



Architect of an Open World™

First half 2008 results

Didier Lamouche – Chairman & CEO

Philippe Lederman – CFO

July 30, 2008

LIBERATE IT

Agenda

- **First half 2008 highlights & key events**
- First half 2008 business performance
- First half 2008 results
- 2008 focus points & outlook

1st half 2008 highlights

- **Accelerating sales momentum**

- Strong Q2 boosted by France, Telco, Hardware & Systems Solutions
 - Orders : + 20.6 % vs 2007
 - Revenue : + 4.3 % vs 2007

- **Good H1 achievement**

- Orders : + 6.4 % vs 2007
- Revenue : + 0.1 % vs 2007
- Services and Solutions gross margin improves by 0.9 pt
- EBIT: +21% vs 2007 at 11.5 M€
- Services momentum continues: growth rate in excess of 2X market
- Hardware & Systems Solutions revenue shows growth in Q2: new integrated product offers are taking off
- Contribution of growth businesses offsets decline of mature businesses

- **Full year outlook confirmed**



1st half business highlights

- **Hardware & Systems Solutions**

- Orders increased 23%, boosted by acceleration of integrated product offers (HPC & secure storage)
 - Strategic major wins in Europe
- 2.4% Revenue growth in Q2 follows strong Q1 order intake
 - Successful deliveries of large key projects France / UK
- Gross margin under pressure as anticipated (-5.9pts) as mix evolves

- **Services & Solutions**

- Orders grew 5.7% vs challenging base in 1H07
- Revenue growth rate of 19.9% exceeds market rate for 6th consecutive semester
 - 11.7% growth in Q1 accelerates to 27.4% in Q2; momentum builds in France and Spain (Siconet acquisition)
- Gross margin rate improved 0.9 pt
 - 3pt improvement of utilization rate in France

- **Maintenance under pressure** (6.8% revenue decline vs 1H07) from anticipated end-of-life of some GCOS systems

- Growth (+33%) of value-add PRS increasingly limits revenue erosion (-5.6% in Q2)

