DELIVERING EXCELLENCE

2008 ANNUAL REPORT

This document is a full free translation of the original French text.

The original document no D.08-218 has been filed with the Autorité des Marchés Financiers (AMF) on 9 April 2009 under n° D.09-251, in accordance with article 212-13 of the AMF's general regulations.

After filing, this document as a Reference Document could be used to support a financial operation if accompanied by a prospectus duly approved by the AMF.

CONTENTS

1 BUSINESS PROFILE

Atos Origin is a leading information technology services company mainly based in Europe generating annual revenues of EUR 5.5 billion and employs 51,000 people.

The Group has grown fast through acquisitions from a French base in IT outsourcing, to become a leading IT Services player with a global footprint providing a full range of Consulting, Systems Integration and Managed Operations capabilities. The Group developed a combination of local, near-shore and off-shore platforms.

The Group, as part of the top IT companies in Europe, is number one in The Netherlands, number two in France. With the critical size reached for the European market, Atos Origin is one of the very key players in Europe. Each year, the Group demonstrates its commercial dynamics and wins deals against large international IT players. Outside Europe, the Group is expanding in fast growing countries such as India and China.

Atos Origin provides end-to-end delivery with an integrated operating model: design, build and operate. The Group develops Consulting, Systems Integration and Managed Operations in full synergies.

The Group's vision is to be a leading IT player focused on delivering business outcomes and delivering globally. The mission of the Group is to advance the performance of its clients by offering innovative solutions that deliver measurable business value through the integrated operating model over the long-term. Therefore the Group continues to invest in Innovation in order to be proactive with its customers.

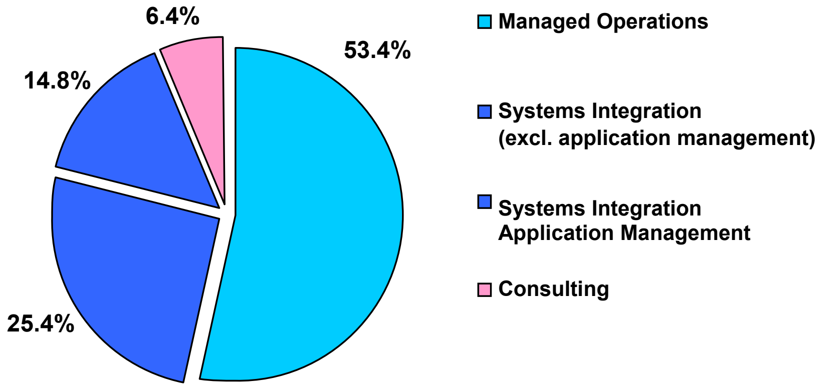
Predominantly based in Europe, 68% of the 2008 Group's revenues are generated from recurrent applications management and infrastructure outsourcing contracts.

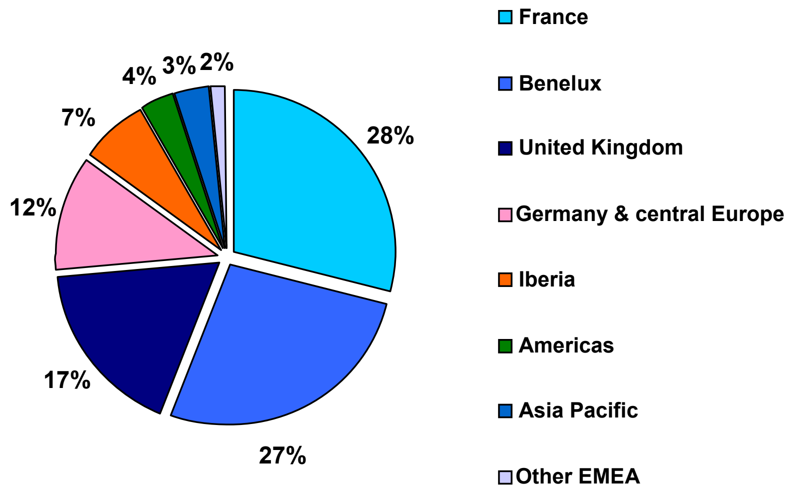
In 2008, the Group reached a revenue organic growth at +5.6% above the market average. During the year 2008, the Group maintained a good level of signatures, with an excellent run rate in the renewal of major contracts which demonstrated the customers' confidence in Atos Origin. The Group was also able to deploy key offerings, thus fertilized major clients such as in France Suez-GDF, EDF and a major oil company, and in the United Kingdom with the Ministry of Justice.

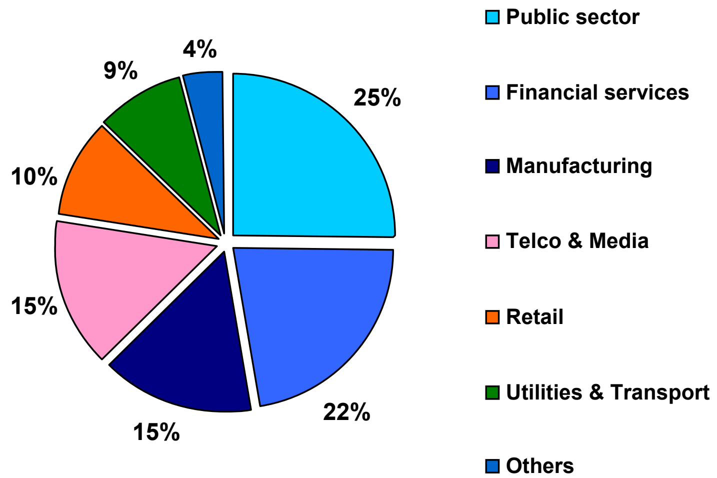
In November 2008 with the appointment of Thierry Breton as Chairman and Chief Executive Officer of Atos Origin, the Group implemented a very strong program called TOP (Total Operational Performance) and a new organisation to develop the operational excellence, to operate as a more global and more integrated Company and to reach the profitability of the best players in the Information Technology sector.

In order to achieve this objective, the shareholders voted at the Ordinary and Extraordinary Meeting held on 10 February 2009, the change of mode of Governance with the implementation of a Board of Directors chaired by Thierry Breton, Chairman and CEO of Atos Origin.

REVENUE PROFILE







2 CEO MESSAGE

Dear Shareholders,

It is my pleasure to address you as the Chairman and CEO of your company, Atos Origin, a leading high technology group, with more than 50,000 employees around the world, of which more than 42,000 are engineers.

Solid growth built on recurring business

In 2008, despite the developing economic crisis, Atos Origin demonstrated a solid sales performance with a +5.6% organic growth in revenue, underpinned by strong activity of its recurring business. Proof of our customers continued trust in us we signed many important deals during the year In France, we signed new contracts with the Home Office to implement and manage biometric passports; with ERDF to deliver a smart metering solution and with Michelin. We renewed contracts in Germany with e-Plus and in the Netherlands with KPN and NXP. In the UK, we signed some significant Public Service contracts as well as some new names in the private sector.

2008 was also the year of the Beijing Olympic Games where, after five years of preparation and under the spotlight of the world's media, our team once again demonstrated its exceptional expertise at the world's largest sporting event. Managing a team of over 4,000 people during Games time, Atos Origin delivered a flawless performance and broke numerous technology records to deliver the competition results accurately and securely to the world in a fraction of a second.

I would like to take this opportunity to thank on your behalf all our employees for their skill, expertise and continued commitment to delivering high quality services to our customers around the world.

Insufficient 2008 operational performance

With a 4.8% operating margin, our performance has remained below that of our main competitors. When the Supervisory Board appointed me to lead the Group, they asked me to correct this situation and to accelerate its transformation.

During my first couple of weeks, I conducted a review that confirmed the strengths of the Company: strong customer relationships based on long lasting trust; solid portfolio of recurring contracts; leading position in our key European countries; market leading solutions especially within Atos Worldline, our specialized subsidiary focused on electronic payments, e-services and customer relationship management; and talented, committed and skilled workforce.

Atos Origin is at the centre of a structurally growing market sector. It has significant potential to improve how it operates by integrating the different entities which have been brought together following recent acquisitions; by pooling resources and skills; increasing global delivery and offshore capabilities and boosting its thinly spread innovation resources. The reorganization and transformation into an integrated Company will lead to strong improvement of its operational efficiency.

Swift and firm action

Immediately upon taking office on November 17th, 2008, I was strongly involved in the budget process. I requested the teams to make realistic assumptions on market conditions while preparing for 2009, and take strong measures to adapt our cost base and operating model.

In this context and to provide the Group with every chance to succeed, I have launched with the approval of the Supervisory Board, three key programs for the quick reshaping of the company:

- New governance structure
- Adapted operational organization
- TOP program

Governance fit for the Crisis

At the Annual General Meeting held on February 10th, 2009, the shareholders voted for the transformation of the Group's governance from a two-tiered Supervisory Board / Management Board model towards a single Board of Directors structure with a Chairman & CEO. Leveraging the new Board elected with the strong support of all shareholders, the Group now has the necessary reactivity to operate in the more challenging economic environment and execute its transformation program.

An organization model to overcome the Group's challenges

In order to transform Atos Origin into an integrated global organization, I have decided to reshape the operational organization of the Company. Effective since February 18th, 2009, the new organization has been designed with four clear objectives in mind:

- Increase focus on clients and global Markets
- Industrialize our global and local delivery capabilities,
- Boost our innovation potential,
- Move to an integrated operating model.

With the implementation of this new organization, two Senior Executive Vice-Presidents have been appointed reporting directly to me: Charles Dehelly, responsible for Operations, and Gilles Grapinet, responsible for Global Functions.

The TOP (Total Operational Performance) Program will improve our operational performance

I launched the TOP ("Total Operational Performance") Program as early as December 2008. It is key to our operational improvement and is designed to deliver the recurring savings that will secure Atos Origin's sustainable competitiveness. The program leverages an in-depth transformation of the Group and a significantly increased speed of execution to reach its main goal: weather the difficult economic environment and close the gap with the best market players in terms of operating margin.

Supported by over twenty cross company initiatives and the direct involvement of over two hundred team members, TOP is built around four major transformation levers:

- Leveraging the benefits of a global and integrated Group
- Closing the gap with industry benchmark on focused operational performance items
- Develop and implement *lean management* techniques
- Implementing sustainability initiatives focusing on both people development and minimizing our impact on the environment

Efficient and reactive to face the Crisis

Our Group anticipates that the economic and financial crisis will be long and difficult, especially in 2009. Short term, we must put particular focus on serving our clients efficiently, while being ready to react and respond to change. I have therefore set a half-year rhythm for the Group. This has a direct impact on how we set the targets and reward our managers as they reach their half-year objectives.

Atos Origin: well positioned to benefit from market evolutions

We must also look beyond the crisis to ensure that we anticipate the major evolutions of our industry. Technology is moving increasingly towards shared infrastructure environments in massive data centers and virtualized business services. As technology continues to penetrate the mass market and interconnected communities develop exponentially, Atos Origin must further strengthen its e-Services and Customer Relationship Management solutions.

With a strongly industrialized managed services business, deep technological expertise of its integration teams and leading edge consulting activities that through business expertise and innovation help our customers design new services, Atos Origin can leverage the strength of a global integrated and diversified Group to take advantage of all these opportunities.

2009 must be the year of Atos Origin's transformation into an integrated Company, whose pooled global skills will efficiently translate into client benefits. With the passion of all our employees, their know-how, expertise and innovative approach, this will be the foundation of our value creation strategy and of our 2009 ambition to increase our operating margin.

With a new governance structure, a reshaped operational organization, and the TOP Program in action, the Group is now in a favorable position to face the challenges of the economic environment and build its medium term development.

Thierry Breton
Chairman and Chief Executive Officer

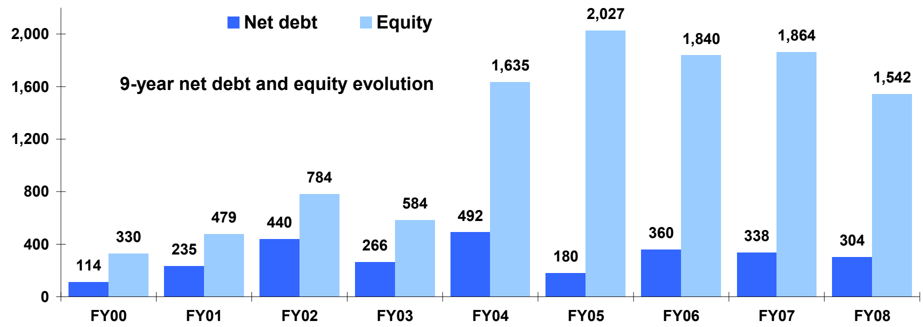
3 ATOS ORIGIN IN 2008

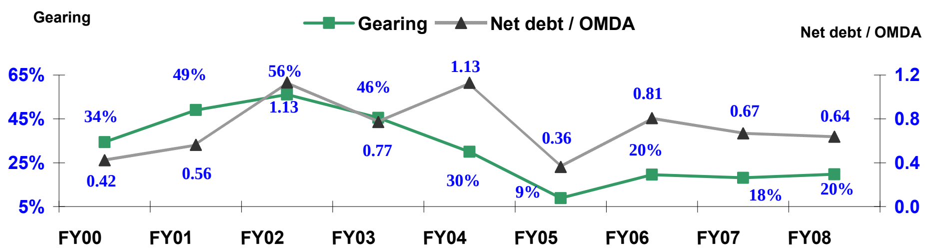
3.1 FINANCIAL HIGHLIGHTS

in EUR million	FY 2008	FY 2007	% Change
Total Group revenue new scope (*)	**5,479**	**5,188**	**+5.6%**
Change in perimeter	*144*	*512*	
Impact from exchange rates		*156*	
Total Group revenue	**5,623**	**5,855**	**-4.0%**
Total Group operating margin new scope (*)	**260.5**	**235.2**	**+10.7%**
% of revenue	*4.8%*	*4.5%*	
Change in perimeter	*6*	*27*	
Impact from exchange rates		*9*	
Total Group operating margin	**266.4**	**271.5**	**-1.9%**
% of revenue	*4.7%*	*4.6%*	
Net income Group share	**22.6**	**48.2**	**-53.1%**
% of revenue	*0.4%*	*0.8%*	
Adjusted net income Group share (c)	**180.6**	**139.9**	**+29.1%**
% of revenue	*3.2%*	*2.4%*	
Earnings per share (EPS)			
Basic EPS (a)	0.32	0.70	-54%
Diluted EPS (b)	0.32	0.70	-54%
Adjusted basic EPS (a) (c)	2.59	2.03	+28%
Adjusted diluted EPS (b) (c)	2.59	2.02	+28%

(*) At same scope and exchange rates (excluding Italy and AEMS Exchange and at 2008 rates).

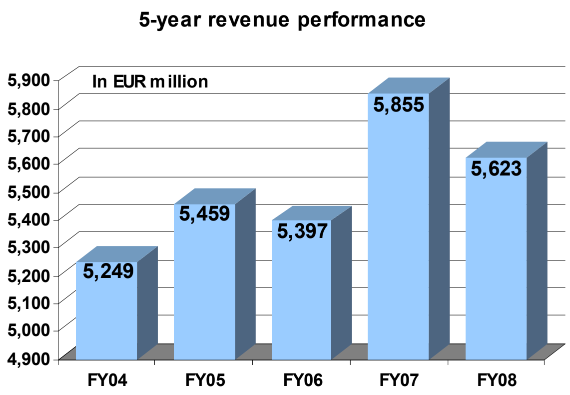
(a) In euros, based on a weighted average number of shares
(b) In euros, based on a diluted weighted average number of shares
(c) Based on net income (Group share) before unusual, abnormal and infrequent items (net of tax)

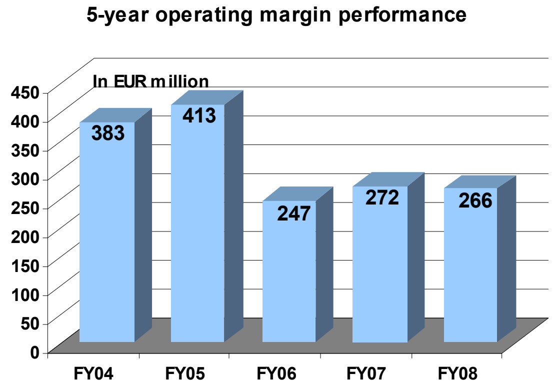


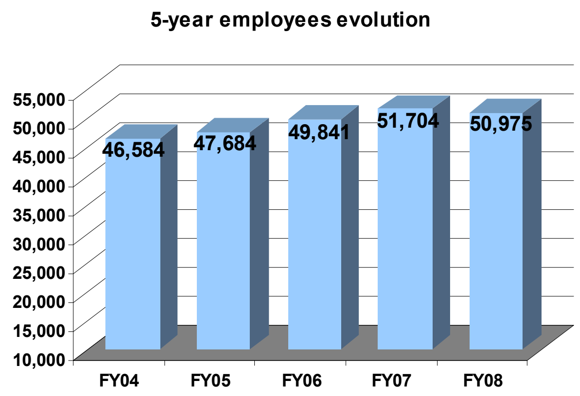


9-year gearing and leverage ratio evolution

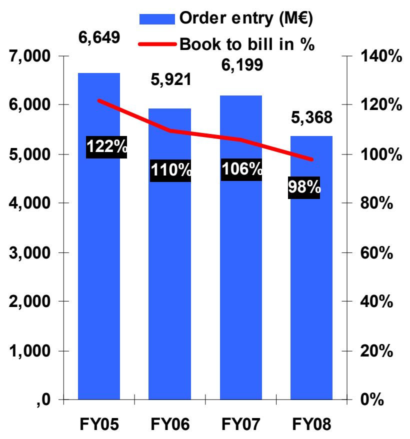
Gearing ratio: Net debt / Group Equity

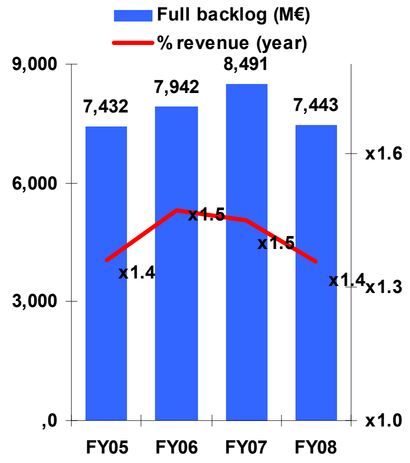


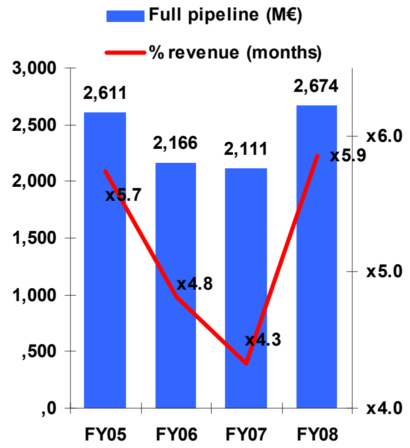


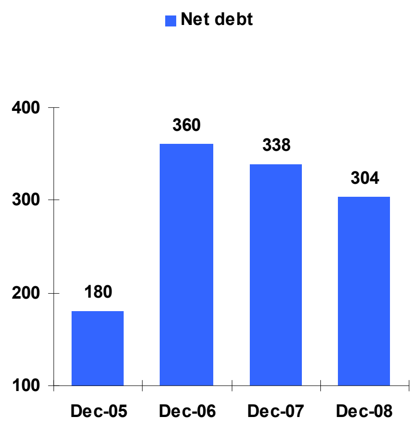


FY03 only under French GAAP; FY 04 to FY 08 under IFRS
FY 04 and FY 05 Operating Margin presented before equity-based compensation









3.2 COMPANY 2008 HIGHLIGHTS

DECEMBER

- **English Heritage**: outsourcing contract renewal to provide IT support at over 120 English Heritage sites and offices across the United Kingdom.
- **GasTerra**: three-year contract extension to manage IT infrastructure and virtualisation of office environment.
- **La Poste**: conduct a study into the use of RFID - radio-frequency identification - for business mail services.
- **E-Plus Group**: IT outsourcing contract extension. Flexible IT services for improved business efficiency.

NOVEMBER

- **Thierry Breton** appointed Chairman of the Management Board and Chief Executive Officer of Atos Origin.
- Conclusions from **first ever real-time 'personal carbon' calculation trial**: ground-breaking trial proves carbon emissions can be managed like money.
- **The French National Geographic Institute** chooses Atos Origin to implement the first national website to assist geography teaching. An innovative educational approach to geography.
- **Atos Origin to become a VMware global IT partner** to address growing demand for adaptive virtualisation services.
- **2008 Sesames Award for its innovative solution**: Atos Origin wins« Fast booking on ATM » which allows users to book and purchase tickets on ATMs 24/7.

OCTOBER

- **Redcats Group**: Atos Origin European IT Outsourcing Partner. Powerful technology platform supporting growth in multi-channel home shopping business.
- Atos Origin Selected as Infrastructure Outsourcing partner for **City of Fort Wayne and Allen County Indiana (United States).**
- Atos Worldline wins **Innovation Award** for its mobile boarding passes solution developed for Air France KLM: paperless tickets solution delivered via mobile.
- **Dutch Ministry of Education, Culture and Science**: IT services outsourcing. Agreement with a contract value of almost EUR 50 million with a duration of four years.

SEPTEMBER

- **CNES collaborative portal**: to support all its Intranet sites by implementing a unique collaboration and enterprise content management platform.
- **Innovation and Research in food traceability:** participation in TRACEBACK1, a European Union Research project to improve food supply chains traceability.
- **Atos Worldline Supports Monoprix** in its Move to Online Retailing to build, launch and run the French retailer’s new e-commerce site www.monoprix.com.

- **French Health Authority**: implementation and hosting of an information system dedicated to the certification of health establishments across France.

AUGUST

- **EADS** and Atos Origin consolidate 15-year partnership with Global Framework Contract for Onboard Software and Engineering.

- Atos Origin smashes **IT records during Beijing 2008 Olympic Games** Beijing 2008 Olympic Games have been the most information intensive Olympic Games.

- **Transaction on Atos Euronext Market Solutions** joint venture: Atos Origin acquires from NYSE Euronext AEMS Clearing & Settlement and Capital Markets businesses after the disposal by Atos Origin of 50% stake in AEMS to NYSE Euronext.

- **Britvic:** Strategic co-sourcing partner for Applications Development and Applications support.

JULY

- **Neckermann.de**: comprehensive IT service agreement signed. New IT structure supports the expansion strategy of the retail company.

- **Michelin** selects the Accenture & Atos Origin consortium as global strategic partner for its core business: R&D, Manufacturing and Business Intelligence areas.

- **Heathrow Express** launches mobile ticketing with the first implementation of Atos Origin's AVANTIXMetro solution: easier and more convenient to buy train tickets.

- **NXP**: global five-year outsourcing contract. Under the contract Atos Origin will deliver global data center management services.

JUNE

- Atos Origin wins contract to supply information system for **ERDF smart meters**. Strategic partnership to span several decades.

- Atos Origin and Sagem Sécurité win **Biometric Passport** contract: an innovative technology solution serving the needs of citizens and helping to modernize governments.

- **Competency Center for Energy and Utility in Beijing** to offer technical automation solutions to the civil nuclear industry and the oil & gas markets.

- **RSA** launches first ever trial to enable real-time 'personal carbon' calculation. Pilot shows the potential to measure personal carbon footprints.

MAY

- **ING and Atos Origin** form European alliance in SEPA payment services. Launched a joint offering of end-to-end services for back-office payment processing to banks and corporations within Europe.

- Atos Origin activities dedicated **to Renault** Corporate Applications Management have obtained CMMI3 Certification Industrialisation

- **Grenoble University Hospital** supply for 65 hospitals with the innovative open source healthcare solution, Cristal. 36,000 beds are now already covered.

- Atos Origin leads **ORCHESTRA** - One of the European Union's major research and innovation projects for risk management.

APRIL

- For the fourth year in succession, **Atos Origin wins SAP Partner Excellence award for Customer Satisfaction and Quality**.
- **Atos Consulting chosen by MMA** to partner merger with Azur. Company to conduct the feasibility study and lead the operational deployment of the merger.
- **NXP** chooses SaaS - based B2B offering from Atos Origin and Axway: multi-year contract to manage its suppliers' and customers' business-to-business (B2B) transactions worldwide.

MARCH

- **German electronic health card**: five-year contract with the Gematik.
- Atos Worldline operates **France Loisirs** new automated order service based on voice recognition: to develop, host and operate its new automated telephone order service.
- **KPN**: new three-year contract with KPN to be the System Integrator for Enterprise Application Integration and Delivery Orchestration.
- **British Petroleum**: contract extension for card transaction processing services, including credit, debit, loyalty, fuel and charge cards, as well as manual voucher processing.

FEBRUARY

- **Beijing International MBA**: signature of a long-term partnership to accelerate sales performance at Beijing University (BiMBA).
- **Commerzbank:** new contract to offer innovative online credit decision for eBay new credit card.
- **Alcatel-Lucent Network Services:** new five-year service contract for IT in datacenter.
- **Disposal of Atos Origin Italian operations to Engineering** following the agreement signed on 11 December 2007.

JANUARY

- **Alstom** outsources Worldwide Desktop Support to Atos Origin: 55,000 Alstom users worldwide for six years through its network of eight global service desks and onsite technicians deployed in key countries.
- **DSM: contract** for the global delivery of SAP services to increase flexibility and cost savings.
- **Thomas Cook**: double-digit million of euros contract for which Atos Origin will assume responsibility for providing the tourism group's mainframe infrastructure.
- **Highways Agency** chooses Atos Origin to manage IT infrastructure and Applications. To help deliver an efficient and sustainable road network.

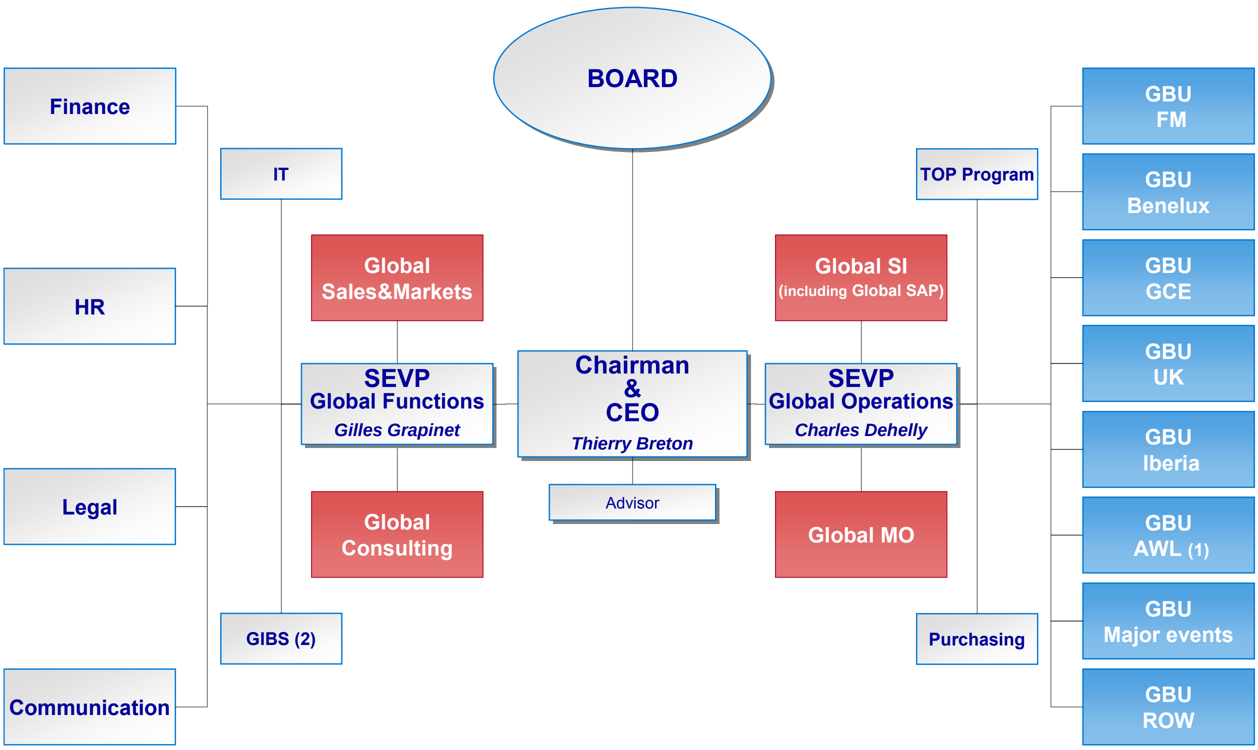
4 GOVERNANCE

Atos Origin has been incorporated in France as a "Société Anonyme" with a Management Board and a Supervisory Board until 10 February 2009. At that date, Atos Origin governance changed to a Board of Directors elected by the shareholders of the Company at the Ordinary and Extraordinary shareholders meeting held on 10 February 2009.

4.1 GROUP TOP MANAGEMENT

The Group Top Management is composed of a Chairman and Chief Executive Officer and two Senior Executive Vice-Presidents.

Name	Operational functions	Transversal functions
Thierry Breton	Chairman and Chief Executive Officer	
Charles Dehelly	Senior Executive Vice President Global Operations	Global Systems Integration & Managed Operations, TOP Program, Global Purchasing, Group Business Units
Gilles Grapinet	Senior Executive Vice President Global Functions	Global functions, Global Sales & Markets, Group Innovation Business Dvpt & Strategy (GIBS), Global Consulting and Atos Worldline



4.2 THE EXECUTIVE COMMITTEE

The Group Executive Committee has been implemented to drive the operational performance of the Group. Its main tasks are to support the Top Management in defining business priorities, reviewing operational performance, executing the TOP (Total Operational Performance) Program on a weekly basis and setting major action plans. It is a dedicated Committee for the operational management of the Group.
The Executive Committee facilitates exchange and collaboration between the Global Business Units, the Global Services Lines, Global Sales & Markets and Global Functions.

In addition to the top Management members, the Executive Committee comprises the heads of the Global Business Units, the heads of the Global Service Lines, the head of Global Sales and Markets, the Group CFO and the Group HR.

4.3 THE BOARD OF DIRECTORS

Following the Ordinary and Extraordinary Shareholders Meeting held on 10 February 2009, the shareholders approved the transformation of the Company with a new mode of governance and the establishment of a Board of Directors. The newly elected Board of Directors unanimously appointed Thierry Breton as Chairman and CEO of Atos Origin. In addition, the Board of Directors appointed Jean-Paul Béchat as Chairman of the Audit Committee and Behdad Alizadeh as Chairman of the Nomination and Remuneration Committee.

The members of the Board of Directors are:

Name	Nationality	Age	Date of appointment	Committee member	Term of offices (*)	Number of actions held
René Abate	French	60	2009		2011	1,000
Behdad Alizadeh	American	47	2009	N&R	2011	1,000
Nicolas Bazire	French	51	2009	N&R	2011	
Jean-Paul Béchat	French	66	2009	A	2011	1,000
Thierry Breton	French	53	2009		2011	5,000
Dominique Mégret	French	61	2009		2011	1,000
Bertrand Meunier	French	52	2009	N&R	2011	1,000
Michel Paris	French	51	2009	A	2011	1,000
Pasquale Pistorio	Italian	72	2009	A	2011	1,000
Vernon Sankey	British	59	2009	A	2011	1,000
Jean-Philippe Thierry	French	60	2009	N&R	2011	1,500

A: Audit Committee; N&R: Nomination and Remuneration Committee
(*) General meeting of shareholders deciding on the accounts of the year.

4.4 PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Statutory Auditors	Substitute Auditors
Grant Thornton Jean-Pierre Colle and Vincent Frambourt • Appointed on: 12 June 2008 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2013 financial statements	Cabinet IGEC, 3, rue Léon Jost, 75017 Paris • Appointed on: 12 June 2008 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2013 financial statements
Deloitte & Associés Jean-Paul Picard and Jean-Marc Lumet • Appointed on: 23 May 2006 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2011 financial statements	Cabinet B.E.A.S., 7/9, Villa Houssay 92200 Neuilly-sur-Seine • Appointed on: 23 May 2006 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2011 financial statements

5 STOCK MARKET OVERVIEW

Atos Origin shares are traded on the Paris Eurolist Market under Euroclear code 5173 ISIN FR0000051732. They were first listed in Paris in 1995. The shares are not listed on any other stock exchange and Atos Origin SA is the only listed company in the Group.

5.1 TRADING OF SHARES (EURONEXT)

Number of shares	: 69,717,453
Sector classification	: Information Technology
Main index	: CAC AllShares
Other indices	: CAC IT, CAC IT20, CAC Next20, Euronext 100, SBF120
Market	: Eurolist segment A
Trading place	: Euronext Paris (France)
Tickers	: ATO (Euronext)
Code ISIN	: FR0000051732
Payability PEA / SRD	: Yes / Yes

The main tickers are:

Source	Tickers	Source	Tickers
Euronext	ATO	Reuters	ATOS.PA
AFP	ATO	Thomson Finance	ATO FR
Bloomberg	ATO FP		

5.2 SHAREHOLDERS BREAKDOWN

The free-float of the Group shares is almost 100% today with the first two shareholders named PAI Partners and Pardus Capital owning each of them respectively 22.6% and 10.0% of the Group share capital at the end of 2008. Centaurus Capital is Group shareholder with 5.0% of the issued share capital.

In shares	31 December 2008		
	Shares	% of capital	% of voting rights
Treasury stock	1,111,293	1.6%	
Free float	68,606,160	98.4%	100.0%
Total	**69,717,453**	100%	**100.0%**

PAI Partners, Pardus Capital, Centaurus Capital, directors and employees are all classified under free-float; details can be found in the "Common Stock" section of this report.

5.3 Dividends

During its meeting held on 17 February 2009, the Board of Directors decided to propose at the 2009 Ordinary Shareholders Meeting not to pay a dividend in 2009 on the 2008 accounts.

5.4 Contacts

Institutional investors, financial analysts and individual shareholders may obtain information from:
Gilles Arditti, Tel: +33 (0) 1 55 91 28 83, gilles.arditti@atosorigin.com
Azzedine Hamaïli, Tel: +33 (0) 1 55 91 25 34, azzedine.hamaili@atosorigin.com
Or by sending requests for information to investors@atosorigin.com

5.5 Financial calendar

2009 Calendar	
15 April 2009	2009 First quarter revenue
26 May 2009	Annual General Meeting (2008 results)
30 July 2009	2009 Half-year results
16 October 2009	2009 Third quarter revenue
17 February 2010	2009 Annual results

5.6 Share trading performance

5.6.1 Five-year key figures

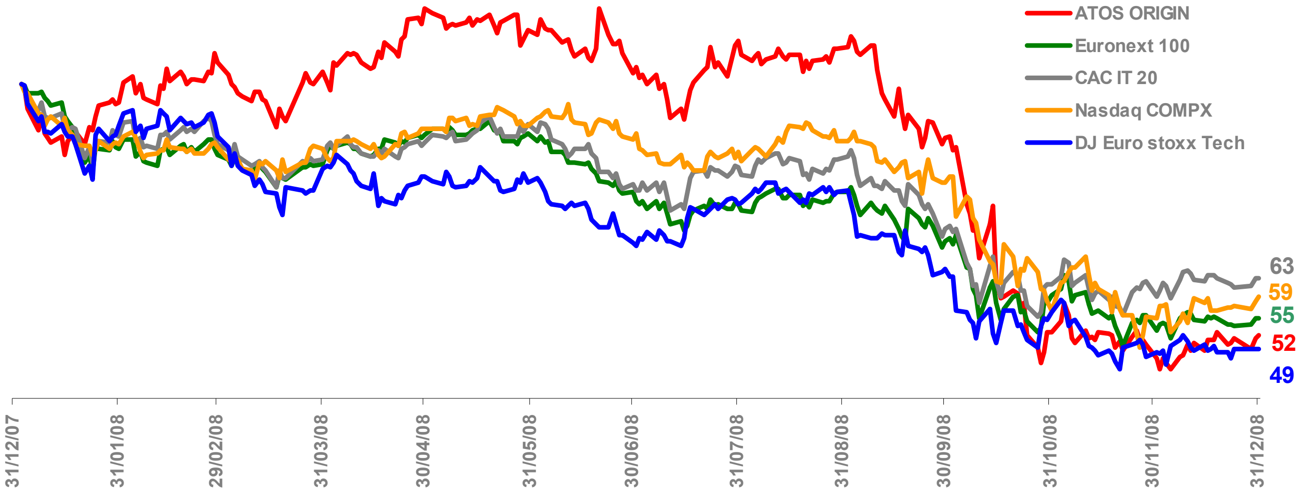
		2008	2007	2006	2005	2004
High	(in EUR)	40.5	55.3	65.2	62.0	59.4
Low	(in EUR)	15.0	32.8	33.5	45.6	39.5
Closing	(in EUR)	17.9	35.4	44.9	55.7	50.0
Daily average volume	**(in shares)**	**395,561**	**821,106**	**640,181**	**438,833**	**357,107**
Free-float	**In %**	**100%**	**100%**	**100%**	**100%**	**85%**
Market capitalization	(in EUR millions)	1,249	2,464	3,095	3,749	3,345
Enterprise value (EV)	(in EUR millions)	1,553	2,802	3,524	3,931	3,837
EV / revenue		0.28	0.48	0.64	0.72	0.73
EV / OMDA		3.3	5.5	7.9	7.9	8.8
EV / OM		5.8	10.3	14.3	9.8	10.7
P/E (year-end stock price on adjusted EPS)		**6.9**	**17.4**	**27.5**	**14.7**	**15.5**

5.6.2 Share performance in comparison with indices (base index 100)

During 2008, all Technology indices such as the CAC IT 20, DJ Euro Stoxx Tech or the Nasdaq Composite ended the year with significant decrease in the range -37% to -51% compared to the end of 2007.

