareholder. Crescendo Industries is now, therefore, one of Bull's largest shareholders, with a capital interest of 19.87%. A cash payment to Crescendo Industries of €37.6 million was also made when the transaction was finalized on January 18, 2010.

The transaction resulted in the Amesys Group being included in the Bull Group's consolidation scope as of January 1, 2010 and, from an organizational perspective, in the creation of a new division within Bull, known as the "Security and critical systems" division, which is managed by a team from Amesys and which focuses on Amesys business.

#### Results at June 30, 2010

The first half of 2010 was marked by the continuation of steady growth in France, reinforced by the acquisition of the Amesys Group and more problematic operations at an international level within the context of the ongoing financial crisis in Spain, in particular, and in certain eastern European countries.

In the first half of 2010, Group revenue reached €591.3 million, up 5.9% on the figures published in the first half of 2009.

At constant consolidation scope, i.e. without taking revenue brought in by Amesys in the first half of 2010 into consideration and at constant exchange rates, Group sales amounted to €541.4 million at the end of June 2010 compared with €558.6 million in 2009, i.e. a drop of 3%.

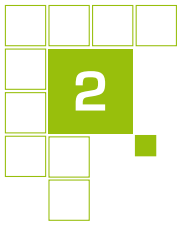
Group EBIT\* prior to allocation of the purchase price for the Amesys Group amounted to €11.7 million. Following this allocation, EBIT amounted to €10.0 million in the first half of 2010, down on the EBIT published in June 2009 of €13.7 million.

This drop in EBIT in the first half is linked to a timing difference in the execution of contracts in the first and second half of 2010, to lower profitability on an international level and to adjustments to certain contracts, offset by an improvement in the Hardware & Systems Solutions segment margin.

The Group's share of the net result was a loss of €18.4 million, and after having taken into consideration, in particular, these non-recurring items (i) full depreciation of the goodwill of the Spanish company Siconet due to a drop in this subsidiary's profitability within the context of the profound and sustained financial crisis in this country, (ii) an increase in the provision for the Financial recovery clause, of which the French government is the beneficiary as a condition of the restructuring grant received by Bull in January 2005, as a result of the contribution made by future Amesys profits to the Group's results being taken into consideration when assessing this clause as well as (iii) negotiated severance payments in France and abroad which were, in the main, the same as for the first half of 2009.

No related party transactions had a significant influence on the financial position or the results.

\* EBIT (Earnings Before Interest and Taxes).



## Management report on the first half of 2010

GROUP RESULTS

### CONSOLIDATED INCOME STATEMENT

(in € millions)	First half year			Year on year variation
	2010	2009	2009	
<b>Revenue</b>	<b>591.3</b>	<b>558.6</b>	<b>1,109.9</b>	<b>5.9%</b>
Gross margin	131.2	122.1	246.3	
% of revenue	22.2%	21.9%	22.2%	+0.3 pt
Net research and development expenses	(8.4)	(8.9)	(21.0)	
% of revenue	1.4%	1.6%	1.9%	-0.2 pt
Selling and administrative expenses	(111.6)	(99.3)	(196.9)	
% of revenue	18.9%	17.8%	17.7%	+1.1 pt
Operating exchange gains and losses	(1.2)	(0.2)	(0.8)	
<b>pre-purchase price allocation EBIT *</b>	<b>11.7</b>	<b>13.7</b>	<b>27.6</b>	<b>(2.0)</b>
% of revenue	2.0%	2.5%	2.5%	-0.5 pt
<b>EBIT **</b>	<b>10.0</b>	<b>13.7</b>	<b>27.6</b>	<b>(3.7)</b>
% of revenue	1.7%	2.5%	2.5%	-0.8 pt
Income from disposals and other non-recurring operating income and expense	(12.3)	2.7	(0.3)	
Negotiated severance payments	(7.2)	(7.7)	(14.4)	
Income from associates	(0.4)	0.1	-	
Operating income ***	(9.9)	8.8	13.0	
Foreign exchange gains (losses) on financial flows	1.0	(1.3)	(2.1)	
Interest expense	(4.1)	(2.5)	(6.0)	
Taxes	(0.8)	(3.0)	(4.3)	
Deferred taxes	(0.3)	-	(0.2)	
FRC ****	(4.3)	-	1.0	
Minority interests	-	-	-	
<b>GROUP PORTION OF NET INCOME</b>	<b>(18.4)</b>	<b>2.0</b>	<b>1.4</b>	

\* For information purposes. Pre-purchase price allocation EBIT (Earnings Before Interest and Taxes) corresponds to EBIT before intangible fixed asset amortization expense recorded following the acquisition of Amesys.

\*\* EBIT (Earnings Before Interest and Taxes) corresponds to earnings before income tax, other operating income and expense and share of income from associates as reported in the income statement.

\*\*\* Includes Group share of income of associated companies.

\*\*\*\* FRC: Financial recovery clause.

Details of the income statement are shown below.

### ORDERS

Orders were up by 17.8%. At constant consolidation scope, i.e. without taking orders brought in by the Amesys Group into consideration, orders were up by 6.1%.

Orders for Hardware & Systems Solutions were up by 19.0%, in particular, due to an order for a new petaflop system in France. Services & Solutions orders were up by 4.7%. Fulfillment & Third Party Product-related orders were down by 38.8%. Product Related Services (PRS) orders included in Maintenance & PRS business grew by 11.6%. Since orders for the first half of 2009 for the scope including the Amesys Group are not available, their movement cannot be calculated.

Order volume consists of the total value of firm contracts booked during the period with a defined time for delivery or execution. This total value of firm contracts corresponds to clients' contractual commitments, over which management may decide to exercise judgment where no external standard is applicable. Recurring maintenance business is not included in orders because contracts covering this business are managed as a portfolio and are often tacitly renewable.

## REVENUE

Revenue for the period amounted to €591.3 million, an increase of 5.9% compared with 2009 figures. It can be broken down as follows:

(in € millions)	First half year			Year on year variation
	2010	2009	2009	
Hardware & Systems Solutions	190.6	180.6	357.7	5.5%
Fulfillment & Third Party Products	23.9	41.5	76.9	-42.3%
Maintenance & PRS	91.6	95.5	192.1	-4.0%
Services & Solutions	241.2	241.0	483.2	0.1%
Security & Mission Critical Systems	44.0	-	-	-
<b>TOTAL REVENUE</b>	<b>591.3</b>	<b>558.6</b>	<b>1,109.9</b>	<b>5.9%</b>

Revenue from Hardware & Systems Solutions business amounted to €190.6 million, up 5.5% on the first half of 2009. Growth in product integration business, particularly the high-performance computing (HPC) product offer, reinforced by the delivery of the Tera-100 system in France and invoicing, in the second half, of systems supplied to the Atomic Weapons Establishment in the United Kingdom, more than compensated for the expected drop in mature servers business. Please also note the satisfactory performance of the storage business.

Revenue from Fulfillment & Third Party Products business amounted to €23.9 million, down 42.3% on the first half of 2009. This change reflects the deliberate redirecting of marketing efforts towards Bull's high value added customers. Please note, however, that this segment suffered the consequences of the economic crisis more deeply than other business activities.

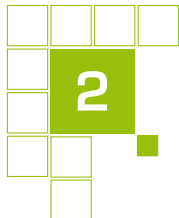
Maintenance & PRS business achieved revenue of €91.6 million, down 4.0% on the first half of 2009. The scheduled expiry of proprietary server support contracts and the renewal and consolidation of the oldest stock continue to have a negative impact on this business.

In a highly competitive market, in particular, in terms of price, the Services & Solutions business with revenue of €241.2 million, showed slight growth in relation to the first half of 2009.

Security & Mission Critical Systems business, which represents the contribution made by Amesys, amounted to €44.0 million.

The breakdown of consolidated revenue by region for the first half of 2010 has changed significantly in relation to 2009. The revenue brought in by Amesys was mainly achieved in France and reinforces the trend recorded at constant consolidation scope where the resilience of French business was to the detriment of other regions.

Breakdown of revenue by geographical region (%)	First half year		
	2010	2009	2009
France	58.3%	51.1%	52.1%
Europe excluding France	29.8%	35.3%	34.6%
North America	2.2%	1.9%	1.7%
South America	3.7%	4.1%	4.0%
Rest of world	6.0%	7.7%	7.6%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



## Management report on the first half of 2010

GROUP RESULTS

### GROSS MARGIN

The gross margin amounted to €131.2 million in the first half of 2010 or 22.2% of revenue, compared to €122.1 million and 21.9% published in the first half of 2009.

(in € millions)	First half year			Year on year variation
	2010	2009	2009	
Hardware & Systems Solutions	60.1	51.3	106.0	+8.8
% of revenue	31.5%	28.4%	29.6%	+3.1 pts
Fulfillment & Third Party Products	2.4	5.1	9.9	-2.7
% of revenue	10.2%	12.4%	12.9%	-2.2 pts
Maintenance & PRS	24.1	28.2	58.5	-4.1
% of revenue	26.3%	29.5%	30.4%	-3.2 pts
Services & Solutions	36.2	37.5	71.9	-1.3
% of revenue	15.0%	15.6%	14.9%	-0.6 pt
Security & Mission Critical Systems	8.4	-	-	-
% of revenue	19.1%	-	-	-
<b>TOTAL</b>	<b>131.2</b>	<b>122.1</b>	<b>246.3</b>	
<b>% OF REVENUE</b>	<b>22.2%</b>	<b>21.9%</b>	<b>22.2%</b>	

The first half of 2010 was marked by:

- an increase in the Hardware & Systems Solutions gross margin in absolute terms and as a percentage linked, on the one hand, to the increase in sales in this segment and, on the other, to the growth in gross margin rates in all sub-segments;
- a drop in the Fulfillment & Third Party Products margin in absolute terms and as a percentage;
- a drop in the Maintenance & PRS gross margin in absolute terms and as a percentage reflecting not only the drop in revenue on traditional maintenance which, generally speaking, has higher margins, but also a drop in margin rates on Infrastructure and Product Related Services business which, however, is continuing to grow in terms of volume;
- a drop in the Services & Solutions margin in absolute terms and as a percentage reflecting fierce competition in terms of price both in France and at an international level, as well as adjustments to certain contracts. Please note, however, that the margin rate for Managed and Outsourcing Services business was up over the half year;
- Security & Mission Critical Systems business gross margin amounted to €8.4 million, representing 19.1% of the segment's sales.

### RESEARCH AND DEVELOPMENT, SELLING AND ADMINISTRATIVE EXPENSES

(in € millions)	First half year		
	2010	2009	2009
Net research and development expenses	(8.4)	(8.9)	(21.0)
as a % HW Solutions et Maintenance & PRS revenue	3.0%	3.2%	3.8%
Selling and Administrative expenses	(111.6)	(99.3)	(196.9)
% of revenue	18.9%	17.8%	17.7%

Net R&D expenses, including Amesys, amounted to €8.4 million in the first half of 2010, compared to €8.9 million published in June 2009 (not including Amesys). These figures take into consideration a research tax credit amounting to €13.4 million in the first half of 2010 whilst it had amounted to €5.0 million in the first half of 2009. Taking into consideration partnerships and funding, the gross R&D effort amounted to €27.3 million in the first half of 2010, up €4.1 million over June 2009.

Research and development efforts are now devoted mainly to the Group's offerings in HPC (high-performance computing), data storage, open source and security. Costs related to proprietary servers were down slightly, in line with the decline in that business. The Group benefited from its partners' participation in its research and development efforts and, what's more, from the favorable trend in research tax credit rates.

In total, net R&D expenses amounted to 1.4% of total revenue and 3.0% of Hardware & Systems Solutions and Maintenance & PRS revenue.

Selling and administrative expenses showed an unfavorable trend in the first half of 2010 both in absolute terms and as a percentage of revenue. Growth in absolute terms was the consequence of Amesys entering the Group's consolidation scope and also of investment in internal information systems and expense following redevelopment of sites in the Paris region. At constant consolidation scope, i.e. excluding trends linked to the entry of the Amesys Group into the consolidation scope, selling costs rose by 2% in support of new offerings developed by the Group.

**EBIT \***

EBIT prior to allocation of the purchase price for the Amesys Group amounted to €11.7 million. Following this allocation, Group EBIT amounted to €10.0 million. The EBIT of 1.7% in June 2010 was down 0.8 point compared to the EBIT percentage for June 2009 as a consequence of the trends in gross margins and research and development costs and the selling and administrative expenses described above. Operating exchange gains and losses at the end of June 2010 amounted to a loss of €1.2 million compared with a loss of €0.2 million in June 2009.

**NET INCOME**

(in € millions)	First half year		
	2010	2009	2009
<b>EBIT *</b>	10.0	13.7	27.6
% of revenue	1.7%	2.5%	2.5%
Income from disposals and other non-recurring operating income and expense	(12.3)	2.7	(0.3)
Negotiated severance payments	(7.2)	(7.7)	(14.4)
Income from associates	(0.4)	0.1	-
Operating income **	(9.9)	8.8	13.0
Other foreign exchange losses and gains	1.0	(1.3)	(2.1)
Net interest expense	(4.1)	(2.5)	(6.0)
Taxes	(0.8)	(3.0)	(4.3)
Deferred taxes	(0.3)	-	(0.2)
FRC ***	(4.3)	-	1.0
Minority interests	-	-	-
<b>GROUP PORTION OF NET INCOME</b>	<b>(18.4)</b>	<b>2.0</b>	<b>1.4</b>

\* EBIT (Earnings Before Interest and Taxes) corresponds to earnings before income tax, other operating income and expense and share of income from associates as reported in the income statement.

\*\* Includes Group share of income of associated companies.

\*\*\* FRC: Financial recovery clause.

Income from disposals and other non-recurring operating income and expense mainly comprised:

- (i) depreciation of residual goodwill on Siconet in Spain (€9.2 million), impairment tests carried out showed that the value of this company, in particular, in the light of the deep and sustained economic crisis which reigns in Spain, had deteriorated quite significantly;
- (ii) costs relating to the acquisition of Amesys and its subsidiaries (€2.7 million), in particular, remuneration costs relating to the success of some business advice;
- (iii) miscellaneous expenses of €0.4 million.

Negotiated severance payments in France and abroad amounted to €7.2 million, including the compensation paid to Didier Lamouche (see paragraph 2.1.4).

Other foreign exchange losses and gains represent the non-operational part of foreign currency transactions linked to the Group's financial position.

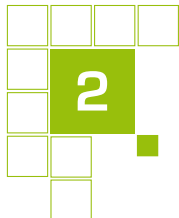
In the first half of 2010, net interest expense amounted to €4.1 million, the drop in rates of return on investments and the drop in the net cash position, resulting, in particular, from the acquisition of the Amesys Group, this having led to a drop in interest income.

Provision for the Financial Recovery Clause of which the French government is the beneficiary, rose from €14.1 million at the end of 2009 to €18.4 million prior to the projected payment of €2.9 million for 2009. It was revised upwards to take into consideration the contribution made by Amesys' future profits to the Group's income. Deferred tax assets relating to the FRC were adjusted. After taking Amesys' deferred tax liabilities into consideration, deferred taxes represented a liability of €0.3 million in the first half of 2010.

The Group net result amounted to a loss of €18.4 million.