- **Fulfillment & third party products revenue declines**

34.2% as sales efforts are deliberately focused on Bull offers

1H08: Key events summary

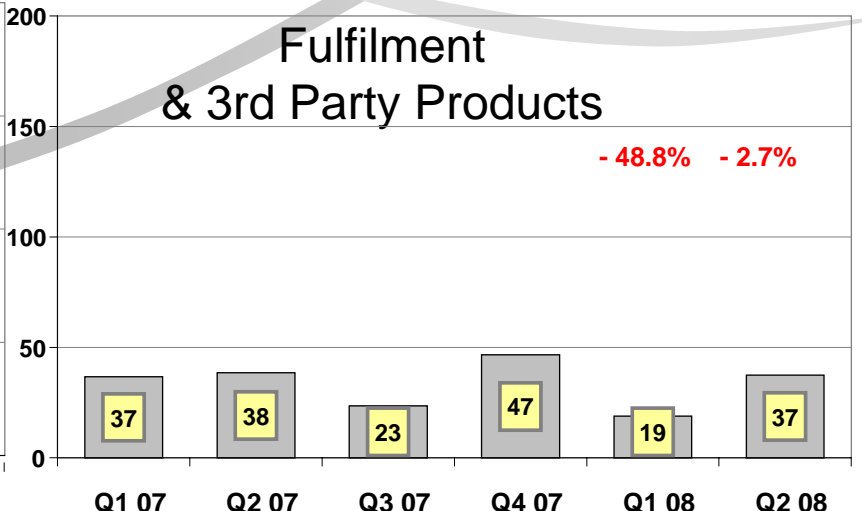
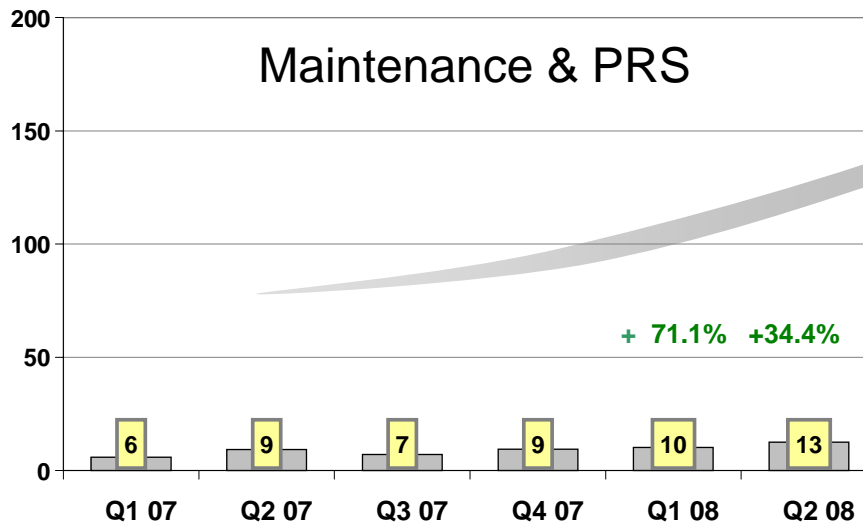
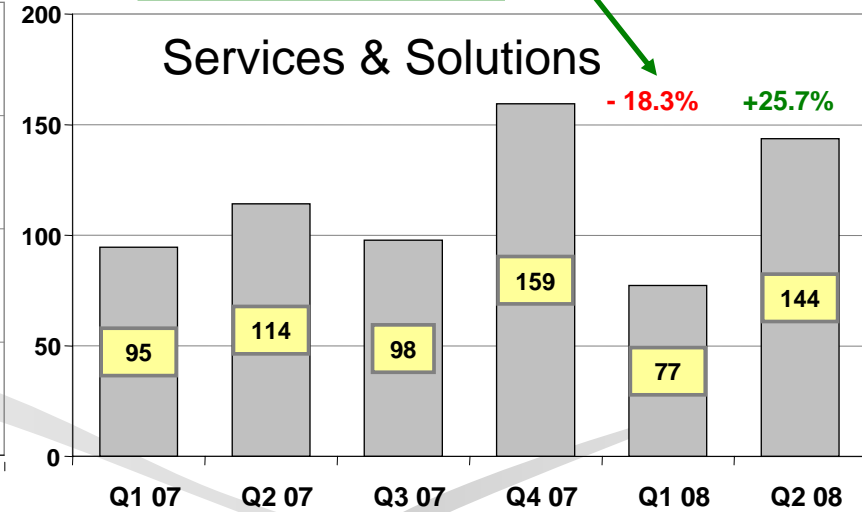
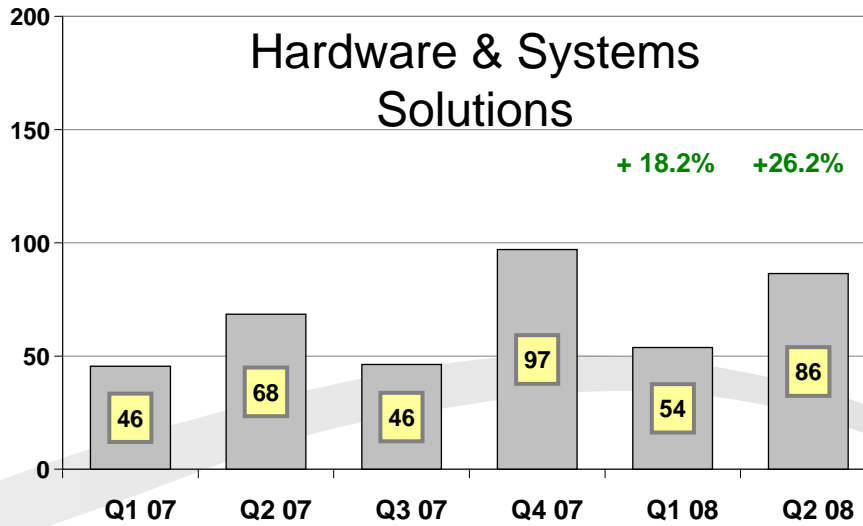
	New offers	Key Wins & Successes	Key Initiatives
January		CEA and Bull announce record performance for image search in very large-scale databases, leading to new applications from B.I to comparison of medical imagery Bull Evidian announces new market momentum, with the adoption of Evidian Enterprise SSO by Quest, extending channels for Evidian notably in North America.	Bull announces the acquisition of its subsidiary Maine CI by Elco confirming its strategic repositioning
February	Bull introduces NovaScale VMBox, the all-in-one virtualization server solution combining Bull's expertise with the power of VMware solutions.	AddressVision Inc., a Bull Group Subsidiary, has been selected by Australia Post in Recognition Improvement Initiative	
March	Bull reduces the complexity and extends the scope of enterprise data protection and management with its new StoreWay Calypso software suite	Cardiff University chooses Bull to provide new supercomputer for advanced research computing and one of the most powerful system installed in UK. Cardiff University is one of the leading research centres in the UK including two Nobel Prize winners.	Bull joined the Climate Savers Computing Initiative, a non-profit organization dedicated to reducing computer power consumption by 50 percent by 2010 In France, Bull and Medasys announced a new partnership for delivering solutions in healthcare
	Bull strengthens its Bio Data Center offering with a new NovaScale blade server designed to cut power consumption		In the framework of the initiative concerning a joint Franco-German supercomputer program, Bull announced its commitment to face the European challenge in HPC
April	In France, Bull announces globull, THE answer that combines Mobility and Security	A NovaScale supercomputer running MoGo, a software developed by INRIA, beats a Go Master	
		GENCI together with the CEA order a Bull NovaScale supercomputer to speed up innovation and research, the first hybrid large-scale European supercomputer	
May			Bull and Oblicore Partner to Address Service Level Management Market for Telcos Bull and Access Commerce streamline client sales processes
June		Announcement of award by the United States Agency for International Development to a consortium with Bull of a \$ 10 million IT services contract to modernize Egyptian tax administration	
		Broadband takes off: OnAir brings Highdeal and Bull on-board for its mobile telephony offer	Bull acquires CSB Consulting - an IT services company based in Belgium and Luxembourg - continuing its dynamic growth in information technology services
			In France, Bull partners with Tricast in social protection and insurance markets in the framework of EU Solvency II Directive