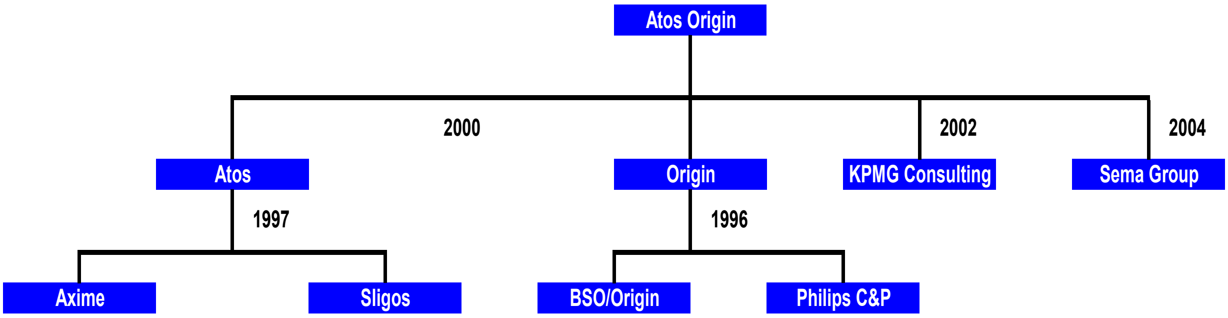
As far as Atos Origin is concerned, from January to September 2008, the stock overperformed all the Technology Indices. In the last quarter of 2008, the stock price of Atos Origin was affected in the same range as the one observed for the technology indices following the deterioration of the economic environment crisis which severely impacted the financial markets.

From 1 January 2008 to 15 September 2008, the average closing price of Atos Origin was EUR 35.46 stable compared to a closing price of EUR 35.35 at the end of 2007 and end decreased at EUR 17.92 at the end of 2008.



6 FORMATION OF THE GROUP

Atos Origin is a leading international IT services company created through a serie of major mergers and acquisitions since 1997.

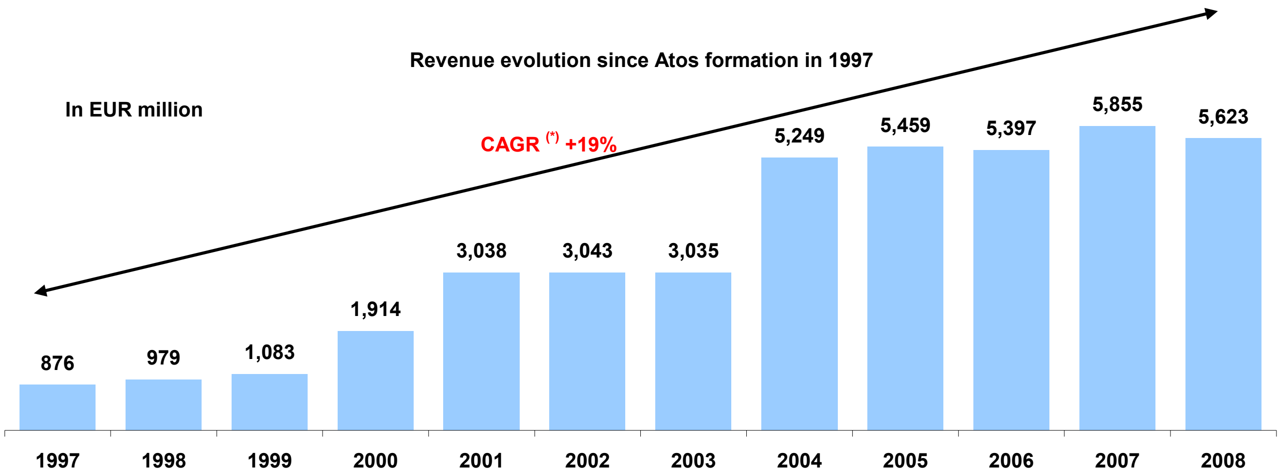


Atos was formed from the merger in 1997 of two French-based IT services companies – Axime and Sligos – each of which had been established out of earlier mergers. By 2000, Atos employed 11,000 staff and generated annual revenues of approximately EUR 1.1 billion**.**

Origin was a subsidiary of Royal Philips Electronics, which had been formed in 1996 from the merger of BSO/Origin and Philips Communications. At the time of the merger with Atos in October 2000, Origin employed more than 16,000 staff in 30 countries worldwide and generated annual revenues of approximately EUR 1.6 billion.

KPMG Consulting's businesses in the United Kingdom and The Netherlands were acquired in August 2002 to establish Atos Consulting. This transaction provided the Group with a major presence in the Consulting segment of the IT services market.

Sema Group was acquired from Schlumberger in January 2004, thereby creating one of the leading European IT services companies. At the time of the acquisition, Sema Group employed 20,000 staff and generated annual revenues of approximately EUR 2.4 billion. Atos Origin employed 26,500 staff, generating annual revenues of more than EUR 3 billion.

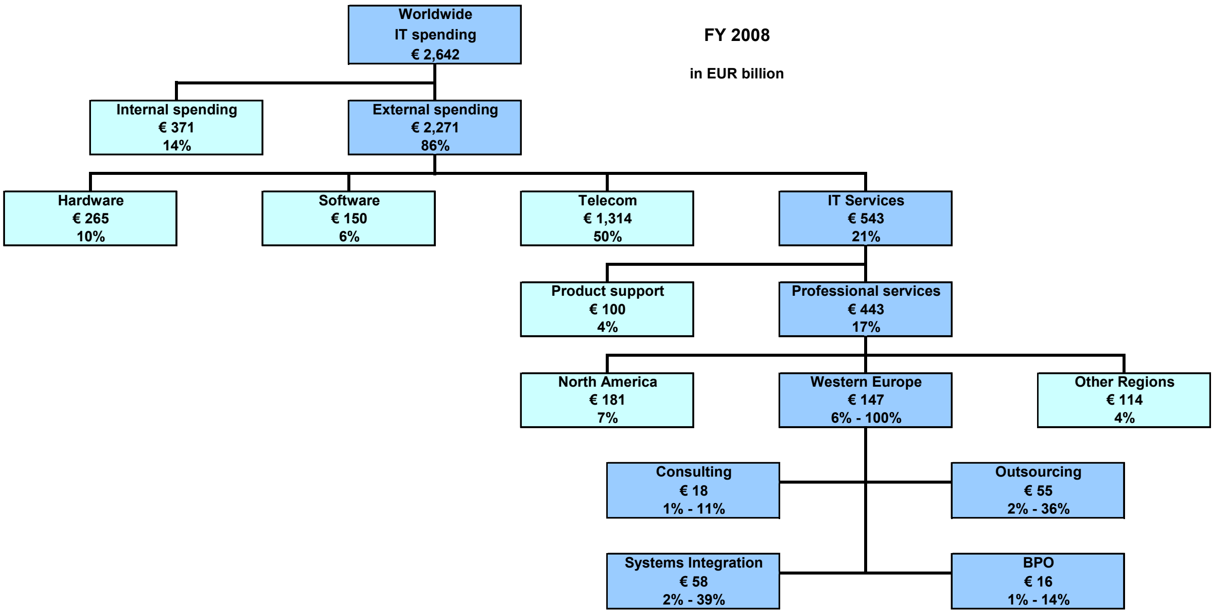


(*) CAGR= Compound Annual Growth Rate

7 THE IT SERVICES MARKET

7.1 GLOBAL IT SPENDING

The Information Technology market is estimated in 2008 to be worth more than EUR 2,600 billion. Excluding IT hardware, software and telecom, the IT services market is approximately EUR 543 billion. Direct product support activities represent EUR 100 billion of the IT services market and in which Atos Origin is not present. That leaves approximately EUR 443 billion per annum of "available" market ("professional services") targeted by the Group, of which EUR 147 billion is in Europe, the Group's principal market today.



Sources: Gartner Dataquest IT Services Market Databook - September 2008 in Euros

- **Hardware includes client computing (PCs, workstations, PDAs), enterprise computing (servers), storage subsystems and digital documents and Imaging (copiers, printers).**
- **Software includes applications and infrastructure software.**
- **Telecommunications include telecom equipment (infrastructure equipment, enterprise networking and communications, mobile handsets) and telecom services (fixed voices services, mobile data services, mobile telecom services, wholesale – carrier services).**
- **IT services include product support (hardware maintenance and support, software support) and professional services (consulting, development and integration, IT management, process management).**

7.2 MARKET CONDITIONS

European macro-economic conditions are tightening and "uncertainty" remains the operative theme when trying to forecast IT services business in 2009. On the basis that Europe will see a recession, IT services growth in Europe is regularly revised down by industry analysts for 2009 for comparable scope to Atos Origin's business.

The current credit crisis triggers a full recession in the U.S. and Europe. This recession will hobble economic activity in 2009, leading to a slowdown in IT spending. IT services in Europe may decline by 3% in 2009. Because the financial crisis is global, the recession scenario should hit all regions at the same time.

In a severe downturn, outsourcing would be affected the least. These services represent multi-year contracts that often provide the IT that runs businesses, but customers will be looking for increased efficiency and flexibility from their deals. While a tighter economic climate is likely to drive an increase in outsourcing, decision making for some outsourcing initiatives is being delayed due to business uncertainty. This is particularly the case in financial services. As an example, the current economic downturn will generate a pause in outsourcing activity while banks address the shape of their business and the strategies required to position over the next 12 to 18 months but this will subsequently lead to increased usage of outsourcing by banks.

We expect the growth of “e-services” in the public sector to continue, with the Web increasingly being used to facilitate interaction with the citizen and drive efficiencies.

In the recession scenario, Consulting and System Integration would suffer the most, but opportunities will continue in areas where IT service providers can help businesses become leaner, more agile and better at using their resources. New opportunities will present themselves for solutions to requirements created by the current financial crisis, including opportunities created by government intervention and regulation.

In times of uncertainty, customers will increasingly turn to specialists that not only have the capabilities to help them, but are service providers they trust.

7.3 IT SERVICES MARKET TRENDS

In our 2007 annual report we identified seven key trends that are re-shaping the IT services market today: 1) The Continuing Drive For Cost Reduction, 2) Industrialisation And The Emergence Of The IT Utility, 3) The Growth Agenda, 4) Increasing Globalisation, 5) The Growth In Multi-sourcing, 6) The Growth Of BPO, and we introduced 7) The Drive For Sustainability.

These are deep, underlying trends that will continue to re-shape the IT services market, although the pace of change may be moderated by the changing economic climate. For example, business uncertainty is likely to increase demand for utility or on-demand services. Although relatively immature, these services are being delivered today, and analysts are predicting that 25% of IT services will be coming from such non-traditional models by 2012. Increased demands for cost reduction may reduce multi-sourcing as deals are re-negotiated and suppliers consolidated. The rapid growth in globalisation may slow if countries become more protectionnist.

While media hype exceeded real action during the first half of 2008, we saw a marked upturn in interest in “The Drive For Sustainability”. Drivers in the private sector have been cost reduction, stakeholder pressure, pending regulation and brand development. Interest has been stronger in Northern Europe than Southern Europe, and strongest in the United Kingdom. Tough economic conditions may accelerate this trend in 2009 as enterprises look for cost reduction opportunities.

Globalisation, multi-sourcing and industrialisation are well established market trends. Together they have had the biggest overall influence on the re-shaping of the IT services market over recent years. Driven by these trends, we are seeing both Western and Indian service providers ultimately heading towards the same delivery model – a network of on-site, on-shore, near shore and offshore – with delivery centers, or delivery partners, in alternative locations around the world. Analysts are now predicting that labour-intensive service delivery, where increased demand results in increased workforce, will not be sustainable — even though it will continue while labour costs are low. The future success of global delivery networks will depend less on the availability of low-cost resources and more on the quality of skills, tools, methodologies and alliances.

Whilst Total Contract Value (TCV) has been reducing, customers have also been demanding more sophisticated value propositions. For example, increased flexibility through pay for use pricing and key performance indicators based on business outcomes. This has been coupled with more deals being scoped to cover the IT support of end to end processes, integrating consulting, systems integration and managed operation capabilities.

The industrialisation trend is being driven by IT companies in the enterprise, or corporate market. Coming from the mass market (i.e.: the small business and consumer market), we also have the “Consumerisation Of Services” trend. One example of this trend is the production of low cost, pay per hour, elemental IT services from companies such as Amazon and Google. While the consumerisation of IT services has not yet had an impact on the IT services market we compete in, it is the next major trend to add to our list.

7.4 THE COMPETITIVE ENVIRONMENT

In our 2007 annual report we stated "For 2008, we would expect the top IT services providers by revenue to remain the same" excluding effect of M&A. The acquisition of EDS by HP has changed that. Based on 2007 revenue it places HP-EDS as the second largest IT services company in Europe with 5.0% of market share, behind IBM with 7.7% and ahead of Accenture with 4.6%. This puts Atos Origin in fifth place with 3.7% market share.

Cap Gemini has completed an acquisition in continental Europe of Getronics PinkRoccade Business Application Services. In revenue terms, the deal has placed Cap Gemini second in the Netherlands behind Atos Origin, but does not change Cap Gemini's overall position in Europe. We expect more consolidation in 2009.

The European IT services market will continue to be intensely competitive in 2009, with US and European IT services providers restructuring and re-focusing to maintain competitiveness. There will be an increased focus on specialisation and vertical industry capability. If significant business uncertainty continues then enterprises will increasingly seek to reduce risk by turning to service providers they trust. In this environment, service providers that actively manage trust, at both customer and market level, will develop a competitive advantage over those that do not.

The growth numbers for the 'Indian-heritage' IT service providers has slowed from 2007 to 2008. We anticipate a further slowdown, but still expect them to be leading the growth numbers in 2009. We expect their increased focus on Europe and Asia Pacific to continue. While the market share of the leading 'India-heritage' providers is still relatively small in Europe, they are actively pursuing large deals, and are growing capacity and capability through acquisitions. The economic climate is likely to accelerate these acquisition plans.

There is an increased focus on specialisation and acquiring industry vertical knowledge and capability. This is not only by the leading IT services providers but also by the major software vendors such as SAP and Oracle.

Alliances will continue to be an increasing feature of winning new and innovative business – with IT service providers teaming up with industry specialists, technical specialists, or their direct competitors.

For example:

- ING and Atos Origin have launched a joint offering of end-to-end services for back-office payment processing to banks and corporations within Europe. It is the first time that a bank and an IT services provider are partnering in this domain in Europe;
- SAP and Atos Origin signed a new Go-to-Market agreement in order to work together to help customers to reduce risk and to streamline upgrade, new deployment and go-live process for SAP customers on new and existing installations and upgrades to SAP business solutions. In addition, Atos Origin has received the SAP Pinnacle Awards for SAP hosting which included operational and application management.

Highly competitive, specialist offerings (innovative/good customer fit/good price) will be increasingly important to take market share, and maintain growth over the next couple of years.

Consulting: Consulting is arguably the most vulnerable of the three service lines to cut backs in spending. However, a toughening economic climate will not spell an end to consulting and project prospects. Demand will continue in areas where IT service providers can help businesses become leaner, more agile and better at using their resources. The demand for business consulting is expected to exceed the demand for pure IT consulting with the main drivers coming from:

- Cost cutting projects;
- M&A;
- Regulation and reporting;
- Business process improvement;
- The need for companies to innovate.

General trends in business, IT and sourcing practice will continue to impact the way that Consulting and Systems Integration (C&SI) services are bought and consumed. Outsourcing and multi-sourcing practices mean that discrete services are increasingly combined with other services in IT or business process outsourcing deals. Industry focused consulting is increasingly becoming an integral part of winning and delivering systems integration and long term outsourcing deals.

We expect European buyers will want to see a more proactive approach from suppliers around increasing both efficiency and effectiveness. IT service providers that have well developed business consulting capabilities, with industry knowledge, will be the best placed to take advantage of the opportunities available.

Systems Integration: Even in the worst case scenario demand for application development and management services will not disappear, but prices will be under continuous pressure and deals are likely to be smaller. Other key drivers for systems integration work will include:

- Legacy modernization ;
- Application upgrades (eg: SAP) ;
- Business intelligence ;
- Corporate performance management ;
- Business transformation projects.

Buyers are likely to be segmenting projects into smaller pieces and there will continue to be an intense focus on value and performance measures. Pressure on prices and shortage of skills will continue to drive the increased use of global delivery models.

Testing was until 2008 a growth niche area driven by;

- The rate of business change and a lack of in-house capability;
- Increased rigor required from regulatory requirements;
- Cost.

The testing market is still evolving with companies adopting everything from staff augmentation to the full outsourcing of their testing functions in multi-year contracts.

Overall there is a growing demand for service providers to have industry knowledge, and consulting led Systems Integration engagements will increase.

Managed Services: Outsourcing tends to grow when the economy is weak. However, outsourcing growth stalls in times of uncertainty. Overall, 2009 and 2010 are expected to be good years for IT Outsourcing and BPO in Europe, although decision cycles are likely to be on-hold for some, and many buyers will be looking for faster ROI and increased flexibility. Re-negotiation of existing contracts, to cut costs and increase flexibility, may provide opportunities for consolidating scope and increasing the length of contracts.
Notable trends during 2008 included:

- More growth coming from “add on” business with existing customers – protecting the existing customer base will be critical in 2009;
- An increase in Remote Infrastructure Management (RIM);
- An increase in offshore IT Outsourcing;
- Customer ROI expectations for “Green IT” initiatives 15%-20% - the same as for ITO;
- The growth in interest in sourcing management and governance continued.

We expect these to continue in 2009. Overall, cost reduction and skill shortages remain major drivers for outsourcing. However, there is also a demand for service providers to have industry knowledge, to have flexibility and to bring innovation.
As clients ask for innovation, industry domain expertise will be paramount to selecting the right outsourcing partner. Some analysts believe the outsourcing market will soon fragment into players focused on domain expertise.

Card Payment Services: the card payment BPO market is extremely diverse, containing a combination of suppliers with a background in various industry-specific processes, as well technology specialists and IT services providers. The market is starting to mature and we expect consolidation amongst service providers to continue.

Growth is being driven by:

- Regulatory changes (eg: SEPA) ;
- A proliferation of payment styles (eg: mobile and remote payments);
- Security (eg: chip and pin, 3D-secure, and the use of holograms).

7.5 IT SERVICES MARKET GROWTH BY SERVICE LINE

Gartner has revised its growth forecast for IT Services in Western Europe. After first estimates at +5.8% growth for 2008, Gartner is currently projecting growth of +1.0% in IT services spending in Western Europe.

(in EUR million)	2007	2008	IT spending growth %
Consulting	17,832	17,967	+0.8%
Development and integration	56,486	57,492	+1.8%
IT management	55,066	55,229	+0.3%
Process management	16,213	16,296	+0.5%
Professional services in Western Europe	**145,597**	**146,984**	**+1.0%**

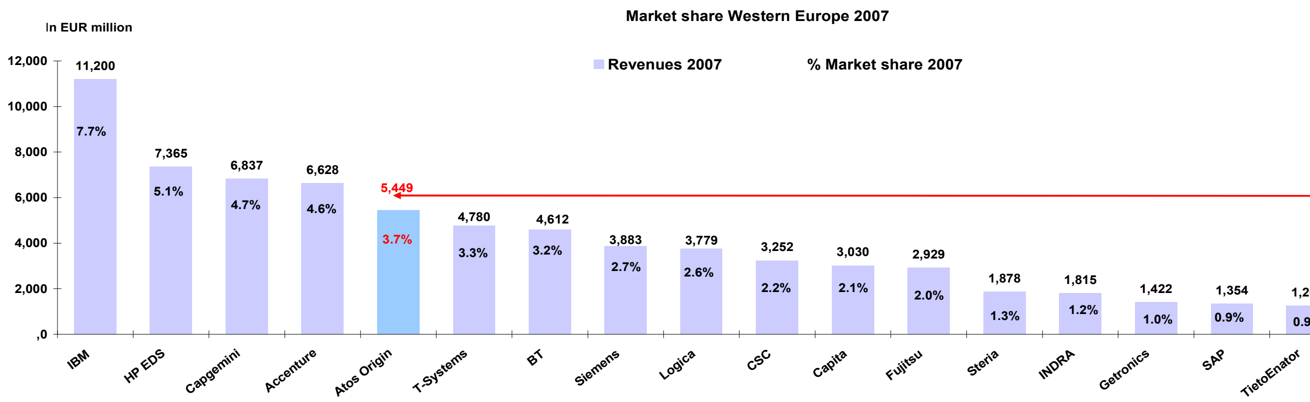
Source: Gartner: Dataquest Insight IT Spending - January 2009 (estimated figures for 2008 in EUR) for Professional services only.

Professional services include consulting, development and integration services (Systems Integration for Atos Origin), IT management (Managed Services for Atos Origin) and process management (On-line Services and BPO for Atos Origin), but exclude product support (hardware and software maintenance and support).

7.6 MARKET SHARE AND COMPETITORS

7.6.1 Ranking in Western Europe

According to Gartner, Atos Origin was the fifth largest IT services company in Europe in 2007. IT services market share rankings in Western Europe were as follows:



Source: Company Information – IT Services Worldwide Market Share Gartner: August 2008 in USD with 1 USD = 0.73049 EUR
In EUR million, Professional Services include Consulting Services (Consulting for Atos Origin), Development and Integration Services (Systems Integration for Atos Origin), IT Management (Managed Services for Atos Origin) and Process Management (On-line Services and BPO for Atos Origin), but excluding Product Support (Hardware and Software Maintenance and Support).

7.6.2 Main competitors in Western Europe

	Main Competitors
United Kingdom	British Telecom, HP EDS, IBM, Cap Gemini, Logica, Fujitsu
Central Europe	T-systems, Siemens IT, IBM, Accenture, HP EDS
France	Capgemini, IBM, Logica, Accenture, Stéria, Sopra
Benelux	Getronics/KPN, Cap Gemini, Logica, IBM
Spain	Indra, IBM, Telefonica, Accenture

Source Gartner: IT Services Europe Final Market Share – August 2008

7.6.3 Market size and market share in Western Europe

According to Gartner, based on latest estimated figures for external IT spending, Professional Services market shares in each main country and service line were as follows:

(in EUR million)	Market size		Weight	Atos Origin		Market share	
	2007	2008	2007	2007	2008	2007	2008
United Kingdom	50,679	47,161	32%	1,042	977	2.1%	2.1%
Central Europe (Germany + Switzerland + Austria)	29,231	30,652	21%	607	642	2.1%	2.1%
France	18,579	19,608	13%	1,685	1,675	9.1%	8.5%
Benelux (Netherlands + Belgium)	13,632	14,352	10%	1,475	1,487	10.8%	10.4%
Italy (ie Greece)	10,009	10,290	7%	296	54	3.0%	0.5%
Iberia (Spain + Portugal)	9,937	10,727	7%	332	362	3.3%	3.4%
Nordic (Sweden+Norway+Finland+Denmark)	12,840	13,468	9%				
Rest of Western Europe	689	724	0%	12	25	1.8%	3.4%
Western Europe	**145,597**	**146,984**	**100%**	**5,449**	**5,222**	**3.7%**	**3.6%**
Consulting	17,832	17,967	12%	359	339	2.0%	1.9%
System Integration	56,486	57,492	39%	2,125	2,014	3.8%	3.5%
Managed Operations	71,279	71,525	49%	2,966	2,869	4.2%	4.0%
Western Europe	**145,597**	**146,984**	**100%**	**5,449**	**5,222**	**3.7%**	**3.6%**

Source: Company information - Gartner IT Services Spending – January 2009 - in EUR

United Kingdom includes Ireland, Central Europe is composed of Germany, Switzerland and Austria, Benelux includes The Netherlands and Belgium, Italy includes Greece, Spain includes Portugal, Nordic is composed of Sweden, Norway, Finland and Denmark.

8 ORGANISATION, TOP PROGRAM AND OUTLOOK

8.1 ORGANISATION

8.1.1 Governance

Following the Extraordinary and Ordinary Shareholders Meeting held on 10 February 2009, a new mode of governance with a Board of Directors chaired by Thierry Breton, Chairman and CEO, has been implemented.

As part as the top Management, two Senior Executive Vice-Presidents report to the Chairman and CEO of the Group:

- Charles Dehelly, in charge of the Global Operations
- Gilles Grapinet, in charge of the Global Functions.

Charles Dehelly and Gilles Grapinet joined the Company respectively in December 2008 and in January 2009.

8.1.2 Group Organisation

Set up early 2007 and still active end 2008 with transversal coordination of the Systems Integration and Managed Operations activities, Atos Origin's organisation displayed some early but insufficient signs of group-wide integration. Too heavily weighted towards the geography dimension, where most of the responsibilities are set at country level, Atos Origin's organisation did not allow the Group to benefit from all the synergies between the operational units and has created inertia towards the globalization of both our customers' strategies and of our own IT production infrastructure.

As a reaction to this situation, Atos Origin has decided to adapt its organisation early 2009 with a decisive move towards stronger integration of the Group. This new organisation drastically strengthens the collaboration between the business units, the transversal group functions and the support functions. It is aimed at developing organic growth capabilities and increasing the operational efficiency while protecting the ability of our local teams to serve their customers and keep their commitments.

The five main characteristics of the new organisation are:

- A truly global Sales approach through the creation of a group-wide transversal function "**Global Sales & Markets**". This entity steers the action on key international large customers, and ensures sales coordination and cooperation between the business units on all international deals. It also develops and leads the Market Sector approach of the group and is especially responsible for the go-to-market strategy of Atos Origin's distinctive offerings.
- Reinforced Group "**Global Service Lines**": Systems Integration, Managed Operations, Consulting and SAP. The Service Lines manage the global offshore and nearshore delivery platforms, the Global Factories, and are also responsible to drive the industrialisation of the local delivery capabilities of the Group in the various geographies. They provide technical support to sales teams and coordination to the operational units on the delivery of large projects.
- The introduction of a consistent and business driven innovation approach through the creation of the "**Global Innovation, Business Development and Strategy**" function. This function will drive the innovation process throughout Atos Origin to generate competitive advantage. It steers the internal innovation network and the community of scientific experts. It is responsible for the Intellectual Property development process and manages the patent portfolio. It also leads the definition of the medium term business development strategy and, through regular strategic reviews, the alignment of all the business units to this set direction.
- The integration of the Global Functions. All the operational units of a support function (finance, human resources, IT, legal, purchasing, audit and communications) are now directly reporting to the corresponding central support function. These newly integrated functions will ensure the full alignment of all key operating processes of the Group and thereby provide even stronger support and efficient to all the business units of Atos Origin.

8.1.3 Top Management

The General Management of the Company is composed of:

- Thierry Breton appointed as Chairman and CEO
- Charles Dehelly, in charge of the Global Operations
- Gilles Grapinet, in charge of the Global Functions.

- **Thierry Breton:** 53 years-old; he has been elected Chairman and CEO of Atos Origin and a member of the Board of Directors in February 2009. He served as Executive Managing Director and then a delegate director - Vice Chairman of the Bull Group from 1993 to 1996. He also served as Chairman and CEO of Thomson from 1997 to 2002 and of France Telecom from 2002 to 2005. Mr Breton was France's former Minister of Economy, Finance and Industry from February 2005 to May 2007. He is graduate of the Ecole supérieure d'électricité "Supelec" of Paris and of the Institut des Hautes Etudes de Défense Nationale. He received the prestigious awards of "Officier de la Légion d'Honneur" and "Commandeur de l'Ordre National du Mérite".

- **Charles Dehelly:** 57 years-old ; he began his career at Thomson, where he held various management functions, before joining the Bull Group in 1992, as Executive Managing Director, President of Bull SA, CEO of Zenith Data System and President of Bull Europe. He then returned to Thomson in 1998 and was appointed Chief Executive Officer in 2002. In 2005, Charles Dehelly was appointed Chairman and Chief Executive Officer of the Equant Group until its integration into France Telecom. Since 2006, he was Chairman of Arjowiggins. He has a degree in engineering from the Ecole Nationale Supérieure des Arts et Métiers (ENSAM).

- **Gilles Grapinet:** 45 years-old; he was former graduate of the prestigious Ecole Nationale d'Administration (ENA) school and French General Inspector of Finance, he joined the General Inspectorate of Finance in 1992, then the French tax department, where he headed the network steering department and the strategy information system department. Between 2000 and 2002, he set up and ran the Copernic programme, a nationwide department responsible notably for overhauling the tax information system and implementing the tax department's e-administration strategy. Gilles Grapinet was previously Head of Payment Systems & Services and Member of the Executive Committee of Credit Agricole SA, following his responsibility as Head of Strategy

The Executive Committee

On top of the General Management of the Group, the Executive Committee is composed of:

- **Patrick Adiba, Head of Rest of World Group business unit and Major Events Group business unit** appointed end of 2008 also in charge of the Olympic Games. Most recently he served as Vice President Human Resources of SchlumbergerSema, and General Manager of its Latin America Branch.

- **Diego Pavia Bardaji, Head of Iberia Group business unit,** has been CEO of Spain since 2002, and was previously in charge of a Global business unit in SchlumbergerSema

- **Francis Delacourt, Global Managed Operations** joined the Group in 1991. He was in charge of various operational and executive positions around outsourcing business in France, the United Kingdom and The Netherlands. Since 2004 he has been responsible for Global Managed Operations. Before joining, he worked with Dun & Bradstreet Software, McDonnel Douglas Information Systems and Burroughs-Unisys.

- **Didier Dhennin, Head of Atos Worldline Group business unit** since 2004. He joined the Group in 1984, and was previously in charge of Multimedia activities that he launched in Atos Origin.

- **Winfried Holz, Head of Germany and Central Europe Group business unit,** appointed end of 2008. He began his career in 1984 at Siemens AG Germany. Thereafter, he held a variety of management positions at Siemens, among these as Vice President of Siemens Nixdorf Informationssysteme or President of International Operations at Siemens Medical Solutions. Following his position of Managing Director of Fujitsu Services GmbH, Winfired Holz was named CEO of TDS in November 2007.

- **Francis Meston, Head of Global Systems Integration appointed in February 2009.** Before joining the Atos Origin Group, Francis Meston was previously CEO of E.D.S French subsidiary since February 2002. In 1996, he joined A.T Kearny Group, international consulting firm in strategy and management, as vice chairman for Europe. He was previously vice chairman of Gemini Consulting. Francis Meston is a graduate of ESIM and holds a MBA in Finance from Purdue (Indiana). He also chairs conferences at HEC.

- **Rob Pols, Head of Benelux Group business unit**, joined the Group end of 2006. He has built a considerable track record in the IT services and consultancy market place. Since 2005, he occupied the position of general manager and Chief Operating Officer at Fujitsu Services in the Netherlands in 2005 and 2006.

- **Michel-Alain Proch, Group CFO,** appointed in 2007 joined Atos Origin in 2006 as Group Senior VP Internal Audit and Risk Management. He started his career with Deloitte & Touche. He moved to Hermès where he was CFO for Americas.

- **Jean-Marie Simon, Head of Human Resources,** appointed in 2007. He was HR Director France, Germany & Central Europe from 2005 to 2007, and was previously Managing Director in R&D and production centers with Schlumberger. He worked in Indonesia and Norway and was before CIO for the oil sector of Schlumberger during three years.

- **Arnaud Ruffat, Head of France and Morocco Group business unit,** appointed in 2008, joined the Atos Origin Group in 1988 and held various management positions within the Group, including Chief Financial Officer and Business Unit Manager. In 2003, he was appointed CEO Managed Services in France.

- **Keith Wilman, Head of the United Kingdom Group business unit,** joined the Group end of 2006. He has over 25 years experience in the information technology field. He was previously President and CEO of CSC's European Group Northern Region (United Kingdom, Ireland and The Netherlands). Prior to joining CSC in 1997, Keith was managing director of Easams Ltd.

In addition, both the **Head of Sales and Markets** and the **Head of Global Consulting** will be members of the Executive Committee after their appointment.

8.2 TOP PROGRAM (TOTAL OPERATIONAL PERFORMANCE)

Less than two weeks after he joined the Company, Thierry Breton, Chairman and Chief Executive Officer of Atos Origin, launched the Total Operational Performance program (TOP Program) in order to improve the operational profitability.

Building upon achieving the recurring savings which are mandatory to sustain the competitiveness of Atos Origin, the **T**otal **O**perational **P**erformance (TOP) Program will act upon new levers, with more ambitious goals and a faster pace of execution to achieve its main objectives: to face the tough economic environment while closing the existing operating margin gap versus the Industry.

TOP is built around four major transformation levers supported by twenty transversal initiatives across the organisation.

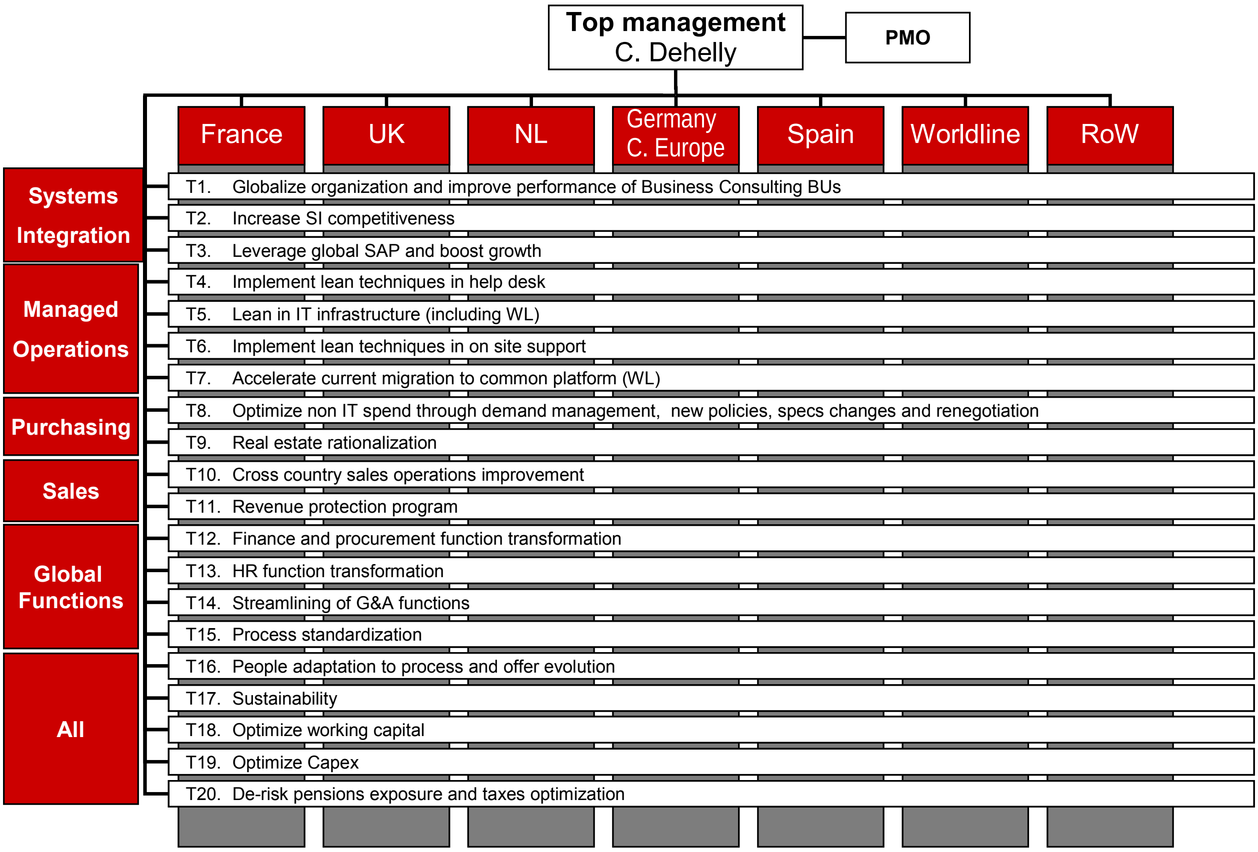
1. **Leveraging the "Global Atos Origin"** concept to better serve our customers and generate synergies through simplification and standardization across the organisation: five initiatives such as cross-border deal process simplification, global SAP, global Consulting;

2. **Closing the gaps with industry benchmark** operational performance: nine initiatives looking at metrics such as offshoring rate, office sqm/person, G&A ratios, etc;

3. **Developing "Lean management"** to close the productivity gap and to generate permanent efficiency progress: four initiatives in areas like helpdesk management, customer services, infrastructures;

4. **Implementing sustainability** initiatives focusing on people development and protecting the environment: two initiatives.