The various items are detailed in the notes to the consolidated financial statements.

\* EBIT (Earnings Before Interest and Taxes)



## Management report on the first half of 2010

GROUP RESULTS

### CASH

#### Gross cash

(in € millions)	At June 30		At December 31,
	2010	2009	2009
Cash and cash equivalents	199.4	234.4	299.1
Guarantee accounts	48.5	43.3	39.7
<b>GROSS CASH</b>	<b>247.9</b>	<b>277.7</b>	<b>338.8</b>

Cash available (Cash and cash equivalents) primarily consists of investments in money market instruments and certificates of deposit with a maximum maturity of 3 months.

Guarantee deposits are made up, on the one hand, of guarantee accounts related to the factoring of trade receivables and, on the other, to deposits required by banks in order for them to guarantee certain commercial or financial transactions. This portion of cash is not immediately available

A certain proportion of this cash originates in contributions to pension plans accrued in the Group's German subsidiary and not outsourced in accordance with current legislation.

#### Funds flow

(in € millions)	First half year		
	2010	2009	2009
EBIT	10.0	13.7	27.6
Depreciation and amortization	8.7	7.0	13.8
Investments (operating)	(13.9)	(7.0)	(18.4)
Changes in working capital requirement	(41.6)	(42.6)	(2.4)
Interest expense paid	(4.1)	(2.5)	(6.0)
Taxes	(0.8)	(3.0)	(4.3)
(A) Cash flow from recurring operations	(41.7)	(34.5)	10.3
(B) Non-recurring cash flow	(44.8)	(17.5)	(27.3)
<b>Subtotal (A) + (B)</b>	<b>(86.5)</b>	<b>(52.0)</b>	<b>(17.0)</b>
Increase (decrease) in debt	(4.5)	(14.4)	11.7
Increase/(decrease) in cash	(91.0)	(66.4)	(5.2)

Cash utilization in the first half of 2010 amounted to €86.5 million, recurring transactions amounting to €41.7 million. The change compared to the first half of 2009 is mainly due to an increase in investment in outsourcing capacity.

As in the previous year, the operating seasonality was significant, to the detriment of the first half year, this seasonality being linked to invoicing and collections.

Bull SAS trade receivables were sold within the context of a factoring contract. These were disposals without recourse which fulfill the criteria of IAS 39 justifying their derecognition. These trade receivables and the corresponding funding do not appear on the balance sheet.

The corresponding cash flow generated is that provided by the factoring institution and occurs at the time the receivables are sold, which is to say, at the time of invoicing. Cash receipts related to the receivables sold represent a cash inflow for the factoring institution.

Non-recurring cash flow consists primarily of the Amesys purchase price amounting to €37.6 million, adjustments to the price paid for Sirius and Siconet amounting to €2.3 million, and €10.0 million in negotiated severance payments.

In the first half of 2010, the Group's gross cash position dropped by €91 million.

The main differences compared with table 3.2.4 correspond:

- to negotiated severance costs (€10.0 million), treated as non-recurring items in the table above, although they appear in cash flows provided/used by the activity in table 3.2.4;
- to operating investments (€13.9 million), included here in recurring operations although reported as a separate item in 3.2.4;
- to a rise in factoring-related guarantee accounts and current accounts, this variation being taken into account in cash flow from recurring operations in the table above, but not in table 3.2.4;
- to the deposits required by banks guaranteeing certain loans (€0.7 million) considered in the cash flows provided/used by the financing activities in table 3.2.4;

- e) to the net operating interest expense (€4.1 million) considered in the cash flows provided/used by the financing activities in table 3.2.4;
- f) to the conversion of foreign currency cash flow into euros using the average rate for the year in table 3.2.4 as well as other adjustments amounting to €3.1 million.

### Net cash position

(in € millions)	At June 30		At December 31,
	2010	2009	2009
<b>Gross cash</b>	<b>247.9</b>	<b>277.7</b>	<b>338.8</b>
Financing from trade receivables	(7.4)	(10.1)	(9.4)
Financing from rental receivables	(14.5)	(6.1)	(12.4)
Bank loans	(19.8)	(3.9)	(24.4)
Financial borrowings (bonds)	(7.2)	(7.2)	(7.2)
Total debt	(48.9)	(27.3)	(53.4)
<b>NET CASH POSITION</b>	<b>199.0</b>	<b>250.4</b>	<b>285.4</b>

The Group's financial debt consisted mainly of sales of trade receivables with recourse amounting to €7.4 million as well as third-party financing backed by equipment rental contracts in France and abroad amounting to €14.5 million. Those debts are, therefore, secured by Group assets.

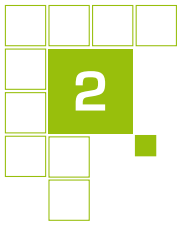
In July 2009, the Group also put in place a medium-term bank loan for the sum of €15 million, intended to contribute to the financing of future acquisitions.

### POST CLOSING EVENTS

No material events took place after closing.

### OUTLOOK

The contribution of the second half of 2010 to the Group's annual EBIT will take into consideration the seasonality of Amesys' business as well as the timing difference in the execution of certain contracts in the first and second half of the year. On this basis, the new management of Bull has chosen to set the Group's EBIT target at a minimum of €30 million.



## Management report on the first half of 2010

COMPANY RESULTS

### 2.3 COMPANY RESULTS

The parent company, Bull, realized a net loss of €18.5 million in the first half of 2010 as compared to a net profit of €10.8 million in the first half of 2009.

In 2010, this was, in the main, due to the following items:

<i>(in € millions)</i>	First half year		
	2010	2009	2009
Impact of the results of Bull's subsidiaries on the parent company's results, net of dividends received	(10.3)	2.9	4.8
Net financial income	(1.2)	5.0	2.9
Allocations/reversals of provisions for the FRC	(4.3)	-	1.0
Exchange gains and losses,	0.9	4.6	9.6
Other income and expenses.	(3.6)	(1.7)	(2.4)
<b>TOTAL</b>	<b>(18.5)</b>	<b>10.8</b>	<b>15.9</b>

Bull's total equity, after the loss in the first half of 2010, amounted to €141.6 million. It was €88.2 million at December 31, 2009. Bull has not distributed any dividends over the past three years and does not plan to make dividend payments in the near future, giving preference to financing its growth.

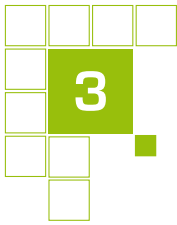
The 2010 results for the main Bull subsidiaries are summarized below:

<i>(in € millions)</i>	Capital	Reserves	Revenue	2010 net income	% of capital held	Inventory value of shares held
Bull SAS consolidated	36	26	370	(2)	100	62
Bull International S.A.S consolidated	10	26	213	(11)	100	25
Bull Data Systems Inc. consolidated	-	8	16	3	100	11
Amesys Group	6	30	44	(1)	100	105

# 3

# FINANCIAL STATEMENTS

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## 3.1 INDEPENDENT AUDITOR'S REPORT ON THE HALF-YEAR FINANCIAL INFORMATION

*This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and the relevant professional auditing standards applicable in France.*

### For the period from January 1 to June 30, 2010

To the Shareholders,

In compliance with the assignment entrusted to us by the shareholders' meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code, we have conducted:

- a limited review of the accompanying condensed half-year consolidated financial statements of BULL, for the period from January 1, 2009 to June 30, 2010;
- an examination of the information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the board of directors within the context, described in Note 2 "use of estimates" of the notes to the financial statements, of an economic and financial crisis characterized by a certain difficulty in anticipating future prospects, a situation which also existed as of the closing of the period ended December 31, 2009. Our role is to express an opinion on these financial statements based on our audit.

### I. Opinion on the financial statements

We conducted our limited review in accordance with professional standards applicable in France. A limited review of interim financial information consists of making inquiries, primarily with persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially smaller in scope than an audit conducted in accordance with professional standards applicable in France. Consequently, the assurance that the financial statements, taken as a whole, do not contain any material anomalies found within the context of a limited review, is a moderate assurance and a reduced level of assurance than that obtained within the context of an audit.

Based on our limited review, no material finding has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared in accordance with IAS 34 – of the IFRS as adopted by the European Union applicable to interim financial reporting.

Notwithstanding the opinion expressed above, we would draw your attention to Note 2 "accounting policies" of the notes to the consolidated financial statements which lists the new texts published by the IASB for which application is mandatory in 2010.

### II. Specific examination

We have also verified the information provided in the half-year management report which comments on the condensed half-year consolidated financial statements upon which our limited review was based.

We have no observations to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

Paris et Neuilly-sur-Seine, August 2, 2010

The Independent Auditors

Grant Thornton  
French member of Grant Thornton International

Deloitte & Associés

Vincent Papazian

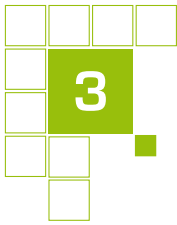
Albert Aïdan

## 3.2 CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

### 3.2.1 CONSOLIDATED BALANCE SHEET

#### Assets

<i>(in € millions)</i>	Notes	At June 30		At December 31,
		2010	2009	2009
<b>Non-current assets</b>				
Intangible assets	(4)	25.9	5.1	4.3
Property, plant and equipment	(5)	53.0	39.8	43.7
Goodwill	(6)	129.7	57.8	53.0
Non-current financial assets	(7)	13.5	13.4	14.2
Deferred tax assets	(21)	15.2	16.5	16.2
<b>Total non-current assets</b>		<b>237.3</b>	<b>132.6</b>	<b>131.4</b>
<b>Current assets</b>				
Inventories and work-in-process	(8)	64.9	51.3	51.1
Trade receivables	(9)	154.9	142.0	112.5
Other current assets	(10)	81.6	75.3	61.4
Guarantee deposits		17.5	10.7	16.8
Cash and cash equivalents		199.4	234.4	299.1
<b>Total current assets</b>		<b>518.3</b>	<b>513.7</b>	<b>540.9</b>
Non-current assets held for sale		-	-	-
<b>TOTAL ASSETS</b>		<b>755.6</b>	<b>646.3</b>	<b>672.3</b>



## 3 Financial statements

CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

### Liabilities

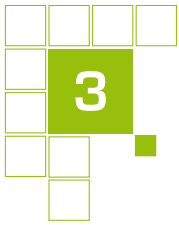
<i>(in € millions)</i>	Notes	At June 30		At December 31,
		2010	2009	2009
<b>Total equity</b>				
Capital	(11)	12.1	9.7	9.7
Reserves related to share capital	(12)	352.7	268.7	270.0
Cumulative translation adjustments		(5.5)	(7.4)	(6.1)
Revaluation reserves		2.0	2.1	2.2
Retained earnings		(196.8)	(177.8)	(178.4)
<b>Total equity</b>		<b>164.5</b>	<b>95.3</b>	<b>97.4</b>
<b>Of which:</b>				
■ Group share		164.4	95.2	97.3
■ minority interests	(13)	0.1	0.1	0.1
Borrowings and financial liabilities – non-current portion	(14)	31.1	10.4	29.5
Provision for the Financial recovery clause	(15)	18.4	19.4	14.1
Provision for post employment benefits		97.1	95.0	95.8
Provisions	(16)	24.8	23.0	22.5
Deferred tax liabilities	(21)	4.3	0.8	0.7
<b>Total non-current liabilities (excluding equity)</b>		<b>175.7</b>	<b>148.6</b>	<b>162.6</b>
<b>Current liabilities</b>				
Trade payables		168.0	159.7	170.5
Customer advances and deposits received		8.8	5.3	17.1
Income taxes payable		6.4	8.0	6.9
Provision for post employment benefits		8.4	7.6	8.4
Deferred income		0.3	0.8	0.7
Provisions	(17)	47.7	53.8	44.9
Other current liabilities	(17)	157.3	150.4	141.8
Borrowings and financial liabilities – current portion	(14)	18.5	16.8	22.0
<b>Total current liabilities</b>		<b>415.4</b>	<b>402.4</b>	<b>412.3</b>
Non-current liabilities held for sale		-	-	-
<b>TOTAL LIABILITIES</b>		<b>755.6</b>	<b>646.3</b>	<b>672.3</b>

The accompanying notes are an integral part of the consolidated financial statements.

## 3.2.2 CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	First half year		
		2010	2009	2009
<b>Continuing operations</b>				
Hardware & Systems Solutions		190.6	180.6	357.7
Fulfillment & Third Party Products		23.9	41.5	76.9
Maintenance & Product Related Services (PRS)		91.6	95.5	192.1
Services & Solutions		241.2	241.0	483.2
Security & Mission Critical System		44.0		
<b>Income from continuing operations</b>		<b>591.3</b>	<b>558.6</b>	<b>1,109.9</b>
Cost of goods and services sold		(460.1)	(436.5)	(863.6)
<b>Gross margin</b>		<b>131.2</b>	<b>122.1</b>	<b>246.3</b>
Research and development expenses		(8.4)	(8.9)	(21.0)
Selling expenses		(69.2)	(62.5)	(123.7)
Administrative expenses		(42.4)	(36.8)	(73.2)
Operating exchange gains and losses		(1.2)	(0.2)	(0.8)
<b>Income before taxes and other operating and financial income and expenses</b>		<b>10.0</b>	<b>13.7</b>	<b>27.6</b>
Other operating income	(20)	-	3.4	7.6
Other operating expense	(20)	(19.5)	(8.4)	(22.2)
Income from associates	(22)	(0.4)	0.1	-
<b>Operating income</b>		<b>(9.9)</b>	<b>8.8</b>	<b>13.0</b>
Foreign exchange gains (losses) on financial flows		1.0	(1.3)	(2.1)
Interest expense		(5.4)	(4.9)	(10.5)
Interest income		1.3	2.4	4.5
<b>Income before tax and Financial recovery clause</b>		<b>(13.0)</b>	<b>5.0</b>	<b>4.9</b>
Income tax	(21)	(0.8)	(3.1)	(4.3)
Deferred taxes	(21)	(0.3)	0.1	(0.2)
Provision for the Financial recovery clause	(15)	(4.3)	-	1.0
<b>NET INCOME</b>		<b>(18.4)</b>	<b>2.0</b>	<b>1.4</b>
<b>Of which:</b>				
■ Group share		(18.4)	2.0	1.4
■ minority interests		-	-	-
Basic earnings per share	(23)	(0.15)	0.02	0.01
Average weighted number of shares		120,216,058	96,137,834	96,336,058
Diluted earnings per share (in €)	(23)	(0.15)	0.02	0.01
Potential number of shares		121,540,920	96,343,696	99,209,920

The accompanying notes are an integral part of the consolidated financial statements.



