



2011 Annual Results

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Agenda

- **Introduction**
- **Business Line Activities**
- **Business Line Financial Performance**
- **Group Financial Results**
- **Conclusion**

Introduction

Order intake		Revenue	
2011	€ 1 312.6 M*	2011	€ 1 301 M
2010	€ 1 312.5 M	2011/2010	+ 4.6 %*
Q4 2011	+4.4 %	H1	+3.6%
		H2	+5.6%
		Q4 2011	+6.4%
Book to bill : 1.01		Acceleration in H2	

* +€ 58 M backlog adjustment in Q3

* +5.1% at constant currency; +3.7% organic

Introduction

Profitability

Gross
margin

€ 289.9 M
+€ 11.8 M

EBIT

€ 43.7 M
+23 %

Net
Income

€ (16.5 M)

**Net income excluding partial goodwill &
intangibles depreciation : € 18,0 M**

Cash

Gross
cash

€ 346 M
+€ 19.7 M

Net
cash

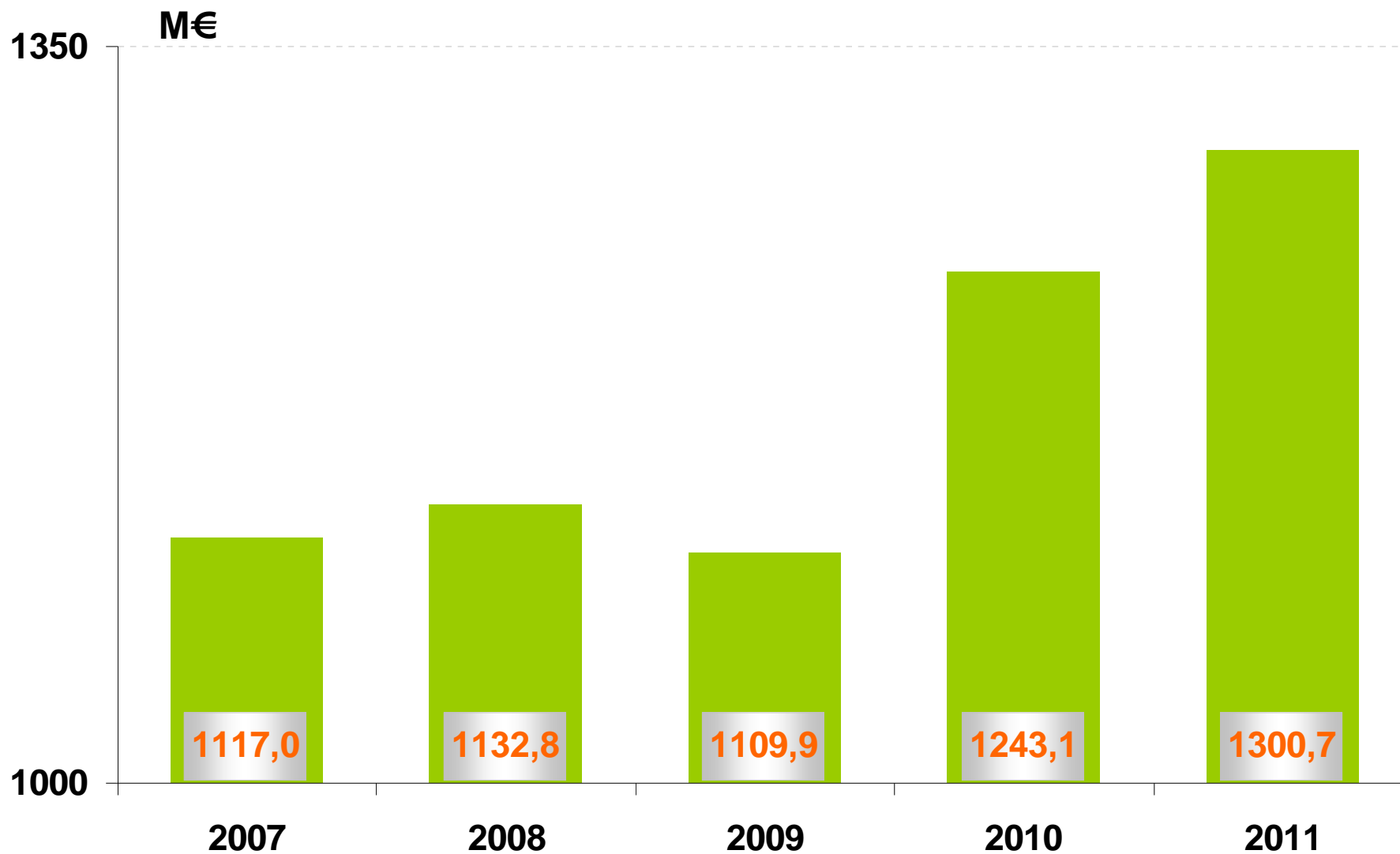
€ 269.8M
-€ 13.4 M

Operational
cashflow

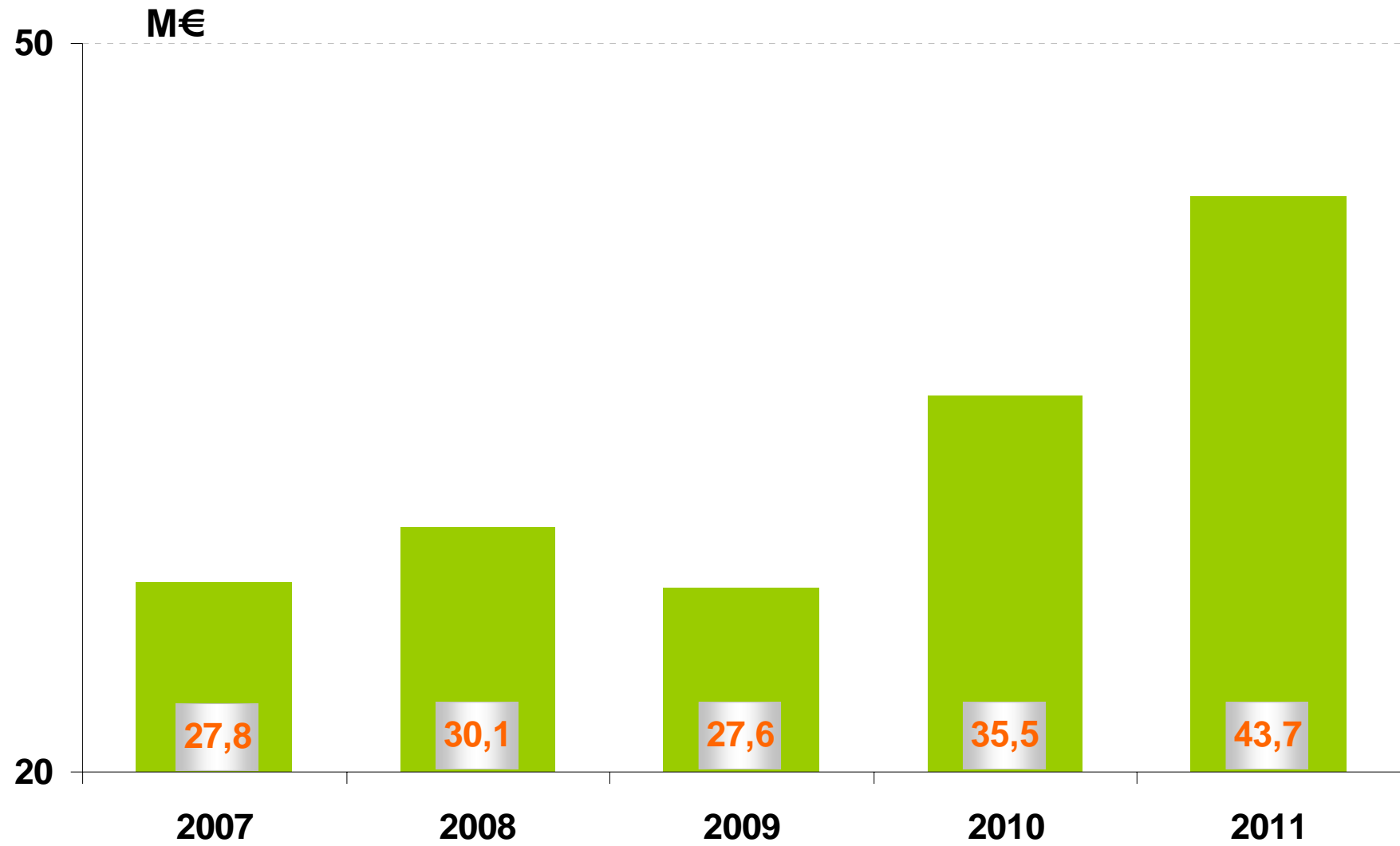
€ 22.3 M

**Strong recovery of operational cash
in H2**

Chiffre d'affaires



EBIT



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Highlights

Eurocontrol

Development and maintenance of critical applications for our Key Accounts



Eurocontrol chose a consortium led by Bull for its business applications.