Among the 20 projects of the TOP Program, 8 projects are business improvement orientated, six projects aim at decreasing the costs base, and six projects aim at increasing the cash generation. In addition, all transformation projects already launched starting year 2007 should be pursued within the TOP Programme. The ambition of the TOP Programme is to improve the operational efficiency through a tighter monitoring of its execution and to be recognised as part of the best players in the IT sector.



The TOP Program management has been built to allow fast implementation and quick resolution of issues. The TOP Program leader, Charles Dehelly (Senior Executive Vice President), reports directly to the Chairman and CEO of Atos Origin and manages twenty TOP Leaders from the Global Business Units, the Global Service Lines and the Global Functions. Each TOP leader is at the same time in charge of a transversal program but is also responsible for the efficient implementation of all the projects within the organisation he belongs to. The twenty TOP leaders are supported by more than two hundreds team members coming from all the Atos Origin organisation.

TOP Program has been launched on 1 December 2008. It is fully structured and deployed through the Company.

The success of the TOP Program is a key priority for the Group. TOP is not an usual cost cutting program, but is an in depth transformation program to reach best-in-class levels of operational efficiency.

8.3 OBJECTIVES FOR 2009

In a tough economic environment, the Group's priority is the improvement of the operational performance.

- **Revenue**

The revenue objective for 2009 is a slight decrease compared to 2008 at constant scope and exchange rates. This objective takes into account a backlog coverage (strong in the recurring activities) at 1 January 2009 representing 58 per cent of total revenue (vs 55 per cent at 1 January 2008) but also a slowdown expected in the cyclical businesses.

- **Operating margin**

The Group has the ambition to improve by 50 to 100 basis points its operating margin in 2009. With the ramp-up of the TOP Program throughout the year, the Group expects that most of the operating margin improvement will be generated during the second half of the year. For the first half of the year, the Group considers that the first positive effects of the TOP Program should allow maintaining the same level of operating margin than in 2008.

- **Free cash flow**

Despite expecting higher restructuring, rationalisation and training costs than in 2008, the Group targets to generate in 2009 a positive free cash flow coming from an improved OMDA and a tight control of the capital expenditure.

9 CONSULTING

GIVING THE CLIENT A COMPETITIVE EDGE

9.1 DESCRIPTION OF ACTIVITIES

Atos Consulting represents the design part of the “Design-Build-Operate” concept of Atos Origin. Therefore, strong attention is given on one hand to the alignment of the Atos Consulting portfolio and the Atos Origin portfolio, facilitating System Integration and Managed services sales development, and on the other hand to the ability of our consulting arm to support our large customers in the day to day business.

Atos Consulting offers a pragmatic, realistic approach to addressing client needs. It provides “end-to-end” services and solutions, ranging from supporting strategy development, enhancement and redesign of functional processes through selection and implementation of enterprise solutions and technology decisions. This enables our clients to become increasingly effective and to generate more value through an innovative approach to business processes, well-integrated and supported technologies and strategic investments in people. It ensures that client enterprises receive business and technology solutions that create and sustain a real competitive advantage faster and more cost effectively.

This year Atos Consulting issued the first edition of Look Out, an independent and authoritative source of information in which we raise awareness of the emerging macro trends, business needs and technologies that will drive innovation for our clients and ourselve by providing a holistic view of market changes. Next to this we started with the distribution of a new international magazine “View” with case studies and articles following research projects we performed.

Deep Industry knowledge is a must for our customers. Atos Consulting has a proven international track record of delivering solutions in Public Sector and Utilities, Telecom, Financial Services, Transport, Process industries, Consumer Product Goods and Retail, and in Discrete Manufacturing. By focusing on these specific industries, Atos Consulting ensures an in-depth understanding of clients and their businesses.

The establishment of cash generating solutions with our major clients to deal with the economic downturn, Smart Metering in the energy and utilities market, the increasing role for interactivity with Web 2.0 technologies, Lean Manufacturing and Green politics, are examples of areas where our consultants have demonstrated they understand what is at stake and the way our customers should move and benefit of Atos Consulting and Atos Origin wide range of capabilities.

Through a more integrated and global approach, Atos Consulting ensures that all aspects of a client’s organisation - people, processes and technology - are fully aligned with its business strategy.

In order to to focus on specific industries, Atos Consulting is structured along four Lines of Business:

- Consumer Industrial Markets: our extensive list of active manufacturing clients includes the leading European-based manufacturers in the Aerospace, Automotive, Chemical, Consumer Products, High Tech and Pharmaceuticals industries. In all these markets we have demonstrated deep industry expertise with a proven track record in areas such as collaborative supply chain execution.

- Financial services: with a strong position in the Banking, Insurance and Stock Exchange and Capital market sectors, with an "end-to-end" offer covering the full spectrum of consult, build and operate activities.

- Public Services: Leveraging over twenty-five years' Public Sector experience, we are a major provider of IT services and consultancy to the Public Sector. Drawing on its extensive sector knowledge, Atos Consulting enables government organisations to run their operations more securely, cost-effectively and efficiently through its consulting and system integration expertise.

- Telecom, Utilities and Media: The Telecom and Media market is evolving very fast today with a multitude of business model changes, challenges and technology innovation drivers coming to the fore. Concerning the Energy and Utilities market, deregulation, increasing energy costs, environmental concerns, regulatory changes, strengthening demand from developing economies, and the need for new energy sources are just a few of the challenges. Atos Consulting has built up a sound industry reputation and depth of experience world-wide by meeting individual business requirements with insightful consulting and industry-leading solutions.

The Group's activities are supported by eight global centers of excellence, which develop and deliver solutions as well as supporting business development activities. These centers of excellence use our knowledge management system extensively and disseminate leading-edge information through appropriate training the knowledge sharing practices, focusing on the following areas:

- **IT leadership**: supporting enterprises by assisting with the development and design of their business and IT strategy. Helping clients to apply technologies in a way that is aligned with their business objectives through our Atos™ Enterprise Architecture approach. Main focus for Strategy & Technologies has been concentrating on IT Governance, IT Strategy and IT Architecture in the context of significant demand of alignment of business directions and IT architecture.

- **Strategy & Innovation Leadership:** organisations constantly strive to increase efficiency, implement best practices and deliver increased shareholder value. In our globalized world, any competitive advantage is short-lived. New competitors can emerge from unknown corners and capture significant market share in a short time period. The most important source of sustainable competitive advantage in a fast changing environment is continuous innovation. For that reason, innovation has become the cornerstone of company strategy. For Atos Consulting, "making strategy happen" means fundamentally rethinking the business model a company uses.

- **Procurement leadership**: within this center of excellence, we support organisations with the professionalization of their purchase function. Within different organisations, we analyse the chosen strategy, re-design their procurement processes and implement procurement organisation structures. For our clients we are their multi disciplinary consultant partner by offering services during de analysis phase, design phase and implementation phase.

- **Operational Transformation leadership**: for each Line of business (LoB) there is a specific Center of Excellence focusing on the primary processes of that LoB. Atos Consulting's approach is structured to reflect the interdependencies of the various operational elements needed to deliver an integrated performance improvement solution. Our Operational Transformation consultants provide insight into system applications that transform internal processes and external relations. We support various focus areas including Supply Chain Management (SCM), procurement, Customer Relationship Management (CRM), manufacturing, logistics, and product development environments. We deliver significant performance improvement to enable organisations to work faster, smarter and more efficiently.

- **Financial Leadership**: designing and implementing financial processes and underlying technologies for the financial functions of private and public sector organisations. Enabling them to drive business performance through the use of better financial information, key performance indicators and transformed planning, budgeting and forecasting processes. Helping finance functions to capitalise on external changes such as the introduction and compliance with International Financial Reporting Standards (IFRS) and Sarbanes-Oxley. Focus areas include Corporate Performance, Compliance and Shared Service Centers for Finance management.

- **People and change Leadership**: focusing on the alignment of human resources with business strategies and objectives. Improving the efficiency of administrative functions by balancing low-cost structures with high service levels. Managing the human dimension of change by addressing people and organisational factors during change initiatives. Focus areas are HR Transformation and shared service center, Performance Improvement and Change Management.

- **Customer Management Leadership:** with a clear vision and application of innovative methods and techniques on the field of marketing, sales and service, we contribute to the improvement of the commercial function. Our approach is characterized by the integration of content and process. The focus is on developing and implementing, together with our clients, a vision on channel management, knowledge management, online customer management (including Web 2.0), customer intelligence and developing sales activities through service channels.

- **ERP Business Transformational Leadership:** is the result of combining years of deep ERP implementation experience with sector expertise and understanding of best practices. We can tap in the deep expertise of the entire Atos Origin organisation with the major ERP packages, with whom we have forged strategic global partnerships. We have brought together top ERP experts cross different industries in our ERP Business Transformation Leadership practice and have helped customers to successfully implement, transform or improve their ERP landscape with our know-how.

End of 2008 and thanks to the consulting led strategy, Atos Origin extended its Strategic Partnership with ChemChina further across a number of Service areas in direct response to its IT construction programme.

- In Business Consulting, Atos Origin delivered Procurement, Finance, Organisation, Programme Management and Continuous Improvement Six Sigma Transformation programmes. These programmes provided the people, process and organisational re-engineering and change to deliver financial and operational benefits and prepare for the SAP implementation. In addition, Business Consulting supported the building of a completely new Corporate IT department with a staffing of fifty people.

- In Systems Integration, we then built the SAP Global best practice chemicals template and prepared for implementation in two pilot sites the first of these went live in Harbin on the 7 January 2009. Systems Integration also delivered the SAP BW solution to support the KPI Business Intelligence programme.

- In Managed Operations, we built the infrastructure to support the SAP roll-out and in December completed the build and commissioning of the first Data Centre for ChemChina based in Beijing. The data center was formally opened in December 2008 and is now fully operational.

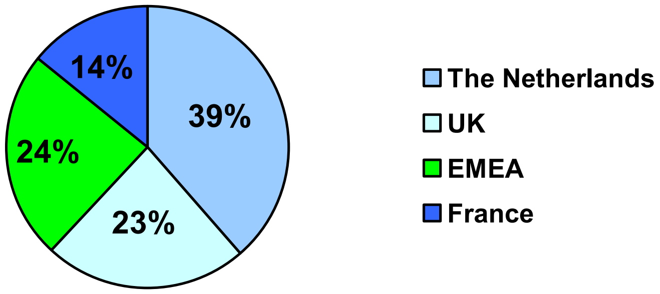
9.2 SUMMARISED TRADING

(In EUR million)	FY08	FY07	% Organic Growth (a)
Revenue (a)	**349**	**346**	**+1.0%**
Operating Margin (a) (b)	**16.7**	**18.2**	**-8.1%**
% margin	***4.8%***	***5.3%***	***-0.5 pt***
Staff year-end	**2,667**	**2,632**	**+1.3%**

(a) Figures at same scope and same exchange rates

(b) Including Global Service Line costs

Revenue breakdown by country



9.3 FUTURE DEVELOPMENT

Atos Origin is committed to deliver Design-Build and Run solutions to its customers on a country and more and more on an international basis. Therefore activities overlapping both Systmes Integration and Managed Operations are likely to develop further: IT strategy, Technical Consulting, ERP upstream, Infrastructure transformation as well as BPO in support functions will continue to grow.

As Atos Consulting, we are focusing on leadership. We aim at growing throughout our consulting countries and to support this growth we launched a global business development program in which the global centers of excellence, global sectors, global marketing and new countries would be at the heart of the roll-out. In order to increase international sales we have aligned our business thoroughly. As Atos consulting we have grown rapidly in China and Belgium and started a new practise in Germany. In the next year we will proceed with our successful program and make next steps in the co operation between the different countries.

This year, Atos Consulting extended its centers of excellence with strategy and innovation on Procurement, Customer management and ERP business leadership. In 2009, we will emphasize on developing these centers throughout the different countries. Atos Consulting will maintain the significant role in the sale of the distinctive offerings which are at the core of our three years strategy of Atos Origin. We firmly believe the consulting led approach is the one that will create the best momentum to bring to our customers a complete solution, resulting for Atos Origin a continuation of the Consulting business into the System Integration and Managed Operation of these opportunities.

10 SYSTEMS INTEGRATION

DELIVERING CLARITY FROM COMPLEXITY

10.1 DESCRIPTION OF ACTIVITIES

The Group's Systems Integration specialists design and implement new IT solutions and systems across a number of core markets, ensuring a seamless fit with existing infrastructures and providing ongoing support and enhancement of IT applications. Our extensive experience in integrating people, processes and technologies enables us to design, build and operate practical and robust solutions.

The Group works with its clients to develop implement and maintain systems that will support and enhance their overall business strategy. As the market moves towards standardised packages, we design and implement solutions from leading vendors such as SAP and Oracle and integrate them in complex environments, using best-of-breed technologies. We also implement projects using customised software, open source, and legacy applications, including various languages and design methods. We work with a carefully selected group of strategic partners to develop and implement end-to-end offerings, integrating leading technologies and packaged systems.

Continuing developing our SAP strategy: after 2006, where Atos Origin has been selected by SAP to become its preferred partner in Manufacturing (which is one of the largest Market Sector in Atos Origin), SAP has re-awarded us again this year with the Pinnacle Award we received in 2007 for our excellence in SAP hosting which includes both Application Management and Application Hosting.

We have developed a unique approach to support SAP solutions based on CoEs:

- The Atos Origin / SAP centers of expertise (CoEs) provide a team of consultants specialising in the marketing and sales, implementation and operation of the SAP industry solutions. CoE drive industrialisation, are a forum to share knowledge and experience;
- The CoEs will be able to create financial synergies, such as:
  - internal know-how owners can help out in different countries;
  - Top Atos Origin SAP consulting personnel can be leveraged cross country;
  - Access via CoE to the own specialists from SAP whom can be leveraged in joint sessions;
- In addition, CoEs will be think-thanks for further development of the Atos Origin / SAP solution.

As a result as of Atos Origin expertise and strong partnership with SAP, a new agreement was signed on March 2009. SAP and Atos Origin extended their partnership with a Go-to-Market agreement. Under the terms of the agreement, Atos Origin will work together with SAP to proactively to reduce risk and to streamline the upgrade, new deployment and go-live process for SAP customers on new and existing installations and upgrades to SAP business solutions. As a consequence, and as part of the new Group organisation implemented early 2009, a new Global SAP business line was set up throughout the Company.

Besides, Atos Origin extended its plan by building a joint Go To Market agreement to boost sales on agreed logos, covering manufacturing, upgrade, Business Objects and business Suite V7.

As the global demand for application management increases, the Group has further improved its unique and transparent value proposition, incorporating state-of-the-art processes and methodologies, strong governance and industry standards such as ITIL for continuous service delivery: Atos™ Application Management is applicable across all core markets. It leverages our global sourcing capabilities to deliver substantial reductions in clients' cost of ownership through flexible pricing models aligned with their business activities and harmonization of client processes. In 2008, Application Management remained the largest activity in Systems Integration within Atos Origin.

Our other areas of expertise include Enterprise Resource Management (ERM), Customer Relationship Management (CRM), Business Intelligence (BI), Supply Chain Management (SCM), business integration, Enterprise Content Management (ECM). Across all of these areas, we have successfully implemented many complex and global projects.

The Group is particularly strong in managing large scale integration programmes and has significant technical architecture skills. Our complete service offering is founded on extensive training and the adoption of high level industry certification standards, project management institute (PMI), CMMI and ISO9001: 2000.

10.2 KEY SYSTEMS INTEGRATION ACHIEVEMENTS IN 2008

In 2008, the Group has worked extensively to increase its overall Systes Integration performance around three major actions:

- Aligning Systems Integration delivery model across operations;
- Industrializing our production thanks to the roll out of tooling supported by a shared service center and to the generalization of CMMI, industry best practises;
- Increasing our global sourcing-offshore capabilities to better serve our customers with competitive offerings.

Besides, the Distinctive Offering programs initiated end 2007 and described in the dedicated section of this report have been very successful, contributing to Systems Integration growth.

10.2.1 Aligning the delivery model across operations

The success in our business is linked to our ability to grow at the same time along three main axes:

- Customer intimacy, where we develop the knowledge of the solution core to the customer business and where we involve strong business process experts: with strong market intimacy, we will provide our customers with the best total solution;
- Product leadership, with a strong technology focus, innovation capability and strong skills in the portfolio of service and solutions: with product know how leadership, we will be able to build a product for which a premium for our skilled workforce can be charged;
- Operational excellence, activity most often being in the back office as opposed to the first two above residing more in the front office: metrics, project management, processes are the key ingredients of this third axis. With operational excellence, we want to achieve the best low cost solution to provide product and service support.

Systems Integration has therefore applied these concepts to implement a standard approach to service delivery that will be organized around two activities, one around package and one around customs solutions; each of them will have two dedicated organisations:

- One is to provide resources for mean obligation assignments with best skills, either to source the above contracts, either to address the market for professional services;
- One is to manage our result obligation contracts (fixed prices, Service level Agreements, performance,.) or some risky innovative projects. The unit in charge of Result obligation will directly source to the global delivery – the Global Factory - built upon our delivery centers, close shore and offshore: benefits are expected from clearer communication, concentration of competence.

Overall efficiency gain will be obtained in the Global Factory via standardisation, common processes and tools, repeatable process and solutions and economies of scale. The Global Factory will provide a set of Systems Integration services such as:

- Custom Main Build: core steps in the software development process, mostly Java, .net languages;
- ERP Package support: SAP Turnkey migration to release 6, upgrade around NetWeaver, SAP ABAP development and maintenance;
- Global Testing Factory;
- Software Lifecycle Collaboration Environment (through the Shared Service Center), providing consistent, end-to-end support with integrated tools, processes and metrics (not only) for distributed teams enabling our SI population to perform his work with state of the art tools covering the full chain of Systems Integration.

10.2.2 Tooling and processes

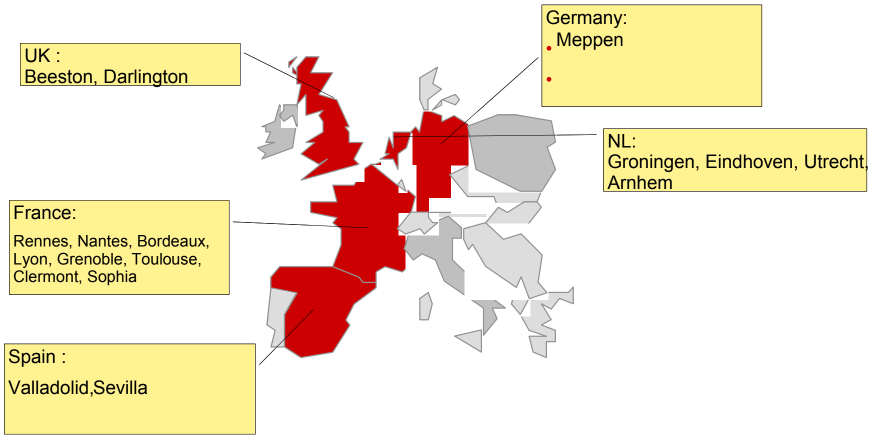
Focus has been put on choosing common tools for the seven major Systems Integration processes and on installing global shared service centres to have all Systems Integration staff accessing these tools in a similar way they access today Atos Origin Knowledge Management.

After 2007 where we have defined our needs and selected the solutions/vendors to support them, we have been in 2008 rolling out our selected tools in our various operations. The numbers of users of tools has in 2008 been increasing up to 6,000 and should reach 10,000 in 2009. These best-of-breed tools enable our workforce to capture business requirements in an optimal way, design and build the software, manage configuration changes and conduct tests in a very cost efficient manner. Application mining tools, in order to understand the quality of the software we need to support are as well very important in our overall industrial approach.

10.2.3 Growing Global sourcing

Our global delivery will be built around closeshore and offshore delivery centers, specialised by skills. The two charts below indicates our coverage, the first the close shore, the second the offshore:

CLOSESHORE COVERAGE



OFFSHORE COVERAGE

Overall, 20% of our workforce should be employed in our delivery centers, most of it being in India.

10.3 COMMERCIAL ACTIVITY

Global Systems Integration has been awarded several large emblematic contracts in 2008 out of which we can highlight:

- For Michelin, full outsourcing for applications support and development covering the R&D, Core Manufacturing implantation and order to cash;
- For ERDF, the pilot of the new metering solution for 300,000 meters;

- For E-Plus, the build and run of the main IT applications: the solution is extremely sophisticated, our performance being jointly agreed with our customer around business outcome;
- For Caja Madrid and Banco Espana, application development and support;
- For OCE, full outsourcing of application development and support;
- In United Kingdom at premier Food, large Fusion program;
- In China, growing our SAP roll out across several locations in Chemchina.

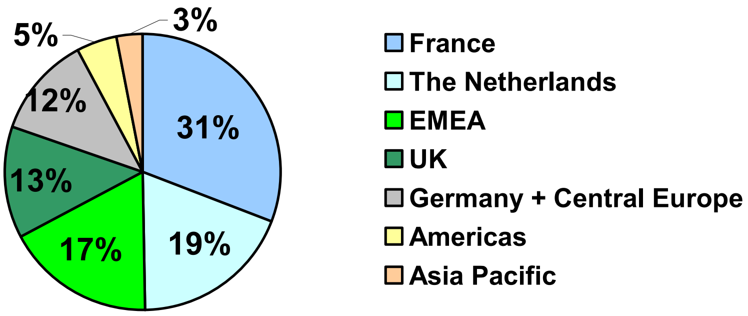
10.4 SUMMARISED TRADING

(In EUR million)	FY08	FY07	% Organic Growth (a)
Revenue (a)	**2,202**	**2,089**	**+5.4%**
Operating Margin (a) (b)	**86.3**	**92.6**	**-6.8%**
% margin	***3.9%***	***4.4%***	***-0.5 pt***
Staff year-end	**24,403**	**23,659**	**+3.1%**

(a) Figures at same scope and same exchange rates

(b) Including Global Service Line costs

Revenue breakdown by country



10.5 FUTURE DEVELOPMENT

Atos Origin is committed to delivering end-to-end solutions to its clients and is therefore continuing to strenghthen its global Consulting and Systems Integration organisation to coordinate and standardise the provision of services to clients across multiple countries and provide integrated design-build-operate services.

Although the economy in Europe is expected to see only modest growth over the next three years, large IT services providers are expected to benefit from higher demand due to consolidation of procurement and strong regulation requirements. Atos Origin has therefore developed its strategic plan based on continuing organic growth in Europe in the coming years. Furthermore, Atos Origin expects to see strong growth in Asia Pacific, linked to our strategy of focusing on large multinational clients who are expanding rapidly in this geographical area.

Globalisation will be speed up to support the key elements of our portfolio, such SAP ERP, ECM, testing. This will be accompanied with a strong joint go to market with our key partners (EMC, Microsoft, HP, IBM software, SAP, Oracle).

The Group's Systems Integration business is an integral part of its total business offering and we intend to continue

i) to increase the proportion of our activities that derive from long-term relationships with our clients and from recurring revenue sources, especially in application management, where we are recognized among prominent industry analysts as the leading solutions provider to the market,

ii) to develop further the Distinctive Offering approach, that in 2009 will significantly enable Atos Origin to compensate an expected decrease of the demand in the commodities segment of System Integration activity.

11 MANAGED OPERATIONS

PROVIDING CUSTOMERS COMPETITIVE ADVANTAGES IN BUSINESS AND IT MANAGEMENT.

11.1 DESCRIPTION OF ACTIVITIES

Atos Origin specialises in managing and transforming the IT operations of its clients. This includes managing clients' entire information and data processing systems, covering datacenters, network and desktop support operations, identity access and security systems, application management and implementing processes and tooling that enable clients to benefit from state-of-the-art technology in a flexible environment to gain competitive advantages in their business.

Atos Origin is the leading European outsourcing company as well as having a significant position in the rest of the world. We provide 7x24 "follow the sun" infrastructure and application management and support through our global network and have unrivalled experience in major roll-out programs covering complex and multi-site solutions including SAP and CRM applications.

To provide world-class service delivery, Managed Operations uses its own Continuous Service Delivery Methodology (CSDM). It is based on ITIL standards and ensures globally consistent processes, tooling and organisations. This methodology is important in allowing Atos Origin to guide the client through the process of assessment, planning, implementation, transition, and continuous quality delivery.

Since 2007, the Management of Atos Origin has continued to implement the Global transformation of the Company focused on tuning our organic growth engine, improving our operational efficiency and enhancing the way we operate as a Global Factory. Within Managed Operations, the following projects are planned: Mainframe Consolidation, Server Optimisation, Service Management Optimisation, Offshore & Global Sourcing, Optimising Datacenter Strategy, Renewing the Atos Origin Service & Voice Network, Standardised Portfolio alignment (including driving growth in Infrastucture Professional Services) and End-to-End Desktop Optimisation.

Atos Origin has continued the cooperation with leading vendors such as Intel, Microsoft, EMC, VMware, Novell, SAP, FSC, Unisys, IBM, HP and Sun with joined innovations such as Identity and Access Management and Atos Adaptive Virtualisation Management. We signed global agreements with Novell in Identity Access management and Security management and with VMware in Virtualisation. We have initiated two new innovative distinctive offerings: Identity and Security Management and Adaptive Workplace Management.
In addition, we have innovated significantly in the areas Storage and Computing on Demand, fully based on a shared infrastructure approach.
Also cooperation with multifunctional printing vendors like OCE, Xerox, Canon and Ricoh resulted in integrated End to End Services.

11.1.1 Managed Services – The IT infrastructure outsourcing leader

Atos Origin is one of the few companies that can provide all the "design, build, and operate" elements of a complete outsourcing solution. The scope includes datacenters, network, and end user devices, and ranges from hardware support to business application management. Atos Origin is specialised in transforming the IT infrastructure and business operations of its clients to improve efficiency and performance. Our outsourcing services are supported by proven organisational structures, processes, and tooling, which are ISO 9001 and ISO 27001 accredited, ensuring consistent service-level delivery on a worldwide basis.

The major services and solutions of Atos Origin are:

- **Atos Workplace Solutions -** providing all workplace management and end-user support services that deliver a truly adaptive workplace and allow an enterprise to respond quickly to changing business conditions through highly responsive service levels and reduced costs. Our services include workplace transformation for continuous improvement and innovation, and Global Service Desk for multi-channel and multi-language IT support, provided on a 7x24 basis.

- **Atos Infrastructure Solutions -** providing infrastructure management services ranging from Remote System Management, Secure Datacenter Hosting to Utility Services. Our proven methodologies for datacenter and server virtualisation and consolidation enable us to standardise all the IT elements of our clients and provide services on a pay-for-usage, 'utility' basis. This approach provides the transparency needed to improve user accountability, control IT resource consumption, and enable regulatory compliance.

- **Atos Application Technical Management -** ensures the optimal mix between TCO reduction, regulatory compliance, business continuity, and continuous improvement of customers' business application landscapes. In order to achieve this Atos Origin deploys a unique 4-phased scalable and flexible growth model. Service delivery is globally standardised, on a 365*24 basis and based on the ITIL compliant and globally deployed Continuous Service Delivery Model (CSDM). The Atos™ Application Technical Management portfolio is concentrated around the domains of ERP Application Management and Collaborative Application Management with global services based on SAP, Oracle, IBM and Microsoft technologies. Delivery models vary from customer-dedicated solutions to fully flexible on demand concepts (SAAS).

- **Atos Infrastructure Professional Services –** These services address all customers, whether outsourced or not. We provide Technical Consultancy, with high skilled consultants on topics like IT Governance, Security or Green IT. We also perform ICT Transformation Services, with a particular focus on virtualisation projects for servers, desktops, storage; these projects are generally based on commitments regarding cost reduction or less carbon impact. We also propose to large customers transformation and management of their existing external T&M services, where Atos Origin acts as a first-level supplier, manages customers requests and delivers services, according to SLA's, either directly or through partners.

- **Atos Information Security Solutions-** addressing business risks through the integration of proven information security technology. Atos Information Security Solutions integrate security solutions into customers' business and IT service Management to enable controlled business risks, improved operational efficiency and reduced costs.
  Atos Origin's end-to-end approach to Information Security addresses the full threat landscape from people and processes, policies, procedures, technology and operations.
  Atos Origin leverages its partnership with three leading security technology providers (Novell, EMC/RSA and Microsoft) to integrate proven technology into security solutions that ensure the appropriate level of security for each customer.

Atos Origin is able to deliver Managed Services using various engagement models. This variety of engagement models provides the needed commercial flexibility for making the engagement "fit" with the client. The traditional approach is through an SLA-based, fixed-price IT-outsourcing arrangement with the client. However, Managed Operations can and has engaged clients in other ways as well, including Global Sourcing, Transaction/Utility Shared Based models, Joint Ventures, Business Process Outsourcing (BPO), and Time & Materials.

Ensuring a worldwide consistent quality level in service delivery is a key success factor for implementing Global Sourcing strategies. Our global delivery capabilities include offshore service desks and support centers in India, Malaysia, Poland, Surinam, Morocco and Brazil. These complement our existing onshore and near-shore delivery centers. Our Global Sourcing Centers operate at the highest levels of ISO 9001:2000 and the SEI Capability Maturity Model (CMM and CMMI).

In addition to the above, Atos Origin has two specialised businesses with substantial growth potential.

11.1.2 Atos Worldline – A European Leader in Electronic Payments & Transactions

- Atos Worldline is a European leader in electronic payments and transactions. It designs, develops and operates IT services and solutions specifically in end-to-end Payment services, Financial Markets services and CRM & eServices. Atos Worldline focuses on delivering innovative solutions and services that help its clients advance their business strategies to meet today's business agility and competitive challenges. A 100% subsidiary of the Atos Origin Group, Atos Worldline generates annual revenues of around EUR 814 million and employs over 4,800 people in Europe.

Atos Worldline offers its clients a unique value proposition and supports them so they can differentiate from the competition:

- High quality end-to-end services across Europe;
- Strengthened productivity and cost efficiency through volume aggregation mainly across Europe;
- Personalised services: customised solutions and price per transaction, based upon clients' business criteria, which create a win-win model;
- Leading-edge services through strong R&D focus and long-term commitment.

With proven expertise in end-to-end IT solutions for end-user applications, Atos Worldline is specialised in the following specific fields:

- End-to-end payment services - issuing, acquiring, development of payment technology solutions and card processing
- CRM and eServices - Internet, voice and mobile services.
- Financial Markets services – negotiation securities clearing & settlement, brokerage services and asset management

A European Leader in payment services
With 30 years experience and in-depth expertise of the payment industry in the main European countries, the company delivers end-to-end payment solutions to help its clients better anticipate the major European regulatory challenges and optimise the performance of their end-to-end electronic transactions.

Payment/Acquiring
Atos Worldline develops and processes tailor-made Acquiring services for all types of payment. By Acquiring we understand: providing the means to accept payment transactions, receiving electronic financial data from merchant related to a payment transaction and processing that data. Atos Worldline expertise includes:

- Payment acquiring transaction processing;
- Visa/Mastercard European commercial acquiring licence;
- Remote payments management;
- Development of technology solutions;
- Authorization server, Data collection management;
- Development, sale, renting, installation of payment terminals;
- Call center, contract, fraud and claim management;
- Payment terminals.

Payment/Issuing
Atos Worldline develops and processes tailor-made Issuing services for all types of payment. By Issuing we understand: processing and management of cardholders' transactions. Atos Worldline expertise includes:

- Card management system for the processing of debit, credit, corporate cards;
- Reloadable prepaid, international co-branded cards, fuel cards;
- Authorization server – Cards management;
- Call center and fraud for cardholders;
- Payment solutions dedicated to eCommerce: virtual cards, top-up accounts, 3D Secure;
- Contactless, mobile payment;
- International epayment platform;
- Interbanking applications.

CRM & eServices

Atos Worldline develops tailor-made Customer Relationship Management services fully combined with multichannel services (Internet, Mobile and Voice services) in order to foster customer loyalty and customer management across all interaction channels. Atos Worldline expertise includes:

- Loyalty program management – Marketing database - Datamining - Customer intelligence - Dataware house – Geomarketing
- Contacts management - Virtual contact centers, multichannel push

- Development and hosting of Internet services (eCommerce, eMail platform, eBanking, eGovernment)
- Mobile services - SMS, MMS, Internet Mobile, IP services
- Voice services – Interactive Voice Response (IVR), voice recognition, natural language.

Financials Markets services

Further to the Agreement between Nyse Euronext and Atos Origin S.A relating to the reorganisation of Atos Euronext Markets Solutions Holding, Atos Euronext Markets Solutions SAS (AEMS) has transferred its businesses of Capital Markets and Clearing & Settlement to Atos Worldline Financial Markets SAS. From 1 August 2008, this company is fully owned by Atos Worldline SAS.

Atos Worldline expertise in Financial Markets services covers global markets throughout the investment process - asset managers, private bankers, brokers and intermediaries; exchanges; clearing houses, CCPs (Central Counter Parties) and CSDs (Central Securities Depositaries).
Atos Worldline provides its clients with solutions and services covering the full securities, investment funds and derivatives lifecycle.
Based on its in-depth understanding of the industry dynamics, Atos Worldline turns its capacity for innovation into value-in-use solutions in the following domains:

- Securities and Derivatives Clearing and Central Counter Parties (CCP) Solutions;
- Securities Settlement and Depositary Solutions;
- Innovative Front to Back Brokerage Services;
- Advanced Investment Management Solutions.

Anticipating tomorrow's challenges

For over 30 years, Atos Worldline believes innovation must be embedded in the very DNA of its organisation and therefore has been implementing a strong strategy of anticipation of new technologies and uses. The "Worldline Innovation Network" (WIN) fosters innovation-friendly attitudes, perspective making, knowledge sharing and intrapreneurship.

Thanks to our sustained investments in R&D, we have continuously demonstrated our ability to provide our clients with a reliable vision of the future so that they benefit from the leading-edge technical solutions and platforms. 10% of our operational profits are thus mobilised to watch and test emerging technologies and to conduct pilot projects together with our clients.

In 2008, we won eight awards for highly innovative projects and solutions spanning areas as diverse as ticketless journeys, mobile payments and services, prepaid credit cards, secure IPTV leading solution adapted to TV contents on Internet), or next generation customer contact management.

Our research covers all major domains related to mass transaction management: from strong security technologies to next generation networks, including human-machine interfaces, advanced internet applications, mobile and contactless devices, payment terminals, machine learning, voice over IP, application specific integrated circuits, natural language processing, digital identity management and multimedia content processing.

Our Solution Centers leverage on the results delivered by the labs to develop and extend future-proof solutions and platforms based on a secure, powerful and highly scalable technical architecture relying on a unique combination of SOA, OOP and MDA approaches.