## Financial statements

CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

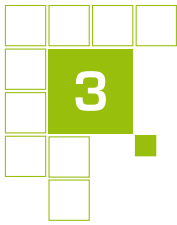
### Total consolidated income

<i>(in € millions)</i>	First half year		
	2010	2009	2009
<b>Net income</b>	<b>(18.4)</b>	<b>2.0</b>	<b>1.4</b>
Exchange gains or losses	0.6	(3.2)	(1.9)
Change in fair value of available-for-sale financial assets	(0.2)	0.3	0.4
<b>Income and expense recognized directly in equity</b>	<b>0.4</b>	<b>(2.9)</b>	<b>(1.5)</b>
<b>Total consolidated income</b>	<b>(18.0)</b>	<b>(0.9)</b>	<b>(0.1)</b>
Attributable:			
■ to the Group	(18.0)	(0.9)	(0.1)
■ to minority interests	-	-	-

### 3.2.3 STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

<i>(in € millions)</i>	Share capital issued	Reserves related to share capital	Cumulative translation adjustments	Other reserves	Retained earnings	Sub-total	Minorities	TOTAL
<b>Balance at January 1, 2009</b>	9.7	268.1	(4.2)	1.8	(179.9)	95.5	0.1	95.6
Cumulative translation adjustments	-	-	(3.2)	-	-	(3.2)	-	(3.2)
Change in fair value of available-for-sale financial assets	-	-	-	0.3	-	0.3	-	0.3
<b>Total income and expense recognized directly in equity</b>	-	-	(3.2)	0.3	-	(2.9)	-	(2.9)
Net income for the period	-	-	-	-	2.0	2.0	-	2.0
<b>Total net income/(loss) for the period</b>	-	-	(3.2)	0.3	2.0	(0.9)	-	(0.9)
Treasury shares	-	0.2	-	-	-	0.2	-	0.2
Share based payments	-	0.4	-	-	-	0.4	-	0.4
<b>BALANCE AT JUNE 30, 2009</b>	9.7	268.7	(7.4)	2.1	(177.9)	95.2	0.1	95.3
Cumulative translation adjustments	-	-	1.3	-	-	1.3	-	1.3
Change in fair value of available-for-sale financial assets	-	-	-	0.1	-	0.1	-	0.1
<b>Total income and expense recognized directly in equity</b>	-	-	1.3	0.1	-	1.4	-	1.4
Net income for the period	-	-	-	-	(0.6)	(0.6)	-	(0.6)
<b>Total net income/(loss) for the period</b>	-	-	1.3	0.1	(0.6)	0.8	-	0.8
Treasury shares	-	0.6	-	-	-	0.6	-	0.6
Share based payments	-	0.7	-	-	-	0.7	-	0.7
<b>BALANCE AT DECEMBER 31, 2009</b>	9.7	270.0	(6.1)	2.2	(178.5)	97.3	0.1	97.4
<b>Balance at January 1, 2010</b>	9.7	270.0	(6.1)	2.2	(178.5)	97.3	0.1	97.4
<b>Cumulative translation adjustments</b>	-	-	0.6	-	-	0.6	-	0.6
Change in fair value of available-for-sale financial assets	-	-	-	(0.2)	-	(0.2)	-	(0.2)
<b>Total income and expense recognized directly in equity</b>	-	-	0.6	(0.2)	-	0.4	-	0.4
Net income for the period	-	-	-	-	(18.4)	(18.4)	-	(18.4)
<b>Total net income/(loss) for the period</b>	-	-	0.6	(0.2)	(18.4)	(18.0)	-	(18.0)
Increase in share capital	2.4	82.5	-	-	-	84.9	-	84.9
Treasury shares	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Share based payments	-	0.4	-	-	-	0.4	-	0.4
<b>BALANCE AT JUNE 30, 2010</b>	12.1	352.7	(5.5)	2.0	(196.9)	164.4	0.1	164.5

The accompanying notes are an integral part of the consolidated financial statements.



### 3.2.4 CASH FLOW STATEMENT

(in € millions)	At June 30		At December 31,
	2010	2009	2009
<b>Cash and cash equivalents at the beginning of the period</b>	<b>299.1</b>	<b>288.9</b>	<b>288.9</b>
<b>Group portion of net income</b>	<b>(18.4)</b>	<b>2.0</b>	<b>1.4</b>
<b>Minority interests (non controlling)</b>		-	-
<b>Elimination of non-cash or non-operating income and expenses</b>			
■ Depreciation and amortization	8.7	6.9	13.7
■ Provisions for impairment of property, plant and equipment	(0.1)	-	-
■ Impairment of goodwill	9.2	-	3.6
■ Other provisions	0.7	(9.2)	(17.5)
■ Provision for Financial recovery clause	4.3	-	(5.3)
■ Interest income/expense	4.0	2.5	6.0
■ Deferred taxes	0.3	(0.1)	0.1
■ Current tax expense	0.8	3.0	4.2
■ Income tax paid	(0.5)	(1.4)	(2.8)
■ Receipts related to research tax credits	15.3	15.8	15.8
■ Cost of stock option plans	0.4	0.4	1.0
■ (Gain)/Loss on property, plant and equipment	(0.1)	0.2	(0.5)
■ Income from associates	0.4	(0.2)	-
■ (Increase)/Decrease in guarantee deposits	-	(0.8)	0.6
<b>Change in working capital requirements related to operations</b>			
■ Trade receivables and customer advances	(16.3)	8.9	48.8
■ Other current assets	(15.0)	1.1	14.1
■ Inventories and work-in-process	(10.2)	(2.1)	(1.9)
■ Trade payables, supplier advances and deposits	(16.5)	(41.2)	(24.9)
■ Other current liabilities	(12.8)	(11.3)	(20.8)
<b>Cash flows provided/(used) by operating activities</b>	<b>(45.8)</b>	<b>(25.5)</b>	<b>35.6</b>
Purchases of other property, plant and equipment and intangibles	(14.0)	(6.8)	(17.0)
Income from the sale of property, plant and equipment and intangibles	0.2	0.6	1.6
Net change in other financial assets	0.5	0.3	(0.3)
Impact of changes in consolidation scope	(32.6)	(4.5)	(7.9)
<b>Cash flows provided/(used) by investments</b>	<b>(45.9)</b>	<b>(10.4)</b>	<b>(23.6)</b>
Treasury shares	(0.2)	0.2	0.8
Net change in medium and long-term debt	0.7	0.3	19.4
(Increase)/Decrease in guarantee deposits	-	-	(7.5)
Net change in short-term borrowings	(7.6)	(15.1)	(8.0)
Interest income/(expense) *	(4.0)	(2.5)	(6.0)
<b>Cash flows provided/(used) by financing</b>	<b>(11.1)</b>	<b>(17.1)</b>	<b>(1.3)</b>
Impact of changes in exchange rates	3.1	(1.5)	(0.5)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>199.4</b>	<b>234.4</b>	<b>299.1</b>
* Of which interest paid on borrowings	(1.0)	(1.5)	(3.3)

The flows of each heading in foreign currency are determined in the local currency and translated into euros at the average rate for the year. The translation differences between the calculations made for the balance sheet and those made for the income statement are recorded in the heading "Impact of changes in exchange rates." which thus includes all of the differences from each heading.

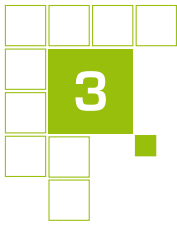
The accompanying notes are an integral part of the consolidated financial statements.

### 3.2.5 NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS



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## NOTE 1 ORGANISATION

The Bull Group's condensed half-year consolidated financial statements include the financial statements of Bull and its subsidiaries.

Based on information available at June 30, 2010, Bull is owned by Crescendo Industries (20%), France Telecom (8.1%), NEC (2.4%) and by private investors, Bull employees and investment funds (69.5%). Bull also holds 0.5% as treasury shares.

Bull, the Group's parent company, is a French public limited company (*société anonyme*) whose registered office is located at rue Jean-Jaurès – 78340 Les Clayes-sous-Bois, France. This company is listed in compartment B of the Paris Euronext Exchange. The condensed half-year consolidated financial statements for the period ended June 30, 2010 were approved by the board of directors on July 27, 2010.

## NOTE 2 SUMMARY OF KEY ACCOUNTING POLICIES

### Accounting policies

Pursuant to European Council regulation No. 1606/2002 adopted on July 19, 2002, the half-year consolidated financial statements at June 30, 2010 were prepared in compliance with IAS 34 "Interim financial reporting".

The accounting policies used for preparing said financial statements result from the application of all standards and interpretations adopted by the European Union for mandatory application by June 30, 2010.

In the absence of standards or interpretations applicable to a specific transaction, the Bull Group management uses its judgment to define and apply the accounting methods necessary to obtain relevant and reliable data in order to ensure that the financial statements:

- give a true picture of the Group's financial position, financial performance and cash flow;
- reflect the economic reality of transactions;
- are neutral;
- are conservative; and
- are complete in all material aspects.

New IASB publications, for which implementation is required in 2010, have not had a material impact upon the Group:

- IAS 27 revised, Consolidation;
- IFRS 3 revised, Business combinations;
- Amendment to IAS 32, on the classification of rights issues;
- Amendment to IAS 39, eligible hedged items;
- Amendment to IFRS 2, Group cash-settled transactions;
- Amendment to IFRS 5 on partial disposals of investments;
- IFRIC 12, Service concession arrangements;
- IFRIC 15, Agreements for the construction of real estate;
- IFRIC 16, Hedges of net investment in a foreign operation;
- IFRIC 17, Distributions of non-cash assets to owners;
- IFRIC 18, Transfers of assets from customers.

As of the closing date of these financial statements, the following new standards and interpretations had been issued:

- amendment to IAS 32, Classification of rights issues;
- amendments to IFRIC 14, Prepayments of a minimum funding requirement;
- IFRIC 19, extinguishing financial liabilities with equity instruments.

The Bull Group is currently analyzing the practical implications of these standards and interpretations and the impact of their application to the financial statements.

## Use of estimates

To prepare the Bull Group's consolidated financial statements, management must use assumptions and make estimates that have an impact on the amounts that appear in the financial statements relating to existing assets and liabilities, expenses and income and contingent assets and liabilities, as well as in the notes to the consolidated financial statements. The Group regularly makes estimates, in particular as regards doubtful receivables, the impairment of inventories and work in progress and non-consolidated equity interests as well as the carrying amount of goodwill, intangible assets and property, plant, and equipment, deferred tax assets (see Note 21), the Financial recovery clause granted to the French government (see Note 15), restructurings, retirement obligations, contingent liabilities and litigation. The Group bases its estimates on past experience and on various other assumptions that it deems reasonable in light of the circumstances and that are the basis for the valuation of assets and liabilities whose carrying amount is not readily determinable from other sources.

The financial statements were prepared during an economic and financial crisis characterized by a certain difficulty in preparing forecasts, a situation which also existed at the closing of the period ended December 31, 2009.

As a result of the uncertainties inherent in any valuation process, it is therefore possible that, at the time the related transactions are completed, actual results may differ from such estimates and have an impact on the financial statements for future periods. The estimates used are explained in the corresponding notes.

## Seasonality

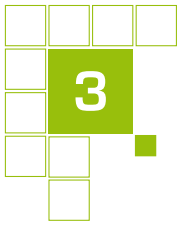
Over the last four years, revenues per semester have been relatively stable. Within each half-year period, the last month has been stronger than the five preceding months. Operating expenses are generally spread evenly throughout the year.

## NOTE 3 CHANGES IN CONSOLIDATION SCOPE

The only change in the consolidation scope in the first half of 2010 concerns the acquisition of the Amesys Group.

At its meeting on January 18, 2010, the Bull shareholders' meeting was very much in favor of the transfer of the Amesys Group to Bull by Crescendo Industries. The transaction means that Bull is now a European leader in large-scale computer processing solutions for critical, high-security systems by combining, on the one hand, the Amesys Group's know-how when it comes to real-time signal processing and, on the other, Bull's expertise in the processing, analysis and operation of information systems including high-performance computing (HPC) and storage systems, as well as in related infrastructure services and outsourcing activities. The shareholders' meeting also approved an increase in share capital for the benefit of Crescendo Industries, an Amesys Group shareholder. Crescendo Industries is now, therefore, one of Bull's largest shareholders, with a capital interest of 19.87%. A cash payment to Crescendo Industries of €37.6 million was also made when the transaction was finalized on January 18, 2010.

The transaction resulted in the Amesys Group being included in the Bull Group's consolidation scope as of January 1, 2010 and, from an organizational perspective, in the creation of a new division within Bull, known as the "Security and Mission critical systems" division, which is managed by a team from Amesys and which is established on Amesys business.



## Financial statements

CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

The impact of the acquisition of the Amesys Group on the Group's balance sheet is shown as follows:

<i>(in € millions)</i>	<b>At January 1, 2010</b>
Intangible assets	23.2
Property, plant and equipment	1.7
Inventories and work-in-process	2.9
Trade receivables	38.6
Other current assets	3.5
Guarantee deposits	0.8
Cash and cash equivalents	7.3
Borrowings and financial liabilities – non-current portion	(0.6)
Provision for post employment benefits	(1.3)
Non-current provisions	(0.6)
Deferred tax liabilities	(4.2)
Trade payables	(16.7)
Customer advances and deposits received	(7.4)
Income taxes payable	(0.1)
Deferred income	(0.7)
Current provisions	(1.0)
Other current liabilities	(7.2)
Borrowings and financial liabilities – current portion	(1.6)
<b>Fair value of net assets acquired</b>	<b>36.6</b>
Goodwill	<b>85.9</b>
<b>TOTAL ACQUISITION</b>	<b>122.5</b>
Of which:	
■ purchase price paid in cash	37.6
■ purchase price paid in shares	84.9

These amounts are provisional and may be subject to adjustment in order to reflect new information obtained about the facts and circumstances prevailing on the date of acquisition and which, if they had been known, would have affected the valuation of these assets and liabilities. This valuation period must not be more than one year from the date of acquisition.

Acquisition costs are recognized in other operating expense in the amount of €2.7 million over the first half of 2010. Costs recognized in 2009 amounted to €1.8 million.

The acquisition was funded, in part, by a capital increase with the creation of 24,000,000 shares on January 18, 2010. On this date the Bull share price was €3.54 per share.

The contribution made by the Amesys Group to Bull Group income at June 30, 2010, expressed in millions of euro was as follows:

- Revenue: 44.0
- Gross margin: 8.4
- EBIT: (0.7)
- Net income: (0.8)

**NOTE 4 INTANGIBLE ASSETS**

2010 (in € millions)	Gross value at the beginning of the period	Acquisitions	Disposals, Reversals, Transfers	Exchange gains and losses	Other movements <sup>(1)</sup>	Gross value at the end of the period
Capitalized development expenses	5.5	-	-	0.4	-	5.9
Trade relations	4.0	-	-	-	4.5	8.5
Technologies	5.8	0.8	(0.1)	-	19.7	26.2
<b>TOTAL</b>	<b>15.3</b>	<b>0.8</b>	<b>(0.1)</b>	<b>0.4</b>	<b>24.2</b>	<b>40.6</b>

2010 (in € millions)	Amortization at the beginning of the period	Additions	Disposals, Reversals, Transfers	Exchange gains and losses	Other movements <sup>(1)</sup>	Amortization at the end of the period
Capitalized development expenses	(4.2)	(0.6)	-	(0.2)	-	(5.0)
Trade relations	(1.3)	(0.3)	-	-	(0.9)	(2.5)
Technologies	(5.5)	(1.7)	0.1	-	(0.1)	(7.2)
<b>TOTAL</b>	<b>(11.0)</b>	<b>(2.6)</b>	<b>0.1</b>	<b>(0.2)</b>	<b>(1.0)</b>	<b>(14.7)</b>

(1) Concerns changes in scope in 2010. Within the context of allocation of the purchase price, intangible fixed assets were identified in the amount of €3.5 million (trade relations amortizable over a period of between 8 and 11 years inclusive) and in the amount of €19.6 million (technologies amortizable over a period of between 4 and 7 years inclusive).