Agenda

- First half 2008 highlights & key events
- **First half 2008 business performance**
- First half 2008 results
- 2008 focus points & outlook

Orders by segment

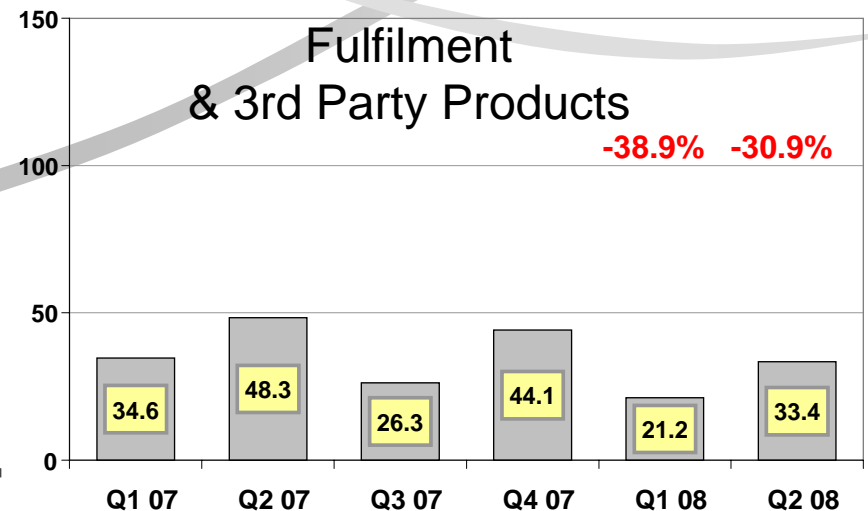
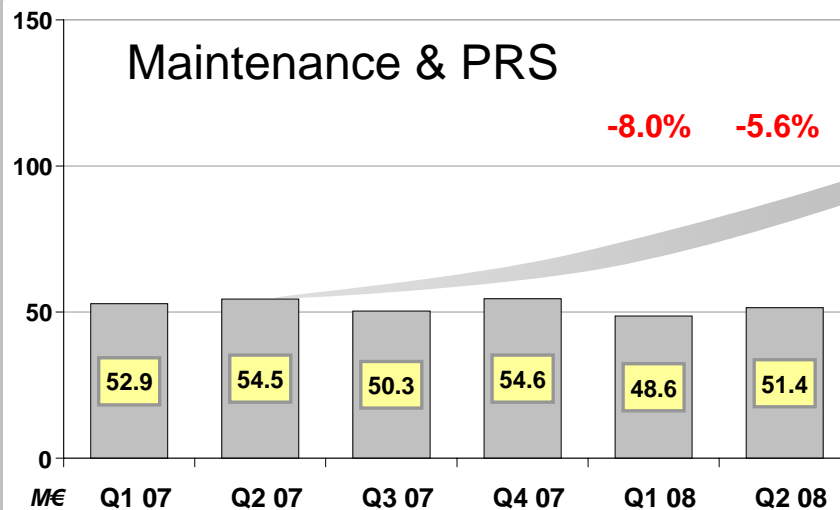
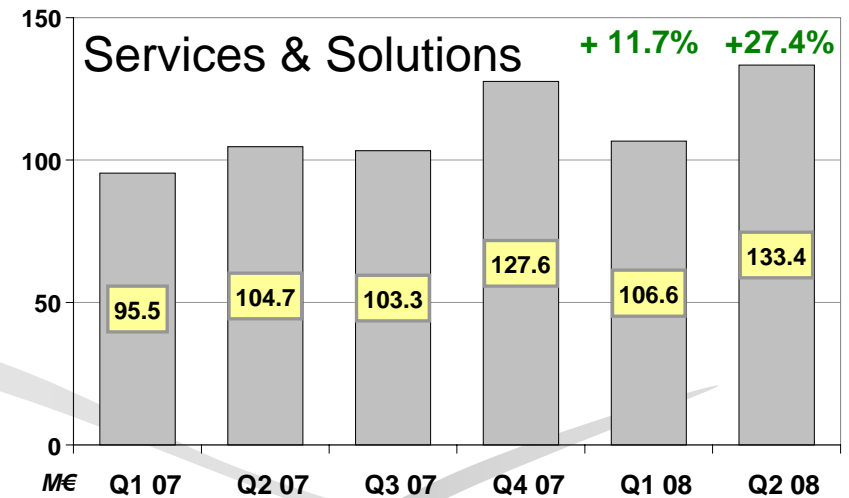
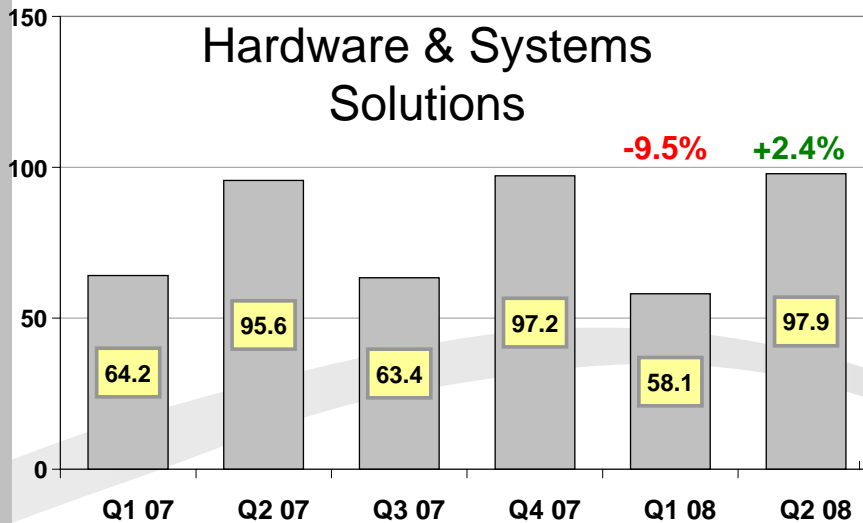
1H07 base effect:
State of California