Strong processing capabilities

Atos Worldine offers strong industrial processing capabilities enabling to process billions of electronic transactions on its main highly secured technical centers in Europe.

- 22 million credit & payment cards
- 250 million remote payments
- 1 billion calls (IVR & Contacts centers)
- 34 million email boxes
- 38 million loyalty cards
- 400,000 terminals

11.1.3 Atos Healthcare

Atos Healthcare, a division of Atos Origin, combines the Company's expertise in Business Consulting, Systems Integration, Managed Operations and Medical Services.

Atos Origin has over a decade's experience of delivering and enabling IT, BPO and leading edge healthcare programmes including: efficiency improvement, procurement of specialist health services, computer infrastructure hosting, software development, through to patient primary care, occupational health and disability assessments. Working with an extensive team of consultants, medical and technology professionals, we deliver modern healthcare solutions that transform the way care is delivered.

Atos Healthcare's services are a central part of the 'patient first' approach which is being adopted as part of the programme for transforming the UK health service. Our investment over the last 10 years in establishing a consistent, high quality global service delivery capability based on a best-in-class approach (ITIl) has ensured services are delivered effectively and reliably. Atos Healthcare provides increased patient choice and accessibility to the National Health Services (NHS) under the 'Choose and Book' programme. Since its launch, over 11 million bookings have been made using the system.

As a key partner for implementing the policies for transformation of the National Health Service, Atos Origin develops, communicates the strategy, implements change and drive efficiency and quality improvements with the NHS to deliver sustainable change. In November 2008, Atos Origin's work through the Atos Origin Alliance, led to its client NHSScotland winning the eHealth Insider: 'Best use of Information Management to promote patient safety' award.

The market leader in occupational health, serving around 700,000 UK based Public and Private sector employees. Atos Healthcare provides employee assistance programmes, wellbeing and sickness absence services. We were one of the first organisations to establish and run a privately operated Walk-in Centre on behalf of the NHS. Atos Healthcare is the sole provider of benefits related to disability assessments through our contract with the Department for Work and Pensions. Atos Origin DWP practitioners see over 2,100 per day, touching the lives of over 2 million people each year. Atos Origin OH practitioners see in person or speak to via telephone over 600 third party employees per day.
Atos Healthcare's clients include the NHS, major government departments, public sector and private companies. With a team of more than 2500, of whom over 1,900 are qualified medical professionals, Atos Origin services are offered throughout the United Kingdom and with 'global' reach to clients such as BP shipping.

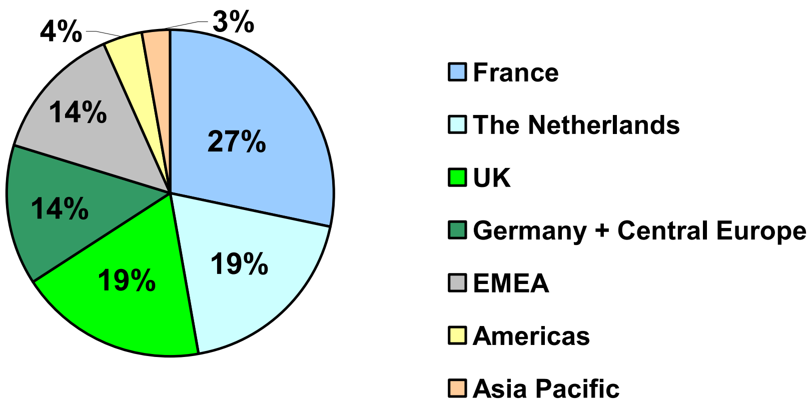
Within Managed Operations, the Group services continue to benefit from a number of key differentiators. Our investment over the last 10 years in establishing a consistent, high-quality, global service delivery capability based on ITIL has ensured that services are delivered effectively and reliably. Atos Origin is also sensitive to the needs of its staff and takes particular care that newly in-sourced employees quickly find their place in the Group. Finally, the Company works to ensure a good cultural fit with our clients. The Group understands the need to develop strong, transparent and long-term relationships with the clients and has a policy of developing effective local management in all countries where it operates to balance its globally aligned services with local understanding and knowledge.

11.2 SUMMARISED TRADING

(In EUR million)	FY08	FY07	% Organic Growth (a)
Revenue (a)	**2,928**	**2,753**	**+6.4%**
Operating Margin (a) (b)	**240.2**	**240.4**	**-0.1%**
% margin	***8.2%***	***8.7%***	***-0.5 pt***
Staff year-end	**23,614**	**22,215**	**+6.3%**

(a) Figures at same scope and same exchange rates
(b) Including Global Service Line costs

Revenue breakdown by country



11.3 FUTURE DEVELOPMENT

We expect that 2009 will be a challenging year due to the climate in the financial markets and the related economic downturn. After a period of focusing on profitability and growth, clients are now focussing on cost cutting, flexibility and agility, based on added value pricing models.

In spite of the changed economic climate, we still expect that in 2009 IT outsourcing and global sourcing activities are set to grow. Changing circumstances in the financial sector do not only present threats; they also present new opportunities, like infrastructure modernisation, application rationalisation, M&A and integration projects. Some markets, including the Public sector, will be much less affected. We expect outsourcing to increase due to cost benefits and increased flexibility.

In the area of Atos Workplace Solutions and Atos Infrastructure Solutions, we expect that the demand for utility-based models will increase, both from a pricing and a delivery perspective. This is directly related to the increasing need for flexibility, both in terms of scalability, as to reduce the on-balanced IT-related commitments.

This development will also have its effects in the Atos Application Technical Management area, where we will sell more and more on a utility basis. Offerings like SAP Adaptive provide a solid basis to fulfill these client needs.
The importance of a strong integral security approach will remain unaffected by the current economic climate. We will intensify current partnerships like the Novell engagement to ensure growth in Identity and Access Management.

In the Infrastructure Professional Services area, the demand for Time & Materials based engagements may stabilise or even decline. The demand for fully managed, project-based services with committed output will continue to increase. Atos Origin has many services to offer (e.g. Atos Virtualisation Services), fully complementary to and aligned with Atos Origin’s continuous services, and based on standardised approaches and considerable experience.

As far as the environment and sustainability are concerned, Atos Origin is engaged in a strategy to identify and use best practices in terms of Green IT. This approach will aim at reducing the impact of IT services on the environment through:

- The improvement of the sustainability assessements of the data centers and desktop equipments
- A purchasing policy aligned with the business requirements
- Providing to Atos Origin clients the means to reduce their environmental impact with IT services as well as helping them reducing their energy consumption.

12 DISTINCTIVE OFFERINGS AND INNOVATION

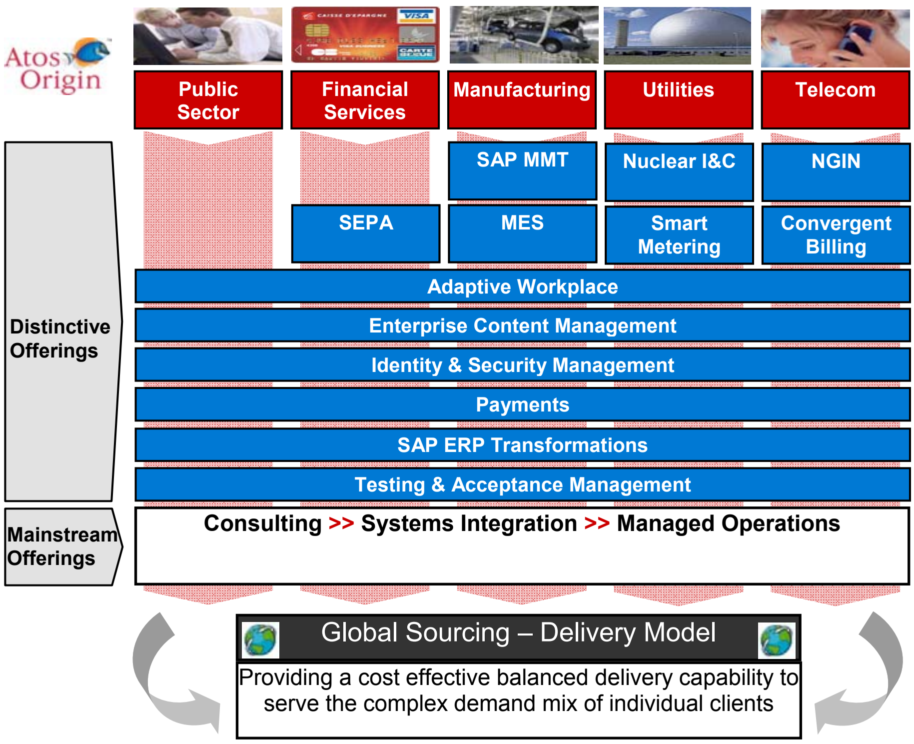
12.1 DISTINCTIVE OFFERINGS

Portfolio management has been reinforced in 2008 within Atos Origin. After a detailed inventory of group capabilities, a rigorous process has resulted in the selection of few but very unique set offerings that will sustain most of the growth of Atos Origin in the following year.

A review of the initiatives launched in 2007 confirmed the good performance of the majority of them, only two being kept in incubation until next year.

In a final review with the Executive Committee, the Group has decided to add six new Distinctive Offerings in the 2009 plan that is represented graphically below; key ingredients to be successful are the profitable growth, contribution to customer performance, cross service line approach with strong drive from consulting, buy-in by for each of them by a majority of countries/customers, and presence of strong partners.

Strong attention of winning customers early in the process is another key success factor that brings confidence across Atos Origin about the validity of the choice, as well to customers about our decision to grow this activity.



12.2 DISTINCTIVE OFFERINGS – INDUSTRY FOCUSED

The purpose of this section is to present the offering developed by Atos Origin targeting specific area of the industry.

12.2.1 Utility

Nuclear Instrumentation & Control

Atos Origin provides Nuclear & Utilities industry clients with proven monitoring and command control systems, simulation and predictive maintenance platforms in a design-build-operate offering, building on strong partnerships with leading players.
Atos Origin's solution, ADACS, is the leading on-line computerised command control solution. This approach has been recently recommended by the International Atomic Energy Agency as the state of the art approach for safety procedures.

Smart Metering

Atos Origin's Smart Metering solution is a full information system and telecommunication infrastructure; it provides:

- i) Remote and daily acquisition, configuration, maintenance and operation of industrial and residential smart meters;
- ii) Meter data management up to smart grid and consumer information functions; and
- iii) Smart metering activities at different skills, projects and commercial levels.

Atos Origin leads the world's largest Smart Metering project for ERDF.

12.2.2 Telecom

Convergent Billing

Atos Origin is unique at providing telecom operators with all services to design, adapt, implement, and run one single real-time postpaid-prepaid billing IT system to bill voice and data convergent services.

Next Generation Intelligent Networks

Atos Origin provides telecom operators with Next Generation Intelligent Networking and IP Multi Media Subsystem (IMS) platforms that allow traditional Value Added Services to be supported in a new networking infrastructure while facilitating the introduction of new services;
Atos Origin has developed an open solution, based on the JAIN, Java API for Integrated Networks, technology.

12.2.3 Manufacturing

SAP MMT

Atos Origin, as a strategic partner of SAP with its "Maximize Manufacturing Together" offer, assists enterprises in optimising their manufacturing processes, from innovation to service delivery, by focusing on optimising planning, scheduling, sequencing, executing and monitoring of all manufacturing processes leading to higher profits and more marketplace wins: this is achieved by designing, implementing and hosting SAP industry Sector suite and associated solutions.
Each sector in Scope, Chemicals, Oil& Gas, High Tech, CPG, is supported by a Center of Excellence which provides a worldwide support, all with a strong focus on how businesses can perform more efficiently and be smarter in dealing with their end customers.

Manufacturing Execution Systems

Atos Origin assists manufacturing clients at harmonising, optimising and improving manufacturing execution processes: we are offering services, consulting, software & hardware components and methodologies to achieve increased visibility from the shop floor to the top floor and increased efficiency and effectiveness through a unique capability to integrate MES and the ERP, as well as tha ability to manage worldwide.

12.2.4 Finance & Insurance

Payment Services

Atos Origin assists customers (from retailers to banks) to optimise their payments, via card (issuing and acquiring) and non-card (credit transfer / direct debit) by increasing flexibility and reliability. Our services cover design-build-operate using solutions preferably developed by Atos Origin (mainly Atos Worldline) independently from vendors, but in some cases best of breed packages. The services described in the Distinctive Offering SEPA consolidation have been carved out in a separate Distinctive Offering.

SEPA Consolidation (and more broadly Bank Payment)

The aim of this DO is to increase the Atos Origin business and capability in Bank Payments. The DO consists of a number of propositions at different stages of maturity:

- The major proposition is a joint alliance with ING, Atos Origin is the main migration services provider to banks and large corporations that are outsourcing their payments processing.
- Other propositions include for Corporates: cash & treasury management and associated processes, e-Invoicing.
- Sector in Scope: Financial Services and Corporates (Private / Public). But mainly Financial Services

12.3 MULTI INDUSTRY – SERVICE LINE LED

This section addresses the offerings targeting several industries and to be pushed by Global Service Lines.

SAP Transformations (MOVE Program)

Atos Origin assists enterprises increase their performance by upgrading their ERP in a high added value design-build-operate offer, with technical upgrades, functional and retrofit upgrades and strategic upgrades delivering IT consolidation and business harmonization at the enterprise level using industrialized upgrade services and tooling.

Atos Origin has been ranked as number one for the number of upgrades performed in 2008.

Enterprise Content Management

Atos Origin assists large private enterprises or public bodies to address issues related to Compliance, Collaboration, Costs & Communication for all types of multimedia information management needs through a comprehensive set of integrated consult, build or migrate, and operate services;

Note: Several packages are used, with strong partnership being with EMC-Documentum, IBM-filenet, Microsoft-sharepoint.

Adaptive Workplace

Based on Atos ™ Workplace Solutions, **Adaptive Workplace** is the range of services that Atos Origin provides under a framework to move from any existing workplace environment to an end user-centric Service Hub providing access from basic workplace services to any application regardless the way it is delivered (rich client, SaaS, Online services, virtual device management, streamed applications) and identity/security related services.

Identity & Security Management

Atos Origin's I&SM offer covers professional services, consulting, identity & access management capability and managed security services; Atos Origin offers an end to end capability and vendor agnostic approach, even if we leverage our strong partnership with RSA and Novell, Microsoft and SAP. Atos Origin 's focuses on integrated security solution within the existing ICT operations of its customers.

Testing & Acceptance Management

Atos Origin's T&AM offerings are services helping clients at improving the way they perform tests (from business process validation to IT operation tests). We have a unique seamless solution including the move from Development to Operation relying on a process-based approach. T&AM provides risk identification and mitigation, impact assessment of evolutions, testing and quality application industrialisation & outsourcing of the testing chain: reduced time to market, cost and increase reliability).

Atos Origin has received HP Software and Solutions' 'Application Quality Management, European Partner of the Year, Special Award' for its outstanding results in Application Quality Management. The award was announced at HP EMEA Software Universe taking place in Vienna from 9 - 11 December**.**

12.4 DISTINCTIVE OFFERINGS 2008 RESULTS

The Distinctive Offering initiative has achieved a profitable growth of 40% in 2008 and a significant growth is planed for 2009 despite the gloomy environment. As an example of this success, we can mention the win of the command control of four nuclear plants in China, or our leadership in the SAP transformation program. This kind of success allows us to strengthen our partnership, then to increase the leverage capability of business development with our partners.

12.5 INNOVATION

12.5.1 Background

*Passion for Innovation: **Turning new ideas into real business value**. Design, Build and Run.*

Global trends have created the need for a new C21st operating model where innovation is intrinsic to every process within an organisation. That is why our innovation process is a continuous process.

In a continually changing society, with an increasingly competitive global and demanding market, we, at Atos Origin, are committed to Innovation, collaboration and partnerships. We view this as a strong mean of ensuring commercial success, sustainable growth, and as a vehicle for succeeding in new areas and business models with our customers, partners and markets.

Within Atos Consulting the emphasis is on client oriented innovations based on 'unresolved' client business or information management issues. Systems Integration and Managed Operations work on product innovation, based on client needs, market pull, internal improvements and/or cooperation with technology partners based on their new products and/or services.

Innovation has been reinforced within Atos Origin with the creation of the Global Innovation corporate function at the end of 2007 with a strong support and commitment from Atos Origin executive management everywhere we operate.

12.5.2 Governance

Our Global Innovation Board, with cross-functional team members from various countries, makes sure we stay on focus, maximise the roll-out of innovative assets, re-use of knowledge, resources and experiences, sustaining our distinctiveness in our portfolio and putting sustainable innovation into execution with our customers, partners and collaborators locally and globally.

In our innovation process, there is a clear route from on-going STEP (Social, Technological, Economic and Political) scouting trends and opportunity recognition, to the creation of a solution and its eventual exploitation. All innovations are recorded in an innovation funnel. The funnel is evaluated by standard Atos Origin innovation criteria. These criteria are related to client demand, market developments, business cases, business models and delivery requirements and capabilities.

This approach helps us, our clients, our partners and our collaborators to develop a systematic, business-market-oriented approach to innovation, improving their capabilities to create new value in new ways, and ensuring that innovation strategy is aligned with corporate strategy and market demands.

In addition to that, we have developed bottom-up innovation, fostering an innovation culture to sustain the conditions of future innovation. For instance, innovation challenges help us to collect innovative ideas or projects that are worth much larger audience and attention.

12.5.3 Innovation Global eco-system

Strong attention was given during 2008 to improve the overall innovation capabilities of the countries, improve knowledge sharing, establish better ways to collaborate and boost cross-fertilization among all Atos Origin service lines, resulting in a much stronger and inter-connected innovation eco-system.

- A global innovation community provides our clients and partners with a proactive view of business and technology trends
- Global centres of excellence (e.g. Strategy and Innovation Leadership)
- Proven proofs of concept (e.g. pilot projects with our clients and partners)
- Innovation workshops and events with our main clients and partners
- Distinctive Offerings
- International Research and Development Centre
- Business and Innovation Centres
- Strategic Partnership Programme

12.5.4 Innovative projects and awards

During 2008, Atos Origin won several Innovation Awards for its solutions implemented in many projects, in different countries, markets, business areas and service lines. Hereafter are some examples.

In transportation, Atos Origin has launched several successful initiatives. Heathrow Express launches mobile ticketing with the first implementation of Atos Origin's AVANTIXMetro solution: easier and more convenient to buy train tickets. Atos Worldline wins Innovation Award for its mobile boarding passes solution developed for Air France KLM: paperless tickets solution delivered via mobile.

Atos Worldline has received the prestigious Global Telecom Business Innovation Award in the "International mobile service innovation" category for its "Worldline Global Recharge Service". This solution offers customer on the move innovative mobile services through simplified mobile roamig top-up and cross boarder mobile payments services.

French national weather service Météo-France has received a Lutèce d'Or gold trophy for its new web site www.meteofrance.com, developed with Atos Origin. "Best 2008 Open Source Project by a Public Sector Organisation", according to the French Open Source Industry Association.

Atos Origin has received HP Software and Solutions' 'Application Quality Management, European Partner of the Year, Special Award' for its outstanding results in Application Quality Management which improve the quality of the projects, minimize costs and shorten time to market.

For the fourth year in succession, Atos Origin wins SAP Partner Excellence award for Customer Satisfaction and Quality which confirm out outstanding capability to deliver value with the ERP programs.

Atos Origin won the 'EMEA North Partner Award 2008 – Most Innovative Use of Virtual Infrastructure'-award at the 2009 VMworld event.
The prestigious award was given to Atos Origin in recognition of the innovative use of VMware technology in building a utility based infrastructure in its data centres, the build up of a virtualisation practice 'Adaptive Virtualisation Services' and using VMware technology in numerous customer projects for server consolidation, Virtual Client Infrastructures and quick infrastructure cost reduction programs.

12.5.5 Distinctive offertings: Innovation and portfolio focus

One of the main innovation focuses is to develop and sustain distinctiveness in our offerings.

After a detailed inventory of Group capabilities, with the collaboration and involvement of the Global Innovation Board members, a rigorous process has resulted in the selection of few but unique set of offerings that will sustain most of the growth of Atos Origin in the following years. Strong attention of winning customers early in the process is another key success factor that brings confidence across Atos Origin about the validity of the choice, as well to customers and partner about our decision to grow this activity. The growth in these distinctive areas is expected to exceed the average market growth and the ambition of the Group is to increase its market share through distinctive offers.

12.5.6 Look Out, our new thought leadership briefing

Look Out, launched in May 2008, is a new, annual, international trends report. It provides an at-a-glance summary of the opportunities and obstacles that businesses can expect to see in the short, medium and long-term. Look Out is compiled by analysing emerging STEP (Social, Technological, Economic and Political) trends to develop a picture of market needs. The findings are ratified with the Atos Consulting and Atos Origin team of experts with clients to verify what is realistic, what is not and what is an appropriate level of risk. Look Out is a single and independent analysis of these trends, helping both Public and Private Sector organisations to make key decisions about their business and especially to drive innovation so that they can gain competitive advantage.

12.5.7 Customer Innovation Workshops and Events

During 2008, the number of innovation workshops and events with our customers and partners doubled. Those workshops and events, along with successful proofs of concept projects, are essential success factor for product and service innovations. They also support the building of lasting relationships with all innovation stakeholders, their incorporation into our innovation eco-system and enables new ideas to be created that will give on-going opportunities for innovation.

12.5.8 Future development

We expect that 2009 will be a challenging year due to the economic enrvironment. Organisations will face new challenges and opportunities. The temptation for some organisations will be to use the classic strategy of cutting costs and to suspend, cut-back, or at least reduce, their innovation initiatives and investments. But we strong believe that there are other approaches which can be effective and still keep innovation as part of your agenda. Re-focus, prioritization, fast execution and establishing better ways to collaborate will be key factors. We will continue to invest in innovation and to help our clients find and implement the best strategies to innovate more efficiently.

13 DELIVERING EXCELLENCE

Operational Excellence is the continuous commitment we provide our clients.

The essence of Operational Excellence at Atos Origin is delivering an end-to-end service which integrates innovative solutions and best practices for technology, processes and people to ensure high value outcomes for our clients' businesses now and in the future.

Our global expertise and leadership in managing large-scale, complex IT-related projects are distinguishing factors in our successful delivery of Operational Excellence for our clients. Central to our approach is our business-critical role as enabler for our clients to implement solutions that meet their changing business needs and that deliver improved results

13.1 STRATEGIC AND FLEXIBLE SOLUTIONS FOR AN INDUSTRIALIZED WORLD

Operational Excellence for Atos Origin is not about applying a standardised blueprint to any client. Instead, we aim to understand each client's individual objectives, and then find ways to empower their people to deliver optimized performance, increased productivity and efficiency.

We place great emphasis on understanding and meeting the needs and priorities of our clients. Our ability to deliver Operational Excellence means that we are always ready and able to help our clients address whatever challenges they face, wherever they are in the world. This year, for example, this has involved devising strong strategies and implementing highly efficient and innovative technical solutions so that our clients can adapt to changes in the economic environment, market conditions and the regulatory landscape in which they operate.

Our end-to-end service offering of Consulting, Systems Integration and Managed Operations is supported by our network of well-resourced global sourcing platforms and global delivery factories. During 2008 many of our clients leveraged the benefit of this mode of operations to help optimize their IT processes.

We use common operational models, tools and processes and best-in-class industry standards which support our industry expertise to design, build and operate innovative solutions faster. This allows us to provide systemic management of our customers' core corporate objectives which often include safety, health, environment, quality, productivity, people development, reliability and cost reductions.

13.2 CONTINUOUS IMPROVEMENTS AND INNOVATION

Unlike most other IT services companies, Atos Origin sees innovation as part and parcel of its Operational Excellence.

Over the past 3 years we have boosted the role of innovation in our service offering and we now regularly fulfill our clients' business ambitions through state-of-the-art technology and business-relevant solutions.

Our commitment to Operational Excellence includes a commitment to continuous improvement. It is no coincidence that a large number of our clients decide to renew their contracts with us, time and time again, and seek closer relationships and partnerships. This is because they know we are always looking for ways to improve their performance, their productivity and their efficiency, and to exploit new trends and advances to improve their business operations and help them gain a competitive edge.

13.3 MEETING THE SUSTAINABILITY CHALLENGE

Increasingly our clients turn to us for IT solutions that meet their business sustainability objectives. We apply our technical expertise to help companies and organisations better manage their interactions with people, their environmental responsibilities and how they make profits. A good example from this year is the virtualisation services we implemented for several clients to produce a greener form of IT and associated costs savings and efficiency.

13.4 OUR TOP PROGRAM

As part of our Operational Excellence drive, we put in place our Total Operational Performance (TOP) program at the beginning of December 2008. This will foster best-in-class levels of operational efficiency so as to accelerate the Group's transformation.

13.5 TRIED, TESTED AND APPROVED

Our approach to Operational Excellence is based on best-in-class skills, years of experience of working on challenging contracts and constantly striving to innovate for increased client success. In the following pages you will read about the many examples of Operational Excellence which we have delivered our clients during 2008.

13.6 CASE STUDIES:

The Olympics

Delivering on our mission-critical role for the Beijing 2008 Olympic Games

Operational Excellence is a defining factor in Atos Origin's role at the Olympic Games. By bringing people, processes and technology together to produce a mission-critical and innovative service, we deliver results for our clients and enable them and their suppliers to work more efficiently and effectively.

As the Worldwide IT Partner for the Olympic Games and Top sponsor, Atos Origin integrates, manages and secures the vast IT system that relays results, events and athlete information to spectators and media around the world in less than 0.3 seconds.

While top-class athletes from around the world broke 43 world records and 132 Olympic records during the Beijing 2008 Olympic Games, behind the scenes the IT team led by Atos Origin smashed records of its own.

Our continuous improvement of our processes and practices meant that this year our IT team:

- provided the IT systems and software that processed and activated 70 percent more accreditations – more than 340,000 in total
- securely processed more than 80 percent more competition data for media and news agencies worldwide – totaling 1.5 million messages
- enabled almost 50 percent more stories to be published each day in English by the Olympic News Service – totaling an average of 500 stories a day
- added 40 percent more sports disciplines (eight in total) to the Commentator Information System to provide broadcasters with more detailed, real-time information
- supported around 30 percent more hits on INFO2008, the intranet for the Beijing 2008 Olympic Games, averaging around 1.2 million hits each day
- collected and filtered more than 12 million IT security events each day to detect any potential security risk for the Olympic Games IT systems. From these, less than 100 were identified as real issues. All were resolved, with no impact at all on the Olympic Games.

Jacques Rogge, President of the International Olympic Committee said: "*Today people expect more content and more detail about events as they happen. Through the IT infrastructure that Atos Origin has designed, built and operated during the Beijing 2008 Olympic Games, the competition results have been viewed and read by more people and on more channels – web, mobile phone and TV – than ever before. Atos Origin, our long-term partner, is the brains behind the operations for the Olympic Games, consistently delivering on schedule and within budget*."

Ensuring access to accurate, real-time results

Atos Origin introduced the Remote Commentator Information System for the Beijing 2008 Olympic Games. This new service enabled commentators to access competition results from the studios in their home countries in a fraction of a second via touch screen PCs. It also provided background information on the athletes and sports to help them add color to their commentaries.

Protecting and securing the IT infrastructure behind the Olympic Games is the area where Atos Origin innovates and invests the most. For the Beijing 2008 Olympic Games, we implemented the latest security monitoring solution to filter and prioritize potential IT security risks so the team was immediately notified and could react quickly to any unusual or unexpected activity. Our IT Security methodology and solutions ensured that there was not a single incident that impacted the Olympic Games.

IT Partner for international Paralympic Games

Complementing our role as Worldwide IT Partner for the Olympic Games, Atos Origin signed an agreement at the beginning of 2008 with the International Paralympic Committee (IPC) to become its Worldwide IT Partner.

This agreement will see us support the development of the Paralympic Movement through the creation of a system to manage athletes' data.

The agreement with the IPC further demonstrates our commitment to international sporting movements to empower people and help them achieve goals they might not have otherwise believed they could attain.

ERDF

Transforming France's electricity system with ERDF

In 2008 we were selected by ERDF, a subsidiary of EDF and the largest electricity distribution network in the European Union, to participate in a major scheme that will see the replacement of 35 million electricity meters in France, beginning with a pilot trial of 300,000 'smart' meters.

The project is set to be the largest-ever energy transformation program in Europe and Atos Origin will work with ERDF to establish new benchmarks for excellence in quality and innovation.

Our in-depth expertise in the global energy sector and our track record in successfully integrating and managing ambitious long-term projects led to our selection as architects for the central information system and overall integrator for the pilot phase of the project, involving a consortium of technology firms comprising meter manufacturers, specialised software application developers and infrastructure providers.

- **Smart meters**

The new ‘smart’ meters will transmit and receive data for remote reading and optimized network management. Installing millions of these new meters is in itself a massive undertaking that will also generate huge volumes of data to be transmitted, stored and processed. Atos Origin is building the central information system which will manage this remote metering data and which forms the core of the Automated Meter Management (AMM) system.

The AMM system needs to deliver data transmission and processing performance equivalent to that of a nuclear plant control room. Thanks to our experience in applications for the nuclear industry, which includes partnering EDF since 1978 for France’s nuclear program, we have crafted a robust architecture that combines interoperability, security and an open-ended capability to integrate further enhancements.

GasTerra

Sustainable IT solutions for GasTerra

Atos Origin has been working with the world’s leading energy companies to support their diverse activities for more than 30 years. Increasingly our clients in the energy sector are seeking IT solutions to realize their sustainability objectives.

This year we concluded a 3-year contract to manage the broad IT services of GasTerra, an international company trading in natural gas. An important element of the contract will be to implement virtual infrastructure technology in the office environment, including both servers and data storage. Virtualisation will enable GasTerra to save on electricity costs and create a modern and flexible environment for development and acceptance

Johan Stäbler, Chief Information Officer of GasTerra said: “*We are in a period of transition where people are talking about switching from the use of fossil fuels to the introduction of sustainable energy carriers*. *This contract represents our specific commitment to our mutual objectives for sustainable development. Thus the virtualisation of the central office environment will result in the substantial reduction of electricity consumption and indirectly in the reduction of* CO^2 *emissions. That is something which will benefit not only our company but also the environment*.”

RSA

Calculating personal carbon footprints

Our determination to address the sustainability challenges all companies and individuals now face was illustrated in 2008 by our involvement in developing technology for the first-ever trial to calculate real-time personal carbon emissions.

Using Atos Origin technology to develop, manage and analyze the findings, a pilot was initiated by the UK’s Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) to measure the carbon emissions of participants by tracking their fuel purchases using a loyalty card.

The ground-breaking trial produced useful data for the RSA and the pilot showed the importance of providing individuals and organisations with the right information and tools to explain how to implement personal carbon emissions reduction.

Renault

Industrializing software production with Renault

Our ambitious process improvement program deployed jointly with Renault bore fruit in 2008 with the award of Level 3 Capability Maturity Model Integration certification for both Renault's software production teams and our front-office activities dedicated to Renault.
This achievement demonstrates Atos Origin's ability to deliver large-scale industrialization projects that produce gains in quality and productivity, cost savings and wait-time reduction as part of a win-win scenario.
The concurrent establishment of a common set of processes, methods and tools in the two companies brings the goals of the corporate applications management contract, signed with Renault in March 2005, within reach.
Atos Origin and Renault both adopted the CMMI quality approach from the start in their organisations to harmonize and standardise their working methods (organisation, processes and operational tools) for the industrialization of software production. The common CMMI3 certification has enabled Renault's and Atos Origin's teams to better communicate together and improve their efficiency.

While implementing and supporting CMMI program deployment, Atos Origin launched its Global Sourcing strategy, based on the close cooperation of its front office site in Clamart, France with a network of local, nearshore and offshore back office sites.

- **Best-in-class industry standards**

Atos Origin's approach to the major objective of industrializing software production (and certifying its Clamart activities) is distinguished by the:

- Creation of a common process repository
- Establishment of a common training program
- Deployment of shared processes and tools
- Implementation of shared monthly management indicators
- Use of a Knowledge Management tool
- Development of a change management approach (management sponsorship, and operational champions in charge of supporting and promoting the improvement process).

Credit for Level 3 CMMI certification is shared by some 1,000 employees from the front office in Clamart and back offices in Lyon, Bordeaux and Toulouse, France, plus Spain and India, all of whom were involved in this certification.

EADS

Looking to the future with EADS

Our dedication to continuous innovation and improvement resulted in a significant consolidation in 2008 of our 15-year partnership with EADS, the global leader in aerospace, defense and related services.
Atos Origin was selected as a preferred global supplier for engineering services to EADS, with the conclusion of a Global Framework Contract for Engineering Services. This agreement is a clear sign of the confidence that has anchored the partnership between the two companies in engineering services in France and Spain for more than 15 years.

During this period, Atos Origin has been a Preferred EADS partner for the Engineering Services**.**
Atos Origin's in-depth knowledge of the aerospace industry will position us well to support EADS's technological growth and its future-facing engineering strategy. EADS plans to leverage the benefits of Atos Origin's Global Sourcing infrastructure.

IICD

Training and eduction in Africa

Atos Origin is supporting the International Institute for Communication and Development (IICD), a development aid organisation specialised in offering coaching, training and technical support to organisations and companies in developing countries, who apply IT to improve their products and services.

Atos Origin's Learning Solutions unit in the Netherlands specialises in the development of training and educational solutions. We have signed an alliance with the IICD to donate 80 working days as well as our educational and technical knowledge to IICD and local organisations in Africa. This will include the implementation of an online training tool for self-analysis and evaluation of project progress. Consultants will also provide support for a range of IICD projects, from developing eLearning tools to educating local trainers in Zambia in the development of multimedia training materials.

E-Plus

Flexible IT services for E-Plus Group

As companies re-evaluate the way they acquire and use technology and business applications, Atos Origin's five-year outsourcing contract renewal with the E-Plus Group demonstrates our approach to offer scalable, flexible IT services to improve the business efficiency of our clients.

The E-Plus Group is Germany's third-largest mobile telecommunications provider and a subsidiary of KPN. Together with E-Plus Group we decided to move from a traditional IT outsourcing arrangement to a flexible IT contract which would enable the E-Plus Group to respond fast to changing business needs. By becoming more closely involved in the business activities of the E-Plus Group, we will have greater flexibility to be innovative, cost-effective and swift in designing E-Plus' IT architecture to achieve their business vision.

For the next five years we will take over end-to-end responsibility for 21 business processes, including IT infrastructure and application development services, from Retail Postpaid Order Management through to Retail Postpaid Billing and Interconnect Billing. In addition, we will be paid for the services that we deliver rather than a cost agreed upfront. For example, in the case of retail postpaid order management, our fees are based on the number of new E-Plus postpaid contracts.
Thomas Weber, IT Director of E-Plus: *"Many companies talk about flexible IT; we are implementing it. Under the new contract, IT will provide a real contribution to business results and the E-Plus Group can continue to concentrate on its core competence, for example its successful brands and the individual customer support."*

VMware

Bringing virtualisation to our customers

Atos Origin became a VMware global IT partner in 2008 to address our clients' growing interest in adaptive virtualisation services which enable fast and efficient changes in business processes based on a virtualisation framework for servers, desktops, applications and disaster recovery.

Through its new relationship with VMware, Atos Origin can deliver end-to-end virtualisation services to customers during IT transformation phases. As a result, our customers worldwide will have access to a broad portfolio of industry-leading virtualisation solutions which can increase IT agility while reducing capital, operating and energy costs by up to 80 percent through effective implementation of adaptive virtualisation services.

- **Seamless and ongoing solutions**

A key feature of our role as VMware global IT partner will be a seamless integration of new solutions and our ability to continue our services beyond the finalization of IT transformation projects. In the case of a server failure, this offers dynamic management of computer capacity across a pool of servers.

Peter Leever, IT Manager at Unigarant, a Dutch insurance company said: “Like any customer, we want our key service and software partners to work together to deliver solutions tailored for our environment so we don't have to spend time and resources internally in deploying and integrating technology. We've already seen the first fruits of their collaboration in our joint disaster recovery project delivered by the two companies, and we look forward to new services in the form of virtualisation services.”

Orchestra

Atos Origin leads Orchestra on risk management

This year we completed implementation of ORCHESTRA, a major research and innovation project of the European Union to help national and local governments predict and react to natural disasters.