**NOTE 5 TANGIBLE ASSETS**

2010 (in € millions)	Gross value at the beginning of the period	Acquisitions	Disposals, Reversals, Transfers	Exchange gains and losses	Other movements <sup>(1)</sup>	Gross value at the end of the period
Land	3.2	-	-	-	-	3.2
Buildings	99.5	1.0	(0.1)	0.4	1.1	101.9
Machinery and equipment	96.7	12.2	(3.0)	4.0	4.0	113.9
Leased equipment	2.3	-	(1.1)	0.1	-	1.3
<b>TOTAL</b>	<b>201.7</b>	<b>13.2</b>	<b>(4.2)</b>	<b>4.5</b>	<b>5.1</b>	<b>220.3</b>

2010 (in € millions)	Depreciation at the beginning of the period	Additions	Disposals, Reversals, Transfers	Exchange gains and losses	Other movements <sup>(1)</sup>	Depreciation at the end of the period
Buildings	(75.0)	(2.1)	0.1	(0.3)	(0.7)	(78.0)
Machinery and equipment	(80.8)	(3.9)	2.9	(3.6)	(2.7)	(88.1)
Leased equipment	(2.2)	-	1.1	(0.1)	-	(1.2)
<b>TOTAL</b>	<b>(158.0)</b>	<b>(6.0)</b>	<b>4.1</b>	<b>(4.0)</b>	<b>(3.4)</b>	<b>(167.3)</b>

(1) Concerns changes in scope in 2010.

**NOTE 6 GOODWILL**

2010 <i>(in € millions)</i>	Value at the beginning on the period	Acquisitions/ depreciation	Other movements	Value at the end of the period
Gross value	57.7	85.9	-	143.6
Impairment	(4.7)	(9.2)	-	(13.9)
<b>NET VALUE</b>	<b>53.0</b>	<b>76.7</b>	<b>-</b>	<b>129.7</b>

Goodwill by entity can be broken down as follows:

<i>(in € millions)</i>	At June 30		At Dec. 31, 2009
	2010	2009	
Bull HN Information Systems Inc. (USA)	1.1	1.1	1.1
International network	6.1	6.1	6.1
Bull SAS (France)	1.4	1.4	1.4
AMG.net (Poland)	7.1	7.1	7.1
Agarik (France)	5.4	5.4	5.4
Serviware (France)	3.5	3.4	3.5
Siconet (Spain)	-	12.2	9.2
CSB (Luxembourg)	3.7	4.4	3.7
Sirus (France)	1.8	1.8	1.8
science+computing (Germany)	13.7	14.9	13.7
Amesys Group	85.9	-	-
<b>TOTAL</b>	<b>129.7</b>	<b>57.8</b>	<b>53.0</b>

In 2010, the Group recorded €85.9 million in goodwill linked to the inclusion of the Amesys Group within the consolidation scope (see Note 3). The goodwill amount is provisional and may be subject to adjustment for up to a year after the date of acquisition.

In compliance with IAS 36, goodwill is tested for impairment annually, and periodically in the event of an adverse trend in certain indicators, to determine any impairment. Each of the recent acquisitions constitutes a cash-generating unit (CGU) to which goodwill is allocated.

The recoverable amount of a CGU is determined on the basis of value in use.

At June 30, 2010, in consideration of the fall in Siconet's profitability in the light of the deep and sustained economic crisis in Spain, impairment tests carried out led to an impairment of the Company's goodwill value being recognized at €9.2 million. These tests involved updating the business plan, all other parameters remaining unchanged in relation to December 31, 2009. Other impairment tests were carried out but did not lead to recognition of additional impairments.

**NOTE 7 NON-CURRENT FINANCIAL ASSETS**

<i>(in € millions)</i>	Net carrying amount at 01/01/2010	Acquisitions	Disposals	Value adjustments	Other movements	Net carrying amount at 06/30/2010
Available-for-sale financial assets	3.3	-	-	(0.3)	-	3.0
Loans and advances	7.3	-	-	-	-	7.3
Investments in associates	3.6	-	-	-	(0.4)	3.2
<b>TOTAL</b>	<b>14.2</b>	<b>-</b>	<b>-</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>13.5</b>

**Other available-for-sale financial assets:** these essentially include the following: Symantec (less than 1%) valued at €1.9 million (€2.1 million at the end of 2009), Keynectis (14.39%) valued at €0.6 million, Safelayer (15%) valued at €0.5 million.

**Loans and advances:** these consist mainly of housing loans to employees.

**Investments in associates:** at June 30, 2010, as at December 31, 2009, this item consists mainly of holdings in the French companies Bull Finance (48.6%) and SERES (34.0%).

The share of the net income of associates corresponding to the interests of the Bull Group is included in the consolidated income statement under the line item "Income from associates".

## NOTE 8 INVENTORIES AND WORK-IN-PROCESS

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Finished products	50.1	53.1	40.0
Work-in-process, raw materials and supplies	25.7	12.6	22.7
Spare parts	18.4	18.0	17.9
Provisions for impairment of:			
■ finished products	(7.3)	(11.3)	(9.7)
■ work-in-process, raw materials and supplies	(6.6)	(5.4)	(4.9)
■ spare parts	(15.4)	(15.7)	(14.9)
<b>TOTAL</b>	<b>64.9</b>	<b>51.3</b>	<b>51.1</b>

## NOTE 9 TRADE RECEIVABLES

### EQUIPMENT RENTAL CONTRACTS

These non-cancellable medium-term rental contracts recognized in revenues at the discounted value of minimum rental payments receivable are immaterial. Usually such equipment rental contracts are entered into for an initial period of one to two years, during which they cannot be terminated.

Equipment rental contracts financed by external financing without recourse against Bull are recognized in accordance with the criteria contained in IAS 17, IAS 32 and IAS 39. The receivables assigned under said contracts were reincorporated into trade receivables for the amount of the remaining rental payments due.

### "CONSTRUCTION CONTRACTS" (IAS 11)

Bull performs systems integration contracts in several countries which are recognized according to the percentage of completion method. For contracts performed in France, which constitute the majority of its main systems integration contracts, the percentage of completion is determined on the basis of the costs incurred for the work performed. All other contracts are recognized according to the contractually defined milestone method which evidences the completion of a portion of the work.

The following provides an analysis of all French construction contracts:

(in € millions)	At June 30		At December 31,
	2010	2009	2009
■ Revenue from contracts recognized as income	49.5	46.8	92.6
■ For contracts in progress at the end of the period:			
a) total costs incurred and income recognized (less recognized losses)	134.3	104.8	115.9
b) gross amount owed by customers for contractual works	13.9	20.7	10.8
c) gross amount owed to customers for contractual works	(3.2)	(2.0)	(6.1)
d) advances received	-	-	-

### ASSIGNMENT OF TRADE RECEIVABLES

The Group assigns trade receivables in two ways: on the one hand, it assigns sales receivables under factoring contracts and, on the other, it assigns rental receivables under refinancing contracts with financial institutions. The former are unitary customer receivables with short-term maturities, while the latter concern the total amount of the rental receivable due irrevocably from a customer under a medium-term equipment rental contract.

These assignments are examined in depth in accordance with the criteria established in IAS 39, and the receivables are only derecognized if a technical analysis concludes that practically all the risks and benefits have been transferred.

The primary contract covers Bull SAS's receivables from its customers domiciled in France. A new contract was entered into at the end of 2008, resulting in the assignment without recourse of most of the receivables assigned. The analysis performed confirmed that the contract enables Bull SAS to transfer substantially all the risks and benefits on all assigned invoices covered by the non-recourse guarantee, and more specifically:

- the risk of customer bankruptcy;
- the risk of late payment;
- the only risk retained by Bull is the risk of dilution which results in the building of a reserve with the factor that targets actual dilution as closely as possible. This residual risk was considered to be immaterial in comparison with the other risks transferred.

This factoring contract may be terminated by either Party subject to one year's prior notice. The factor is obliged to respect this notice period only if the following criteria are met, based on the information contained in Bull's annual and half-year consolidated financial statements:

- 1) EBITDA must be at least €30 million (on an annualized basis);
- 2) Net debt/equity ratio may not exceed 80%.

If either of these criteria is not met, the notice period shall be reduced to three months.

Rental receivables are assigned in France (€14.2 million had been assigned at June 30, 2010 compared with €13.3 million at the end of December 2009), in Belgium and in the United Kingdom.

The table below summarizes these transactions, by type, and shows the carrying amount of the assigned assets and associated liabilities.

(in € millions)	At June 30, 2010			At June 30, 2009			At December 31, 2009		
	Receivables			Receivables			Receivables		
	Sales	Rental	Total	Sales	Rental	Total	Sales	Rental	Total
<b>Assignments recognized</b>									
■ receivables assigned	7.4	14.5	21.9	10.1	5.7	15.8	9.4	13.8	23.2
■ cash	5.0	14.5	19.5	7.0	5.7	12.8	8.2	13.8	22.0
■ guarantee accounts/ factoring current account	2.4	-	2.4	3.0	-	3.0	1.2	-	1.2
■ liabilities	7.4	14.5	21.9	10.1	5.7	15.8	9.4	13.8	23.2
<b>Assignments derecognized</b>									
■ receivables assigned	130.9	6.0	136.9	115.2	5.6	120.8	156.3	7.1	163.4
■ cash	102.3	6.0	108.3	86.2	5.6	91.8	134.7	7.1	141.8
■ guarantee accounts/ factoring current account	28.6	-	28.6	29.0	-	29.0	21.6	-	21.6

#### Details of trade receivables assigned by Bull SAS

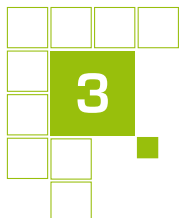
The impact of the assignment of receivables by Bull SAS at June 30, 2010 on the various balance sheet items can be summarized as follows:

Item in question	At June 30			At December 31, 2009	Comments
	2010	2009	2009		
Trade and other receivables	(120.1)	(93.7)	(138.2)		Derecognition of trade receivables assigned without recourse
Guarantee account: factoring	9.8	9.2	11.2		Contractual security deposit
Current account: factoring	15.5	22.0	11.3		Trade receivables assigned without recourse, but not refinanced
Cash	97.6	72.6	123.3		Cash obtained (excluding costs)
<b>TOTAL</b>	<b>2.8</b>	<b>10.1</b>	<b>7.6</b>		
Borrowings and financial liabilities – current portion	2.8	10.1	7.6		Liability corresponding to the value of all receivables assigned with recourse
<b>TOTAL</b>	<b>2.8</b>	<b>10.1</b>	<b>7.6</b>		

#### VALUE OF TRADE RECEIVABLES

The net carrying amount of trade receivables as reported on the balance sheet is based upon their market value and can be broken down as follows:

(in € millions)	At June 30		At December 31, 2009
	2010	2009	2009
<b>By type</b>			
Gross value	162.8	149.2	119.7
Reserve	(7.9)	(7.2)	(7.2)
<b>NET VALUE</b>	<b>154.9</b>	<b>142.0</b>	<b>112.5</b>



The net value of receivables by age can be broken down as follows:

<i>(in € millions)</i>	At June 30, 2010		At June 30, 2009		At December 31, 2009	
	Gross	Reserve	Gross	Reserve	Gross	Reserve
Receivables not yet due	83.6	-	78.6	-	49.8	-
Due for less than 30 days	28.6	-	26.7	-	34.3	-
Due for between 30 and 60 days	10.5	-	12.0	-	7.4	(0.1)
Due for between 60 and 90 days	12.1	-	6.5	(0.1)	2.8	-
Due for between 90 and 180 days	9.0	(0.1)	10.4	-	7.2	(0.1)
Due for between 180 and 360 days	7.8	(0.1)	5.1	(0.2)	9.0	(0.4)
Due for more than one year	11.2	(7.7)	9.9	(6.9)	9.2	(6.6)
<b>TOTAL</b>	<b>162.8</b>	<b>(7.9)</b>	<b>149.2</b>	<b>(7.2)</b>	<b>119.7</b>	<b>(7.2)</b>

As at the end of 2009, at the end of June 2010 most of the receivables due for more than 180 days correspond to large public sector and parastatal customers from the Middle East, Maghreb and Sub-Saharan Africa. Typically, payment of those receivables may take time, however, no significant risk of non-payment exists.

The average payment time was 50 days at June 30, 2010 compared with 55 days in 2009.

## NOTE 10 OTHER CURRENT ASSETS

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
R&D financing receivables	5.0	4.4	5.3
Tax receivables	8.0	6.1	6.0
Employee-related receivables	1.7	1.5	0.8
Deposits and guarantees paid	3.1	4.1	2.7
Guarantee account: factoring	11.3	9.3	11.3
Current account: factoring	19.7	23.2	11.6
Other operating receivables	7.2	3.1	4.1
Prepaid expenses	25.6	23.6	19.6
<b>TOTAL</b>	<b>81.6</b>	<b>75.3</b>	<b>61.4</b>

“Current account: factoring” mainly corresponds to receivables assigned but not financed.

## NOTE 11 CAPITAL

At June 30, 2010, Bull's share capital consisted of 120,786,647 shares with a par value of €0.10 each.

All issued shares are fully paid up.

At June 30, Bull held 570,589 of its own shares with a market value of €1.5 million.

## NOTE 12 RESERVES RELATED TO SHARE CAPITAL

At June 30, 2010, reserves related to share capital amounted to €352.7 million compared with €270.0 million at the end of 2009. The difference of €82.7 million can be broken down as follows:

- €82.5 million relating to a capital increase;
- €0.4 million for various stock option plans;
- €(0.2) million following the acquisition of treasury shares under a liquidity contract.

## NOTE 13 MINORITY INTERESTS

Minority interests consist essentially of an 8% minority interest in Evidian acquired by NEC on January 31, 2006 following a capital increase.

## NOTE 14 BORROWINGS AND FINANCIAL LIABILITIES

### ANALYSIS OF FINANCIAL DEBT BY TYPE

(in € millions)	At June 30		At December 31,
	2010	2009	2009
Bonds – OCEANEs	0.2	0.2	0.2
Bonds – NEC	7.0	7.0	7.0
Financing from rental receivables	6.7	1.6	6.1
Loans from credit institutions	17.0	1.6	16.2
Derivative liabilities	0.2	-	-
<b>Financial debt due in more than one year</b>	<b>31.1</b>	<b>10.4</b>	<b>29.5</b>
Financing from rental receivables	7.8	4.4	7.2
Financing from trade receivables	7.4	10.1	7.5
Loans from credit institutions	2.4	2.0	7.2
Bank overdrafts	0.4	0.3	0.1
Derivative liabilities	0.5	-	-
<b>Financial debt due in less than one year</b>	<b>18.5</b>	<b>16.8</b>	<b>22.0</b>
<b>TOTAL FINANCIAL DEBT</b>	<b>49.6</b>	<b>27.2</b>	<b>51.5</b>

### **Bonds – OCEANEs**

At June 30, 2009, 58,629 of the OCEANEs convertible bonds had not yet been converted. These bonds, which mature on January 1, 2033, represent the unconverted portion of the 11,495,396 bonds originally issued in May 2000 that were not contributed to the public exchange offer that took place in June and July of 2004 and was finalized in March 2005. If converted, these 58,629 convertible bonds would give holders the right to 5,862 shares with a par value of €0.10 each.