New trend in Hardware & Systems Solutions



Revenue by segment

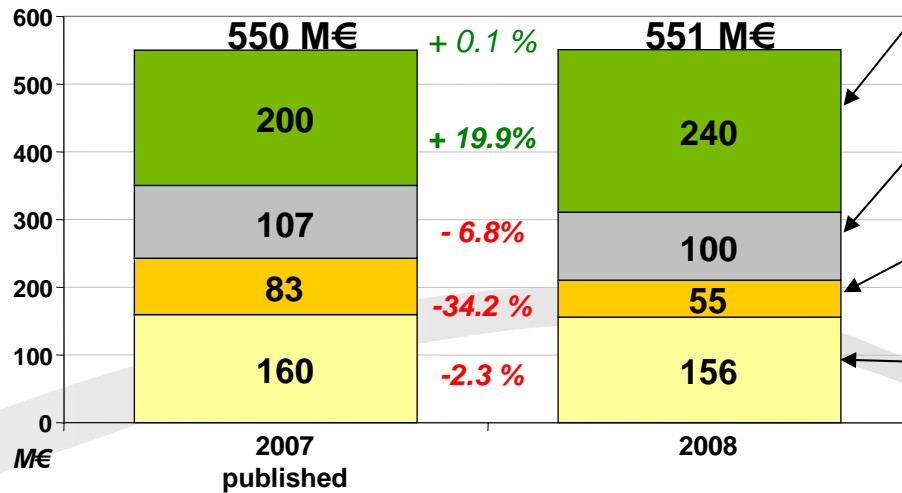


Momentum of growth offers in Hardware & Systems and Services



Revenue & Gross margin analysis

Revenue



Services & Solutions:
above market rate growth once again

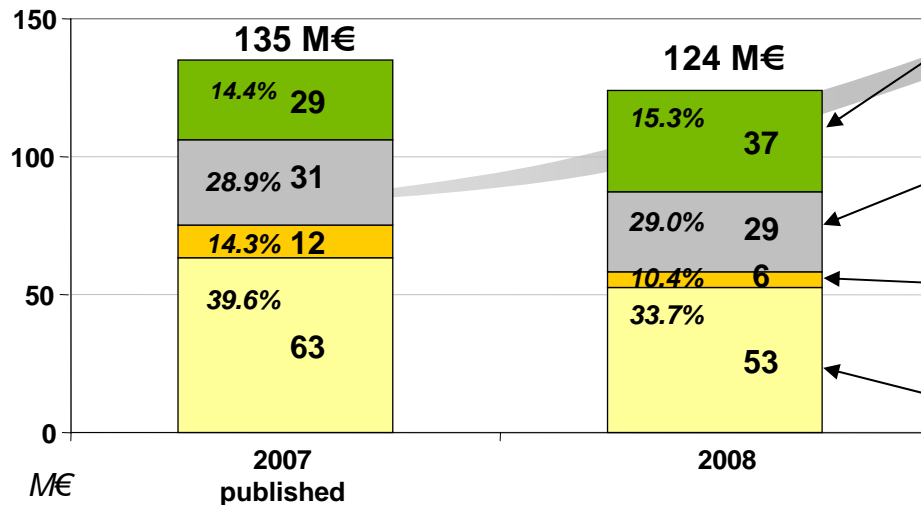
Maintenance & PRS:
Revenue decline limited by PRS growth