Since 2004, Atos Origin has led a consortium of 14 organisations to design and implement a standards-based IT architecture to join up national and local information systems and applications. The new Service Oriented Architecture has already brought significant benefits including the provision of better access to risk management information. It has enabled interoperability, and facilitates cost reduction through standardization, reduced time-to-market and more competitive and improved business models for risk management authorities.

DOH

Meeting the needs of the healthcare system in the United Kingdom

2008 provided further confirmation of our successful approach to finding strong innovative solutions for the public sector.

Atos Healthcare, a business division of Atos Origin, signed a two-year contract extension with the Department of Health in the UK to continue implementation of the state-of-art electronic health booking system, Choose and Book.

The Choose and Book service provides patients with increased choice and improved access to public health services the England. It is now the standard way to schedule initial hospital appointments, with 50 percent of referrals to first outpatient appointments being made using Choose and Book.

The service has delivered benefits for patients, medical professionals and hospitals by revolutionising the old booking system, and allowing patients to choose their initial hospital or clinic appointment, and book it on the spot. The number of patients not attending appointments has reduced because patients have been more involved in deciding where and when they will be seen by a consultant or specialist.

By reducing the time spent waiting to receive their first outpatient appointment, Choose and Book also helps the NHS to measure and manage the 18 week pathway for patients. More than 11 million patients have already benefited from the system and it also helping the NHS to better utilise resources and improve productivity.

Atos Healthcare has a team of more than 2,500 of whom 1,900 are qualified medical professionals. Together with its longstanding partner, Cerner, a leading US supplier of healthcare solutions, Atos Healthcare designed, developed and has managed the Choose and Book service for the past five years.

CSR award MonikaHaus

Recognition for long term corporate social responsability

Atos Worldline employees received the Walter Möller Insignia Award from Frankfurt’s mayor in 2008, in recognition of their long-standing commitment and support to the Monikahaus orphanage in Frankfurt-am-Main, Germany.

Monikahaus looks after more than 60 children and teenagers from families with difficult social backgrounds with the aim of offering these individuals a better chance in life. In their spare time, Atos Worldline employees participate in various activities with the kids and over the past nine years have raised money for the orphanage through a variety of fund-raising events and donations.

14 CORPORATE SOCIAL RESPONSIBILITY

Sustainable Development and Green IT: 2008 Objectives and Results

Atos Origin operates in accordance with a Code of Ethics and in compliance with the Global Compact's ten principles concerning human rights, labor practices, environmental standards and anti-corruption policy. In 2007, we published our H@rmony sustainable development charter to help us achieve the responsible growth outlined by these principles, in harmony with the environment and society, and to circulate best ethical practices both within the organisation and among our stakeholders.
Based on the European Foundation for Quality Management's (EFQM) model, H@rmony provides a roadmap for action, sets operating targets as part of the internal transformation program and identifies indicators. The charter covers all aspects of sustainable development, notably with respect to society and the environment. Environmental concerns are a key challenge because Information and Communication Technologies (ICTs) account for nearly 2% of global CO_2 emissions—as much as the aviation industry. Making the situation all the more urgent, greenhouse gas emissions from information systems are expected to increase by 50% by 2020 if data centers continue to grow at their current pace.

14.1 AN ACTIVE COMMITMENT TO PRESERVE THE ENVIRONMENT

As a producer of information services, Atos Origin has started by deploying a responsible in-house **Green IT** policy that is designed to:

- Improve the environmental performance of our data centers and desktop assets;
- Launch an ISO 14001 certification process. Our Spanish headquarters were certified in June 2008 and the program is continuing on the other sites of the Group in 2009;
- Change individual behavior;
- Implement a responsible purchasing policy.

Improving the environmental performance of our data centers and desktop assets

More than half of our greenhouse gas emissions come from our fifty data centers, which host tens of thousands of servers. To remedy this situation, we have been preparing to apply the European Code of Conduct for Data Centers. In 2008, we joined the **Green Grid**, a consortium of IT manufacturers and users founded in 2007. Green Grid members have committed to reducing energy consumption in data centers by 10% between now and 2011. This would save 10.7 billion kWh and avoid 6.5 million metric tons of CO_2 emissions. To achieve this goal, the Green Grid has set up four working groups to measure and analyze energy consumption in data centers in order to identify best practices and promote energy-efficient technologies and strategies.

We took action in three areas to improve environmental performance in 2008.

The first was to **make each data center more energy efficient** by improving its Power Usage Efficiency (PUE), which measures the amount of energy dispersed by UPS (Uninterrumptable Power System), cooling and other non-IT systems. After an audit, a PUE improvement plan is launched based on our Green Cookbook, which provides simple solutions that can deliver substantial gains. In the event that upgrading may be too expensive, we may consider closing under-performing centers in the long run.

The second area of focus was to **optimize the energy consumption of hosted components** by implementing low energy-use solutions, eliminating unnecessary redundant servers, identifying under-employed infrastructure and equipment that remains powered up when not in use, and reducing the number of components through virtualisation. A radical response to the widespread use of over-sized servers, virtualisation breaks the link between an application and a particular type of machine and operating system. This makes it possible to run applications designed to run on different servers on

the same infrastructure. It also makes information systems more agile while reducing capital spending, operating costs and energy expenses by up to 80%. To give an example, consolidation projects for Atos Origin's in-house IT systems have cut the number of servers used by more than half. Atos Origin enhanced its forefront position in this area in November 2008 by signing a global strategic partnership with VMWare, the unrivaled leader in virtualisation solutions.
The third initiative was to **select energy suppliers** with the smallest carbon footprint per kWh. Several Atos Origin centers already use alternative energy sources, including self-generation (in Germany), wind power (in the Netherlands), hydroelectric power (in Belgium), solar power in many countries or supply contracts with green energy providers.

Instilling a green attitude among team members

The environmental chapter of Atos Origin's sustainable development program includes employee-targeted measures to promote efficient use of electricity, paper, IT equipment and other resources, to recycle ink cartridges, paper and cans, and to reduce greenhouse gas emissions, for example through Atos Consulting France's carbon calculator initiative with the French Environment and Energy Management Agency (l'Ademe). Our program also encourages videoconferencing to cut down on business travel, instant messaging and information sharing.

A specific waste management program has been deployed to raise awareness among employees and management and to foster environmentally friendly practices. These include less wasteful printing solutions and recycling of consumables and PCs. Old PCs are donated to humanitarian organisations like "Ateliers sans Frontières", which can recover them for other uses or recycle the components.

Promoting responsible purchasing

Careful selection of suppliers is one of the parameters of our purchasing policy. Our Purchasing Charter, published in the spring of 2008, includes environmental and social criteria in all stages of the supply process. In particular, the Charter forbids the use of any supplier who does not fully comply with the ban on child labor.

Responsible purchasing also involves raising purchasers' awareness, measuring suppliers' environmental and social performance with the assistance of a specialised consultancy, and devising specific indicators.

14.2 SUPPORTING OUR CUSTOMERS IN THEIR OWN GREEN IT AND SUSTAINABLE DEVELOPMENT PROJECTS

Global warming, upward trending energy prices, regulatory constraints and customer expectations are prompting businesses to find ways to reduce their environmental footprint. As an information services provider, we offer our customers solutions to shrink their own environmental footprint by reducing and optimizing their energy consumption. These include:

- Innovative consulting and **technologies to reduce the amount of electricity** used by data centers and servers;
- Tracking and decision-support **technologies to protect the environment**;
- **Paperless solutions** and **virtualisation** services.

The measures we test in-house are fully transposable and enhance our credibility in the marketplace. As a test lab for green operations, we have the expertise it takes to support our customers in their own Green IT and sustainable development projects. Customers benefit in two ways:

- First, they immediately reduce their environmental impact by transferring their physical servers to Atos Origin data centers, and make additional gains afterwards through virtualisation.
- Second, they can tap into the advantages of the Atos Workplace Solution's new services, which include remote management and incident resolution, even for servers or workstations that are not turned on; Enterprise 2.0-type cloud computing, where users access data and applications stored on remote servers via the web; and the selection of more energy efficient infrastructure and equipment, in accordance with the Group's Purchasing Charter.

Deploying environmental tracking and decision support resources

Information portals, comparison tools and permit trading and compensation platforms consolidate data produced by different environmental impact traceability solutions. These technologies, which are useful for businesses, also target consumers. In June 2008, the UK's Royal Society of Arts, an organisation that seeks to contribute to progress by promoting innovative practices, launched a pilot to enable **real-time personal carbon calculation**, initially for personal vehicle use. To create the pilot, RSA leveraged technology already in place at Atos Origin to process BP service station loyalty cards. This technology was adapted to create individual carbon accounts so that users can calculate their personal carbon emissions and trade carbon credits.

Leveraging paperless solutions to reduce environmental impact

Paperless solutions such as videoconferencing, instant messaging and information sharing are an integral part of Atos Origin's offering. In a project for ERDF, for example, our technology will be used to deploy 35 million smart meters that can be read remotely, without a technician's visit.

In the transportation sector, Air France-KLM passengers have been using our **paperless boarding card solution** since September 4, 2008. With an ordinary cell phone, they can check in and receive a 2D barcode boarding pass via SMS that can be read directly by passing the handset in front of a reader at the airport. In this way, passengers can go straight to the gate with just their cell phones and ID in hand. This solution won the 2008 Innovation Award in the "New Uses" category at the fourth annual ceremony organized by Orange Business Services and Syntec Informatique in partnership with French business daily La Tribune.

As for rail, all Thalys International passengers can now **travel paper-free** to all destinations and receive traffic updates via e-mail or SMS thanks to the extension of the Ticketless service, previously available only to loyalty program members. The solution is based on specific technologies for PDAs and fraud control.

One of Atos Origin's flagship projects in Enterprise Content Management (ECM) and paperless solutions is the new distributed **archiving and preservation system** (SPAR) for the French National Library. The system will be able to manage more than 1,000 terabytes of data by tagging them with metadata to facilitate long-term preservation and process them to keep them accessible long into the future.

Lastly, as part of its partnership with the Olympic Games, Atos Origin helps the organizing committee and the International Olympic Committee deploy technological solutions **to shrink the Games' carbon footprint**, from reducing the consumption of paper to cutting down on travel. For the Beijing Games in 2008, we developed the first remote information system for sports commentators. The system allowed them to access competition results in a fraction of a second from their home country studios using touchscreen computers. This significantly reduced travel and CO_2 emissions, as well as expenses. In another first, a 150-person team developed and operated a platform for the 2010 Winter Games in Vancouver, to process more than 50,000 applications from volunteers in 100 countries, without having to travel or use any paper.

14.3 ENSURING THAT PEOPLE ARE TREATED RESPONSIBLY AND WITH RESPECT

In a global enterprise like Atos Origin, which has 50,000 employees in 40 countries, it is impossible to deploy a one-size-fits-all approach to **social responsibility**, given that each country has its own level of development, legal framework and cultural heritage. For this reason, each local subsidiary and business is responsible for suggesting best practices that are aligned with its HR environment.

Fighting discrimination

In accordance with the French law mandating a minimum percentage of disabled persons in the workforce, Atos Worldline negotiated a three-year plan with the majority of union representatives. The plan, which took effect on January 1, 2008, sets targets of 1% for 2008, 1.25% for 2009 and 1.50% for 2010. It also calls for measures in the areas of hiring, training and relations with organisations that support the disabled. **Mission Handicap**, a unit that reports to the Human Resources Department, oversees the plan. The first new hires joined Atos Worldline in July 2008. In 2009, the company will focus on raising awareness about disabled issues among its team members.

Enhancing internal mobility and skills – Sustainable recruitment

A new online system designed and launched in 2008 has improved our global coordination in the area of hiring and **fostered greater international mobility**. Available in several languages, the system has already been deployed in the United Kingdom, Germany, North America and Belgium. It will be extended to the rest of the world in 2009.

In 2007, we founded **Atos University** to achieve high performance in sales and marketing. Atos University trained a thousand international sales and marketing experts in 2008 and received very positive feedback from both participants and some 100 customers who were asked for evaluations. The exclusive Atos University Active Sales Learning method is the key to this success. It covers everything from sales tools to case studies and invites customer participation.

Atos University has been recognized as a precious resource that is helping the company achieve its strategic objectives. In 2008, it signed a partnership agreement with Beijing University's International MBA program (BiMBA).

Using information systems to help to keep people safe

Information systems are a useful resource when it comes to public health and disaster management.

In the area of **public health**, Atos Origin was chosen by the Traceback consortium to develop an integrated traceability and data management solution for food supply chains. The consortium of 28 scientific organisations from 11 countries is working under the European Union Sixth Framework Programme of Scientific and Technological Research. Atos Origin organized a Traceback workshop in Madrid in September 2008.

Also under the auspices of the European Union, Atos Origin successfully completed the first phase of the Orchestra **risk prediction and management** project in 2008. We are leading a consortium of 14 organisations on this project to build a single IT architecture to support risk and crisis management operations across the EU. Designed for governments and public institutions, Orchestra currently handles flash floods, forest fires, the impact of ship traffic on pollution and the impact of earthquakes and floods on road traffic in various regions. New applications will be developed for man-made risks.

Supporting the community

Atos Origin encourages its subsidiaries and team members to engage in community or charity work on their own.

In March 2008, for example, Atos Origin Learning Solutions signed an agreement with the **International Institute for Communication and Development** (IICD) to strengthen IICD's expertise in e-learning, particularly for education and training in Africa. The agreement is being deployed at the Group level, through Atos Origin Learning Solutions, and at the local level through our Dutch subsidiary, which will provide 80 days of consulting and share its educational and technological knowledge with IICD.

As concerns our subsidiaries, the mayor of Frankfurt presented the Walter Möller Insignia award to Atos Worldline's German employees in November 2008 in recognition of their support for the local **Monikahaus orphanage** over the past nine years. In addition to financial assistance, a number of employees have taken an active part in various activities with the children during their free time.

Atos Origin is a long-standing partner to **France's Muscular Dystrophy Association** (AFM). In December 2008, we worked for the twelfth straight year with the annual Telethon, providing a Secure Internet Payment Services solution for bankcard donations on the Telethon website. More than 250,000 on-line donations were securely processed. In addition, Atos Origin's 15,000 employees in France organized numerous events at Group sites during the Telethon to raise funds, including sports challenges, concerts and competitions.

They are just some of the many Group employees worldwide who, through their individual commitment, bring Atos Origin's sustainable development approach to life.

15 HUMAN RESOURCES

15.1 HUMAN RESOURCES FUNDAMENTALS

The people who work in Atos Origin represent a key asset to the Company. Atos Origin employees provide our customers with first class services, they spread the image of excellence of the group, and they strongly contribute to the competitiveness and the profitability of the Group. All Group HR actions, HR strategy and HR programs aim at maintaining the employees' attraction, their development and retention. Besides, one of the major challenges for a Group like Atos Origin is to manage the attrition. Group HR actions and strategy are centered on the motivation of our people, their federation within the organisation making them proud of the value they provide to the company.

From the recruitment of our employees, until the end of their career, the HR team members together with the managers of the group make sure they accompany them all along their career evolution. The objective is to take into account our employees capability together with their wishes in order to provide them with the professional development they envisage. Because PEOPLE CARE is not just a word at Atos, we use the inspiration of this quote from Confucius, "The man who removes a mountain begins by carrying away small stones"

Based on these fundamentals, the Human Resources team has several priorities and practices in differents areas such as talent attraction, talent development, talent rewarding.

15.2 TALENT ATTRACTION

Year on year, recruitment of competent employees is mandatory to be able to respond professionally to our clients demands. Our recruitment activities focused on attracting skilled and experienced employees ready to support our customers, although we also focus on attracting well educated talented young professionals to build our future talent pool.

The recruitment is done by different means, the first being the use of spontaneous applications coming from fresh graduates who have heard about Atos via the press and/or their classmates. This is one of the reasons why having a strong notoriety and a very good reputation is so important for our Group. We also use referral programs. Our employees are our best recruiters and referral programs are implemented all around the group.

It allows us to reward our employees when some great people join the Group through a kind of "sponsorship" that guarantee easy integration and excellence.

Campus Tour is another way to attract young professionals. Atos Origin Recruitment teams are regularly visiting targeted schools and universities in many countries. The aim is to have direct contacts with well educated future employees and to explain them what we are doing, how we do it and what we can provide to our employees in terms of career and development.

As a result of our successful recruitment strategy and as a clear illustration of Atos Origin attractiveness, almost 11,000 new employees joined the Group in 2008.

15.3 TALENT DEVELOPMENT

At Atos Origin, every single employee is a talent. Every employee contributes to the development and to the growth of the group. This is the reason why it is important to develop our people. It allows us to offer exciting career opportunities and increase motivation. In the IT Services industry, technical and management skills are crucial if we want to be recognized among the best-in-class.

To support our ambitions for our people and for our company, we have implemented both local and global talent management programs. This flexibility helps us to respect local culture, while in the meantime, to build a global culture and values through the Group Talent management programs.

In most country, we have in place mentoring programs, assessment /development centres, coaching, networking events, job rotation programs…, which are very successful and allow our team members to envisage their future with excitement.

At corporate level, we have developed a talent management program for the most senior employees, the aim being to build our tomorrow' top leaders.

The program has different features, of which the most important are Atos UNIVERSITY, GOLD and RELAY programs.

Atos UNIVERSITY was created in 2007. At the beginning, the objective was to develop our sales people across the world with the same fundamentals. Later on, we also developed global training programs for Project Managers, who are part of our core businesses. Progressively, we are developing and providing more contents for different professional areas in order to establish the Atos University as the virtual centre for competencies' development.

In 2008, around 1,000 employees have attended the courses of the University. After their graduation they continue to develop their network between each other. As an example: they develop frequent exchanges between themselves for complex technical solutions in many clients projects. One of the great results of this kind of program is to help people breaking potential boundaries between countries and service lines.

GOLD (Global Organisational Leadership Development) is a one year training program that helps our employees to work on their leadership style. Participants (350 up to now) are coming from all around the world, which is encouraging team work, global cooperation, networking and experience sharing. The objective is to prepare high potentials identified by the Group while preparing them to leadership management and developing internal networking.

RELAY is an International Mobility development program. The aim is to develop our people international competencies and global mindset through one to two years expatriation. It allows our employees to develop their communication and management skills in different environments. It is also an excellent "springboard" for growth opportunities.

331 global corporate talents have been identified in 2008. Our goal is to reach 500 people in 2009. We are using this talent pool to fill our internal vacancies and thus, bring to our people some new development opportunities.

15.4 TALENT REWARDING AND RETENTION

A key principle of our reward policies is to ensure that our Group has market-competitive and flexible reward systems in place, enabling us to attract, motivate and engage the best employees in the market and to drive individuals, teams and company performances.

As a result, we regularly benchmark our reward practices with other companies in the ICT and High Tech sector and monitor trends on the labour market. Based on market developments and benchmark analysis, we ensure that our compensation and benefits are up to date and fully compliant with market practises.

The reward package of our employees is based on a fix and variable annual salary. For all senior managers, a global bonus scheme has been implemented (Global Bonus Plan), aimed at motivating key contributors to achieve the company strategy.

The local bonus schemes (dedicated to more junior employees) implemented in various countries all over the world are fully aligned with the Global Bonus Plan to create a strong focus on achieving common goals.

The company is continuously reviewing his compensation and benefits schemes to ensure our competitiveness on our markets as employee's retention is the heart of our people strategy.

15.5 PERFORMANCE MANAGEMENT AND HR ANNUAL REVIEW

15.5.1 Performance management

The development of our employees being strongly linked to the way they are assessed and their objectives set, the role of the manager is key in the process.

As a consequence, we have put a strong focus on training all our managers on our performance management tool and philosophy.

Every Atos Origin employee worldwide is now appraised according to our performance management cycle. It consists of four main elements: objective setting, mid-year review, annual appraisal and individual coaching and development plan which are supported by several tools defining and measuring performance, competencies and capabilities.

15.5.2 Human Resources annual review

Annual HR review is part of our talent management program. Indeed, it is an opportunity to identify new talents and to build succession plans across the group.

In 2008, an in-depth HR review has been carried out with a lot of success. All managers have now potential successors in place. As a result, the reviews provide a critical strategic link between the current and future needs of the business and all HR activities.

The review of people and succession planning ensure our strategic and operational business goals are translated into our people processes. It allows the HR team to act as a business partner for the managers and to accompany them in their business development execution.

15.6 MANAGING EMPLOYEE TRANSFER AND TRANSITION

As an important part of the Group activity, the Outsourcing service line represented a large number of the deals that have been signed this year. Many of them included some staff transfer in Atos Origin. In each deal, Atos Origin HR has had a pro-active role in the staff transfer, either on a local or global level.
Globally, in 2008 the HR Outsourcing team has continued to develop its HR Outsourcing approach. Two global training sessions have been organised for our specialist HR resources with the HR bid manager or HR transition manager role.

On a local level, our HR specialists have been actively involved in designing a secure HR solution for the employees transferring to Atos Origin; a solution that is in line with various requirements of the parties involved.

Atos Origin also continues to share knowledge and best practices through outsourcing networks and through our global website where our video on outsourcing is shown:

www.atosorigin.com/Careers/Career_Directions/joining_us_through_outsourcing

HR Outsourcing specialists have contributed to CxO magazine with an article on transition management best practice approach.

15.7 EMPLOYEE AND MANAGEMENT SHAREHOLDING

As our employees are our main asset, Atos Origin values employee and management shareholding. Indeed, it reinforces their sense of belonging to one community; it develops their entrepreneurial spirit and supports the alignment of internal and external stakeholders' interests.

In 2008, the Group has renewed the implementation of the two share based plans for the top management of the Group: the Long Term Incentive Plan and the Management Incentive Plan.

These schemes are performance based schemes and were approved in the Annual General Shareholders meeting of May 2006 and during the Supervisory Board meeting of March 2007.

The 2008 Long Term Incentive Plan is a performance plan reserved to the Top 400 managers of the Group. It is based on a free share scheme which represents in between 20% to 50% of the annual variable salary at nominal value. The vesting conditions of the scheme are time-related (participants have to be in Atos Origin employment on the vesting date of the scheme) and performance related (Financial Group performance as well as individual performance). The financial Group performance is based on Operational Cash Capacity which means EBITDA less CAPEX cumulated over two years 2008 and 2009.
In 2008, 228,442 performance shares at a market value of EUR 32.87 have been granted to 408 managers. The LTI is a non-dilutive scheme as Atos Origin has bought 192 000 shares on the market during 2008 to match the engagement and completed the rest by shares bought last year for 2007 LTI and eventually not granted.

The Management Investment Plan is a specific retention and investment plan reserved for the top 400 managers of the Group. In May 2008, these managers have been offered the opportunity to invest in Atos Origin stock at market price and have been granted in counterpart one free share for one bought share. In total, 165 managers have invested in Atos Origin shares. They were granted 248,306 free shares valued at a market value of EUR 38.69, conditional to remaining in Atos Origin employment during the vesting period and holding the personal investment in Atos Origin shares during a vesting period of two years followed by a two years lock-up period for the vested free shares ending on May 2012. The MIP is a non-dilutive scheme as Atos Origin has bought 200 000 shares on the market during May 2008 to match the engagement and completed the rest by shares bought last year for 2007 MIP and eventually not granted.

Overall, as the result of the implementation of these shareholding plans for employees and managers, the employee ownership (mutual funds and corporate savings plans) moved from about 0.5% of the Group’s share capital in 2005 to 3.1% since 2006.

15.8 INTERNATIONAL MOBILITY

With the globalisation of our customers and the increasing demand for highly skilled people with international profiles, as an international Group, Atos Origin is more and more attracting these professionals that will make sure all business requirements from our international client base are met.

This is why at Atos Origin, many employees are asked to work abroad on temporary project assignments.

Atos Origin is itself moving from national to a global organisation and therefore is ensuring that its future leaders obtain the international experience that will be key as part of this transformation. Our Relay program is a new international development program specifically designed with this objective in mind; namely to challenge our future leaders, both personally and professionally, through international exposure. Many employees have already been identified to participate to this program. We believe this experience enables our employees to broaden their understanding of international issues and cultures and to develop new competencies, which translates into improved service for our customers.

Atos Origin also has a specialist team in place to guide the evolution of policy and processes in order to meet the challenges presented by increased international mobility. This team also provides a number of specialist services to our business.

15.9 PENSIONS

Atos Origin provides pension benefits in several countries where it operates. These benefits are usually provided by associated pension funds, insurance companies or directly by the Group (book reserves). There are two types of pension benefits that Atos Origin offers to its employees: based on defined contributions and based on defined benefits. Atos Origin has a preference for defined contributions systems which are the more prevalent in its industry sector and provides its employees with the most flexibility. Defined benefits plan that Atos Origin has granted to its employees are recorded in accordance with the international accounting standard IAS19. Pension funds are usually legally separate entities with their own governance structure, independent from Atos Origin. The related assets and liabilities are nevertheless included in Atos Origin financials, as stipulated by IAS 19.

Atos Origin improved its capacity to monitor the risks embedded in associated pension funds, and increase its cooperation with such external bodies, by installing a Global Pension Steering Committee as well as Local Pension Steering Committees in the countries where it has significant plans. In 2007, a Group Pension Investment Committee has been established to further develop this governance model. All aspects of the management of pension benefits which are under company control are since 2007 subject to specific internal control rules as part of the Group book of internal controls.

Atos Origin has a highly skilled team in place to supervise its existing pension arrangements with the support of local pension managers, also providing technical expertise to business managers in outsourcing deals. The team also monitors developments worldwide and amends pension arrangements to new legislation and regulations.

In 2008, Atos Origin has continued its efforts towards harmonizing pension benefits and reducing related financial risks, in cooperation with its independent pension funds.

In the United Kingdom, the important principle agreement reached with the Trustees of two major pension schemes in 2007 has been fully implemented in 2008. Defined benefit accruals on Company plans have been effectively stopped on 1 April, 2008, and Atos Origin has been able to ensure full cooperation with its Trustees on de-risking the investment strategy, which has resulted in large equity disposals in the summer of 2008, temporary investments in no risk cash deposits of a significant portion of the funds' assets. As a result, based on information made available to the company in the last quarter of 2008, no significant deterioration of the funding status of the related plans is expected in 2009. Further de-risking measures will be implemented in 2009 to secure this situation, particularly towards the interest rates risk.

In The Netherlands, the adoption of new technical factors for funding purposes, as imposed by legislation, and disappointing investment results, have deteriorated the funding ratio of the Atos Origin Pension Fund, a fully independent body executing local pension provisions which until 2008 had shown reassuring cover ratios. The company has therefore reinforced its collaboration with the Board of the Pension Fund and is actively searching ways of mitigating the impacts of the financial market crisis for its financials and employees, who are significant contributors to the plan.

In Germany, the Group has reached an agreement with its local works council in March 2008 based on which its many defined benefit arrangements have been harmonized into a single defined contribution oriented system which was put in place for the majority of its employees.

15.10 COMMUNICATING WITH EMPLOYEES

The European Work Council, which has been created in 2007, is now up and running. It allows Atos management to share strategy, changes and concerns with the employee' representatives at European level and bring a lot of transparency, cooperation and trust between the participants. It is an opportunity to exchange ideas and very often, to find solutions for global issues. Atos Origin values good labour relations and is used to engage employee representatives where situations require such involvement. Four meetings have been held during the course of 2008.

15.11 THE OLYMPIC EXPERIENCE

2008 was the year of the Olympic Games in Beijing and as the Worldwide Information Technology Partner, it was a full success for Atos Origin.

This has been achieved thanks to the excellence, the involvement and the passion of our employees, among which, some have taken their personal holidays to go to Beijing and to contribute to this great achievement. Some others chosen among the talent pool have been appointed for a couple of months to help the professional organizers.
In addition, we have also appointed some students, coming from the best universities and schools around the world, to facilitate processes and communication within the various local teams.

The same enthusiasm applied for the Paralympics games, where our employees were really proud to bring their contribution. A few Atos Origin employees were lucky enough to be nominated as Torch Bearer.

The results were far above our expectations, both in terms of experience and federation for all of those fully dedicated people who have lived a unique experience that they will never forget.

16 OPERATIONAL REVIEW

16.1 EXECUTIVE SUMMARY

Excluding Italy and AEMS Exchange sold respectively in January and August 2008, the revenue figure reached EUR 5,479 million with an organic growth of +5.6% compared to fiscal year 2007. This performance is in line with the market guidance of a revenue growth above +5.0%. Statutory revenue for fiscal year 2008 was EUR 5,623 million, representing a decline of -4% compared to 2007.

On the new scope excluding Italy and AEMS Exchange, full year operating margin reached EUR 260.5 million at 4.8% of Group revenue compared to EUR 235.2 million at same scope and exchange rates and increased by +11%. The 2008 statutory operating margin stands at EUR 266.4 million representing 4.7% of revenue.

16.2 OPERATING PERFORMANCE

The underlying operating performance on the ongoing business is presented within operating margin, while unusual, abnormal and infrequent income or expenses (other operating income/expenses) are separately itemised and presented below the operating margin, in line with the CNC recommendation of 27 October 2004.

(in EUR million)	FY 2008 (*)	% margin	FY 2007 (*)	% margin	% organic growth
Revenue	**5,479**		**5,188**		**+5.6%**
Operating margin	**260.5**	**4.8%**	**235.2**	**4.5%**	**+10.7%**

(*) Figures based on new scope (excluding Italy and AEMS Exchange) at same perimeter and at 2008 exchange rates

The details from operating margin to operating income are explained in the financial review, in the following chapter.

16.3 REVENUE

16.3.1 Revenue profile evolution

Atos Origin continues to offer a full range of “design, build and operate” services delivered through a global framework of three major service lines.

Over the period, 68% of the revenue base is recurring. It includes multi-year IT outsourcing contracts (37% of total revenue), specialised payment processing and on-line processing businesses within Atos Worldline (14% of total), and Medical BPO (3% of total revenue), as well as application maintenance contracts which are classified under Systems Integration service line with recurring revenue representing 15% of total revenue.

The non-recurring revenue of more cyclical activities including pure Systems Integration and Consulting remain overall at the same level than last year, with respectively 25% and 6% of total revenue.

Western Europe remains the Group’s main operational base generating 93% of total revenue which corresponds to a slight increase of one point compared to last year for the same period, due to an organic growth of +5.8% slightly higher than Group average. The Americas, which represents 4% of total revenue provide support for the extended operations of the Group’s European clients. Atos Origin also has a strong commitment to specific parts of the Asia Pacific region (3% of total revenue), particularly in China including Hong-Kong, where it has a rapidly growing client base, and in India, where it is expanding its offshore support resources. Lastly, the region EMA comprising Greece, Turkey, Switzerland and South Africa, mainly focused on telecoms business, represents less than 2% of total revenue.

The Group's services and solutions add value across many industry sectors including Public Services, Energy and Utilities, Telecoms & Media, Financial Services, Manufacturing and Retail. These six main industry sectors represent 96% of total revenue.

16.3.2 Organic growth

On a statutory basis, including revenue from Italy for one month (disposed to Engineering in January 2008) and AEMS Exchange (disposed to NYSE Euronext during the third quarter 2008), total external revenue for the fiscal year 2008 amounted to EUR 5,623 million, representing a decrease of -4.0% against EUR 5,855 million made last year. At same scope and same exchange rates, revenue grew by +5.6% from EUR 5,188 million to EUR 5,479 million.

Disposals made in the past twelve months removed EUR 512 million (EUR 261 million for Italy, EUR 247 million for AEMS Exchange, EUR 4 million for Actis in Germany and Marben product in France) from the 2007 comparative basis.

Exchange rates movements applied to 2007 statutory revenue resulted in a negative adjustment of EUR 156 million on a comparable year-on-year basis mainly from the British pound for EUR 137 million, USD related currencies for EUR 7 million and Asia Pacific currencies for EUR 6 million.

(In EUR million)	2008	2007	Δ%	Exchange rates	Disposals	2007 proforma	% organic growth (*)
Statutory scope	**5,623**	**5,855**	**-4.0%**	**(160)**	**(363)**	**5,332**	**+5.5%**
Italy (1 month in 2008 and 12 months in 2007)	(20)	(261)			240	(21)	
AEMS Exchange (7 months in 2008 and 12 months in 2007)	(125)	(247)		5	119	(123)	
Total revenue new scope	**5,479**	**5,348**	**+2.5%**	**(156)**	**(4)**	**5,188**	**+5.6%**

(*) Organic growth at constant scope and exchange rates

16.3.3 Revenue evolution per quarter

Based on the new scope which excludes Italy and AEMS Exchange, revenue organic growth was steady in the first and second quarters of the year with respectively +6.1% and +7.6% leading the first half at +6.9%. During the second half of the year, the revenue organic growth slightly decelerated at +5.2% during the third quarter and +3.6% in the fourth one. As a result, revenue organic growth during the second semester decreased by 2.5 points compared to the first one at +4.4%.

(In EUR million)	FY 2008 (*)	FY 2007 (*)	Change	% organic growth (*)
Quarter 1	1,356	1,278	+78	+6.1%
Quarter 2	1,387	1,289	+98	+7.6%
Quarter 3	1,329	1,264	+66	+5.2%
Quarter 4	1,407	1,357	+50	+3.6%
Half year 1	**2,743**	**2,567**	+176	+6.9%
Half year 2	**2,736**	**2,621**	+115	+4.4%
Total Group new scope (*)	**5,479**	**5,188**	**+291**	**+5.6%**
Italy	20	261	-241	
AEMS Exchange	125	247	-122	
Impact from exchange rates		156	-156	
Other disposals		4	-4	
Total Group	**5,623**	**5,855**	**-232**	

(*) At same scope and exchange rates i.e. excluding Italy and AEMS Exchange and at 2008 exchange rates.

16.3.4 Revenue by geographical area

The revenue performance by **geographical area** was as follows:

(in EUR million)	FY 2008 (*)	FY 2007 (*)	Change	% organic growth (*)	2008 revenue breakdown
France	1,580	1,479	+101	+6.9%	29%
United Kingdom	950	866	+84	+9.7%	17%
The Netherlands	1,063	1,080	-17	-1.6%	19%
Germany + Central Europe	642	606	+36	+5.9%	12%
Rest of EMEA	872	798	+75	+9.4%	16%
Americas	194	221	-27	-12.2%	4%
Asia – Pacific	177	138	+39	+28.6%	3%
Total Group new scope (*)	**5,479**	**5,188**	**+291**	**+5.6%**	**100%**
Italy	20	261	-241		
AEMS Exchange	125	247	-122		
Impact from exchange rates		156	-156		
Other disposals		4	-4		
Total Group	**5,623**	**5,855**	**-232**		

(*) At same scope and exchange rates i.e. excluding Italy and AEMS Exchange and at 2008 exchange rates.

The revenue organic growth performance by geography shows that all the areas generated organic growth except The Netherlands and the Americas.

In **France**, the revenue showed a solid organic growth of +6.9% (compared to +2.0% in 2007) with all service lines contributing to the performance with:

- +2.0% for Consulting
- +4.1% for Systems Integration
- +9.4% in Managed Operations of which +12% for Atos Wordline in France

In Consulting, after a double digit growth in the first half at +12.7%, the second part of the year was affected by the degradation of the economic environment especially during the last quarter compared to the same period last year. In the second half, Consulting business recorded an utilization rate decrease from 69% in average in the first half to 64% in the third quarter and 61% in the last one. As a consequence, revenue decrease during the second half was -9.1% compared to the same period last year.

Systems Integration France increased revenue by +4.1% in 2008 and doubled its revenue growth compared with last year. This growth resulted from a change of trend during the year with +5.9% in the first half and a reduced pace in the second one at +2.4%. A better level of business than last year was made especially in the Telecom and Utilities sector. Utilization rate remained stable in 2008 at 84% slightly above the level of 2007 by one point.

Managed services France reported a solid and regular revenue growth of +8% throughout the year thanks to the combination of new business and a good level of fertilization.

Atos Wordline France continued to report strong revenue performance with +12% growth (with an acceleration in H2) thanks to fertilization on existing clients, increasing volumes in the payments area and new contracts in the public sector (speed control, biometric passports…).

In the **United Kingdom**, 2008 revenue reached EUR 950 million generating a strong organic growth of +9.7% composed of:

- -10.8% in Consulting
- +9.4% for Systems Integration
- +13.3% in Managed Operations

In Consulting, the revenue decreased by EUR 10 million at same exchange rates compared to last year. However after a first half where the revenue organic decrease was -19% compared to 2007, the second half was flat at EUR 38 million. In order to improve the level of business, the Management pursues the strategy to concentrate on IT consulting in synergy with Systems Integration and Managed Operations.