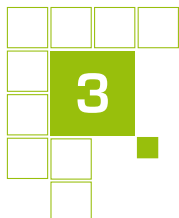
### **Bonds – NEC**

On January 31, 2006, NEC Corporation subscribed to a €6,998,420 convertible bond issue offered by Evidian France (each bond has a par value of €1). The bonds bear interest at market rate (1-year EURIBOR + 75 basis points).

The bonds are redeemable in full on January 31, 2011. For its part, Evidian may repay the bonds via a bullet payment at any time it so desires.

### **Loans from credit institutions**

The amount outstanding essentially consists of a medium-term bank loan taken out by Bull on July 15, 2009 for €15 million over 5 years, repayable in 4 annual installments with effect from July 15, 2011. It will be used to finance external growth operations.



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It is accompanied by a guarantee from Bull, in the form of a negotiable two-year medium-term note issued by the lender for €7.5 million.

The contract contains an early repayment clause in the event that the Group's consolidated financial statements do not meet the following financial criteria:

- net debt/EBITDA ratio of less than 2;
- net debt/equity ratio of less than 1.

### Financing from rental and trade receivables

These are debts secured on Group assets. Rental receivables correspond to medium-term equipment rental contracts assigned to credit institutions for refinancing. Finance associated with trade receivables corresponds to those receivable assigned with recourse as part of the factoring program.

### ANALYSIS OF FINANCIAL DEBT BY MATURITY

At June 30, 2010, the capital repayment schedule for financial debts was as follows:

(in € millions)	Total	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Subsequent years
Amounts	49.6	18.5	14.9	8.1	3.9	3.8	0.4

The payment schedule for debt due in less than one year is as follows:

(in € millions)	At June 30, 2010
less than one month	11.1
between 1 and 3 months	2.2
between 3 and 6 months	1.4
between 6 and 12 months	3.8
<b>TOTAL</b>	<b>18.5</b>

### ANALYSIS OF FINANCIAL DEBT BY CURRENCY

(in € millions)	At June 30		At December 31,
	2010	2009	2009
Euro	45.8	23.1	48.8
Pound sterling	2.3	3.7	2.7
Other	1.5	0.4	-
<b>TOTAL</b>	<b>49.6</b>	<b>27.2</b>	<b>51.5</b>

## NOTE 15 PROVISION FOR FINANCIAL RECOVERY CLAUSE

On February 20, 2004, the French government notified the European Commission that it intended to grant restructuring aid to Bull subject to a Financial Recovery Clause (FRC). After obtaining the Commission's authorization on December 1, 2004, the French government granted aid in the amount of €517 million on January 14, 2005. The terms and conditions of the FRC are as follows:

Bull agreed to pay the French government for an eight-year period beginning on January 1, 2005 and ending on December 31, 2012, an amount equal to 23.5% of the portion of Bull's consolidated EBIT that exceeds €10 million as calculated each year on the basis of the financial statements prepared for such years. Payment must be made each year after approval of the financial statements for the financial year by the Company's shareholders' meeting and is applicable provided all the following three criteria are met:

- 1) EBIT for the financial year in question is €10 million or more;
- 2) the cash flow from operating activities in the financial year in question is €10 million or more;
- 3) Bull's consolidated equity after application of the FRC during a financial year does not fall below €10 million.

If, during a given financial year, any of the above three criteria are not met, no amount shall be owed by Bull under the FRC for that financial year.

Furthermore, Bull may decide to redeem the FRC early under the terms and conditions set out at any time subsequent to the approval of the 2004 financial statements by the Company's shareholders' meeting.

Similarly, if Bull is the target of a takeover attempt, the French government may ask Bull to redeem the FRC early any time after the approval of the 2004 financial statements.

The various FRC redemption estimates factor in certain methods of application of the FRC and have been discounted by certain uncertainty factors affecting the business.

The FRC payment criteria were met for the first time in 2008. A payment of €4.3 million was made at the end of July 2009.

When the 2009 financial accounts were prepared, the recent review of the three-year strategic plan (2010 to 2012) was taken into consideration, which led to the FRC calculation being updated.

The provision was, therefore, reduced from €19.4 million to €14.1 million at December 31, 2009. The FRC payment criteria were met for the second year in a row in the amount of €2.9 million.

The provision will be revalued at June 30, 2010, at €18.4 million to take into account the contribution to the Group's income made by future profits from the Amesys Group.

## NOTE 16 NON-CURRENT PROVISIONS

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Rent on vacant premises	1.7	1.2	1.5
Employee benefits	9.4	8.5	9.0
Tax risks	8.5	11.1	7.1
Other risks and miscellaneous	5.2	2.2	4.9
<b>TOTAL</b>	<b>24.8</b>	<b>23.0</b>	<b>22.5</b>

### ■ Changes in provisions over the period – non-current portion

<i>(in € millions)</i>	Value 01/01/2010	Additions	Reversals (used)	Reversals (unused)	Other movements *	Value 30/06/2010
<b>TOTAL PROVISIONS</b>	<b>22.5</b>	<b>0.6</b>	<b>(0.6)</b>	<b>-</b>	<b>2.3</b>	<b>24.8</b>

\* Other movements mainly linked to forex changes in 2010.

**NOTE 17** CURRENT PROVISIONS AND OTHER CURRENT LIABILITIES

■ Current provisions

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Restructuring prior to 2002	-	0.1	-
Personnel expenses and similar obligations	5.3	7.7	4.1
Customer claims	5.8	3.5	5.0
Product Guarantees	5.4	5.8	5.5
Other risks and charges on products and service sold	5.0	4.6	4.7
Accrued expenses and miscellaneous	26.2	32.1	25.6
<b>TOTAL</b>	<b>47.7</b>	<b>53.8</b>	<b>44.9</b>

■ Changes in current provisions over the period

<i>(in € millions)</i>	Value 01/01/2010	Additions	Reversals (used)	Reversals (unused)	Other movements *	Value 06/30/2010
<b>TOTAL PROVISIONS</b>	<b>44.9</b>	<b>13.3</b>	<b>(7.2)</b>	<b>(4.5)</b>	<b>1.2</b>	<b>47.7</b>

\* Other movements: mainly linked to changes in consolidation scope in 2010.

■ Other current liabilities

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Taxes	3.0	2.5	1.8
Salaries	29.7	33.1	31.1
Other personnel expense	54.0	47.8	44.3
Accrued expenses and miscellaneous	70.6	67.0	64.6
<b>TOTAL</b>	<b>157.3</b>	<b>150.4</b>	<b>141.8</b>

**NOTE 18** FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The principles used by the Group in order to manage its financial risks are explained in Chapter 1.3 of this document "Risk management".

**CURRENCY RISK**

Negotiated derivatives are not subject to hedge accounting in the sense of IAS 39. And so, gains and losses on their valuation at fair value are recognized under operating income. Fair values of currency derivatives at June 30, 2010 are as follows:

<i>(in € millions)</i>	<b>Assets</b>	<b>Liabilities</b>
Forward purchases	0.3	0.1
Forward sales	-	0.2
Purchases of call options	0.9	-
Sales of put options	-	0.4
<b>TOTAL</b>	<b>1.2</b>	<b>0.7</b>

The fair value of forward currency transactions is given by the forward exchange rate of the foreign currency in question on the closing date, and that of options by standard option valuation models. These transactions are, therefore, classed as transactions valued according to level 2 of IFRS 7, i.e. on the basis of observable market parameters.

Changes in fair value of currency derivatives had a positive net impact of € 0.4 million, before tax, on the income statement at June 30, 2010.

**INTEREST RATE RISK**

Variable-rate financial assets are investments in money-market funds, medium-term notes subscribed as security for the medium-term loan and guarantee accounts. Fixed-rate financial assets are certificates of deposit with a three-month fixed rate.

Variable-rate financial liabilities consist of finance from receivables assigned with recourse, the medium-term bank loan for €15 million and the NEC bond. Fixed-rate financial liabilities consist of finance from rental receivables and other bank borrowings.

Variable-rate financial assets greatly exceed variable-rate financial liabilities. Variable-rate financial assets and liabilities are pegged to floating-rate indices.

The Group does not use derivatives to hedge its interest rate risk.

<i>(in € millions)</i>	<b>At June 30</b>		<b>At December 31,</b>
	<b>2010</b>	<b>2009</b>	<b>2009</b>
<b>Fixed rate:</b>			
Financial assets	68.8	79.2	62.6
Financial liabilities	(20.5)	(10.2)	(23.8)
<b>Net exposure (fixed-rate)</b>	<b>48.3</b>	<b>69.0</b>	<b>38.8</b>
<b>Variable rate:</b>			
Financial assets	138.7	122.4	226.2
Financial liabilities	(28.4)	(17.0)	(29.6)
<b>Net exposure (variable-rate)</b>	<b>110.3</b>	<b>105.4</b>	<b>196.6</b>

Please note, however, that these figures represent the balance sheet exposure. The Group also has variable-rate finance for its trade receivables assigned without recourse, which have been derecognized. At June 30, 2010, this finance amounted to €102.3 million (see Note 9 "Assignment of trade receivables"), and the Group's total net exposure to variable-rate risk, including this finance, was €8.0 million.

**NOTE 19 THIRD PARTY CREDIT RISK CONCENTRATION**

Except for amounts owed by related companies, no single customer accounts for more than 10% of the Group's total trade receivables.

### NOTE 20 OTHER OPERATING INCOME AND EXPENSES

“Other operating income and expenses” which are non-recurring in nature are as follows:

(in € millions)	First half year		Year 2009
	2010	2009	
Net gains on asset disposals	-	-	0.5
Impairment of goodwill	(9.2)	-	(3.6)
Negotiated severance payments	(7.2)	(7.7)	(14.4)
Miscellaneous	(3.1)	2.7	2.9
<b>TOTAL</b>	<b>(19.5)</b>	<b>(5.0)</b>	<b>(14.6)</b>

#### 1<sup>st</sup> half year 2010:

Net losses of €3.1 million mainly relate to:

- €2.7 million in costs linked to the acquisition of the Amesys Group;
- €0.4 million in provisions for disputes for which the risks have been reassessed.

#### 1<sup>st</sup> half year 2009:

Net gains of €2.7 million mainly relate to:

- €3.3 million in reversals of provisions relating to old disputes for which the risks have been reassessed;
- €0.4 million in charges following the liquidation of pension funds in Ireland;
- €0.2 million in losses on disposal and destruction of property, plant and equipment.

#### 2009:

Net gains of €2.9 million mainly relate to:

- €5.2 million in reversals of provisions relating to old disputes for which the risks have been reassessed;
- €1.8 million in costs linked to the acquisition of the Amesys Group;
- €0.4 million in charges following the liquidation of pension funds in Ireland.

### NOTE 21 INCOME TAX

The Bull Group is liable for various corporate income taxes based on legislation existing in the countries in which it operates.

Bull does not file its income tax return as part of a worldwide tax consolidation Group and, with the exception of Evidian, only French companies are consolidated for tax purposes.

Income tax analysis:

(in € millions)	First half year		2009
	2010	2009	
Tax payable	(0.8)	(3.1)	(4.3)
<b>INCOME TAX</b>	<b>(0.8)</b>	<b>(3.1)</b>	<b>(4.3)</b>

Since 2008, the research tax credit has been classed as a deduction from research and development expenses. The research tax credit for 2009 was offset against R&D expenses in the first half of 2010.

In 2010, the French business tax (*taxe professionnelle*) was replaced by two new contributions:

- the corporate land tax (*cotisation foncière des entreprises – CFE*) based on the land rental values of the current business tax;
- the corporate added value tax (*cotisation sur la valeur ajoutée des entreprises – CVAE*) based on the added value arising from Company financial statements.

At June 30, 2010, CFE and CVAE are recognized under income before taxes and other operating and financial income and expenses (EBIT).

Following the tax changes mentioned above, the Group reviewed its accounting treatment of taxes for its French companies, taking into consideration the latest elements of analysis available on the accounting treatment of taxes with regard to IFRS standards and IFRIC interpretations.

And so, in accordance with the provisions of IAS 12, the CVAE was qualified as being a tax for which the Group was liable but was not recognized in the accounts at June 30, 2010. An analysis is currently under way so as to be able to reclassify the CVAE in the second half of 2010.

Deferred taxes can be broken down as follows:

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Deferred tax assets	15.2	16.5	16.2
Deferred tax liabilities	(4.3)	(0.8)	(0.7)
<b>DEFERRED TAXES – NET</b>	<b>10.9</b>	<b>15.7</b>	<b>15.5</b>

#### TAX AUDITS

In 2009 Bull SAS underwent tax audits for the 2006 and 2007 financial years. This gave rise to proposed tax adjustments which are being disputed by the Company. Research tax credits are not in dispute.

#### DEFERRED TAXES

Deferred tax assets are calculated based, on the one hand, on the use of temporary differences and, on the other, on projected annual earnings, as contained in the latest strategic plan submitted to the board of directors. A review of these projected earnings for tax purposes will be conducted in the second half of 2010, thereby enabling the amount of deferred tax assets for recognition under loss carryforwards to be established.

Deferred tax assets stood at €15.2 million at June 30, 2010 compared to €16.2 million at the end of 2009. Deferred tax liabilities stood at €4.3 million at June 30, 2010 compared to €0.7 million at the end of 2009. €4.2 million of this increase relates to the recognition of intangible fixed assets within the context of the acquisition of the Amesys Group.

#### EFFECTIVE TAX RATE

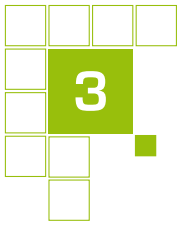
The effective rate varies significantly from the statutory rate, due to the utilization or generation of tax loss carryforwards and the recognition of deferred tax assets. As a result, reconciliation between the two tax rates is not meaningful and has, therefore, not been carried out.

#### TAX LOSS CARRYFORWARDS

At June 30, 2010, the Bull Group had, on aggregate, estimated tax loss carryforwards totaling €1,949.3 million, mainly in France. €1,899.4 million of these can be carried forward indefinitely. The balance expires if not used: €5.5 million in 2010, €3.4 million in 2011 and €41.0 million in 2012 and subsequent years.

## NOTE 22 INCOME FROM ASSOCIATES

The Group's share of income from associates mainly relates to Bull Finance and SERES.



## NOTE 23 EARNINGS PER SHARE

(in € millions)	At June 30		At December 31,
	2010	2009	2009
Net income (Group share)	(18.4)	2.0	1.4
Number of ordinary shares	120,216,058	96,137,834	96,336,058
<b>Basic earnings per share (in €)</b>	<b>(0.15)</b>	<b>0.02</b>	<b>0.01</b>
Ordinary shares outstanding and potential	121,540,920	96,343,696	99,209,920
<b>Diluted earnings per share (in €)</b>	<b>(0.15)</b>	<b>0.02</b>	<b>0.01</b>

Diluted earnings per share include the dilutive effect of "in-the-money" stock options and OCEANEs bonds.