Fulfillment & third party products:
Declining because deliberate focus on Bull core offers

Hardware & Systems Solutions:
New integrated product offers taking off



Gross Margin



Services & Solutions:
0.9% improvement in Service gross margin

Maintenance & PRS: cost reduced in line with revenues to defend margin rate

Fulfillment & third party products:
Defocus low margin business

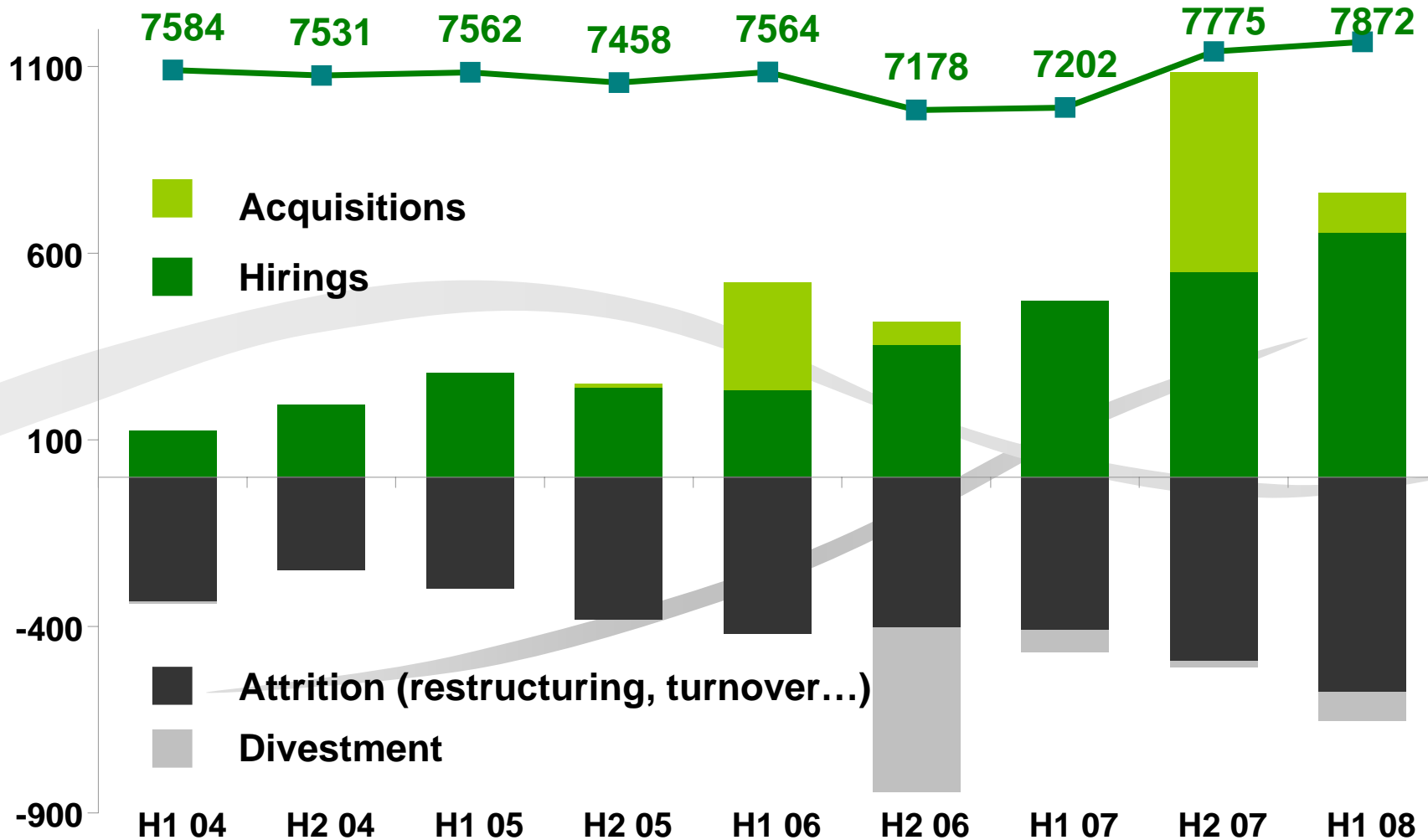
Gross margin rate under pressure as anticipated as mix evolves