During the first three quarters of the year, the utilization rate remained stable at 58% (slightly up compared to 2007) but started to decrease from September to December 2008 (53% in Q4).

Systems Integration in the United Kingdom turned around from a revenue decline in 2007 to a +9.4% organic growth in 2008. This resulted from a significant development of revenue made in the ERP area, and cross-service line fertilization with existing large customers. Utilization rate reached 75% throughout the year and varied from 76% average in the first half to 74% in the second one.

In Managed Operations, the revenue organic growth reached +13.3% for the year 2008 composed of +19.6% during the first half and +7.7% during the second one. The Managed Services business unit capitalised on the ramp up of the Highways Agency contract and generated high level of business fertilization on clients from different sectors such as Government, Health, Transport and private.

In Medical BPO, the revenue made in 2008 presented an organic decrease of -4.3% compared to 2007 mainly affected by the end of a historical contract with the Department of Trade and Industry (DTI) for which all the medical assessments work were completed at the beginning of 2008. It was partly compensated by increased revenue with Department of Work and Pensions (DWP) benefiting from an extended scope of operation signed at the end of 2007.

In **The Netherlands,** revenue decreased compared to last year with -1.6% negative growth. The revenue was, as expected, affected by the effect of the re-insourcing of desktop services activities by KPN. Excluding KPN, the revenue organic growth in The Netherlands was +3.5% in 2008 compared to last year.

The revenue evolution was composed of:

- -2.1% in Consulting
- -2.7% for Systems Integration
- -0.5% in Managed Operations

In Consulting, The Netherlands improved its trend with a +3.3% growth in the second part of 2008, but recorded a -2.1% decrease for the full year.

Sales remained below the level of 2007 mainly in the retail and public sectors. In line with the Group strategy, the Consulting Management has the priority to focus on IT Consulting's initiatives and to push cross-selling with the most important clients in Systems Integration and Managed Operations.

In addition, several initiatives were developed to increase synergies and share best practices with the United Kingdom and France on one side and to assist Belgium and Germany to set up local Consulting practices on the other side. As far as the utilization is concerned, it reached 60% in average during the year.

In Systems Integration, revenue decreased by -2.7% compared to last year mainly due to tougher market conditions which led to lower volumes and decrease in utilization at 74% average in 2008 compared to 76% last year.

In Managed Operations**,** The Netherlands almost maintained the same level of revenue than last year with a slight organic decrease of -0.5%. Additional revenue generated with clients such as ING, Achmea and Nuon allowed offsetting the effect from the KPN contract.

Central Europe revenue of the year reached EUR 642 million, up +5.9% compared with last year. The growth is composed of:

- +17.4% in Systems Integration
- -0.6% in Managed Operations

Systems Integration reported a solid organic growth thanks to the new Dresdner Bank application management contract. In Managed Operations, contracts were renewed with Thomas Cook and Neckermann continuing therefore to deliver IT services to the operational units disposed by Arcandor. Increasing volumes in the area of payment processing business helped maintaining almost the same level of revenue in Managed Operations as last year.

In the rest of EMEA, total revenue reached EUR 872 million with an organic growth of +9.4%.

Spain performed well with EUR 362 million revenue and +9.1% growth. The growth in this country was composed of:

- +9.9% in Consulting
- +6.2% for Systems Integration
- +20.5% in Managed Operations

Consulting continued to develop and was up with new projects mainly in the Public, Financial and Telecom sectors. Systems Integration was up by +6.2% mainly coming from revenue generated by new contracts in the Telecom sector such as Vodafone (NGIN development for Greece and The Netherlands) and the Utilities sector.

Managed Operations increased by +20.5%. The revenue evolution came mainly from fertilization with the existing customer base and new logos which were signed in On Line Services with Sabadell and Fincomsum.

Belgium revenue was EUR 421 million with a solid organic growth of +7.8% compared to last year. In Consulting, the revenue growth was flat especially due to tougher market conditions during the second half of the year. As far as Atos Worldline is concerned, the revenue organic growth performed well with higher volumes of card transactions and the roll-out of the new EMV standard for payment terminals.

Americas revenue reached EUR 194 million with an organic decrease by -12.2% due to the end of the Panamerican Games in Brazil which accounted for EUR 46 million in 2007. South America revenue, excluding Panamerican Games, was up +2% and mainly around several ERP integration projects. North America had an organic growth of +6.5% coming from a good performance on ERP business.

Asia Pacific presented a significant EUR +39 million or +28.6% organic growth due to new business development mainly in China where a Consulting practice was launched in Q4 2007. In Consulting and in Systems Integration, the revenue organic growth was strong with respectively EUR +9 million (EUR 10 million in 2008 compared to EUR 1 million in 2007) and EUR +7 million (+11.7%).

In China, revenue almost doubled compared to last year deriving from ERP design in particular with ChemChina and payment activities with Bank of China.
In Asia Pacific, Managed Operations growth was pushed by purchase for re-selling, the remainder came from the customer Noble group in Hong Kong and fertilization on the Standard Chartered Bank

contract. In 2008, Asia Pacific generated EUR 23 million additional revenue in Managed Operations compared to last year which represents an organic growth of +30.7%.

16.3.5 Revenue by service line

The revenue performance by **service line** was as follows:

(in EUR million)	FY 2008 (*)	FY 2007 (*)	Change	% organic growth (*)	2008 revenue breakdown
Consulting	349	346	+3	+1.0%	6.4%
Systems Integration	2,202	2,089	+113	+5.4%	40.2%
Managed Operations	2,928	2,753	+175	+6.4%	53.4%
Total Group new scope (*)	**5,479**	**5,188**	**+291**	**+5.6%**	**100%**
Italy	20	261	-241		
AEMS Exchange	125	247	-122		
Impact from exchange rates		156	-156		
Other disposals		4	-4		
Total Group	**5,623**	**5,855**	**-232**		

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.

In **Consulting**, revenue organic growth was positive with +1% at EUR 349 million. Despite tougher market conditions in all countries, the Group was able to generate more revenue than last year as a result of the strategy to develop IT Consulting in synergy with Systems Integration and Managed Operations. The decrease of revenue recorded in the United Kingdom was offset by a good performance in Asia Pacific mainly in China and in Spain in the Financial and Telecom sectors. France remained on a positive trend with a slight increase compared to last year while The Netherlands improved their performance with a +3.3% growth in the second part of 2008, but recorded a -2.1% decrease for the full year. Despite maintaining the same level of revenue in 2008 as in 2007, the trend started to deteriorate in Western Europe particularly during the second half with a revenue organic growth of +7.3% in the third quarter as opposed to an organic decrease of -4% in the last one. The utilization rate suffered from a similar trend as revenue. First signs of slowing in utilization rate were visible in several countries like in The Netherlands with 60% yearly average (60% in the first half and 59% in the second one of which 57% in the last quarter). The Consulting activity is one of the first exposed to the budget reduction from clients in a context of economic recession. The attrition rate on an annual basis in Consulting continued its regular decrease from 26.9% in March 2008 to 20.3% in June 2008 and 14.2% during the last quarter of the year. The yearly average attrition rate was 20.6% in 2008 compared to 24.7% in 2007.

In **Systems Integration**, full-year 2008 revenue amounted to EUR 2,202 million increasing by +5.4% organically. The average yearly utilization rate was 79%. This level of utilization rate was satisfactory thanks to the high part of application management activity in Systems Integration and the first effects of the industrialization plan. Germany Central Europe, Asia Pacific and Other EMEA recorded a double digits growth. The United Kingdom performed a +9.4% organic growth over last year and France ended the year with +4.1% growth, above last year performance which was +2%. The Netherlands affected by the KPN effect decreased by -2.7%. Americas impacted by the end of the Panamerican Games in Brazil had a negative organic growth of -7.3%. In Systems Integration, the attrition rate reached 14.4% for the year 2008 compared to 15.8% last year. By quarter, the activity showed a constant decrease of the attrition from 15.3% in the fourth quarter 2007 to 13.5% for the same period in 2008. The large countries such as France, the United Kingdom and The Netherlands reached an attrition rate below the average of the Group.

In **Managed Operations**, full-year 2008 revenue reached EUR 2,928 million representing an organic growth of +6.4%. The United Kingdom, Spain and Asia Pacific significantly contributed to this performance with double digits growth; France achieved an organic growth close to these geographic areas. The Netherlands and Germany Central Europe almost maintained the same level of revenue compared to last year. Atos Worldline confirmed the strong growth recorded this year ending at double digits end of 2008 in total and in its main geographic areas.
During the year 2008, the Managed Operations revenue was affected by the end of contracts such as KPN desktop re-insourcing, the Panamerican Games in Brazil and DTI medical assessment in the United Kingdom for a total above EUR 100 million. The revenue with new customers or new large contracts with existing customers such as Highways Agencies, Achmea, ING, Alstom, French Ministries, DWP contributed to EUR 98 million during the year. The Managed Operations revenue growth was therefore strongly supported by a high level of fertilization with our existing customer base.

16.3.6 Order input

Excluding Italy and AEMS Exchange respectively disposed in January and August 2008, total order entries reached **EUR 5.4 billion**, representing **a book to bill ratio of 98%.**

During the year 2008, the Group maintained a good level of signatures with an excellent win rate in the renewals of major contracts demonstrating the customers' confidence in Atos Origin. In addition, the Group was able to perform a good level of fertilization by deploying new key offerings with major clients in France such as Suez Gaz de France, EDF, Total, Ministry of Justice, NHS Scotland, and Department of Health in the United Kingdom, Telefonica and Sabadell in Spain.

Consulting order entries reported an organic increase of +3% compared to last year. In Systems Integration, the level of order entries was -4% behind last year at same exchange rates due to the slowdown that started in the cyclical part of the business in the second half of the year. In Managed Operations, the book to bill ratio reached 100% with IT Outsourcing business which reported a strong organic growth of +11% while On-Line-Services and Medical BPO decreased compared to 2007 mainly due to significant signatures on long term contracts made at the end of last year (respectively speed control contract and DWP).

During the period, the main signatures in renewals and new businesses were made with clients such as: Achmea, Ministry of Education, Sanoma, a large oil company and Rabo Group in The Netherlands; KPN, E-Plus, ING, Commerzbank, Wingas and Neckermann in Germany; several contracts in public sector in the United Kingdom; Michelin, Redcats, SFR, Société Générale, EDF, France Télécom in France; Santander, Cetelem, Orange, Gas Natural in Spain; Petrobras in South America; Fenwal, Baker Hughes and in the public sector in North America and Bank of China in Asia Pacific.

At the end of 2008, **the full backlog** was **EUR 7.4 billion** representing 1.4 time 2008 revenue. The 2009 twelve months backlog measured at the end of December 2008 increased by +2.4% compared to the same figure measured at the end of December 2007.

The full qualified pipeline reached **EUR 2.7 billion** at the end of December 2008, significantly increasing by +41% compared to the level reached at the end of last year. The portion of multi-year opportunities from the full pipeline remained at a significant level. The 2009 twelve months qualified pipeline measured at the end of December 2008 increased by +6% compared to the same figure measured at the end of December 2007.

16.3.7 Revenue by industry sector

The revenue performance by **industry sector** was as follows:

(in EUR million)	FY 2008 (*)	FY 2007 (*)	Change	% organic growth (*)	2008 revenue breakdown
Public Sector	1,384	1,313	71	+5.4%	25%
Financial Services	1,202	1,050	152	+14.5%	22%
Manufacturing	834	849	-15	-1.8%	15%
Telecoms and Media	821	844	-24	-2.8%	15%
Retail	533	532	1	+0.3%	10%
Utilities	495	475	20	+4.2%	9%
Others	210	124	86	+69.1%	4%
Total Group new scope (*)	**5,479**	**5,188**	**291**	**+5.6%**	**100%**
Italy	20	261	-241		
AEMS Exchange	125	247	-122		
Impact from exchange rates		156	-156		
Other disposals		4	-4		
Total Group	**5,623**	**5,855**	**-232**		

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.

The Group is organised in six main industry sectors, which represent 96% of total revenue.

Public sector remained the main market served by the Group with 25% of total Group revenue and +5.4% organic growth. French, Dutch and British Ministries are the main customers together with the Health sector in the United Kingdom. Revenue had a positive organic growth of +5.4%.

The **Financial services** sector (22% of total Group revenue) with a +14.5% revenue organic growth benefited from new contracts such as application management with Dresdner Bank in Germany, payments services for Atos Worldline in France, in Germany and in Belgium, new projects for Consulting in France and banking systems transformation in Spain. This sector is mainly related to retail banking and therefore has a limited exposure to the investment banking activities.

Manufacturing (15% of total Group revenue) which includes both Discrete Manufacturing and Process Industries had a -1.8% organic decrease. In this sector, Atos Origin benefited from new contracts with large customers in France and in The Netherlands whereas an overall decrease came in the high-tech due to customers such as Philips.

Telecoms and Media represented 15% of total Group revenue, with a -2.8% organic decrease mainly due to the business activity with KPN in The Netherlands. Good fertilization and new businesses with other telecom operators mitigated the trend.

Retail represented 10% of total Group revenue, stable compared to 2007. Atos Wordline with the Banksys mass market linked to acquiring business and terminals continued to develop in 2008 whereas the activity with large retailers in Europe decreased in a tougher economic environment.

Utilities sector amounted to 9% of Group revenue and posted a +4.2% organic growth mainly led by France operations.

16.4 OPERATING MARGIN AND MARGIN RATE

16.4.1 Operating margin performance

The operating margin performance was as follows:

(in EUR million)	FY 2008 (*)	FY 2007 (*)	% organic growth
Revenue new scope (*)	**5,479**	**5,188**	**+5.6%**
Italy	20	261	
AEMS Exchange	125	247	
Impact from exchange rates		156	
Other disposals		4	
Total Group revenue	**5,623**	**5,855**	**+5.5%**
Operating margin new scope (*)	**260.5**	**235.2**	**+11%**
Operating margin rate	***4.8%***	***4.5%***	***+0.2 pt***
Italy	-1.1	-7.8	
AEMS Exchange	7.0	33.5	
Impact from exchange rates		9.3	
Other disposals		1.2	
Total Group Operating margin	**266.4**	**271.5**	
Operating margin rate	***4.7%***	***4.6%***	***+0.1 pt***

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.

On a statutory basis, the operating margin stands at EUR 266.4 million which represents 4.7% of revenue, slightly above last year at 4.6%.

On the scope which excludes Italy and AEMS Exchange disposed during the year 2008, the operating margin reached EUR 260.5 million at 4.8% of revenue. Compared to last year, the operating margin increased by +11% at same scope and exchange rates.

The operating margin growth in the first two quarters of 2008 remained sustained principally in the United Kingdom, Atos Worldline and France. In Asia Pacific and rest of EMEA where the Group was affected by overruns on projects, the performance was opposite.

During the third quarter, the Group initiated as of September immediate and strong actions to reduce the cost base and to secure the operating margin for the remaining months of the year.

During the fourth quarter of 2008, the Group focused on executing the cost saving plan: reduction of hirings, decrease of subcontractors, general & administrative costs decrease. These actions allowed achieving a strong improvement in the operating margin of the fourth quarter of the year compared to the third quarter.

As a result the full year operating margin moved upwards compared to last year by EUR 25 million at same exchange rates i.e. +11% compared to 2007.

(In EUR million)	FY 2008 (*)	% Operating margin	FY 2007 (*)	% Operating margin	Change	% organic growth (*)
Quarter 1	52.3	3.9%	43.8	3.4%	8.5	+20%
Quarter 2	69.9	5.0%	61.8	4.8%	8.1	+13%
Quarter 3	44.3	3.3%	61.4	4.9%	-17.1	-28%
Quarter 4	93.9	6.7%	68.2	5.0%	25.8	+38%
Half year 1	**122.2**	**4.5%**	**105.6**	4.1%	**16.7**	+16%
Half year 2	**138.3**	**5.1%**	**129.6**	4.9%	**8.7**	+7%
Total Group new scope (*)	**260.5**	**4.8%**	**235.2**	**4.5%**	**25.3**	**+11%**
Italy	-1.1	-5.5%	-7.8	-3.0%	6.7	
AEMS Exchange	7.0	5.6%	33.5	13.6%	-26.5	
Impact from exchange rates			9.3		-9.3	
Other disposals			1.2		-1.2	
Total Group	**266.4**	**4.7%**	**271.5**	**4.6%**	**-5.1**	

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.

16.4.2 Operating margin by service line

The operating margin performance by service line was as follows:

(in EUR million)	FY 2008 (*)	% margin	FY 2007 (*)	% margin	Change	% organic growth (*)
Consulting	16.7	4.8%	18.2	5.3%	-1.5	-8%
Systems Integration	86.3	3.9%	92.6	4.4%	-6.3	-7%
Managed Operations	240.2	8.2%	240.4	8.7%	-0.2	-0%
Corporate central costs (**)	-82.8	-1.5%	-116.0	-2.2%	33.3	+29%
Total Group new scope (*)	**260.5**	**4.8%**	**235.2**	**4.5%**	**25.3**	**+11%**
Italy	-1.1	-5.5%	-7.8	-3.0%	6.7	
AEMS Exchange	7.0	5.6%	33.5	13.6%	-26.5	
Impact from exchange rates			9.3		-9.3	
Other disposals			1.2		-1.2	
Total Group	**266.4**	**4.7%**	**271.5**	**4.6%**	**-5.1**	

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.
(**) Corporate costs exclude Global Service Lines costs allocated to service-lines

The **Consulting** service line decreased its operating margin by EUR 1.5 million at EUR 16.7 million which represented 4.8% of revenue compared to 5.3% last year. The United Kingdom continued on its recovery trend with a +3 points improvement of its operating margin rate compared to last year. France had a difficult year which led to a reduced margin at 2.3% compared to 5.8% in 2007. Spain progressively improved its operating margin year on year which is above the Group average. In The Netherlands, while decreasing in 2008, the operating margin remained at double digit. The Group Consulting business continued to invest during 2008 in Belgium and in China.

In **Systems Integration,** the operating margin reached EUR 86.3 million at 3.9% of revenue compared to EUR 92.6 million and 4.4% of revenue in 2007. All major geographies improved their operating margin in 2008 except The Netherlands which was one of the first country affected by the economic slowdown. Rest of EMEA and Asia Pacific were severely impacted by specific projects overruns during the first half of 2008 for an amount of EUR 7 million. Finally South America had a lower operating margin this year due to the non recurring business of the Panamerican games in Brazil executed in 2007.

In **Managed Operations**, the operating margin remained stable at EUR 240.2 million in 2008 at 8.2% of revenue. The performance of the year was mainly led by the profit improvement in the United Kingdom, Atos Worldline in all geographies (France, Belgium and Germany). The Netherlands were down compared to last year due to the expected revenue decline with KPN desktop re-insourcing and the termination of a contract which was settled with a customer during the third quarter 2008. In France, excluding Atos Worldline, the profitability remained almost stable despite the increase of subcontractors' costs. Germany Central Europe had a contrasted profit evolution between a decline in IT outsourcing mainly with Arcandor, a profit improvement in both systems development and the Atos Worldline operations.

Overall, the stable operating margin of Managed Operations remained stable with on one hand a declining margin in IT outsourcing, and on the other hand an improving profitability both in the on-line services and in Medical BPO.

16.4.3 Operating margin by geographical area

The operating margin performance by geographical area was as follows:

(in EUR million)	FY 2008 (*)	% margin	FY 2007 (*)	% margin	Change	% organic growth (*)
France	77.1	4.9%	65.5	4.4%	+11.5	+18%
United Kingdom	69.5	7.3%	49.6	5.7%	+19.8	+40%
The Netherlands	90.6	8.5%	127.1	11.8%	-36.5	-29%
Germany + Central Europe	43.3	6.7%	44.5	7.4%	-1.2	-3%
Rest of EMEA	82.7	9.5%	71.4	9.0%	+11.2	+16%
Americas	5.8	3.0%	6.5	2.9%	-0.7	-10%
Asia - Pacific	-1.5	-0.9%	7.5	5.4%	-9.0	-121%
Global Service Lines central costs (**)	-24.1	-0.4%	-21.0	-0.4%	-3.2	-15%
Corporate central costs (**)	-82.8	-1.5%	-116.0	-2.2%	+33.3	+29%
Total Group new scope (*)	**260.5**	**4.8%**	**235.2**	**4.5%**	**+25.3**	**+11%**
Italy	-1.1	-5.5%	-7.8	-3.0%	+6.7	
AEMS Exchange	7.0	5.6%	33.5	13.6%	-26.5	
Impact from exchange rates			9.3		-9.3	
Other disposals			1.2		-1.2	
Total Group	**266.4**	**4.7%**	**271.5**	**4.6%**	**-5.1**	

(*) At same scope and exchange rates i.e excluding Italy and AEMS Exchange and at 2008 exchange rates.
(**) Corporate central costs and Global service lines central costs not allocated to the countries

In **France**, the operating margin improved by +18% compared to year 2007 and profitability increased by +0.5 point. Major improvement was led by Atos Worldline which benefited from the revenue growth realised this year. Systems Integration remained slightly positive thanks to a +4.1% revenue growth with an improvement of profitability during the second half compared to the first one. In Consulting, the operating margin decreased by EUR 1.7 million due to tougher market conditions and decrease in utilisation.

In the **United Kingdom**, operating margin performance was strong with a +40% and +1.6 point of profitability compared to last year. The profit improvement was mainly generated by the costs reduction and efficiency plans implemented in 2007 and rolled over during 2008 in Managed Services and in Systems Integration. Consulting reduced its loss and BPO medical replaced progressively the high margin on DTI ended contract by the ramp up of the extended scope of work with DWP.

In **The Netherlands**, the operating margin decreased strongly by 29% compared to last year affecting the operating margin rate by 3.3 points.

The profitability dropped in Consulting and in Systems Integration due to the economic slowdown earlier than other European countries. However, the operating margin remained at double digits in each of these two business units. Managed Services was strongly impacted by the KPN re-insourcing and the termination of a settled contract as mentioned above.

In **Germany Central Europe**, the operating margin reached EUR 43.3 million representing 6.7% of revenue, which is 0.7 point less than last year. Systems Integration benefited from revenue made with E-Plus and the full effect of the Dresdner Bank application management contract. These positive effects were partly offset in Managed Services by lower volumes with Arcandor and the renewed contract with Neckermann with an operating margin which contracted compared to last year.

In **the rest of EMEA**, the operating margin improved by EUR 11.2 million to EUR 82.7 million representing 9.5% of revenue.

- **Belgium** strongly improved its operating margin thanks to good performance of Atos Wordline which contributed to a EUR 10.7 million increase
- **Spain** also progressed in a very tough market environment.
- **Mediterranean countries** were impacted by a one-time margin reduction due to the overrun accounted for in the AVEA project in Turkey.

In **the Americas**, the operating margin was maintained at the level of profitability representing 3% of revenue. North America continued to improve its operating margin which is now above the Group average. This compensated the non profit operations in South America. At the end of 2008, Atos Origin stopped its operations in Mexico.

In **Asia Pacific**, the operating margin was negative at EUR -1.5 million which represents a decrease of EUR -9 million compared to last year at same exchange rates. Several project overruns deteriorated strongly the performance of this geographical area among which a significant loss on a project in Thailand for an amount of EUR 3 million. At the end of 2008, Atos Origin disposed its Thailand operations.

Global Service Lines central costs remained stable compared to last year at 0.4% of revenue at EUR 24.1 million and corresponded mainly to the build up of the Global Delivery operations and the conduct of key transformation projects in each of the two main service lines Systems Integration and Managed Operations.

Corporate central costs were significantly reduced during 2008 by EUR 33.3 million at 1.5% of revenue. Equity based compensation costs (stock options, long term incentive plans, management investment plan, employee purchase plan, …) went down from EUR 17.5 million to EUR 13.7 million. Central costs were reduced from EUR 98.5 million to EUR 69.1 million due to both lower Group costs in transformation projects and effective reduction of recurring corporate costs.

(in EUR million)	FY 2008	% margin	FY 2007	% margin	Change	Points
Equity	-13.7	-0.3%	-17.5	-0.3%	3.8	+0.1 pt
Support functions	-69.1	-1.3%	-98.5	-1.8%	29.4	+0.6 pt
Corporate central costs	-82.8	-1.5%	-116.0	-2.2%	33.3	+0.7 pt

16.5 HUMAN RESOURCES REVIEW

16.5.1 Change in the Group workforce

Since December 2007, total staff employed remained stable with a slight variance of -1% from 51,704 to 50,975 at the end of December 2008. If we exclude Italy and AEMS Exchange disposed this year, the total staff increased by almost 2,200 staff (+5%) in 2008 compared to 48,804 reached at the end of December 2007.

Number of staff	FY 2008	FY 2007
Headcount opening	**51,704**	**49,841**
Change in perimeter	-3,109	-199
Hiring (*)	+10,954	+11,054
Leavers (*)	-6,581	-7,090
Dismissals	-1,033	-1,109
Restructuring	-960	-793
Headcount at closing	**50,975**	**51,704**

(*) Permanent staff only, excluding temporary staff movements

Change of scope related to business disposals in the period, including Italy (-2,472 people), AEMS Exchange (-424 people), Thailand (-241 people), and the acquisition of Tempos in Spain (+29 people).

In 2008, the level of recruitement reached almost 11,000 staff at the same level than last year. However given the change of the economic environment in the second half of the year, the rythm of recruitments has been adapted with a strong monitoring during that period. While hirings made during the first semester of 2008 were above the level reached at the end of June 2007 by +8% with 5,600 new staff, the Group significantly reduced the recruitments during the second semester with less than 5,200 new joiners compared to approximately 5,900 during H2 2007. This represents a decrease of -9% for the second part of year.

Hiring	12 months FY 2008	% of workforce
Consulting	613	23%
Systems Integration	5,543	24%
Managed Operations	4,684	21%
Corporate	114	45%
Group	**10,954**	**22%**

Hirings made in Corporate are mainly related to the opening of the shared service center in Eastern Europe.

Leavers comprise voluntary permanent staff leavers, permanent staff who have been dismissed and those who have retired. The number of leavers in 2008 was 7,614 (including 1,033 dismissals), compared to 8,199 staff in 2007 staff (including 1,109 dismissals). A total of 960 people left the Group in 2008 under specific programs as part of the business transformation. These staff which left the Company were mainly located in the France, the United Kingdom, Iberia, The Netherlands and South America.

Attrition at the end of December 2008 was 13.3% after 14.6% end of 2007 and 12.7% end of 2006. All service lines contributed to the decrease in Group attrition especially the Consulting business which improved its attrition by more than four points compared to the level reached at the end of 2007.

Attrition rate	12 months FY08	12 months FY07
Consulting	20.6%	24.7%
Systems Integration	14.4%	15.8%
Managed Operations	11.4%	12.5%
Group	**13.3%**	**14.6%**

16.5.2 Staff by service line and country

The workforce at the end of December 2008, by service line and country, was as follows:

Employees	31 December 2008	31 December 2007	Change	Average FY 2008	Average FY 2007	Change
Consulting	2,667	2,632	+1%	2,672	2,628	+2%
Systems Integration	24,403	23,659	+3%	24,372	22,798	+7%
Managed Operations	23,614	22,215	+6%	23,226	21,840	+6%
Corporate	291	256	+14%	246	226	+9%
Total excl. Italy and AEMS Exchange	**50,975**	**48,761**	**+5%**	**50,516**	**47,493**	**+6%**
Italy		2,476			2,560	
AEMS Exchange		467			467	
Total	**50,975**	**51,704**	**-1%**	**50,516**	**50,520**	**+0%**
France	15,420	15,220	+1%	15,442	14,808	+4%
United Kingdom	6,313	6,022	+5%	6,286	6,057	+4%
The Netherlands	8,288	8,398	-1%	8,327	8,384	-1%
Germany + Central Europe	4,265	4,076	+5%	4,186	3,815	+10%
Other EMEA	8,824	8,187	+8%	8,595	8,045	+7%
Americas	2,901	2,629	+10%	2,929	2,640	+11%
Asia-Pacific	4,673	3,973	+18%	4,505	3,517	+28%
Corporate	291	256	+14%	246	226	+9%
Total	**50,975**	**48,761**	**+5%**	**50,516**	**47,493**	**+6%**
Italy		2,476			2,560	
AEMS Exchange		467			467	
Total	**50,975**	**51,704**	**-1%**	**50,516**	**50,520**	**+0%**

The highest area of staff growth both on staff movements and average staff is Asia Pacific and reflects the strategy of the Group to increase offshore staff in countries such as India and Malaysia.

17 FINANCIAL REVIEW

17.1 INCOME STATEMENT

The Group reported a net income (Group share) of EUR 22.6 million for 2008, which represents 0.4% of Group revenues. The adjusted net income before unusual, abnormal and infrequent items (net of tax) for the period was EUR 180.6 million, representing 3.2% of 2008 Group revenues. It increased by 29.1% compared with last year.

(in EUR million)	FY 2008	% Margin	FY 2007	% Margin
Operating margin	**266.4**	**4.7%**	**271.5**	**4.6%**
Other operating income / (expenses)	(166.0)		(134.7)	
Operating income	**100.4**	**1.8%**	**136.8**	**2.3%**
Net financial income / (expenses)	(22.8)		(14.0)	
Tax charge	(48.1)		(59.9)	
Minority interests and associates	(6.9)		(14.7)	
Net income – Group share	**22.6**	**0.4%**	**48.2**	**0.8%**
Adjusted net income – Group share (*)	**180.6**	**3.2%**	**139.9**	**2.4%**

(*) Defined hereafter

17.1.1 Operating margin

Operating margin represents the underlying operational performance of the on-going business and decreased by 1.9% in the period due to a change of scope and currency effects. At constant scope and exchange rate, as explained in the operational review, the operating margin improved by +10.7%.

17.1.2 Operating income

Other operating income/expenses include to income/expenses that are unusual, abnormal and infrequent and represent a net expense of EUR 166.0 million in 2008.

The major impacts of the period in other operating income are the following:

<u>UK pensions plan amendment (New Deal)</u>

The Group has finalised in 31 March 2008 the plan amendment announced in December 2007 of its UK corporate defined benefit pension plans. The impact is as follows:

- a cessation of future defined benefit accrual effective 1 April 2008 leading to a curtailment gain (reduction in liabilities) of EUR 2.7 million.
- a removal of indexation on pension rights accumulated before 1997 following a one off increase of 5% in 2008, resulting in a reduction of liabilities of EUR 51.8 million.

<u>Impairment of Dutch pension prepaid asset</u>

The Group has considered that the Dutch pension prepaid asset recognised prior to any "asset ceiling" IFRIC 14 considerations would not result in reduced contributions or refunds available to the employer in the medium term, due to the particular exposure of the Dutch Pension Fund's assets to the current financial markets. As a result, the net asset of EUR 47.5 million as at 31 December 2008 has been capped at EUR 8.6 million, and the corresponding depreciation of EUR 38.9 million was recognized as an other operating expense due to its materiality.

<u>Disposal of the Exchange business of AEMS</u>

On 5 August 2008, the Group completed the sale of its 50% stake in Atos Euronext Market Solutions (AEMS) to NYSE Euronext materializing the commitments taken on 11 December 2007 when a memorandum of understanding was signed and announced. This transaction generated a capital gain of EUR 135.0 million.

Other capital gains or losses on sale of assets and abandon of activities

Other capital gains or losses on sale of assets and abandon of activities amount to EUR 7.5 million. The main transactions recorded are the following:

- In January 2008, Atos Origin finalised the sale of its activities in Italy to Engineering, for a capital gain adjustment of EUR 1.4 million.
- On 12 December 2008, the Group sold its activities in Thailand to the local management. Consequently, a capital loss of EUR 12.5 million was recorded.
- On 30 December 2008, the Group sold its Technical Automation business in The Netherlands to Gilde Equity Management, with a capital gain of EUR 4.0 million.
- In December 2008, the Group sold its headquarters in Madrid to a real estate investor. This transaction led to the recognition of a EUR 14.3 million capital gain.

Goodwill impairment expense

The Group has recorded an impairment charge of EUR 226.4 million, mainly attributable to the French operations (excluding Atos Worldline activities) for EUR 209.7 million and to Iberia for EUR 15.4 million.

In France, the EUR 209.7 million impairment charge results from a business plan which has been revised following a lower base for 2008, mainly for the Systems Integration Service Line, and a profitability below the Group's average. The Group's operations in Spain are suffering from a severe economic environment and accordingly a EUR 15.4 impairment charge was recognized.

For both cash generating units, values in use have also been significantly affected by the reduction of 0.50 point of the long-term perpetuity growth assumption. Had the 2007 assumptions be maintained (WACC between 9.4% and 10.0%, LT growth 3.0%), the impairment charge would have been EUR 190.1 million. In addition, in compliance with IAS 36, the impairment tests do not take into consideration the effects of the TOP plan.

Restructuring and rationalisation

The net charge for restructuring and rationalisation of EUR 102.9 million mainly relates to restructuring programs in France (EUR 38.1 million), the Netherlands (EUR 19.7 million), the UK (EUR 15.9 million), and Central Europe (EUR 10.8 million).

17.1.3 Net financial expense

Net financial expense amounted to EUR 22.8 million in 2008, compared with a net expense of EUR 14.0 million in the previous year.

The net cost of financial debt was EUR 28.7 million similar to 2007. Based on an average net debt of EUR 518.5 million during the period, the average cost of borrowing was 5.73% before interest swaps (5.53% including them). The net cost of financial debt was covered nine times by operating margin, compared with a covenant requirement for not less than four times cover under the terms of the credit facility.

Non-operational financial income went down from EUR 14.6 million in 2007 to EUR 5.9 million in 2008 due to comparatively lower pension income on returns on pensions plan assets versus discount rates applicable to pension liabilities and a EUR 5.9 million charge related to exchange rate variations and hedging in a very volatile year (compared to nearly zero in the past years).

17.1.4 Corporate tax

The Group apparent tax rate is 62%. The restated Group tax rate is 23.6%. Compared with last year this tax rate is lower due to absence of Italian taxes, specific tax regimes in different countries and transactions with low taxation. On a long term basis, the expected effective tax rate is 28-30% on the current scope of the Group.

17.1.5 Minority interests

Minority interests include shareholdings held by joint venture partners and other associates of the Group in the operations of Atos Euronext Market Solutions (50%) (disposed in August 2008), and Atos Worldline Processing Services in Germany (42%).

17.1.6 Adjusted net income

The Group share of net income before unusual, abnormal and infrequent items (net of tax) was EUR 180.6 million, increasing by 29% compared with last year.

(in EUR million)	FY 2008	FY 2007
Net income - Group share	**22.6**	**48.2**
Restructuring and rationalisation	(102.9)	(97.7)
Pensions	17.4	-
Release of opening balance sheet provisions no longer needed	9.8	10.1
Capital gains	142.5	21.0
Impairment losses & Other	(232.8)	(68.1)
Sum of unusual items	**(166.0)**	**(134.7)**
Tax effect	8.0	43.0
Sum of unusual items – net of tax	**(158.0)**	**(91.7)**
Adjusted net income - Group share	**180.6**	**139.9**

17.2 EARNINGS PER SHARE

(in EUR million)	FY 2008	% Margin	FY 2007	% Margin
Net income – Group share	**22.6**	**0.4%**	**48.2**	**0.8%**
Adjusted net income – Group share	**180.6**	**3.2%**	**139.9**	**2.4%**
(In EUR)				
Basic EPS	**0.32**		**0.70**	
Diluted EPS	**0.32**		**0.70**	
Adjusted basic EPS	**2.59**		**2.03**	
Adjusted diluted EPS	**2.59**		**2.02**	

Based on a weighted average of 69,712,178 shares in issue during 2008, earnings per share (Group share) were EUR 0.32 compared to EUR 0.70 in 2007.
Based on the adjusted net income of EUR 180.6 million, basic earnings per share (Group share) were EUR 2.59 increasing by 29% compared to 2007.

17.3 OPERATIONAL CAPITAL EMPLOYED AND RETURN ON CAPITAL EMPLOYED (ROCE)

Operational capital employed is defined as operational assets and working capital requirement necessary for the running of the business. It excludes therefore goodwill which is linked to merger and acquisition operations, but includes assets held for sale which have contributed to the current year revenue.