## NOTE 24 STOCK OPTION AND COMPANY SAVINGS PLANS

The details of stock option plans granted from 2000 to 2009 are included in Note 26 of the notes to the consolidated financial statements in the 2009 annual report. The 2010 allocation is detailed below.

### ALLOCATION OF STOCK OPTIONS IN 2010

In 2010, 200,000 new stock options were allocated at the board of directors' meeting on February 10, 2010 at a price of €3.45 per new share. No options were exercised during the year. At June 30, 2010 all of the 200,000 stock options had lapsed. There was, therefore, no further potential for stock options to be exercised at that date.

	2010 Plan
Date of shareholders' meeting	05/14/2008
Date of board of directors' meeting	02/10/2010
Number of options originally granted	200,000
<ul style="list-style-type: none"> <li>■ of which, to operational committee members</li> <li>■ of which, to corporate officers: Didier Lamouche</li> </ul>	200,000 200,000
Number of beneficiaries	1
<ul style="list-style-type: none"> <li>■ of which, operational committee members</li> <li>■ of which, corporate officers: Didier Lamouche</li> </ul>	1 1
Exercise start date	02/26/2014
Expiry date	02/26/2016
Exercise price in €	3.45
Options exercised at 06/30/2010	-
Options lapsed at 06/30/2010	200,000
Number of options still to be exercised at 06/30/2010	-
<ul style="list-style-type: none"> <li>■ of which, by operational committee members</li> <li>■ of which, by corporate officers: Didier Lamouche</li> </ul>	- -

**Summary of stock option plans at June 30, 2010**  
(shares with a par value of €0.10)

	2000 Plans	2004 Plan	2005 Plans	2006 Plans	2008 Plan	2009 Plans
Options still exercisable	2,129	956,750	1,222,750	165,000	1,211,500	1,319,000
■ of which, by operational committee members	-	100,000	355,000	120,000	485,000	530,000
■ of which, by corporate officers: Didier Lamouche	-	100,000	-	100,000	75,000	50,000

Details of Group savings plans and bonus stock option plans appear in Note 26 of the notes to the consolidated financial statements in the 2009 annual report.

At June 30, 2010, the Bull Actionnariat fund held 825,000 shares and the CIC Epargne Salariale fund held 106,000 shares.

At June 30, 2010, 243,000 options relating to the bonus shares granted on July 29, 2008 were still exercisable.

## NOTE 25 RELATED PARTY TRANSACTIONS

The main transactions between the Bull Group and its affiliates (related parties) are as follows:

(in € millions)	At June 30		At December 31,
	2010	2009	2009
<b>Transactions with NEC:</b>			
Sales	0.1	1.1	1.5
Accounts payable	1.2	1.6	1.3
Accounts receivable	0.1	0.3	0.1
<b>Transactions with Crescendo Industries:</b>			
Sales	-	-	-
Accounts payable	0.2		
Accounts receivable	2.1	-	-
<b>Transactions with France Telecom:</b>			
Sales	10.8	14.6	28.3
Accounts payable	1.0	1.6	1.7
Accounts receivable	5.2	7.1	9.5

**NOTE 26 CONTINGENT LIABILITIES (OFF-BALANCE SHEET COMMITMENTS)**

Contingent liabilities (off-balance sheet commitments), can be summarized as follows:

<i>(in € millions)</i>	At June 30		At December 31,
	2010	2009	2009
Lease commitments	89.2	90.1	89.2
Endorsements, security deposits and guarantees provided:			
■ performance guarantees	24.5	22.2	24.8
■ bid guarantees	2.7	3.9	5.0
■ advance return guarantees	13.2	6.5	7.1
■ tax and customs guarantees	2.1	1.4	1.8
■ retention guarantees	1.5	1.3	1.3
■ other guarantees	1.8	3.0	2.0
Equipment repurchase	0.6	1.0	0.7
<b>TOTAL</b>	<b>135.6</b>	<b>129.4</b>	<b>131.90</b>

**LEASE COMMITMENTS**

The Bull Group’s minimum rental payment commitments under non-cancellable long-term commercial leases, mainly for real estate, are compiled once a year. These commitments amounted to €89.2 million at December 31, 2009 and can be broken down as follows:

<i>(in € millions)</i>	
2010	15.3
2011	14.5
2012	11.7
2013	10.5
2014	10.0
2015 and beyond	27.2
<b>TOTAL</b>	<b>89.2</b>

Some leases stipulate that the tenant must pay insurance, taxes and maintenance costs and most include options to renew as well as rent review clauses linked to hikes in certain indices.

**OTHER OFF-BALANCE SHEET COMMITMENTS**

Evidian has signed a partnership agreement with Quest, a provider and distributor of infrastructure administration solutions. This agreement includes an option, valid until 2010, to acquire a non-exclusive license for the worldwide distribution of Evidian’s E-SSO product line.

The Services business, and in particular outsourcing, is conducted with commitments to duration that may provide for the payment of indemnities.

The Company has not made any commitment to buy back minority interests.

**EXCEPTIONAL EVENTS AND DISPUTES**

- A settlement agreement was signed at the end of 2004 with Steria Group putting an end to a dispute between Bull and Steria concerning the application of a protocol of agreement for disposal of Integris’ European business (excluding France and Italy) and the exercise of a guarantee agreement for Europe. This agreement extinguishes the guarantee agreement for Europe, except with regard to tax and related matters. At June 30, 2010, we maintained a provision of €1 million for our commitments pursuant to the settlement agreement to assume the costs, damages and interest relating to the customer dispute with ANMC (Belgium), corresponding to the €1 million insurance excess that Bull may be required to pay;
- In some countries outside France, generally after consultation with, and on the recommendation of, local specialists, Bull has been led to take tax positions that local tax auditors have contested. A provision for risks was established for those positions that were found to carry a risk under IAS 37. No provision was established for risks that are considered remote, although these will remain under close surveillance;
- A high number of disputes exist in Brazil. These vary enormously in terms of type and duration. They are reviewed periodically with local legal counsel to assess their legitimacy and the extent of the risk, in accordance with Group policy.

- The Group is involved in a dispute over the production of a computer system for the ports of Le Havre and Marseilles. The parties are currently awaiting an expert report commissioned by the Paris commercial court.

#### LEGAL AND ARBITRATION PROCEEDINGS

The Group is not currently aware of the threat of any legal or arbitration proceedings against it or any case brought before the courts and/or arbitration tribunal over the last 6 months which could have a significant impact on the Group's financial position or profitability.

## NOTE 27 SEGMENT INFORMATION

Bull is an international group operating in the field of information technology. Based in Europe, the Bull Group operates in over 50 countries. Group companies market a wide range of computer hardware, administration software and IT services for scientific, industrial and business application in the public and private sectors.

The Group monitors the profitability of its operations on the basis of the following business activities:

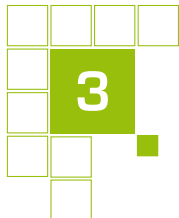
- **Services & Solutions:** this segment includes all service-related activities: consulting, systems integration and outsourcing; Bull and third-party software licenses; and security and industrial software solutions. This presentation of the Services & Solutions segment is, therefore, comparable to that of other companies in the same industry.
- **Hardware & Systems Solutions:** this segment includes the Group's core product offer, including integrated solutions for the Bull server base (GCOS, Escala and NovaScale), and data storage security, including high-performance computing (HPC) products. This segment illustrates how Bull's role has evolved from that of simple manufacturer to that of integrated solutions architect. However, these services are all the result of proprietary or joint R&D by Bull. Revenue on the hardware Bull provides under its integration contracts is still recognized in this segment.
- **Fulfillment & Third Party Products:** this segment includes third-party IT products – off-catalogue for Bull – which Bull distributes at its customers' request. This non-strategic product offer allows customers who so desire to maintain a sole supplier for all of their needs. Isolating this business in its own segment makes it more easily understandable.
- **Maintenance & Product Related Services (PRS):** this segment includes the maintenance business of both Bull and third-party products. In addition to traditional maintenance services, infrastructure services are offered to help optimize data centers and reduce operating costs, particularly energy-related costs;
- **Security & Mission Critical Systems:** this segment includes security and mission critical systems corresponding to business acquired with Amesys. These businesses are particularly dependent on a high level of expertise in systems engineering for real-time signal capture and processing.

A business corresponds to a management entity likely to purchase products and incur expenses for which the operating profitability is regularly reviewed by the primary operational manager in order to evaluate its performance and allocate resources, and, for which specific financial information is available.

A typical profitability indicator regularly used for management purposes is the gross margin. In fact, it is at that level that the specificity of the business models is the most relevant and at which the business portfolios are managed. The transversal organizations are responsible for business volume and the contribution of each of its segments.

In terms of operating expenses, dedicated resources exist for specific businesses, most notably concerning new offers. However, selling and administrative expenses are managed mainly on a geographic basis. This permits improved optimization (such as the centralized resources in France) as well as a higher level of fluidity and responsiveness in the reallocation of resources.

The same goes for asset management where, beyond inventory management by segment, accounts receivable and payable are managed centrally and organized by geographic region.



## Revenue

Revenue for the period amounted to €591.3 million, i.e. a hike of 5.9% compared with 2009. It can be broken down as follows:

(in € millions)	First half year		2009	Year on year variation
	2010	2009		
Hardware & Systems Solutions	190.6	180.6	357.7	5.5%
Fulfillment & Third Party Products	23.9	41.5	76.9	-42.3%
Maintenance & PRS	91.6	95.5	192.1	-4.0%
Services & Solutions	241.2	241.0	483.2	0.1%
Security & Mission Critical Systems	44.0	-	-	-
<b>TOTAL REVENUE</b>	<b>591.3</b>	<b>558.6</b>	<b>1,109.9</b>	<b>5.9%</b>

Revenue from Hardware & Systems Solutions business amounted to €190.6 million, up 5.5% on the first half of 2009. Growth in product integration business, particularly the high-performance computing (HPC) product offer, reinforced by the delivery of the Tera-100 system in France and invoicing, in the second half, of systems supplied to the Atomic Weapons Establishment in the United Kingdom, more than compensated for the expected drop in mature servers business. Please also note the satisfactory performance of the storage business.

Revenue from Fulfillment & Third Party Products business amounted to €23.9 million, down 42.3% on the first half of 2009. This change reflects the deliberate redirecting of marketing efforts towards Bull's high value added customers. Please note, however, that this segment suffered the consequences of the economic crisis more deeply than other business activities.

Maintenance & PRS business achieved revenue of €91.6 million, down 4.0% on the first half of 2009. The scheduled expiry of proprietary server support contracts and the renewal and consolidation of the oldest stock continue to have a negative impact on this business.

In a highly competitive market, in particular, in terms of price, the Services & Solutions business with revenue of €241.2 million, showed slight growth in relation to the first half of 2009.

Security & Mission Critical Systems business, which represents the contribution made by Amesys, amounted to €44.0 million.

The breakdown of consolidated revenue by region for the first half of 2010 has changed significantly in relation to 2009. The revenue brought in by Amesys was mainly achieved in France and reinforces the trend recorded at constant consolidation scope where the resilience of French business was to the detriment of other regions.

Breakdown of revenue by geographical region (%)	First half year		
	2010	2009	2009
France	58.3%	51.1%	52.1%
Europe excluding France	29.8%	35.3%	34.6%
North America	2.2%	1.9%	1.7%
South America	3.7%	4.1%	4.0%
Rest of world	6.0%	7.7%	7.6%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Gross margin

The gross margin amounted to €131.2 million in the first half of 2010 or 22.2% of revenue, compared to €122.1 million and 21.9% published in the first half of 2009.

<i>(in € millions)</i>	First half year			Year on year variation
	2010	2009	2009	
Hardware & Systems Solutions	60.1	51.3	106.0	+8.8
% of revenue	31.5%	28.4%	29.6%	+3.1 pts
Fulfillment & Third Party Products	2.4	5.1	9.9	-2.7
% of revenue	10.2%	12.4%	12.9%	-2.2 pts
Maintenance & PRS	24.1	28.2	58.5	-4.1
% of revenue	26.3%	29.5%	30.4%	-3.2 pts
Services & Solutions	36.2	37.5	71.9	-1.3
% of revenue	15.0%	15.6%	14.9%	-0.6 pt
Security & Mission Critical Systems	8.4	-	-	-
% of revenue	19.1%	-	-	-
<b>TOTAL</b>	<b>131.2</b>	<b>122.1</b>	<b>246.3</b>	
<b>% OF REVENUE</b>	<b>22.2%</b>	<b>21.9%</b>	<b>22.2%</b>	

The first half of 2010 was marked by:

- an increase in the Hardware & Systems Solutions gross margin in absolute terms and as a percentage linked, on the one hand, to the hike in sales in this segment and, on the other, to the growth in gross margin rates in all sub-segments;
- a drop in the Fulfillment & Third Party Products margin in absolute terms and as a percentage;
- a drop in the Maintenance & PRS gross margin in absolute terms and as a percentage reflecting not only the drop in revenue on traditional maintenance which, generally speaking, has higher margins, but also a drop in margin rates on Infrastructure and Product Related Services business which, however, is continuing to grow in terms of volume;
- a drop in the Services & Solutions margin in absolute terms and as a percentage reflecting fierce competition in terms of price both in France and at an international level, as well as adjustments to certain contracts. Please note, however, that the margin rate for Managed and Outsourcing Services business was up over the half year;
- Security & Mission Critical Systems business amounted to €8.4 million, representing 19.1% of the segment's sales.

## NOTE 28 POST CLOSING EVENTS

No material events took place after closing.



## Financial statements

CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

# 4

# INFORMATION ON THE COMPANY AND ITS CAPITAL

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## Information on the Company and its capital

### INFORMATION ON SHARE CAPITAL

## 4.1 INFORMATION ON SHARE CAPITAL

### Share capital and shareholder structure

The Amesys Group's contribution to Bull, approved by the shareholders' meeting held on January 18, 2010, has a structuring effect on the Bull shareholder structure. The operation's impact on Bull's capital, shareholders and governance is summarized in chapter 3.2.2 of the 2009 Reference Document under post closing events.

The most recent breakdown of the Company's capital is posted on the Group's website [www.bull.fr](http://www.bull.fr).

On the basis of available information and disclosures, Bull's capital broke down as follows on June 30, 2010:

Shareholders	June 30, 2010			December 31, 2009		
	Number of shares	Ownership	Voting rights *	Number of shares	Ownership	Voting rights *
Crescendo Industries	24,157,500	20.00%	20.10%	-	-	-
France Telecom	9,747,081	8.07%	8.11%	9,747,081	10.07%	10.12%
Richelieu Finance Gestion Privée	5,267,011	4.36%	4.38%	5,083,456	5.25%	5.28%
MN Services NV	4,831,433	4.00%	4.02%	4,831,433	4.99%	5.02%
Tocqueville Finance SA	3,010,865	2.49%	2.50%	2,741,718	2.83%	2.85%
NEC	2,947,080	2.44%	2.45%	2,947,080	3.04%	3.06%
JP Morgan Chase & Co.	1,665,515	1.38%	1.39%	1,665,515	1.72%	1.73%
Employees	931,000	0.77%	0.77%	965,000	1.00%	1.00%
Treasury shares	570,589	0.47%	-	450,589	0.47%	-
Other	67,658,573	56.01%	56.28%	68,354,775	70.62%	70.95%
<b>TOTAL</b>	<b>120,786,647</b>	<b>100%</b>	<b>100%</b>	<b>96,786,647</b>	<b>100%</b>	<b>100%</b>

\* Treasury shares do not come with voting rights.