“Our collaboration will be instrumental in supporting the delivery of a reliable, secure and collaborative data-centric network supporting all the actors of Air Traffic Management in Europe” said Jacques Dopagne, Eurocontrol’s Director of Network Management

Le cloud by Bull

Methodology designed to deliver secure, made-to-measure cloud computing

- The structured cloud: driven by a consultancy approach
- The agile cloud: to build flexible private cloud infrastructures
- The secure cloud: supported by an end-to-end offering
- The controlled cloud: for effective control of customers’ clouds



Supercomputing

- Curie installed at GENCI in December 2011. Currently number 1 in Europe delivering 2 Petaflops of power



- HELIOS supercomputer installed at Rokkasho (Japan), with performance of 1.5 Petaflops in December 2011

Innovative Products

Europe's number one in supercomputers and large-scale enterprise systems

Performance

- bullion ranked as the world's fastest VMware server



- Royal Netherlands Meteorological Institute orders Bull supercomputer



Koninklijk Nederlands
Meteorologisch Instituut
Ministerie van Verkeer en Waterstaat

- Tera 100 ranked number 1 in Europe for the third consecutive quarter



Innovation

- Launch of bullx B700 DLC, a new range of servers featuring ultra-low energy consumption

- Barcelona Super Computing Center and Curie (GENCI) ranked number 1 and 2 in Europe, in the Green 500 listing



- New GCOS 7 mainframes equipped with PostgreSQL database

Excellence

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Computing Solutions

Key player in data center transformation at a European level

Focus

Offering and expertise built around three main activities:

- Infrastructure consulting and services
- Data centers and the supply of server, storage and network infrastructures
- Outsourcing



Enhancements

- Server and storage offerings enhanced with new modules, to address changes brought about by cloud computing
- Creation of Bull Advisory Services: consultancy offering focused on transforming IT infrastructures for cloud computing
- Outsourcing business based around constantly evolving data centers with an international approach



SAP Certified
in Hosting Services

Innovation

Launch of *Le cloud by Bull*:

Methodology designed to deliver secure, made-to-measure cloud computing

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Business Integration Solutions

Made-to-measure precision to deliver mission-critical applications

Industrialization

Opening of two Services Centers in France, including one dedicated to Business Intelligence



Languedoc Roussillon regional council wins 'SAP Quality Awards' for its 'New Business Application Implementation'.

Working with Bull, the council has introduced an innovative 'Management Dashboard' solution for its elected representatives, combining various function-specific modules (Finance, HR, Transport, Professional Development, Education...)

Focus

Development and maintenance of critical applications for our Key Accounts



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Replication

Value-added business solutions offering

ORACLE

Bull is implementing Oracle SOA Suite for banks in Poland, and government ministries in France and Belgium

Microsoft

Bull Training is the first training center in France to achieve Microsoft Gold Certified Partner Learning Solutions accreditation



Bull and Alphinat have joined forces to paperless processing solutions and on-line procedures

In 2011, Business Integration Solutions hired almost 700 people worldwide. In Poland, on average three new engineers joined our Services Center in Lodz every week

Security Solutions

A benchmark player in digital and electronic high security

Scope

Security Solutions offerings are focused around four main areas:

- Digital information: encryption of data and networks, secure communications, identity and access management
- Critical systems: command and control, embedded electronics, industrial automation, test benches
- Sensitive sites: access control, video surveillance
- Homeland security: anti-IED signal jamming, interception and processing of radar signals

Excellence

Recognized, specific, expert high-security solutions

Gold Medal for Evidian, Europe's leader



Identity and access management



GLOBULL

The only USB-format hard disk to achieve French defense Confidential level accreditation

Trust

Expertise and solutions to build and maintain trust



Docapost DPS achieves ISO 27001 certification for its SMSI



Securing 95% of the transactions carried out by the biggest banks in France and Europe

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Innovative Products

M€	2011	2010	Δ
External orders	65.5	55.5	+18.0%
Book to bill	1.03	0.94	
Total Revenue	202.4	173.5	
External Revenue	63.8	59.1	+8.0%
Contributive Margin	20.8	21.6	
<i>% of total revenue</i>	<i>10.3%</i>	<i>12.4%</i>	