(in EUR million)	31 December 2008	31 December 2007 restated	31 December 2007
Intangible fixed assets excluding goodwill	77.5	74.9	74.9
Tangible fixed assets	454.3	437.0	437.0
Investments	68.7	70.9	70.9
Total fixed assets	600.5	582.8	582.8
Operational working capital requirement	14.7	(28.2)	(28.2)
Deferred tax	138.6	178.5	178.5
Working capital requirement	153.3	150.3	150.3
Net assets held for sale	-	-	143.6
Operational capital employed excluding goodwill	**753.8**	**733.1**	**876.7**
Revenue (1)	**5,479.2**	**5,348.0**	**5,855.4**
Capital employed as a % of revenue	**13.8%**	**13.7%**	**15.0%**

(1) Revenue 2007 includes Italy and AEMS Exchange to be compared with their related capital employed which are recorded in assets held for sale; Revenue 2008 excludes any revenue from Italy and AEMS Exchange as their net assets held for sale are disposed

The capital employed on revenue ratio decreased from 15.0% in 2007 to 13.8% in 2008 due to the combined effect of a tight control on capital expenditures and to the disposal of AEMS exchange business and the Italian operations in 2008, which were relatively more capital intensive. Indeed, restated from the impact of those divestments, the ratio capital employed on revenue is stable (13.7% in 2007 restated, 13.8% in 2008).

(in EUR million)	31 December 2008	31 December 2007
Net income for the period	22.6	48.2
Add-back interest expense, net of tax	22.0	20.8
Add-back impairment, pension & G&L charge, net of tax	81.6	36.6
Net income including restructuring and rationalisation before interest expense and impairment charge	**126.2**	**105.6**
Operational capital employed excluding goodwill	**753.8**	**876.7**
Return on capital employed	**16.8%**	**12.0%**

The increase of the ROCE ratio is a consequence of a lower effective tax rate and also demonstrates the efforts of the Group to lower its capital intensivity.

17.4 CASH FLOW

The Group began the year with an opening net debt of EUR 338.0 million. At the end of December, it reached EUR 304.0 million.

The main elements affecting the Group's cash flow from operation in 2008 are the following:

- An OMDA at EUR 476.9 million, representing 8.5% of external revenues (8.6% in 2007);
- A reduced CAPEX at EUR 233.9 million (EUR 300.4 million in 2007) materializing the Group's strategy to reduce its assets intensivity;
- An additional working capital requirement of EUR 86.2 million. Nevertheless, working capital in the balance sheet amounts to EUR 14.7 million at the end of the period, less than 2% of the operational capital employed excluding goodwill.

Non recurring cash flows have been recorded due to the following operations:

- Restructuring and rationalisation expenses in the year were EUR 103.3 million
- The cash impact of the UK pensions amendment (agreement to accelerate the funding of pension deficit accumulated before 2008 for EUR 64.5 million in compensation for the cessation of future defined benefit pension),
- The net cash received from the disposal of the exchange business of Atos Euronext Market Solutions - AEMS (EUR 163.2 million), of the Italian activities (EUR 37.8 million) and of the Technical Automation business in the Netherlands (EUR 14.0 million).

Finally, the Group has paid for the first time a dividend of EUR 27.8 million to its shareholders.

(in EUR million)	FY 2008	FY 2007
OMDA	**476.9**	**505.0**
Net capital expenditures	(233.9)	(300.4)
OCC (Operating Cash Capacity)	**243.0**	**204.6**
Change in working capital requirement	(86.2)	29.6
Taxes paid	(50.4)	(48.3)
Net cost of financial debt paid	(28.9)	(28.6)
Restructuring & rationalisation in other operating income	(103.3)	(81.1)
UK pensions plan amendment	(64.5)	-
Net financial investments	208.9	14.8
Dividends paid	(31.9)	(3.4)
Purchase and sale of treasury stock	(14.9)	(20.6)
Other changes (*)	(37.8)	(44.7)
Net cash flow	**34.0**	**22.3**
Opening net debt	**(338.0)**	**(360.3)**
Closing net debt	**(304.0)**	**(338.0)**

(*) Other changes include common stock issues, translation differences, profit-sharing amounts payable to French employees transferred to debt, disposal of operational assets, other financial items with cash impact and other operating income with cash impact excluding restructuring and rationalisation and the UK pensions plan amendment.

17.4.1 Net Capital expenditures

Net capital expenditures amounted to EUR 233.9 million in 2008, representing 4.2% of annual Group revenues lower than last year (5.1% of annual Group revenues in 2007) in a context of significant growth in revenues, in particular in the Managed Operations activities, which are the most capital intensive.

In parallel, off-balance sheet commitments for operating leases on IT equipments have been further reduced from EUR 53.0 million at the end of December 2007 to EUR 23.0 million at the end of December 2008.

The improvement in 2008 has been achieved with a better control of the life cycle of our industrial assets. It is also resulting from the rationalisation plan of the IT infrastructure launched in 2007. It is the intent of the Group in 2009 to continue optimizing the financing of long term industrial investments on space capacity with specialised investors so as to reduce the capital intensity of our operations while remaining flexible.

17.4.2 Change in working capital requirement

The change in working capital requirement deteriorated to EUR 86.2 million over the year. However, it is important to note the improvement of the DSO, reduced from 67 days to 63 days. As a result, the amount of net receivables (as defined in note 16) did not vary significantly in total amount between December 2007 and December 2008 despite the fact that revenue increased organically by 5.6%. Therefore, the change in working capital requirement is mostly due to lower net trade payables (by EUR 30.9 million).

17.4.3 Net financial investments and entities held for sale

Net financial investments (EUR 208.9 million) concern mainly the net cash impact of the disposal of AEMS Exchange for EUR 163.2 million, the Italian activities for EUR 37.8 million and the Technical Automation business in the Netherlands for EUR 14.0 million.
Thailand did not provide cash as it was sold to the management in December 2008 in order to avoid further losses (EUR 6.0 million in 2008) and additional cash consumption.

17.4.4 Other changes

Other changes include mainly translation differences (EUR 23.7 million), profit-sharing amounts payable to French employees transferred to debt (EUR 4.2 million) and other financial expenses with cash impact (EUR 9.4 million) mainly due to foreign exchange impact on the effective cash out of the working capital.

17.5 NET DEBT

Overall during the year, the net debt was reduced from EUR 338.0 million to EUR 304.0 million despite a first dividend payment to the shareholders of EUR 27.8 million in July 2008.
Net debt went up to EUR 514.2 million in 30 June 2008, mainly due to working capital seasonal effects. It was reduced to EUR 304 million as of 31 December 2008 thanks to the reduction of the working capital requirement and the proceed from the disposals while financing during that period higher charges for restructuring and rationalisation.

17.6 FINANCING POLICY

Atos Origin has implemented a strict financing policy which has been reviewed by the Group Audit Committee, with the objective to secure and optimise the Group's liquidity management. Each decision regarding external financing is approved by the Management Board. Under this policy, all Group treasury activities, including cash management, short-term investments, hedging and foreign exchange transactions, as well as off-balance sheet financing through operating leases, are centrally managed through the Group Treasury department. Following a cautious short term financial policy, the Group did not make any short term cash investment in risky assets.

17.6.1 Financing structure

Atos Origin's policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

Atos Origin signed with a number of major financial institutions on 12 May 2005 a cost efficient EUR 1.2 billion multi-currency revolving facility with six and seven years maturity.The maturity of the multi-currency revolving facility is until 12 May 2011 for EUR 1.2 billion and until 12 May 2012 for EUR 1.1 billion.

In addition, Atos Origin implemented a securitisation program in 2004 for a maximum amount of EUR 300 million, and on 7 October 2005 aligned the covenants on this program with the more favourable terms of the multi-currency revolving facility. This program was reconducted in March 2009.

17.6.2 Bank covenants

The Group is substantially within its borrowing covenants, with a consolidated leverage ratio (net debt divided by OMDA) of 0.64 at the end of December 2008. The consolidated leverage ratio may not be greater than 2.5 times under the multi-currency revolving facility.

The consolidated interest cover ratio (operating margin divided by the net cost of financial debt) was 9.3 times in 2008. It may not be less than four times throughout the term of the multi-currency revolving facility.

17.6.3 Investment policy

Atos Origin has a policy to lease its office space and data processing centres. Some fixed assets such as IT equipment and company cars may be financed through leases. The Group Treasury department evaluates and approves the type of financing for each new investment.

17.6.4 Hedging policy

Atos Origin's objective is also to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the existing floating-rate financial debt. Authorised derivative instruments used to hedge the debt are swap contracts, entered into with leading financial institutions and centrally managed by the Group Treasury Department.

18 FINANCIAL STATEMENTS

18.1 STATUTORY AUDITORS REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you on:

- the audit of the accompanying consolidated financial statements of ATOS ORIGIN
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, using sample testing techniques or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2008 and of the results of its operations for the year then ended in accordance with the IFRSs as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in the Note "Goodwill" to the consolidated financial statements regarding the impairment charge on goodwil recorded as of 31 December 2008.

2. Justification of our assessments

The accounting assessments working towards the preparation of the consolidated financial statements for the year ended 31 December 2008 have been made in a context of economic crisis whose extent and length beyond 31 December 2008 cannot be anticipated precisely. In that context and in accordance with the requirements of article L.823-9 of French Company Law (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

As specified in the note “Accounting estimates and judgments” to the consolidated financial statements, presented in “Basis of preparation and significant accounting policies”, the preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses in the financial statements and disclosures of contingent assets and liabilities. This note specifies that the estimates, assumptions and judgments may result in a significant adjustment to the carrying amounts of assets and liabilities within the next financial statements. As part of our audit of the consolidated financial statements for the year ended 31 December 2008, we considered that goodwill, revenue, profit or loss on completion relating to long-term contracts and pensions are subject to significant accounting estimates.

- The value of goodwill was subject to an impairment test by the company as described in section “Business combination and goodwill” presented in “Basis of preparation and significant accounting policies” and in the note “Goodwill” to the consolidated financial statements. As a result of this process, an impairment charge of € 226,4 million was recorded. We verified the appropriateness of the accounting methods applied and assessed the appropriateness of the methodology implemented. The determination of the cash flows used in the valuation of cash generating units and the other adopted criteria required management to make estimates and assumptions.

- The note “Revenue recognition” presented in “Basis of preparation and significant accounting policies” in the notes to consolidated financial statements outlines the methods applied with respect to revenue recognition. The determination of revenue and the profit or loss on completion on long-term contracts requires the use of various operational assumptions such as forecast volume and/or variance in the delivery costs.

- As specified in the note “Pensions and similar benefits” to the consolidated financial statements, presented in “Basis of preparation and significant accounting policies”, the company uses actuarial methods and actuarial assumptions to evaluate the costs and provisions for pension commitments. The value of plan assets is measured on the basis of valuations performed by external actuaries and these assets are subject to additional verifications by the management if necessary. The assessment of pension provisions and the valuation of plan assets require the use of assumptions and estimates.

These assessments were made as part of our audit approach for the consolidated financial statements taken as a whole and contributed to the expression of our unqualified opinion in the first part of this report.

3. Specific verification

As required by law, we also verified the information presented in the Group management report. We have no matters to report regarding its fair presentation and consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris, April 8, 2009

The Statutory Auditors

Deloitte & Associés

Grant Thornton

French member of Grant Thornton International

Jean-Paul Picard   Jean-Marc Lumet   Jean-Pierre Colle   Vincent Frambourt

18.2 CONSOLIDATED FINANCIAL STATEMENTS

18.2.1 Consolidated Income Statement

(in EUR million)	Notes	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Revenue	**Note 3**	**5,623.5**	**5,855.4**	**5,396.9**
Personnel expenses	Note 4	(3,063.6)	(3,166.9)	(2,995.9)
Operating expenses	Note 5	(2,293.5)	(2,417.0)	(2,154.3)
Operating margin		**266.4**	**271.5**	**246.7**
% of revenue		**4.7%**	**4.6%**	**4.6%**
Other operating income and expenses	Note 6	(166.0)	(134.7)	(406.7)
Operating income		**100.4**	**136.8**	**(160.0)**
% of revenue		**1.8%**	**2.3%**	**-3.0%**
Net cost of financial debt		(28.7)	(28.6)	(22.7)
Other financial income and expenses		5.9	14.6	11.5
Net financial income	Note 7	(22.8)	(14.0)	(11.2)
Tax charge	Notes 8-9	(48.1)	(59.9)	(76.6)
Share of net income from associates		(0.1)	0.1	0.1
Net income		**29.4**	**63.0**	**(247.7)**
Of which:				
- Group share		**22.6**	**48.2**	**(264.4)**
- Minority interests	Note 10	6.8	14.8	16.7

(in EUR and number of shares)				
Net income-Group share per share	**Note 11**			
Weighted average number of shares		69,712,178	68,946,489	67,614,323
Basic earnings per share		**0.32**	**0.70**	**(3.91)**
Diluted weighted average number of shares		69,786,457	69,141,410	67,614,323
Diluted earnings per share		**0.32**	**0.70**	**(3.91)**

18.2.2 Consolidated balance sheet

(in EUR million) ASSETS	Notes	31 December 2008	31 December 2007	31 December 2006
Goodwill	Note 12	1,511.1	1,867.8	2,045.6
Intangible assets	Note 13	77.5	74.9	118.3
Tangible assets	Note 14	454.3	437.0	382.4
Non-current financial assets	Note 15	68.5	70.9	45.0
Deferred tax assets	Note 9	208.4	247.0	258.0
Total non-current assets		**2,319.8**	**2,697.6**	**2,849.3**
Trade accounts and notes receivables	Note 16	1,418.0	1,459.8	1,599.9
Current tax assets		25.4	13.7	46.7
Other current assets		177.7	176.4	226.3
Current financial instruments	Note 22	0.7	1.1	1.2
Cash and cash equivalents	Note 18	286.1	348.0	453.9
Total current assets		**1,907.9**	**1,999.0**	**2,328.0**
Assets held for sale	Note 2	**-**	**468.5**	
Total assets		**4,227.7**	**5,165.1**	**5,177.3**

(in EUR million) LIABILITIES AND SHAREHOLDERS' EQUITY		31 December 2008	31 December 2007	31 December 2006
Common stock		69.7	69.7	68.9
Additional paid-in capital		1,329.7	1,329.5	1,304.2
Consolidated reserves		286.5	271.3	536.6
Translation adjustments		(177.1)	(27.2)	29.6
Net income for the period		22.6	48.2	(264.4)
Shareholders' equity – Group share		1,531.4	1,691.5	1,674.9
Minority interests	Note 10	11.0	172.9	165.5
Total shareholders' equity		**1,542.4**	**1,864.4**	**1,840.4**
Provisions for pensions and similar benefits	Note 19	221.5	394.5	458.6
Non-current provisions	Note 20	99.8	101.3	131.9
Borrowings	Note 21	313.5	443.7	589.2
Deferred tax liabilities	Note 9	69.8	68.5	54.9
Non-current financial instruments	Note 22	6.1	-	1.2
Other non-current liabilities		1.4	1.2	0.5
Total non-current liabilities		**712.1**	**1,009.2**	**1,236.3**
Trade accounts and notes payables	Note 23	516.8	566.1	609.1
Current tax liabilities		41.2	44.0	69.6
Current provisions	Note 20	96.2	125.2	132.1
Current financial instruments	Note 22	3.0	1.3	1.9
Current portion of borrowings	Note 21	276.6	242.3	225.0
Other current liabilities	Note 24	1,039.4	1,066.9	1,062.9
Total current liabilities		**1,973.2**	**2,045.8**	**2,100.6**
Liabilities associated with assets held for sale	Note 2	**-**	**245.7**	**-**
Total liabilities and shareholders' equity		**4,227.7**	**5,165.1**	**5,177.3**

18.2.3 Consolidated cash flow statement

(in EUR million)	Notes	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Net income Group share		**22.6**	**48.2**	**(264.4)**
Depreciation of fixed assets	Note 5	241.3	223.0	176.3
Net release to operating provisions		(48.4)	(18.0)	(2.0)
Net release to financial provisions		(17.8)	(18.0)	(20.6)
Net release to other operating provisions		(85.0)	(8.6)	(25.1)
Impairment of long – term assets		226.4	47.1	377.6
Gains on disposals of fixed assets		(140.8)	(31.9)	(11.7)
Net charge for equity-based compensation	Note 4	14.6	18.8	23.2
Minority interests and associates	Note 10	6.8	14.7	16.7
(Gains)/ losses on financial instruments		1.5	(0.7)	1.2
Net cost of financial debt	Note 7	28.7	28.6	22.7
Tax charge (including deferred tax)	Note 8	48.1	59.9	76.6
Cash from operating activities before change in working capital requirement, financial interest and taxes		**298.0**	**363.1**	**370.5**
Taxes paid		(50.4)	(48.3)	(39.3)
Change in working capital requirement		(86.2)	29.6	(42.5)
Net cash from/ (used in) operating activities		**161.4**	**344.4**	**288.7**
Payment for tangible and intangible assets		(260.9)	(322.7)	(212.2)
Proceeds from disposals of tangible and intangible assets		27.0	22.3	2.1
Net operating investments		(233.9)	(300.4)	(210.1)
Amounts paid for acquisitions and long-term investments		(7.5)	(7.4)	(345.2)
Cash and cash equivalents of companies purchased during the period		0.3	0.2	52.7
Proceeds from disposals of financial investments		291.6	28.0	45.4
Cash and cash equivalents of companies sold during the period		(145.4)	(5.5)	(2.7)
Net long-term investments		139.0	15.3	(249.8)
Net cash from/ (used in) investing activities		**(94.9)**	**(285.1)**	**(459.9)**
Common stock issues		-	-	-
Common stock issues on the exercise of equity-based compensation		0.2	26.1	52.9
Purchase and sale of treasury stock		(14.9)	(20.6)	(14.6)
Dividends paid to parent company shareholders		(27.8)	-	-
Dividends paid to minority shareholders of subsidiaries		(4.1)	(3.4)	(2.2)
New borrowings	Note 21	116.4	30.5	225.2
New Finance lease	Note 21	1.3	-	4.5
Repayment of long and medium-term borrowings	Note 21	(163.2)	(162.5)	(141.2)
Net cost of financial debt paid		(28.9)	(28.6)	(22.4)
Net cash from/ (used in) financing activities		**(121.0)**	**(158.5)**	**102.3**
Increase/ (decrease) in net cash and cash equivalents		**(54.5)**	**(99.2)**	**(68.9)**
Opening net cash and cash equivalents		**348.0**	**453.9**	**533.5**
Increase/ (decrease) in net cash and cash equivalents	Note 21	(54.5)	(99.2)	(68.9)
Impact of exchange rate fluctuations on cash and cash equivalents		(31.6)	(6.7)	(10.7)
Closing net cash and cash equivalents	**Note 22**	**261.9**	**348.0**	**453.9**

18.2.4 Consolidated statement of changes in shareholders' equity

(in EUR million)	Number of shares at period –end (thousands)	Common stock	Additional paid-in capital	Consolidated reserves	Translation adjustments	Items recognized directly in equity	Net income Group share	Equity – Group share	Minority interests	TOTAL
At 1 January 2006	**67,363**	**67.4**	**1,252.8**	**293.5**	**28.3**	**(3.8)**	**235.4**	**1,873.4**	**153.2**	**2,026.5**
* Common stock issued	1,518	1.5	51.4					52.9		52.9
* Translation adjustments					1.3			1.3	0.9	2.2
* Appropriation of prior period net income				235.4			(235.4)			
* Equity-based compensation				23.2				23.2		23.2
* Changes in treasury stock				(14.6)				(14.6)		(14.6)
* Changes in fair value of financial instruments						2.3		2.3		2.3
* Net income for the period							(264.4)	(264.4)	16.7	(247.7)
* Other				0.8				0.8	(5.3)	(4.4)
At 31 December 2006	**68,881**	**68.9**	**1,304.2**	**538.1**	**29.6**	**(1.5)**	**(264.4)**	**1,674.9**	**165.5**	**1,840.4**
* Common stock issued	829	0.8	25.3					26.1		26.1
* Translation adjustments					(56.8)			(56.8)	(4.9)	(61.7)
* Appropriation of prior period net income				(264.4)			264.4			
* Equity-based compensation				18.8				18.8		18.8
* Changes in treasury stock				(20.6)				(20.6)		(20.6)
* Changes in fair value of financial instruments						0.9		0.9		0.9
* Net income for the period							48.2	48.2	14.8	63.0
* Other									(2.5)	(2.5)
At 31 December 2007	**69,710**	**69.7**	**1,329.5**	**271.9**	**(27.2)**	**(0.6)**	**48.2**	**1,691.5**	**172.9**	**1,864.4**
* Common stock issued	7		0.2					0.2		0.2
* Translation adjustments					(149.9)			(149.9)	(0.3)	(150.2)
* Appropriation of prior period net income				48.2			(48.2)			
* Equity-based compensation				14.6				14.6		14.6
* Changes in treasury stock				(14.9)				(14.9)		(14.9)
* Dividends				(27.8)				(27.8)	(4.1)	(31.9)
* Changes in fair value of financial instruments						(4.9)		(4.9)		(4.9)
* Net income for the period							22.6	22.6	6.8	29.4
* Other (a)									(164.3)	(164.3)
At 31 December 2008	**69,717**	**69.7**	**1,329.7**	**292.0**	**(177.1)**	**(5.5)**	**22.6**	**1,531.4**	**11.0**	**1,542.4**

(a) Please refer Note 10

18.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18.3.1 General information

Atos Origin, the Group's parent company, is a *société anonyme* (commercial company) incorporated under French law, whose registered office is located at 18, avenue d'Alsace, Paris La Défense, 92400 Courbevoie, France. It is registered with the Nanterre Register of Commerce and Companies under the reference 323 623 603 RCS Nanterre and listed on the Paris Stock Exchange.

Until 10 February 2009, the Company was administred with a Supervisory Board and a Management Board. From that date, pursuant to the resolution of an Extraordinary Sharehoder's Meeting, the Company is administrated by a Board of Directors.

The consolidated financial statements of the Group for the twelve months ended 31 December 2008 comprise the Group and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

These consolidated financial statements were approved by the Board of Directors on 17 February 2009. These consolidated financial statements will become definitive following their adoption by the Annual General Shareholders' Meeting planned in May 2009.

18.3.2 Basis of preparation and significant accounting policies

Basis of preparation

Pursuant to European Regulation No. 1606/2002 of 19 July 2002, the consolidated financial statements for the twelve months ended 31 December 2008 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union as at 31 December 2008. The international standards comprise the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

Accounting policies applied by the Group conform to those standards and interpretations adopted by the European Union as at 31 December 2008. Those standards and interpretations can be found at: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission

The policy set out below has been consistently applied to all years presented.

Certain new standards, interpretations and amendments to existing standards that have been published are mandatory for the Group's accounting period beginning on or after 1 January 2008:

- Amendments to IAS 39 and IFRS 7: Reclassifications of financial assets
- IFRIC 11: Group and Treasury Share transactions

The Group chose to adopt by anticipation the following interpretation:

- IFRIC 14 *IAS 19-The Limit on a Defined Benefit Asset, Minimum Funding* and their Interaction. The impact on the Group's financial statement of this early adoption is discussed in note 19.

The consolidated financial statements do not take into account:

- New standards, interpretations and amendments to existing standards not yet approved by the European Union. This notably concerns:
    - IAS 39 (amendment): Financial Instruments, recognition and measurement: Eligible hedged Items
    - IFRS 3 (revised) *Business Combinations following the "Business Combinations phase II" project*
    - IFRIC 12 *Service Concession Arrangements*
    - IFRIC 15 *Agreements for the Construction of Real Estate*
    - IFRIC 16 *Hedges of a Net Investment in a Foreign Operation*
    - IFRIC 17 *Distributions of Non-cash Assets to Owners*
- Draft standards that are still at the exposure draft stage of the International Accounting Standards Board (IASB)
- Standards or interpretations published, adopted at the European level, but with an application date subsequent to 31 December 2008. This notably concerns:

- IFRS1 (revised) First time adoption of IFRS
- IFRS 2 *Amendments relating to vesting conditions and cancellations*
- IFRS 8 *Operating Segments*
- IAS 1 *Presentation of financial statements (revised)*
- IAS 23 (revised) *Borrowing Costs*
- IAS 27 (revised) *Consolidated and Separate Financial Statements following the "Business Combinations phase II" project*
- IAS 32 and IAS 1 *Amendments relating to "Puttable Financial Instruments and Obligations Arising on Liquidation"*
- IFRIC 13 *Customer Loyalty Programmes*

Valuation bases

The consolidated financial statements are prepared in accordance with the historical cost convention, with the exception of:

- certain financial assets and liabilities measured at fair value;
- non-current assets held for sale or disposal groups, measured and recognized at the lower of net carrying amount and fair value less costs to sell as soon as their sale is considered highly probable. These assets are no longer depreciated from the time they qualify as assets (or disposal groups) held for sale.

Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities. The estimates, assumptions and judgments that may result in a significant adjustment to the carrying amounts of assets and liabilities within the next financial statements are essentially related to:

<u>Impairment tests</u>

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated below. The recoverable amounts of cash generating units are determined based on value-in-use calculations. These calculations require the use of estimates as described in note 12.

<u>Revenue recognition and associated costs on long-term contracts</u>

Revenue recognition and associated costs, including forecast losses on completion are measured according to policy stated below. Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs and have a direct influence on the level of revenue and eventual forecast losses on completion that are recognized.

<u>Pensions</u>

The Group uses actuarial assumptions and methods to measure pension liabilities and costs. The value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate. The estimation of Pensions liabilities, as well as valuations of plan assets require the use of estimates and assumptions.

Consolidation methods

<u>Subsidiaries</u>

Subsidiaries are entities controlled by the Group. Control is defined by the ability to govern the financial and operating policies generally, but not systematically, combined with a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, the power to appoint the majority of the members of the governing bodies and the existence of veto rights are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate method. Operating and shareholders' agreements are considered when assessing the joint control.

Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally, but not systematically, accompanying a shareholding of between 20 and 50% of the voting rights. Investments in associates are accounted for by the equity method.

Segment reporting

The Group's operational organisation is based on regions composed of geographical areas. The primary reporting segment corresponds to these geographical areas and the secondary reporting segment to the service lines.

Presentation rules

Current and non-current assets and liabilities

Assets and liabilities classified as current are expected to be realised, used or settled during the normal cycle of operations, which can extend beyond 12 months following the period-end. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, financial receivables and provisions represent the Group's working capital requirement.

Assets and liabilities held for sale or discontinued operations

Assets and liabilities held for sale or discontinued operations are presented on separate lines in the Group's balance sheet, without restatements for previous periods. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets and liabilities are available for immediate sale in their present condition.

Should these assets and liabilities represent either a complete business line or a geographical segment, the profit or loss from these activities are presented on a separate line of the income statement, and is restated in the cash flow statement and the income statement over all published periods.

Translation of financial statements denominated in foreign currencies

The balance sheets of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rate for the period. Balance sheet and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under "Translation adjustments".

The Group does not consolidate any entity operating in a hyperinflationary economy.

Translation of transactions denominated in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading "Other financial income and expenses", except where hedging accounting is applied as explained in the paragraph "Financial assets – Derivative financial instruments".

Business combination and goodwill

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or improve significantly its competitive position within a business or a geographical sector are considered for business combination accounting. Goodwill represents the excess of the cost of a business combination, including transaction expenses directly attributable to the business combination in accordance with IFRS 3, over the Group's interest in the fair value of assets, liabilities and contingent liabilities acquired at the acquisition date.

Goodwill is not amortised and is subject to an impairment test performed at least annually or more often in case of a trigger event. Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to geographical areas where the Group has operations. The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income. The impairment loss is first recorded as an adjustment of the carrying amount of the goodwill allocated to the CGU and the remainder of the loss, if any, is allocated to the other long term assets of the unit.

Intangible assets other than goodwill

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, software and customer relationships acquired in relation with a business combination as well as internally developed software, provided that the following conditions are satisfied:

- the costs can be attributed to the identified software and measured reliably,
- the technical feasibility of the software has been demonstrated,
- the Group has the intention and the capability to complete the software development and to use or sell it; and
- it is probable that future economic benefits will flow to the Group.

Once all these criteria are reached, the majority of software development costs have been already incurred and consequently, most of software developments costs are expensed when incurred. In specific Business Process Outsourcing (BPO) cases where developments and adapting software costs are engaged only once agreements with clients are signed, those costs are capitalised and amortised in operating expenses over the term of the contract.

Intangible assets are amortised on a straight-line basis over their expected useful life, generally not exceeding five to seven years for software and ten years for customer relationships acquired in a business combination; their related depreciation are recorded in operating expenses.

Tangible assets

Tangible assets are recorded at acquisition cost, excluding any interest expenses. They are depreciated on a straight-line basis over the following expected useful lives:

▪ Buildings	20 years
▪ Fixtures and fittings	5 to 10 years
▪ Computer hardware	3 to 5 years
▪ Vehicles	4 years
▪ Office furniture and equipment	5 to 10 years

Leases

Asset leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Assets acquired under finance lease are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

Impairment of assets other than goodwill

Assets that are subject to amortisation are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable value.

Financial assets

Financial assets are accounted for at trade date.

Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are treated as assets available for sale and recognized at their fair value. For listed shares, fair value corresponds to the share price at closing date. In the absence of an active market for the shares, the investments in non-consolidated companies are carried at historical cost. An impairment charge is recognized when there is objective evidence of a permanent impairment in value. The most common financial criteria used to determine fair value are equity and earnings outlooks. Gains and losses arising from variation in the fair value of available for sale assets are recognized as "items recognized directly in equity". If there is evidence that an asset is permanently impaired, the cumulative loss is written off in the income statement under "other financial income and expense".

Loans, trade accounts and notes receivable

Loans are part of non-current financial assets. Loans, trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortised value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as "Trade accounts and notes receivable" for the part that will be settled within 12 months, and "Non-current financial assets" for the part beyond 12 months.

Assets securitisation

Assets securitisation programs, in which the Group retains substantially all the risks and rewards of ownership of the transferred assets, do not qualify for de-recognition. A financial liability for the consideration received is recognized. The transferred assets and the financial liability are valued at their amortised costs.

Derivative financial instruments

Derivative instruments are recognized as financial assets or liabilities at their fair value. Any change in the fair value of these derivatives is recorded in the income statement as a financial income or expense, except when they are eligible for hedge accounting, whereupon:

- For fair value hedging of existing assets or liabilities, the hedged portion of an instrument is measured on the balance sheet at its fair value. Any change in fair value is recorded as a corresponding entry in the income statement, where it is offset simultaneously against changes in the fair value of hedging instruments.

- For cash flow hedging, the effective portion of the change in fair value of the hedging instrument is directly offset in shareholders' equity as "items recognized directly in equity". The change in value of the ineffective portion is recognized in "Other financial income and expenses". The amounts recorded in net equity are transferred to the income statement simultaneously to the recognition of the hedged items.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and money market securities that are convertible into cash at very short notice and are not exposed to any significant risk of impairment. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at fair value through profit and loss.

Treasury stock

Atos Origin shares held by the parent company are recorded at their acquired cost as a deduction from consolidated shareholders' equity. In the event of a disposal, the gain or loss and the related tax impacts are recorded as a change in consolidated shareholders' equity.

Pensions and similar benefits

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group commitments in respect of defined benefit plans is based on a single actuarial method known as the "projected unit credit method". This method relies in particular on projections of future benefits to be paid to Group employees, by anticipating the effects of future salary increases. Its implementation further includes the formulation of specific assumptions, detailed in note 19, which are periodically updated, in close liaison with external actuaries used by the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing.

From one accounting period to the other, any difference between the projected and actual amounts of commitments in respect of pension plans and their related assets is cumulated at each benefit plan's level to form actuarial differences. These actuarial differences may result either from changes in actuarial assumptions used, or from experience adjustments generated by actual developments differing, in the accounting period, from assumptions determined at the end of the previous accounting period.

Group final option in terms of recognition method for actuarial differences has not been elected yet, since an option has been introduced under IAS 19 to recognize these actuarial differences through equity. By application of the "corridor" method, the Group therefore continues to recognize in its profit and loss account only the portion of cumulated actuarial differences which is above a normative fluctuation margin of 10% of the greater, at closing, of plan commitments and their related assets. This portion is amortised over the remaining active life of the beneficiaries of each particular benefit plan.

Benefit plans costs are recognized in the Group's operating income, except for interest costs on obligations, net of expected returns on plans assets, which are recognized in other financial income.

Provisions

Provisions are recognized when:
- The Group has a present legal, regulatory, contractual or constructive obligation as a result of past events;
- It is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably quantified.

Provisions are discounted when the time value effect is material. The provision revaluation at each accounting period results in a provision increase recognized in financial expenses.

Borrowings

Borrowings are recognized initially at fair value, net of debt issuance costs. Borrowings are subsequently stated at amortised costs. The calculation of the effective interest rate takes into account interest payments and the amortisation of the debt issuance costs.

Debt issuance costs are amortised in financial expenses over the life of the loan. The residual value of issuance costs for loans repaid in advance is expensed in the year of repayment.

Bank overdrafts are recorded in the current portion of borrowings.

The Group does not capitalise borrowing costs as part of the costs of acquired assets.

Minority interests purchase commitments

Firm or conditional commitments under certain conditions to purchase minority interests are similar to a purchase of shares and are recorded in borrowings with an offsetting reduction of minority interests. When the cost of the purchase exceeds the amount of minority interests, the Group chooses to recognize the balance as goodwill. Any further change in the fair value of the minority interests purchase commitment will also be recorded in goodwill.

Revenue Recognition

The Group provides information technology (IT) and business process outsourcing (BPO) services. Depending on the structure of the contract, revenue is recognized accordingly to the following principles:

<u>Variable or fixed price contracts considerations</u>

Revenue based on variable IT work units is recognized as the services are rendered.

Where the outcome of fixed price contracts such as Consulting and Systems Integration contracts can be estimated reliably, revenue is recognized using the percentage-of-completion (POC) method. Under the POC method, revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfil the contract. Revenue relating to these contracts is recorded in the Consolidated Balance Sheet under “Trade accounts and notes receivable” for services rendered in excess of billing, while billing exceeding services rendered is recorded as deferred income under “Other current liabilities”. Where the outcome of a fixed price contract cannot be estimated reliably, contract revenue is recognized to the extent of contracts costs incurred that are likely to be recoverable.

Revenue for long-term fixed price Managed Operations services is recognized when services are rendered.

If circumstances arise, that change the original estimates of revenues, costs, or extent of progress toward completion, then revisions to the estimates are made. The Group performs ongoing profitability analyses of its services contracts in order to determine whether the latest estimates of revenue, costs and profits, require updating. If, at any time, these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately through a provision for estimated losses on completion.

<u>Principal and agent considerations</u>

Revenue is reported net of supplier costs when the Group is acting as an agent between the client and the supplier. Factors generally considered to determine whether the Group is a principal or an agent, are most notably whether it is the primary obligor to the client, it assumes credit and delivery risks, or it adds meaningful value to the supplier’s product or service.

Multiple-element arrangements considerations

The Group enters into multiple-element arrangements, which may include combinations of different services. Revenue is recognized for the separate elements when they have been subject to separate negotiation, the contractor and customer have been able to accept or reject that part of the contract relating to each component, and, each component's costs and revenues can be identified. A group of contracts is combined and treated as a single contract when that group of contracts is negotiated as a single package and the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin, and the contracts are performed concurrently or in a continuous sequence.

Upfront payments considerations

Upfront payments to clients incurred at contract inception are recorded in "Other current assets" and spread as a reduction of revenue over the term of the contract. Upfront payments received from clients at contract inception are recorded in "Other current liabilities" and spread as an increase in revenue over the term of the contract.

Transition costs

Costs related to delivering Managed Operations services are generally expensed as incurred. However, certain transition costs incurred in the initial phases of outsourcing contracts can be deferred and expensed over the contract term, provided that they will be recovered. Capitalised transition costs are classified in "Trade accounts and notes receivable" of the Consolidated Balance Sheet and amortisation expense is recorded in "Operating expenses" in the Consolidated Income Statement.
In case the contract turns out to be loss-making, capitalised transition costs are impaired for the related forecasted loss, before recognising an additional provision for estimated losses on completion when necessary.