### SHAREHOLDING THRESHOLDS CROSSED

By the adoption of the 23<sup>rd</sup> resolution, the combined shareholders' meeting of June 12, 2007 approved the amendment to the bylaws concerning Company disclosures of shareholding thresholds crossed. Under the terms of the amended bylaws, shareholders must now notify the Company of any movement above or below the thresholds of 2.5% and each multiple of 2.5% of the capital. These declarations are in addition to those required by law. In the event of failure to comply with reporting obligations under the bylaws, shareholders will be stripped, under the conditions and within the limits defined by law, of all voting rights relating to those shares in excess of the threshold in question, at the request of one or more shareholders holding at least 5% of the share capital.

To the best of the Company's knowledge, at June 30, 2010, no shareholders other than those mentioned above held, directly or indirectly, 5% or more of the capital and voting rights.

On January 18, 2010, following the delivery of 24 million Bull shares to Crescendo Industries, issued as remuneration for the contribution made by the Amesys Group, Crescendo Industries disclosed to Bull and the AMF that it had exceeded the legal shareholding declaration thresholds by up to 15% inclusive, and the thresholds laid down by the bylaws by up to 17.5% inclusive.

On January 21, 2010, Crescendo Industries informed Bull and the AMF that it had exceeded the threshold of 20% of the Company's capital after purchasing 157,500 Bull shares on the market. Following this acquisition, Crescendo Industries disclosed its ownership of 24,157,500 shares, or 20.0001% of the share capital.

On January 21, 2010, KBL Richelieu Gestion Privée informed Bull and the AMF that its shareholding was now below the threshold of 5% of the Company's share capital following Bull's capital increase to compensate for the contribution made by Crescendo Industries of the Amesys Group. KBL Richelieu Gestion Privée disclosed its ownership of 5,267,011 shares, or 4.36% of the share capital.

On January 28, 2010, Tocqueville Finance informed Bull that its shareholding was now below the threshold laid down by the bylaws of 2.5% of the Company's capital, following Bull's capital increase to compensate for the contribution made by Crescendo Industries of the Amesys Group. Tocqueville Finance disclosed its ownership of 3,010,865 shares, or 2.49% of the share capital.

On March 26, 2010, France Telecom informed Bull and the AMF that it had involuntarily dropped below the threshold of 10% of the Company's capital following Bull's capital increase to compensate for the contribution made by Crescendo Industries of the Amesys Group. The number of Bull shares held by France Telecom is unchanged at 9,747,081 shares, or 8.07% of the share capital.



## Bull share buyback operations

On June 16, 2010, the combined shareholders' meeting renewed the authorization granted to the board of directors by the May 13, 2009 shareholders' meeting to trade in the Company's own shares for a period of 18 months. The description of the buyback program states that its sole purpose is to set up a liquidity contract and to improve the market for the Bull share. The description was published in accordance with regulations in the newspaper "Échos des Yvelines" on September 15, 2006, when the implementation of the liquidity contract was announced.

The only use made of the share buyback program was as part of a liquidity contract with Oddo Corporate Finance.

## Capital authorized but not issued

The combined shareholders' meeting of June 16, 2010 authorized the board of directors to implement the following capital increases:

- for a period of 26 months, the board may issue shares and other securities giving access to capital, with pre-emptive rights, in an amount not to exceed a par value of €6 million;
- for a period of 26 months, the board may issue shares and other securities giving access to capital by means of a capital increase reserved for employees who are members of a company savings plan, in an amount not to exceed 2% of the share capital.

These authorizations had not been used at June 30, 2010.

The shareholders' meeting of May 14, 2008 approved a resolution authorizing the board of directors, for a period of 38 months, to grant options to subscribe and/or purchase company shares to the Group's employees and corporate officers, in an amount not to exceed 3% of the share capital.

Making use of this authorization, on February 10, 2009, the board of directors decided to grant Didier Lamouche 200,000 new purchase options within the framework of the 2009 plan at a price of €3.45 per new share. Under the terms of the agreement signed by Bull and Didier Lamouche in relation to breach of the latter's employment contract, he is not entitled to hold onto these options.

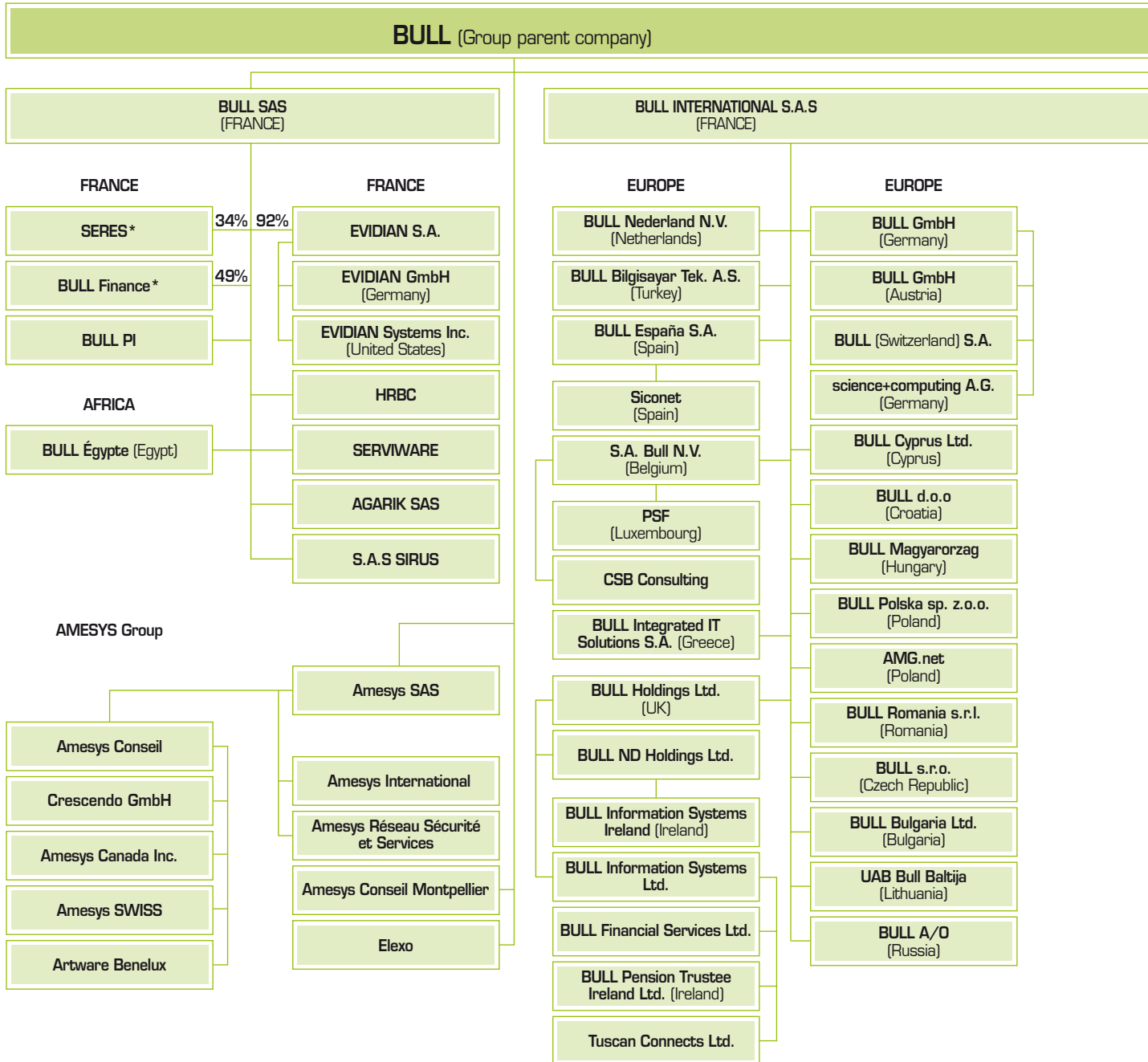
The shareholders' meeting of May 14, 2008 approved a resolution authorizing the board of directors, for a period of 38 months, to grant bonus company shares, either already existing or to be issued, to the Group's employees and/or corporate officers, in an amount not to exceed 1% of the share capital.

This authorization had not been used at June 30, 2010.

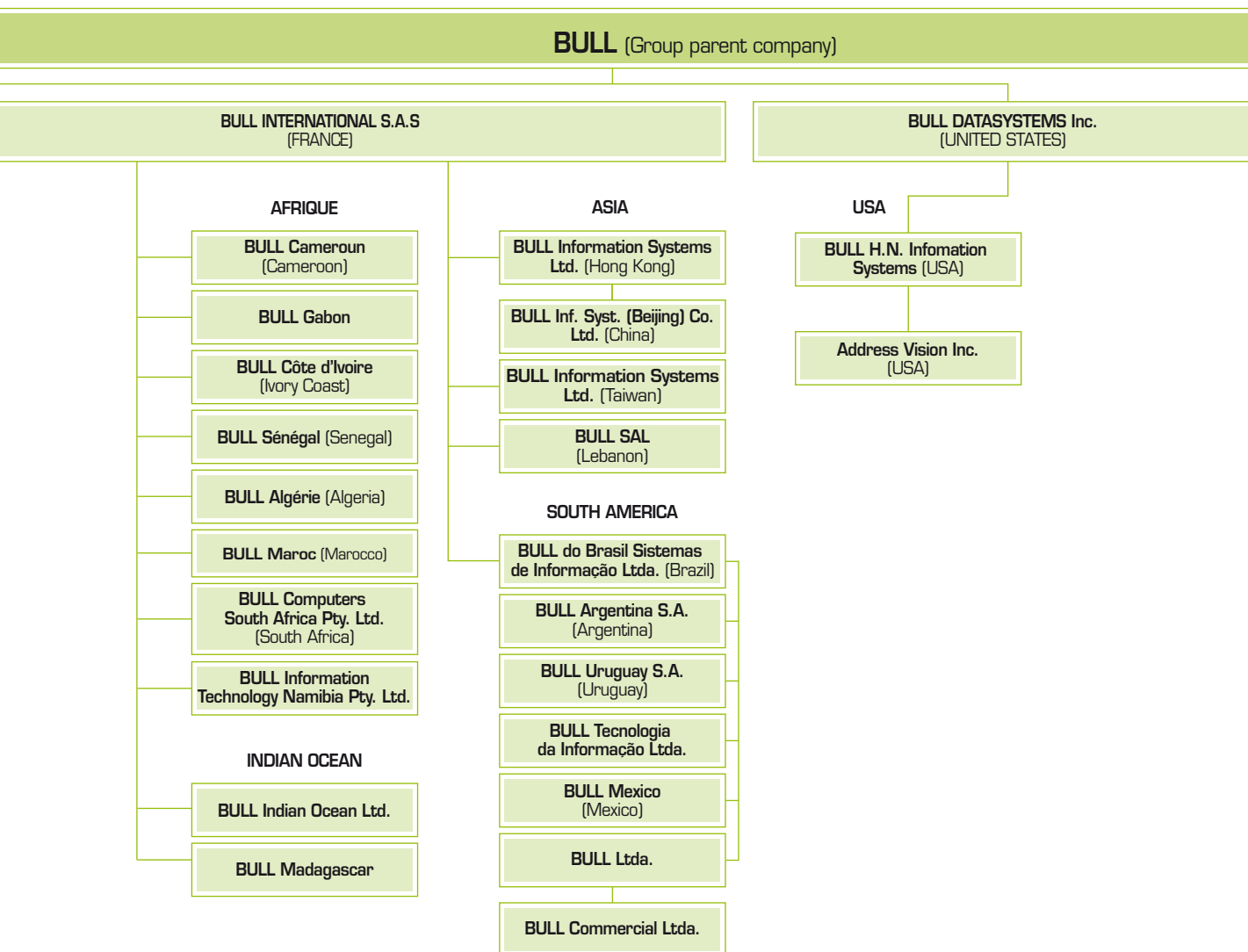
## Potential shares

At June 30, 2010, the potential volume of outstanding dilutive instruments amounted to 5,862 shares in relation to OCEANes and 4,877,129 shares in relation to exercisable options. The overall potentially dilutive effect of these instruments is, therefore, around 3.9%. Bonus shares granted, to date, by the board of directors do not contribute to the dilution because they were all taken from the existing stock of treasury shares.

## 4.2 ORGANISATIONAL CHART



\* Companies marked with an \* are consolidated using the equity method. Unless otherwise indicated, the companies are 100% owned (direct or via several subsidiaries).





## Information on the Company and its capital

INFORMATION REGARDING COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION AT JUNE 30, 2010

### 4.3 INFORMATION REGARDING COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION AT JUNE 30, 2010

N.B.: All of these companies are consolidated under the full consolidation method except for those flagged by asterisks which are consolidated using the equity method. The percentage of ownership is the same as the percentage of voting rights in all cases.