Revenue by Geography

(M. Euros)	1st Half 07 <i>published</i>		1st Half 08		
France	259	47%	283	51%	Strong growth
Western Europe without France	142	26%	147	27%	} Stable
ECE	44	8%	38	7%	
USA	29	5%	23	4%	Currency impact
South America	22	4%	17	3%	} International outside Europe declines mostly due to focus on core Bull offers
ROW	54	10%	43	8%	
Total	550	100%	551	100%	

Group transformation: headcount evolution



Hiring continues selectively in growth areas: France, Spain, Telco
41% of employees have joined Bull since early 2005



Agenda

- First half 2008 highlights & key events
- First half 2008 business performance
- **First half 2008 results**
- 2008 focus points & outlook

1st Half 2008 - Income Statement

As published / €millions	1H07	2H07	1H08	
Revenue	550.2	566.8	550.6	
Gross margin	135.1 24.6%	140.3 24.8%	124.0 22.5%	Business mix evolution as planned
R&D gross	(24.1)	(23.1)	(16.1)	R&D: technical and financial collaboration with strategic partners
R&D net	(23.0) -4.2%	(22.0) -3.9%	(14.3) -2.6%	Investment in Bull offers
Selling	60.7	63.5	63.7	
G&A	41.6	39.5	33.6	
SG&A	(102.3) -18.6%	(103.0) -18.2%	(97.3) -17.7%	€5M (recurring) comes from strong cost reduction actions
Exchange gain/(loss)	(0.3)	0.2	(0.9)	€3M comes from reversal of provision for tax risk
EBIT before non-recurring items	9.5 1.7%	15.5 2.7%	11.5 2.1%	

EBIT increases 21% vs first half 2007



1st Half 2008 - Income Statement

As published / €millions	1H07	2H07	1H08	
EBIT before non-recurring items	9.5 <i>1.7%</i>	15.5 <i>2.7%</i>	11.5 <i>2.1%</i>	EBIT +21% vs 2007
Other income	4.1	(0.4)	0.3	
Restructuring	(6.4)	(12.3)	(6.6)	To accelerate transformation
EBIT after non-recurring items	7.2	2.8	5.2	
Financial Income	(2.4)	0.0	(1.4)	
Tax	(0.3)	(2.6)	0.9	
Net Income before minority interests	4.5	0.1	4.7	
Minority interests	-	-	-	
Net Income (Group share)	4.5	0.1	4.7	Improving

1st Half 2008 - Cash Flow Statement

€millions	1H07	1H08	
EBIT	9.5	11.5	
Depreciation (excl. Goodwill)	9.4	6.9	
Working capital	(24.8)	(15.4)	Growth in services and new product offers as anticipated
Operational capex	(8.0)	(7.6)	
Net financial charges	(1.3)	(1.4)	
Taxes	(0.3)	1.0	
Operating cash flow	(15.5)	(5.0)	
Cash restructuring	(10.5)	(10.3)	
Exceptional resources	7.2	0.3	
Non-recurring cash out	(17.4)	(6.5)	Acquisitions
Exceptional cash flow	(20.6)	(16.5)	
Total cash flow	(36.1)	(21.5)	
Cash at start of period	315.0	332.2	Gross Cash position
Cash at end of period	286.1	283.8	