- 2 Petaflop scale supercomputers delivered in 2011 : France and Japan
- Solid performance of legacy mainframe product line

Computing Solutions

M€	2011	2010	Δ
External orders	786.5	818.3	-3.9%
Book to bill	0.97	1.07	
Total Revenue	813.6	767.3	
External Revenue	807.8	763.9	+5.7%
Contributive Margin	64.5	59.9	
<i>% of total revenue</i>	7.9%	7.8%	

- Order intake affected by year-end cut off : major contracts expected in 2011 in fact signed in the first days of January
- Strong business momentum in key offers
 - Extreme Computing
 - Storage : acquisition of Egyptian leader in storage solutions
 - Infrastructure services

Business Integration Solutions

M€	2011	2010	Δ
External orders	337.1	320.2	+5.3%
Book to bill	1.08	1.05	
Total Revenue	321.0	310.2	
External Revenue	312.9	303.3	+3.2%
Contributive Margin	9.8	7.1	
<i>% of total revenue</i>	<i>3.1%</i>	<i>2.3%</i>	

- Positive order intake momentum
- Operating margin increase mostly due to better utilisation rate

Security Solutions

M€	2011	2010	Δ
External orders	123.5	118.0	+4.7%
Book to bill	1.06	1.01	
Total Revenue	122.1	121.3	
External Revenue	116.2	116.9	-0.6%
Contributive Margin*	2.5	7.2	
<i>% of total revenue</i>	2.0%	5.9%	

* After PPA charge of 3.4 M€

- Strong increase in activity in Q4:
 Order intake +58% vs Q4 2010
 Revenue +19% vs Q4 2010
- Challenging environment for long lead time activities but good momentum in short lead time businesses

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Income Statement

M€	2011	2010	Δ
Revenue	1 300.7	1 243.1	+4.6%
Gross Margin	289.9	278.3	+4.2%
<i>% of revenue</i>	22.3%	22.4%	
R&D net	(24.4)	(19.8)	
SG&A	(220.0)	(220.0)	
<i>% of revenue</i>	16.9%	17.7%	
Exchange gain / (loss)	(1.8)	(3.0)	
EBIT	43.7	35.5	+23.1%
<i>% of revenue</i>	3.4%	2.9%	

- Revenue grew 3.7% on organic basis
- Gross R&D at 63.3 M€ vs. 58.5 M€ in 2010
- SG&A volume is stable vs 2010 despite integration of Egyptian acquisition
- 23% increase in EBIT

Income Statement

M€	2011	2010
EBIT	43.7	35.5
Other income & expense	(22.5)	3.2
Restructuring	(15.8)	(14.1)
Operating Income	5.4	24.6
Exchange gain / (loss)	0.6	0.6
Net interest and financial costs	(11.5)	(8.6)
Taxation	(10.9)	(10.0)
Minority interests	(0.1)	(0.1)
Net Income, Group share	(16.5)	6.5

- Other expense includes charges of 34.5 M€ in respect of partial depreciation of Amesys goodwill and intangibles
- Financial costs include charges of 4.9 M€ in respect of German pension plan and 3.7 M€ due to discounting of CIR

Cashflow

M€	2011	2010
EBIT	43.7	35.5
Depreciation & amortization	21.5	19.8
Capital expenditure	(19.5)	(27.9)
Change in WCR	(23.4)	35.0
Operational cashflow	22.3	62.4
Net interest paid	(4.2)	(3.5)
Taxes paid	(11.1)	(10.2)
Non recurring cashflow	(20.1)	(50.9)
Total cashflow	(13.1)	(2.2)
Net cash	269.8	282.9

- Negative effect in 2011 of :
 - non repayment of CIR
 - customer repayments received in 2012
 - lower factoring in Spain

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Conclusion

A group that's dynamic

+4.6% Revenue, +23% EBIT

A group that's hiring

+1,000 in 2011, +1,000 in
2012

A group that's innovating

+23% in R&D

2013 Objectives : growth and profitability

Revenue in the range
€1.35bn – €1.45bn

50% international revenues

EBIT in the range
€50M - €60M

Cash conversion of 80%
of EBIT

Maintain flexibility for
potentiel strategic
acquisitions

Reasonably levered
balance sheet



BULL