Company name	Registered office	% ownership
<b>BULL</b> French public limited company with share capital of EUR 12,078,664.70 (SIREN No. 542 046 065)	Rue Jean-Jaurès 78340 LES CLAYES-SOUS-BOIS (France)	
<b>A – Bull subsidiaries</b>		
Bull Data Systems Inc. U.S. corporation with share capital of USD 1,408	296 Concord Road, Suite 180 BILLERICA, MA 01821 (United States)	100
Bull International S.A.S Simplified joint stock company with share capital of EUR 10,260,000 (SIREN No. 389 481 466)	Rue Jean-Jaurès 78340 LES CLAYES-SOUS-BOIS (France)	100
Amesys Simplified joint stock company with share capital of EUR 1,372,041.16 (SIREN No. 315 067 942)	1030, av. Guilibert de la Lauzière 13794 AIX-EN-PROVENCE (France)	100
Elexo French public limited company with share capital of EUR 381,122.54 (SIREN No. 722 063 534)	20 rue de Billancourt 92100 BOULOGNE-BILLANCOURT (France)	100
Amesys Conseil Montpellier Simplified joint stock company with share capital of EUR 37,000 (SIREN No. 443 459 631)	605 rue Alfred-Nobel 34000 MONTPELLIER (France)	100
Bull SAS Simplified joint stock company with share capital of EUR 35,636,720 (SIREN No. 642 058 739)	Rue Jean-Jaurès 78340 LES CLAYES-SOUS-BOIS (France)	100
<b>B – Bull SAS subsidiaries</b>		
<b>Africa</b>		
Bull Égypte Information System Cie Egyptian corporation with share capital of EGP 50,000	World Trade Center 11-13 Corniche El Nil Le CAIRE (Egypt)	100
<b>Europe</b>		
* Bull Finance French public limited company with share capital of EUR 4,400,000 (SIREN No. 321 513 335)	57-59 avenue de Chatou 92500 RUEIL-MALMAISON (France)	48.6
Evidian French public limited company with share capital of EUR 3,391,304.37 (SIREN No. 422 689 208)	Rue Jean-Jaurès 78340 LES CLAYES-SOUS-BOIS (France)	92
* Séres French public limited company with share capital of EUR 1,013,786 (SIREN No. 343 778 163)	20 rue Dieumegard 93406 SAINT-OUEN (France)	34

Bull Pi French public limited company with share capital of EUR 40,000 (SIREN No. 433 732 781)	Rue Jean-Jaurès 78340 LES CLAYES-SOUS-BOIS (France)	100
Serviware Simplified joint stock company with share capital of EUR 1,000,000 (SIREN No.: 394 188 379)	13-17 allée des vendanges 77183 CROISSY BEAUBOURG (France)	100
HRBC Simplified joint stock company with share capital of EUR 37,000 (SIREN No. 442 301 875)	1 Place de la Pyramide 92911 PARIS LA DÉFENSE CEDEX (France)	100
Agarik SAS Simplified joint stock company with share capital of EUR 454,500 (SIREN No. 433 082 476)	20 rue Dieumegard 93400 SAINT-OUEN (France)	100
SIRUS Simplified joint stock company with share capital of EUR 140,000 (SIREN No. 399 718 097)	152 av. du Prado 13008 MARSEILLES (France)	100
<b>Evidian subsidiaries</b>		
Evidian GmbH German corporation with share capital of EUR 100,000	Von-der-Wettern-Straße, 27 51 149/KOELN/COLOGNE (Germany)	100
Evidian Systems Inc. US corporation with share capital of USD 1,000	296 Concord Road, Suite 180 BILLERICA, MA 01821 (United States)	100
<b>C – Bull International S.A.S subsidiaries</b>		
<b>South America</b>		
Bull do Brasil Sistemas de Informação Ltda Brazilian corporation with share capital of BRL 9,408,037	Avenida Angélica, 903 1º andar – Sala 01 – Higienópolis 01227-901 SÃO PAULO SP (Brazil)	100
<b>Africa</b>		
Bull Algérie Algerian corporation with share capital of DIA 20,000,000	Rue Yehia-El-Mazouni, El Biar ALGIERS (Algeria)	100
Bull Maroc Moroccan corporation with share capital of MAD 6,000,000	Technopark Casablanca Rte de Nouaceur BP 16415 Casablanca 20000 CASABLANCA (Morocco)	100
Bull Cameroun Cameroonian corporation with share capital of XAF 208,000,000	Immeuble C.N.P.S. Rue Ivy-Douala B.P. 2552 Bonanjo DOUALA (Cameroon)	100
Bull Côte d'Ivoire Ivory Coast corporation with share capital of XOF 1,106,000,000	31, avenue Noguès 01 B.P. 1580 ABIDJAN 01 (Ivory Coast)	100
Bull Gabon Gabonese corporation with share capital of XAF 100,00,000	Immeuble ex Sonagar Boulevard Bord-de-Mer B.P. 2260 LIBREVILLE (Gabon)	100
Bull Computers South Africa Pty. Ltd. South African corporation with share capital of SAR 2,000,000	115, West Street 2199 SANDTON JOHANNESBURG (South Africa)	100



## Information on the Company and its capital

INFORMATION REGARDING COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION AT JUNE 30, 2010

Bull Information Technology Namibia Pty. Ltd. Namibian corporation with share capital of SAR 1,000	C/o Deloitte & Touche Namdeb Center, 10 Bulow street PO Box 47 WINDHOEK (Namibia)	100
Bull Sénégal Senegalese corporation with share capital of XOF 2,304,150,000	Extension Immeuble Kebe 99 avenue André-Peytavain B.P. 3183 DAKAR (Senegal)	100
<b>Asia</b>		
Bull Information Systems (Hong Kong) Limited Hong Kong corporation with share capital of HKD 59,940,000	Room 25, 15/F Radio City 505 Hennessy Road Causeway Bay HONG KONG SAR (China)	100
Bull Information Systems (Taiwan) Limited Taiwanese corporation with share capital of TWD 100,000,000	7F, no 207-3, Sec 3 Beishin Road, Shindian City TAIPEI Taiwan 231 (ROC)	100
Bull SAL Lebanese corporation with share capital of LBP 160,000,000	69 Rue Jal el Dib Secteur 1 – BP 60208 12412020 METN (Lebanon)	100
<b>Indian Ocean</b>		
Bull Indian Ocean Limited Mauritanian corporation with share capital of MUR 10,000	C&R Court, 49 rue Labourdonnais, Port Louis (Mauritius)	100
Bull Madagascar SA Madagascar corporation with share capital of MGA 29,240,000	12 rue Indira-Gandhi Tsaralalana BP 252 ANTANANARIVO (Madagascar)	100
<b>Europe</b>		
Bull Nederland NV Dutch corporation with share capital of EUR 1,800,000	Dalsteindreef 141-151 1112 XJ Diemen Netherlands P.O. Box 22859 1100 DJ AMSTERDAM Netherlands (Netherlands)	100
Bull GmbH (Germany) German corporation with share capital of EUR 23,000,000	Von-der-Wettern-Straße 27 51 149/KOELN/COLOGNE (Germany)	100
Bull (España), SA Spanish corporation with share capital of EUR 20,415,395	Paseo Doce Estrellas, N° 2 Campo de las Naciones 28042 MADRID (Spain)	100
Bull Holdings Limited U.K. corporation with share capital of GBP 105,000,000	Maxted Road HEMEL HEMPSTEAD Hertfordshire HP2 7DZ (UK)	100
Bull Integrated IT Solutions A.E. Greek corporation with share capital of EUR 4,482,000.24	44, avenue Syngrou B.P. 19027 117 42 ATHENS (Greece)	100
SA Bull NV Belgian corporation with share capital of EUR 7,200 464.06	Rue du Moulin à Papier 51 1160 BRUSSELS (Belgium)	100
Bull Cyprus, Limited Cypriot corporation with share capital of CYP 20,000	70 Makarios III Avenue PO Box 27269 NICOSIA (Cyprus)	100

<b>Eastern Europe</b>		
Bull A/O Russian corporation with share capital of RUR 17,700,000	Elecrichesky Pereulok, 3, Building 3, entr., 3 123557 MOSCOW (Russia)	100
Bull d.o.o. Croatian corporation with share capital of HRK 2,229,000	Koturaska 69 10000 ZAGREB (Croatia)	100
Bull s.r.o. Czech corporation with share capital of CZK 15,000,000	Lazarska 6 120 00 PRAGUE 2 (Czech Republic)	100
UAB "Bull Baltija" Lithuanian corporation with share capital of LTL 150,000	40 Gostauto Street 01112 VILNIUS (Lithuania)	100
Bull Bulgaria Ltd. Bulgarian corporation with share capital of BGN 100,000	34A "Dondukov" blvd; Floor 4, apartment 22 SOFIA (Bulgaria)	100
Bull Magyarország Hungarian corporation with share capital of HUF 300,000,000	Szépülvögyi ut 43 H-1037 BUDAPEST (Hungary)	100
Bull Polska Sp. Z.O.O. Polish corporation with share capital of PLN 2,900,000	Ul. Pawaia 55 01030 WARSAW (Poland)	100
AMG.net Polish corporation with share capital of PLN 763,166.90	29 rue de Lakowa LODZ (Poland)	100
Bull Romania srl Romanian corporation with share capital of RON 340,700	12 A Burghilea Street, Sector 2, 024032- BUCHAREST (Romania)	100
Bull Bilgisayar Teknoloji A.S Turkish corporation with share capital of TRY 751,562	Turan Gunes Bulvari 89 SOK 14/1 CANKAYA YILDIZ ANKARA (Turkey)	99.6
<b>Subsidiary of Bull (España), SA</b>		
Siconet Spanish corporation with share capital of EUR 126,000	Paseo de las Doce Estrella, 2 Campo de la Naciones 28042 MADRID (Spain)	100
<b>Subsidiary of Bull GmbH (Germany)</b>		
Bull GmbH (Austria) Austrian corporation with share capital of EUR 5,820,000	Lemböckgasse 49 A-1230 VIENNA (Austria)	100
Bull (Suisse) SA Swiss corporation with share capital of CHF 100,000	Walliseller Strasse 116, 8152 OPFIKON (Canton of Zurich, Switzerland)	100
Science+Computing AG German corporation with share capital of EUR 1,495,000	Hagellocher Weg 73 72070 TUEBINGE (Germany)	99
<b>Subsidiary of SA Bull NV</b>		
PFS Luxembourg corporation with share capital of EUR 1,500,000	CAP2 Parc d'activités de Capellen 40 L - 8308 (Luxembourg)	100
CSB Consulting Luxembourg corporation with share capital of EUR 53,550	L-5326 Contern, 22 Rue Edmond-Reuter (Luxembourg)	100



## Information on the Company and its capital

INFORMATION REGARDING COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION AT JUNE 30, 2010

<b>Subsidiaries of Bull do Brasil de Informação Ltda.</b>		
Bull Mexico SA de C.V. Mexican corporation with share capital of MXN 50,000	Circuito Circunvalación Poniente No. 4-B, Ciudad Satélite, Naucalpan, CP. 53100, MEXICO CITY (Mexico)	100
Bull Argentina SA Argentine corporation with share capital of USD 4,000,198	Carlos Pellegrini, 1363 2° piso 1011 BUENOS AIRES (Argentina)	100
Bull Tecnologia da Informação Ltda. Brazilian corporation with share capital of BRL 8,954,089 R\$ 3 067 185 00	Avenida Angelica 903 Higienópolis 01227-901 SÃO PAULO (Brazil)	100
Bull Uruguay SA Uruguayan corporation with share capital of UYP 900,000	Av. Dr Luis A. de Herrera, 2802 1160 MONTEVIDEO (Uruguay)	100
Bull Ltda. Brazilian corporation with share capital of BRL 54,197,349.50	Avenida Angelica, 903 Higienópolis 01227-901 SÃO PAULO (Brazil)	100
<b>Subsidiary of Bull Ltda.</b>		
Bull Comercial Ltda. Brazilian corporation with share capital of BRL 8,930,415	Avenida Angelica, 903 1° andar – Sala 04 – Higienópolis 01227-901 SÃO PAULO (Brazil)	100
<b>Subsidiaries of Bull Holdings Limited</b>		
Bull Information Systems Limited U.K. corporation with share capital of GBP 59,000,000	Maxted Road HEMEL HEMPSTEAD Hertfordshire HP2 7DZ (UK)	100
Bull ND Holdings Limited U.K. corporation with share capital of GBP 11,000,000	Maxted Road HEMEL HEMPSTEAD Hertfordshire HP2 7DZ (UK)	100
<b>Subsidiaries of Bull Information Systems (Hong Kong)</b>		
Bull Information Systems (Beijing) Co. Ltd Chinese corporation with share capital of USD 500,000	11/F, Jing Guang Centre Office Building Hu Jia Lou Chao Yang District 100 020 BEIJING (People's Republic of China)	100
<b>Subsidiaries of Bull Information Systems Limited</b>		
Bull Financial Services Limited U.K. corporation with share capital of GBP 2	Maxted Road HEMEL HEMPSTEAD Hertfordshire HP2 7DZ (UK)	100
Bull Pension Trustees Ireland Limited Irish corporation with share capital of EUR 2.54	29/31, South William Street DUBLIN 2 (Ireland)	100
Tuscan Connects Ltd U.K. corporation with share capital of GBP 1,000	Maxted Road, Hertfordshire, HP2 7DZ HEMEL HEMPSTEAD (UK)	80
<b>Subsidiary of Bull ND Holdings Limited</b>		
Bull Information Systems Ireland Irish corporation with share capital of EUR 278,500	29/31, South William Street DUBLIN (Ireland)	100

<b>D – Subsidiaries of Amesys</b>		
Amesys Réseau Sécurité et Services French corporation with share capital of EUR 5,590,515.44 (SIREN No. 403 412 463)	20 rue de Billancourt 92100 BOULOGNE-BILLANCOURT (France)	100
Amesys Conseil Simplified joint stock company with share capital of EUR 40,000 (SIREN No. 432 743 698)	Avenue Guilibert-de la-Lauzière 13794 AIX-EN-PROVENCE (France)	55 (Bull = 45%)
Amesys International Simplified joint stock company with share capital of EUR 457,347,05 (SIREN No. 412 130 486)	Avenue Guilibert-de la-Lauzière 13794 AIX-EN-PROVENCE (France)	100
<b>Subsidiaries of Amesys Conseil</b>		
Crescendo Gmbh German corporation with share capital of EUR 25,000	Im Trutz Franckfurt 55 62 322 FRANKFURT AM MAIN (Germany)	100
Amesys SWISS Swiss corporation with share capital of CHF 50,000	90 avenue de France CH-1004 Lausanne (Switzerland)	100
Artware Benelux Luxembourg corporation with share capital of EUR 15,000	45 boulevard Frieden L-1453 Luxembourg (Luxembourg)	100
Amesys Canada Inc. Canadian corporation with share capital of CAD 1,000	1 Place Ville-Marie, HUB 2C4 Montreal Quebec (Canada)	100
<b>E – Subsidiary of Bull Data Systems Inc.</b>		
Bull HN Information Systems Inc. US corporation with share capital of USD 1,558	296 Concord Road, Suite 180 BILLERICA, MA 01821-3486 (United States)	100
<b>Subsidiary of Bull HN Information Systems Inc.</b>		
AddressVision Inc. US corporation with share capital of USD 1,000	296 Concord Road, Suite 180 BILLERICA, MA 01821-3486 (United States)	100



## Information on the Company and its capital

INFORMATION ON MAIN MINORITY INTERESTS AT JUNE 30, 2010

### 4.4 INFORMATION ON MAIN MINORITY INTERESTS AT JUNE 30, 2010

Company name	Registered office	% ownership
<b>Shareholdings in France</b>		
Keynectis French corporation with share capital of EUR 6,986,000 (SIREN No. 478 217 318 PARIS 478)	30 rue du Château-des-Rentiers 75647 PARIS cedex 13 (France)	14.39 (Bull SAS)
<b>Bull España</b>		
Safelayer Spanish public limited company with share capital of EUR 1,950,000	Edificio World Trade Center (S-4) Moll de Barcelona S/N 08039 BARCELONA (Spain)	15.0 (Bull España)

These shareholdings are not consolidated as they are between 10.0% and 19.9%.

# 5

# ADDITIONAL INFORMATION

**5.1 PERSON RESPONSIBLE  
FOR THE HALF-YEAR FINANCIAL REPORT**

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## Additional information

PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

# 5.1 PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

Responsibility for this document lies with Philippe Vannier, Bull's chairman and chief executive officer.

### **Certification by the person responsible for this document**

I certify that, to my knowledge, the condensed half-year consolidated financial statements for the half-year period have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profit or loss of the Company and all the companies included in the consolidation scope, and that the half-year management report appearing on page 10 includes a table which is a true reflection of significant events during the first six months of the financial year, their impact on the financial statements, the main transactions between related parties as well as a description of the main risks and uncertainties for the six months remaining in the financial year.

August 2, 2010

Philippe Vannier

Chairman and chief executive officer

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Architect of an Open World™

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