Balance Sheet June 30, 2008

€millions	1 Jan. 2008	30 Jun. 2008
Fixed Assets	94.8	99.2
Cash management & other fin. assets (A)	44.2	26.5
Trade + Other Working capital	(75.0)	(59.8)
Deferred Taxes	28.0	28.0
Cash & Cash Equivalents (B)	288.0	257.3
Assets	380.0	351.3
Shareholders' Equity	76.7	80.9
Minority Interests	0.1	-
Reserves & Long Term Liabilities	137.0	130.9
CRMF	26.7	26.7
Other Financial Debt	139.5	112.5
<i>Of which Short Term Debt</i>	127.3	101.4
Equity & Liabilities	380.0	351.3

Gross Cash
(A) + (B) = €283.8m

Agenda

- First half 2008 highlights & key events
- First half 2008 business performance
- First half 2008 results
- **2008 focus points & outlook**

Focus points for second half

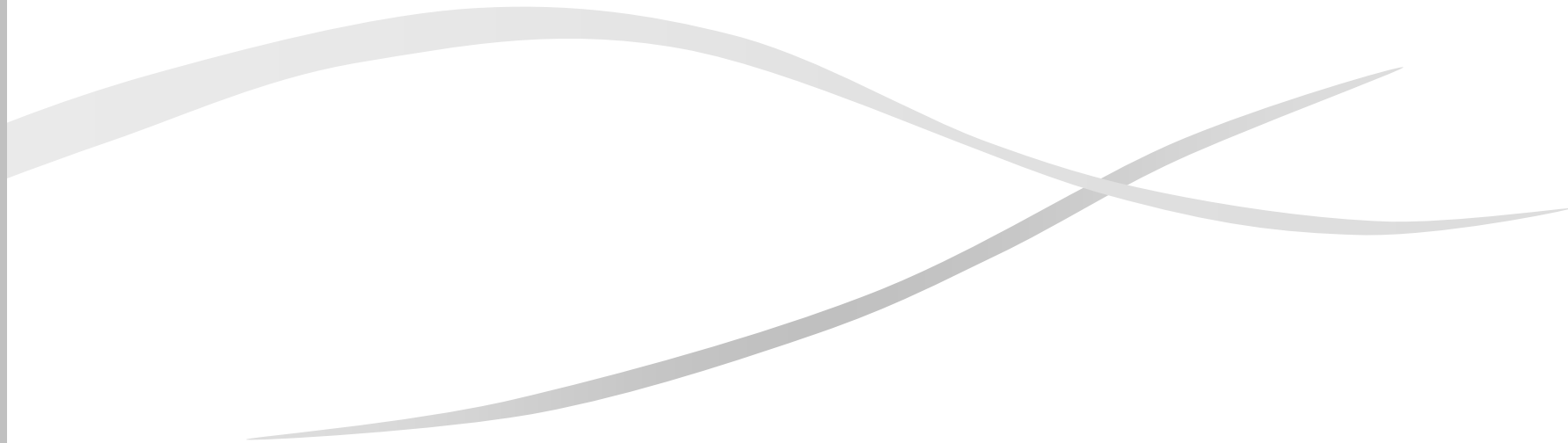
- **HPC – a strategic commitment**
 - Significant contract wins (International and France) and world records (AI, simulation and image search)
 - Significant investments and partnerships in R&D
 - Major initiatives and contracts in the coming months
- **Telco – revenues have doubled in 3 years**
 - Apply experience in mission-critical IT systems
 - Leverage competence centers in France, Morocco, Brazil
- **Services – maintain momentum**
 - Leverage outsourcing reference provider status for the public sector into private sector partnerships
 - Leverage data center expertise & hardware and systems know-how in infrastructure integration

Focus points for second half

- Remain vigilant for signs of end-market weakness
- Boost momentum in HPC internationally, accelerate secure storage
- Maintain growth rate above market rate for services
- Continue repositioning the company

2008 outlook confirmed

- Full year objective for EBIT before restructuring and exceptional items: €23-27 million





Architect of an Open World™

LIBERATE IT