Other operating income and expenses

"Other operating income and expenses" covers income or expense items that are unusual, abnormal and infrequent. They are presented below the operating margin.

Classification of charges to (or release from) restructuring and rationalisation provisions in the income statement depends on the nature of the plan:

- Restructuring plans directly in relation with operations are classified within the Operating Margin;
- Restructuring plans related to business combinations or qualified as unusual, infrequent and abnormal are classified in the Operating Income;
- If a restructuring plan qualifies for Operating income, the related real estate rationalisation expenses regarding premises and buildings is also presented in Operating income.

When accounting for business combinations, the Group may record provisions for risks, litigations, etc. in the opening balance sheet for a period of 12 months beyond the business combination date. After the 12-month period, unused provisions arising from changes in circumstances are released through the Income Statement under "Other operating income and expenses".

"Other operating income and expenses" also include major litigations, and non-recurrent capital gains and losses on the disposal of tangible and intangible assets, significant impairment losses on assets other than financial assets, or any other item that is infrequent, unusual and abnormal.

Equity-based compensation

Stocks options are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the binomial option-pricing model. Changes in the fair value of options after the grant date have no impact on the initial valuation. The fair value of share options is recognized in "Personnel expenses" on a straight-line basis over the period during which those rights vest, using the straight-line method, with the offsetting credit recognized directly in equity.

In some tax jurisdictions, Group's entities receive a tax deduction when stock options are exercised, based on the Group share price at the date of exercise. In those instances, a deferred tax asset is recorded for the difference between the tax base of the employee services received to date (being the future tax deduction allowed by local tax authorities) and the current carrying amount of this deduction, being nil by definition. Deferred tax assets are estimated based on the Group's share price at each closing date, and are recorded in income tax provided that the amount of tax deduction does not exceed the amount of the related cumulative stock option expenses to date. The excess, if any, is recorded directly in the equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a five-year lock-up period restriction. Fair values of such plans are measured taking into account:
- The exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant,
- The 20% discount granted to employees
- The consideration of the five-year lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share
- The grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

Fair values of such plans are fully recognized in "Personnel expenses" at the end of the subscription period.

The Group has also granted to management and certain employees' bonus shares plans. The fair value of those plans corresponds to the value of the shares at the grant date and takes into account the employee turnover during the vesting period as well as the value of the lock-up period restriction when applicable. Bonus share plans result in the recognition of a personal expense spread over the rights vesting period.

Corporate income tax

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated wherever temporary differences occur between the tax base and the consolidated base of assets and liabilities, using the liability method. Deferred tax is valued using the enacted tax rate at the closing date that will be in force when the temporary differences reverse.

Deferred tax assets and liabilities are netted off at the taxable entity level, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried forward are recognized when they are considered to be recoverable during their validity period, based on historical and forecast information.

Deferred tax liabilities for taxable temporary differences relating to goodwill are recognized, to the extent they do not arise from the initial recognition of goodwill.

Earnings per share

Basic earnings per share are calculated by dividing the net income (Group share) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net income (Group share), adjusted for the financial cost (net of tax) of dilutive debt instruments, by the weighted average number of ordinary shares outstanding during the period, plus the average number of shares which, according to the share buyback method, would have been outstanding had all the issued dilutive instruments been converted (stock options and convertible debt).

The dilutive impact of each convertible instrument is determined in order to maximise the dilution of basic earnings per share. The dilutive impact of stock options is assessed based on the average price of Atos Origin shares over the period.

Financial risk management

The Group's activities expose it to a variety of financial risks including liquidity risk, cash flow interest rate risk, credit risk and currency risk. Financial risk management is carried out by the Global Treasury Department and involves minimising potential adverse effects on the Group's financial performance.

Liquidity risk

Liquidity risk management involves maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Atos Origin's policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

Credit facilities are subject to financial covenants that are carefully followed by Group Treasury Department.

Maturity analysis of financial liabilities is disclosed in Note 22.

Cash flow interest rate risk

Cash flow interest rate risk arises mainly from borrowings. The management of exposure to interest rate risk encompasses two types:

- A price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Group is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the Consolidated Income Statement and, as such, future net income of the Group up to maturity of these assets.
- A cash-flow risk on floating-rate financial assets and liabilities should interest rates increase.

The main objective of managing overall interest rate on the Group's debt is to minimise the cost of debt and to protect the Group against fluctuations in interest rates by swapping to fixed rate a portion of the floating-rate financial debt. Authorised derivative instruments used to hedge the debt are swap contracts entered with leading financial institutions.

Credit risk

The Group has no significant concentrations of credit risk. The client selection process and related credit risk analysis is fully integrated within the global risk assessment project conducted throughout the life cycle of a project. Derivative counterparties and cash transactions are limited to high-credit quality financial institutions.

Currency risk

The Group's financial performance is not materially influenced by fluctuations in exchange rate since a significant portion of the business takes place within the euro zone and costs and revenues are generally denominated in the same currency. The main residual exposures are primarily in British pounds, Indian rupees and US dollars.

The Group has established a policy for managing foreign exchange positions resulting from commercial and financial transactions denominated in currencies different from the local currency of the relevant entity. According to this policy, any material exposure must be hedged as soon as it occurs. In order to hedge its foreign exchange rate exposure, the Group uses a variety of financial instruments, mainly forward contracts and foreign currency swaps.

Price risk

The Group has no material exposure to the price of equity securities, nor is it exposed to commodity price risks.

Foreign currency translation rates

Country		2008 Average rate	31 December 2008 Closing rate	2007 Average rate	31 December 2007 Closing rate	2006 Average rate	31 December 2006 Closing rate
Argentina (ARS)	ARS 100 = EUR	21.604	20.770	23.527	22.109	25.912	24.765
Brazil (BRL)	BRL 100 = EUR	37.761	30.052	37.517	38.820	36.606	35.426
Chile (CLP)	CLP 1000 = EUR	1.323	1.140	1.400	1.401	1.497	1.425
China (CNY)	CNY 100 = EUR	9.817	10.438	9.617	9.448	9.986	9.726
Columbia (COP)	COP 10000 = EUR	3.491	3.261	3.522	3.489	3.370	3.412
Hong Kong (HKD)	HKD 100 = EUR	8.765	9.213	9.374	8.899	10.260	9.773
India (INR)	INR 100 = EUR	1.580	1.487	1.773	1.765	1.762	1.717
Japan (JPY)	JPY 10000 = EUR	66.106	78.958	62.150	60.883	68.599	64.061
Malaysia (MYR)	MYR 100 = EUR	20.472	20.502	21.265	20.801	21.718	21.527
Mexico (MXN)	MXN 100 = EUR	6.163	5.366	6.693	6.421	7.313	6.981
Middle-East (SAR)	SAR 100 = EUR	18.201	19.020	19.522	18.543	21.245	20.286
Poland (PLN)	PLN 100 = EUR	28.605	24.472	26.418	27.736	25.674	26.048
Singapore (SGD)	SGD 100 = EUR	48.198	49.502	48.499	47.753	50.152	49.463
South Africa (ZAR)	ZAR 100 = EUR	8.365	7.422	10.353	9.932	11.893	10.846
Sweden (SEK)	SEK 100 = EUR	10.438	8.904	10.816	10.561	10.804	11.083
Switzerland (CHF)	CHF 100 = EUR	62.954	66.476	61.004	60.136	63.603	62.274
Taiwan (TWD)	TWD 100 = EUR	2.163	2.160	2.221	2.135	2.451	2.327
Thailand (THB)	THB 100 = EUR	2.084	2.063	2.255	2.308	2.100	2.093
Turkey (TRY)	TRY 100 = EUR	52.817	46.920	55.921	58.658	55.743	53.330
United Kingdom (GBP)	GBP 1 = EUR	1.264	1.053	1.463	1.375	1.467	1.491
USA (USD)	USD 100 = EUR	68.248	71.403	73.139	69.454	79.716	75.994
Venezuela (VEB)	VEB 10000 = EUR	3.181	3.325	3.405	3.238	3.710	3.540

18.3.3 Notes to the consolidated financial statements

Note 1 Changes of scope of consolidation

Disposals:

On 30 January 2008, the Group finalised the sale of its activities in Italy to Engineering. This activity made EUR 19.6 million revenue and a net loss of EUR -1.3 million for the month of January. As a result of the completion of the transaction, a net capital gain adjustment of EUR 1.4 million was recognized.

On 5 August 2008, the Group signed the sale of its 50% stake in Atos Euronext Market Solutions (AEMS) to NYSE Euronext materializing the commitments taken on 11 December 2007 when a memorandum of understanding was signed. Up to 31 July 2008 (date of deconsolidation), this activity generated EUR 124.7 million revenue and a net income of EUR 3.2 million. The pre-tax impact of this sale represented a capital gain of EUR 135.0 million recorded in other operating income.

On 12 December 2008, the Group sold its activities in Thailand to the local management. This activity was consolidated until 30 November 2008 and made EUR 19.3 million revenue and a net loss of EUR 4.2 million. The pre-tax impact of this sale represented a capital loss of EUR 12.5 million recorded in other operating income.

On 30 December 2008, the Group sold its Dutch Technical Automation business unit to Gilde Equity Management. This activity generated EUR 22.6 million revenue and an EUR 1.4 million operating margin in 2008. This transaction led to the recognition of a EUR 4.0 million capital gain recorded as other income and expenses.

Note 2 Assets and liabilities held for sale

In December 2007, the Group had signed an agreement to dispose of its activities in Italy and had also announced an agreement in principle to dispose of the Exchange business of AEMS. Consequently, the assets and liabilities of these entities had been reclassified as held for sale as at 31 December 2007.

(in EUR million) **Assets and liabilities disclosed as held for sale**	***Note***	**Italy**	**AEMS**	**31 Dec 2007**
Goodwill	*12*	-	128.2	128.2
Intangible assets	*13*	0.1	38.5	38.6
Tangible assets	*14*	0.1	25.3	25.4
Financial assets		0.1	3.4	3.5
Deferred tax assets	*9*	-	13.6	13.6
Sub total Non Current Assets		***0.3***	***209.0***	***209.3***
Current assets		157.4	101.8	259.2
TOTAL ASSETS		**157.6**	**310.8**	**468.5**
Deferred tax liabilities	*9*	0.1	7.7	7.8
Pensions	*19*	28.2	2.6	30.8
Provisions for contingencies and losses	*20*	10.9	7.2	18.1
Current liabilities		89.8	99.3	189.1
TOTAL LIABILITIES		**129.0**	**116.7**	**245.7**

Note 3 Segment information

Segment assets consist primarily of goodwill, property, plant and equipment, intangible assets, inventories, derivatives designed as hedges of future commercial transactions and receivables. They exclude income tax assets and cash.

Segment liabilities comprise operating and non-operating liabilities excluding income tax liabilities and borrowings with related derivatives instruments.

Primary reporting format – geographical segments

The Group is organised on a worldwide basis into seven geographical segments. Geographical segments are made of the following countries:

Geographical segments	**Countries**
France	France
Netherlands	The Netherlands
United Kingdom	The United Kingdom
Germany and Central Europe	Germany, Switzerland, Poland, Austria
Other European countries, Middle-East and Africa	Belgium, Luxembourg, Sweden, Italy, Spain, Portugal, Andorra, Greece, Turkey, Morocco, Dubai, Bahrain, South Africa
Americas	The United States of America, Canada, Mexico, Argentina, Brazil, Chile, Colombia
Asia-Pacific	China, Taiwan, Japan, Malaysia, Singapore, Thailand, Indonesia, India

Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

The geographical primary segment information for the year ended 31 December 2008 is as follows:

(in EUR million)	France	United Kingdom	Netherlands	Germany and Central Europe	Other EMEA	Americas	Asia-Pacific	Unallocated (1)	Eliminations	Total Group
Income statement										
External revenue by segment	1,675.1	977.3	1065.1	641.8	892.5	194.2	177.5			5,623.5
%	29.8%	17.4%	18.9%	11.4%	15.9%	3.5%	3.2%			100%
Inter-segment revenue	49.3	85.0	40.5	33.6	47.0	17.9	55.9	1.3	(330.5)	
Total revenue	1,724.4	1,062.3	1,105.6	675.4	939.5	212.1	233.4	1.3	(330.5)	5,623.5
Operating margin before allocation of corporate costs	**72.5**	**80.8**	**90.7**	**43.3**	**81.6**	**5.8**	**(1.5)**	**(106.8)**		**266.4**
%	4.3%	8.3%	8.5%	6.7%	9.1%	3.0%	-0.8%			4.7%
Allocation of corporate costs	(26.5)	(15.2)	(19.9)	(9.8)	(16.2)	(3.8)	(2.4)	93.8		
%	-1.6%	-1.6%	-1.9%	-1.5%	-1.8%	-2.0%	-1.4%			
Operating margin after allocation of corporate costs	**46.0**	**65.6**	**70.8**	**33.5**	**65.4**	**2.0**	**(3.9)**	**(13.0)**		**266.4**
%	2.7%	6.7%	6.7%	5.2%	7.3%	1.0%	-2.2%			4.7%
Operating Income before allocation of corporate costs	**(69.8)**	**126.6**	**36.2**	**32.7**	**74.6**	**7.6**	**(10.8)**	**(96.7)**		**100.4**
%	-4.2%	13.0%	3.4%	5.1%	8.4%	3.9%	-6.1%			1.8%
Profit before tax										77.6
Income tax expense										(48.1)
Net income										29.4
Other information on income statement										
Share of profit of associates										
Impairment losses recognized in profit or loss	(209.7)				(16.7)					(226.4)
Depreciation of fixed assets	(54.1)	(43.7)	(37.8)	(47.5)	(24.0)	(5.3)	(24.9)	(4.0)		(241.3)
Net depreciation of current assets	(1.6)	(3.6)	0.3	(6.5)	(0.3)	0.0	(0.6)	0.6		(11.7)
Net charge to provision	(4.9)	36.9	18.6	8.9	2.4	0.4	(2.1)	(0.1)		60.1
Segment assets	931.2	673.3	616.9	367.9	770.5	111.4	196.8	39.8		3,707.8
Tax related assets										233.8
Cash and cash equivalents										286.1
Total assets										**4,227.7**
Segment liabilities	639.3	312.3	284.5	224.0	282.4	79.9	80.0	72.7		1,975.1
Tax related liabilities										111.0
Borrowings and their derivatives instruments										599.2
Total liabilities										**2,685.3**
Other information										
Year-end number of employees	15,420	6,313	8,288	4,265	8,824	2,901	4,673	291		50,975
Capital expenditure	66.4	46.5	37.3	49.1	18.3	7.1	25.6	10.7		260.9

(1) Central structure costs not allocated by geographical segment.

The geographical primary segment information for the year ended 31 December 2007 is as follows:

(in EUR million)	France	United Kingdom	Netherlands	Germany and Central Europe	Other EMEA	Americas	Asia-Pacific	Unallocated (1)	Eliminations	Total Group
Income statement										
External revenue by segment	1,684.9	1,042.2	1,083.4	606.6	1,066.5	228.2	143.5			5,855.4
%	28.8%	17.8%	18.5%	10.4%	18.2%	3.9%	2.5%			100.0%
Inter-segment revenue	80.3	168.5	35.2	19.8	64.4	10.9	43.9	0.0	(423.0)	
Total revenue	1,765.1	1,210.7	1,118.7	626.4	1,130.9	239.2	187.4	0.0	(423.0)	5,855.4
Operating margin before allocation of corporate costs	**80.9**	**76.6**	**127.2**	**44.6**	**64.1**	**6.9**	**8.2**	**(137.0)**		**271.5**
%	4.8%	7.3%	11.7%	7.4%	6.0%	3.0%	5.7%			4.6%
Allocation of corporate costs	(34.5)	(19.2)	(23.7)	(9.3)	(12.7)	(3.7)	0.3	102.9		
%	-2.0%	-1.8%	-2.2%	-1.5%	-1.2%	-1.6%	0.2%			
Operating margin after allocation of corporate costs	**46.4**	**57.3**	**103.5**	**35.4**	**51.3**	**3.2**	**8.5**	**(34.1)**		**271.5**
%	2.8%	5.5%	9.6%	5.8%	4.8%	1.4%	5.9%			4.6%
Operating Income before allocation of corporate costs	**33.5**	**31.9**	**126.3**	**61.4**	**24.3**	**7.9**	**8.6**	**(157.2)**		**136.8**
%	2.0%	3.1%	11.7%	10.1%	2.3%	3.4%	6.0%			2.3%
Profit before tax										122.7
Income tax expense										(59.9)
Net income										63.0
Other information on income statement										
Share of profit of associates										
Impairment losses recognized in profit or loss										
Depreciation of fixed assets	(52.0)	(45.7)	(23.7)	(46.8)	(28.0)	(10.1)	(14.5)	(2.2)		(223.0)
Net depreciation of current assets	(0.7)	(0.6)	(0.5)	0.7	(0.8)	0.0	0.1	0.0		(2.0)
Net charge to provision	(0.4)	18.6	9.5	(7.0)	3.5	(0.2)	1.6	(5.6)		19.9
Segment assets (2)	1,240.6	951.9	672.1	373.1	970.1	124.5	189.3	34.9		4,556.4
Tax related assets										260.7
Cash and cash equivalents										348.0
Total assets										**5,165.1**
Segment liabilities (2)	653.4	612.9	302.7	213.8	430.6	95.5	106.4	85.6		2,500.9
Tax related liabilities										112.5
Borrowings and their derivatives instruments										687.4
Total liabilities										**3,300.7**
Other information										
Year-end number of employees	15,528	6,179	8,398	4,076	10,663	2,629	3,974	256		51,704
Capital expenditure	69.6	73.8	47.8	60.4	27.0	14.3	27.3	2.5		322.7

(1) Central structure costs not allocated by geographical segment.
(2) Including assets and liabilities reclassified as held for sale.

The geographical primary segment information for the year ended 31 December 2006 is as follows:

(in EUR million)	France	United Kingdom	Netherlands	Germany and Central Europe	Other EMEA	Americas	Asia-Pacific	Unallocated (1)	Eliminations	Total Group
Income statement										
External revenue by segment	1,652.2	1,034.8	1,051.3	592.0	733.5	201.7	131.4			5,396.9
%	30.6%	19.2%	19.5%	11.0%	13.6%	3.7%	2.4%			100.0%
Inter-segment revenue	97.0	189.7	31.4	15.3	49.6	12.2	34.6	28.9	(458.7)	
Total revenue	1,749.2	1,224.5	1,082.7	607.4	783.1	213.9	165.9	28.9	(458.7)	5,396.9
Operating margin before allocation of corporate costs	**105.5**	**24.1**	**139.4**	**46.4**	**14.5**	**11.6**	**12.0**	**(106.7)**		**246.7**
%	6.3%	2.4%	13.3%	7.8%	2.0%	5.8%	9.1%			4.6%
Allocation of corporate costs	(16.2)	(11.1)	(12.0)	(6.6)	(5.9)	(2.8)	1.7	52.9		
%	-1.0%	-1.1%	-1.1%	-1.1%	-0.8%	-1.4%	1.3%			
Operating margin after allocation of corporate costs	**89.3**	**13.0**	**127.4**	**39.8**	**8.6**	**8.8**	**13.7**	**(53.8)**		**246.7**
%	5.4%	1.3%	12.1%	6.7%	1.2%	4.4%	10.4%			4.6%
Operating Income before allocation of corporate costs	**98.0**	**(283.3)**	**137.1**	**48.4**	**(82.6)**	**13.7**	**14.7**	**(106.0)**		**(160.0)**
%	5.9%	-27.4%	13.0%	8.2%	-11.3%	6.8%	11.2%			-3.0%
Profit before tax										(171.1)
Income tax expense										(76.6)
Net income										(247.7)
Other information on income statement										
Share of profit of associates	0.1									0.1
Impairment losses recognized in profit or loss		(300.0)			(77.6)					(377.6)
Depreciation of fixed assets	(42.6)	(45.2)	(15.9)	(47.4)	(8.4)	(5.1)	(10.0)	(1.7)		(176.3)
Net depreciation of current assets	1.5	(3.2)	0.5	(0.7)	(2.5)	1.1				(3.2)
Net charge to provision	(4.5)	(9.8)	16.0	(2.5)	7.9		4.9	(6.7)		5.3
Segment assets	1,456.6	1,006.5	602.6	347.3	678.4	104.5	190.1	32.6		4,418.7
Tax related assets										304.7
Cash and cash equivalents										453.9
Total assets										**5,177.3**
Segment liabilities	608.7	618.2	275.3	198.8	419.0	100.6	98.1	78.3		2,397.0
Tax related liabilities										124.5
Borrowings and their derivatives instruments										815.4
Total liabilities										**3,336.9**
Other information										
Year-end number of employees	14,887	6,322	8,248	3,882	10,437	2,774	3,110	181		49,841
Capital expenditure	57.7	63.0	25.9	35.4	11.7	5.1	15.1	2.9		216.8

(1) Central structure costs not allocated by geographical segment.

Secondary reporting format – information by service line

The segment information for the year ended 31 December 2008 is as follows:

(in EUR million)	Consulting (2)	Systems Integration (2)	Managed Operations (2)	Unallocated (3)	Total Group
External revenue	349.5	2,216.0	3,058.0		5,623.5
Operating margin before allocation of corporate costs (1)	16.7	85.1	247.3	(82.7)	266.4
% margin	4.8%	3.8%	8.1%		4.7%
Carrying amount of segment assets	134.7	832.6	1,166.6	1,573.9	3,707.8
Tax related assets					233.8
Cash & cash equivalents					286.1
Capital expenditure	1.2	20.6	228.4	10.7	260.9
Average number of employees	2,672	24,357	23,246	246	50,521

(1) Central structure costs unallocated by service line.
(2) Including Global Consulting and Systems Integration and Global Managed Operations structures.
(3) Unallocated carrying amount of segment assets includes goodwill.

The segment information for the year ended 31 December 2007 is as follows:

(in EUR million)	Consulting (2)	Systems Integration (2)	Managed Operations (2)	Unallocated (3)	Total Group
External revenue	360.1	2,338.4	3,156.9		5,855.4
Operating margin before allocation of corporate costs (1)	17.5	95.7	274.3	(116.0)	271.5
% margin	4.9%	4.1%	8.7%		4.6%
Carrying amount of segment assets (4)	140.8	898.0	1,298.5	2,219.2	4,556.4
Tax related assets					260.7
Cash & cash equivalents					348.0
Capital expenditure	2.7	34.6	282.9	2.5	322.7
Average number of employees	2,628	24,776	22,889	226	50,520

(1) Central structure costs unallocated by service line.
(2) Including Global Consulting and Systems Integration and Global Managed Operations structures.
(3) Unallocated carrying amount of segment assets includes goodwill.
(4) Including assets reclassified as held for sale.

The segment information for the year ended 31 December 2006 is as follows:

(in EUR million)	Consulting (2)	Systems Integration (2)	Managed Operations (2)	Unallocated (3)	Total Group
External revenue	405.7	2,242.6	2,748.6		5,396.9
Operating margin before allocation of corporate costs (1)	36.5	69.0	234.4	(93.2)	246.7
% margin	9.0%	3.1%	8.5%	-	4.6%
Carrying amount of segment assets	122.9	905.5	1,309.9	2,080.4	4,418.7
Tax related assets					304.7
Cash & cash equivalents					453.9
Capital expenditure	2.7	27.1	184.1	2.8	216.8
Average number of employees	2,734	24,325	21,834	190	49,083

(1) Central structure costs unallocated by service line.
(2) Including Global Consulting and Systems Integration and Global Managed Operations structures.
(3) Unallocated carrying amount of segment assets includes goodwill.

External revenue by location of customers

(in EUR million)	France	United Kingdom	Netherlands	Other EMEA	Americas	Asia-Pacific	Total Group
12 months ended 31 December 2008	**1,569.7**	**1,000.0**	**1,076.1**	**1,569.0**	**229.8**	**178.9**	**5,623.5**
12 months ended 31 December 2007	1,495.3	1,131.3	1,106.8	1,773.3	201.5	147.2	5,855.4
12 months ended 31 December 2006	1,461.4	1,100.1	1,069.8	1,353.7	272.9	139.0	5,396.9

Note 4 Personnel expenses

(In EUR million)	12 months ended 31 Dec 2008	% Revenue	12 months ended 31 Dec 2007	% Revenue	12 months ended 31 Dec 2006	% Revenue
Wages and salaries (*)	(2,359.2)	42.0%	(2,421.6)	41.4%	(2,288.5)	42.4%
Social security charges	(667.6)	11.9%	(696.5)	11.9%	(647.8)	12.0%
Tax, training, profit-sharing	(66.0)	1.2%	(60.8)	1.0%	(62.3)	1.2%
Equity-based compensation	(13.7)	0.2%	(17.5)	0.3%	(23.2)	0.4%
Net charge to provisions for staff expenses	0.4	0.0%	13.7	-0.2%	(11.3)	0.2%
Difference between pension contributions and net pension expense (**)	42.5	-0.8%	15.9	-0.3%	37.2	-0.7%
Total	**(3,063.6)**	**54.4%**	**(3,166.9)**	**54.1%**	**(2,995.9)**	**55.5%**

(*) of which EUR 4.6 million for restructuring in 2008 compared to EUR 22.7 million in 2007.
(**) difference between total cash contributions made to the pension funds and the net pension expense under IAS 19.

Equity-based compensation

The EUR 13.7 million charge recorded within operating margin for equity based compensation (EUR 17.5 million in 2007) is made of EUR 10.5 million related to the Management and Long-Term Incentive plans implemented in 2008 and in 2007, and of EUR 3.2 million related to the stock option plans granted in 2008 and in previous years.

2008 « Long-Term Incentive » Plan

On 18 March 2008, the Group has set up a performance free share plan called 2008 “Long-Tem Incentive” (LTI), similar to the one already set up in 2007. Under this new plan, 228,442 free shares were granted to 408 managers. The stock price at the grant date was EUR 32.87.

The aim of this plan is to motivate employees and to reinforce the Group’s capability to reach challenging financial targets, in line with Shareholder’s value creation.

According to local tax regulations, the vesting period is either:
- 2 years followed by a lock-up period of 2 years, or
- 4 years and no lock-up period.

Vesting conditions are subject to:
- the realization of Group financial objectives over the two fiscal years 2008 and 2009
- the realization of personal achievements
- a presence in the Group throughout the vesting period.

The number of free shares obtained by the employees will vary in a 0 to 3 range depending on the level of performance reached.

Under this plan, the Group has recognised a personnel cost amounting to EUR 2.2 million from March 2008. The cost expected for 2009 (EUR 2.1 million) is lower than the 2008 expense due to the departure of some beneficiaries at the end of 2008.

2008 “Management Incentive” Plan

On 15 May 2008, the Group has set up a voluntary free share plan called 2008 “Management Incentive” plan (MIP), similar to the one already set up in 2007, whereby free shares are granted upon the acquisition of an equivalent number of shares on the stock market. Under this new plan, 248,306 shares were granted to 165 managers. The stock price at grant date was EUR 38.69. The aim of this plan is to promote employee ownership and retention.

According to local tax regulations, the vesting period is either:
- 2 years followed by a lock-up period of 2 years, or
- 4 years and no lock-up period.

Vesting conditions are subject to the presence in the Group and investment in Atos Origin shares throughout the vesting period. The initial investment is subject to a 2 year lock-up period.

Under this plan, the Group has recognized a personnel cost amounting to EUR 2.3 million from May 2008. The cost expected for 2009 is EUR 3.6 million.

Methodology used

In accordance with the specific guidance issued by the CNC (Conseil National de la Comptabilité), the cost related to the 2008 MIP and 2008 LTI plans take into account the effect of the 2 years lock-up period restriction, whenever applicable, calculated based on the following parameters:
- Risk free interest rate: 5.1%
- Credit spread: 1.0%
- Borrowing-lending spread: 1.5%
- Employee turnover ratio: 4.0%

2007 “Long-Term Incentive” plan and “Management Incentive” Plan

The 2007 “Long-Term Incentive” plan based on cumulative financial objectives for fiscal year 2007 and 2008 (operating cash capacity defined as OMDA minus CAPEX) has been positively triggered.

2008 expense related to 2007 LTI and MIP plans has been updated taking into account the number of free shares void following the departure of some beneficiaries from the Group.

Total expense related to free share plans is as follows:

(In EUR million)	**12 months ended 31 December 2008**	**12 months ended 31 December 2007**
LTI 2008	2.2	-
MIP 2008	2.3	-
LTI 2007	2.2	1.8
MIP 2007	3.8	2.0
Total	**10.5**	**3.8**

Stock option plans

The Group recognized a total expense of EUR 3.2 million on stock options (EUR 8.6 million in 2007). The 2008 expense comprises EUR 2.7 million related to plans granted in previous years and EUR 0.5 million related to the 2008 plans as detailed below:

Date of grant	**Number of shares initially granted**	**2008 expense**
10 March 2008	190,000	0.3
22 July 2008	7,500	0.1
23 December 2008	1,378,000	0.1

Stock option plan - 10 March 2008 grant

In lieu of participation to the 2008 MIP plan for the Management Board, the Supervisory Board has decided to grant stock options to Management Board members for a total of 190,000 options. Following the departure of some members of the Management Board in the period, 140,000 stock options expired. Accordingly, the 2008 expense (EUR 0.3 million) represents the cost of the remaining 50,000 stock options still valid. This grant represents a total expense of EUR 0.5 million over two years.

Those options are exercisable at a price equal to the average of the last 20 closing prices preceding the date of grant. The vesting period is gradual: options vest on successive portions over 2 years. An embargo period exists for as long as the laws and regulations applicable in the country of residence of the employee or in the country of the employing company would create for Atos Origin or the employing company an adverse social charges and tax effect in case of exercise of the options.
Options are forfeited if the employee leaves the Group before the options vest, other than in exceptional circumstances.

Stock option plan - 22 July 2008 grant

The group has granted stock options to employees for a total of 7,500 options, the cost of which has been fully recognized in 2008 for EUR 0.1 million.

Stock option plan – 23 December 2008 grant

The group has granted stock options for a total of 1,378,000 options on 23 December 2008 to its new Chairman of the Management Board and CEO, key managers and project leaders of the TOP program. This grant represents a total expense of EUR 4.8 million, of which EUR 0.1 million in 2008.

The vesting period is gradual: options vest on successive equal portions over 3 years.

Each of these portions has a different exercise price:
- EUR 18.4 for the first portion (vested in April 2010)
- EUR 22.0 for the second portion (vested in April 2011)
- EUR 26.4 for the third portion (vested in April 2012)

The vesting of stock options related to portions 2 and 3 is subject to the realisation of Group internal performance conditions.

Options are forfeited if the employee leaves the Group before the options vest, other than in exceptional circumstances.

Equity-based compensation has been determined based on the following hypothesis:

	23 December 2008	10 March 2008		29 March 2006		10 January 2005	
		French plan	Foreign plan	French plan	Foreign plan	French plan	Foreign plan
Share price at grant date	17.60	33.32	33.32	60.95	60.95	51.8	51.8
Exercise price	18.4/22.0/26.4	34.7255	34.7255	59.99	59.99	49.7	49.7
Expected volatility	29.7%	31.0%	33.0%	25.0%	25.0%	34.1%	34.1%
Expected life	60 months	60 months	48 months	60 months	48 months	60 months	48 months
Risk free rate	2.78%	3.79%	3.74%	3.56%	3.42%	2.96%	2.78%
Expected dividend yield	1%	1%	1%	0%	0%	0%	0%
Fair value of options granted	4.5/3.5/2.5	9.66	9.06	18.3	16.0	19.0	16.8

Expected volatility was determined in 2008 based on the smoothed historical volatility of the Group's share price observed over a period consistent with the expected life of the option. Because of the atypical volatility observed recently on equity markets, a smoothing technique has been used as suggested by IFRS 2, and has led to the elimination, in the calculation of the annualized historical volatility, of daily variations greater than 5%. The expected life used in the model has been adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Details of share options outstanding at the end of year were as follows:

	12 months ended 31 December 2008		12 months ended 31 December 2007		12 months ended 31 December 2006	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at the beginning of the year	**5,982,272**	**62.2**	**6,445,741**	**61.3**	**6,145,432**	**61.1**
Granted during the year	1,575,500	23.8	25,000	40.4	1,217,140	59.1
Forfeited during the year	(182,033)	40.3	(108,319)	58.5	(126,688)	55.6
Exercised during the year	(7,299)	25.9	(135,750)	26.1	(286,743)	33.7
Expired during the year	(214,900)	94.2	(244,400)	57.3	(503,400)	70.3
Outstanding at the end of the year	**7,153,540**	**53.4**	**5,982,272**	**62.2**	**6,445,741**	**61.3**
Exercisable at the end of the year, below year-end stock price (*)	**-**	**-**	**442,969**	**25.9**	**699,899**	**28.8**

(*) Year-end stock price: EUR 17.78 at 31 December 2008, EUR 35.35 at 31 December 2007, EUR 44.93 at 31 December 2006.

Options outstanding at the end of the year have a weighted average remaining contractual life of 5.8 years (2007 – 5.6 years)

Note 5 Operating expenses

(In EUR million)	12 months ended 31 December 2008	% Revenue	12 months ended 31 December 2007	% Revenue	12 months ended 31 December 2006	% Revenue
Purchase for selling and royalties	(168.0)	3.0%	(241.7)	4.1%	(306.3)	5.7%
Subcontracting costs	(759.8)	13.5%	(747.6)	12.8%	(561.5)	10.4%
Premises costs	(226.1)	4.0%	(246.7)	4.2%	(223.0)	4.1%
Means of production	(413.8)	7.3%	(458.2)	7.8%	(397.3)	7.4%
Telecommunications	(104.3)	1.9%	(119.8)	2.0%	(114.4)	2.1%
Travelling expenses	(148.4)	2.6%	(141.0)	2.4%	(130.2)	2.4%
Taxes, other than corporate income tax	(22.9)	0.4%	(8.1)	0.1%	(30.6)	0.6%
Other operating expenses	(210.6)	3.7%	(208.4)	3.6%	(188.6)	3.5%
Subtotal expenses	**(2,053.9)**	**36.5%**	**(2,171.5)**	**37.1%**	**(1,951.9)**	**36.1%**
Depreciation of fixed assets	(241.3)	4.2%	(223.0)	3.8%	(176.3)	3.3%
Net booked value of assets sold/written off	(3.8)	(0.1%)	(10.9)	0.2%	(2.2)	-
Net depreciation/provision	5.5	0.1%	(11.6)	0.2%	(23.9)	0.4%
Subtotal depreciation and provisions	**(239.6)**	**4.3%**	**(245.5)**	**4.2%**	**(202.4)**	**3.9%**
Total	**(2,293.5)**	**40.8%**	**(2,417.0)**	**41.3%**	**(2,154.3)**	**40.0%**

Note 6 Other operating income and expenses

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Restructuring and rationalisation	(102.9)	(97.7)	(31.2)
Pensions	17.4	-	-
Release of opening balance sheet provisions no longer needed	9.8	10.1	13.7
Capital gains and losses on disposal of assets	142.5	21.0	1.5
Impairment gains / (losses) on long-term assets and other	(232.8)	(68.1)	(390.7)
Total	**(166.0)**	**(134.7)**	**(406.7)**

Restructuring and rationalisation

The net charge for restructuring and rationalisation of EUR 102.9 million mainly relates to restructuring programs in France (EUR 38.1 million), The Netherlands (EUR 19.7 million), the UK (EUR 15.9 million), and Central Europe (EUR 10.8 million).

Pension

UK pensions plan amendment (New Deal)

The Group has finalised in 31 March 2008 the plan amendment announced in December 2007 of its UK corporate defined benefit pension plans. The impact is as follows:

- a cessation of future defined benefit accrual effective 1 April 2008 leading to a curtailment gain (reduction in liabilities) of EUR 2.7 million;
- a removal of indexation on pension rights accumulated before 1997 following a one off increase of 5% in 2008, resulting in a reduction of liabilities of EUR 51.8 million.

Impairment of Dutch pension prepaid asset

The Group has considered that the Dutch pension prepaid asset recognized prior to any "asset ceiling" IFRIC 14 considerations would not result in reduced contributions or refunds available to the employer in the medium term, due to the particular exposure of the Dutch Pension Fund's assets to the current financial markets. As a result, the net asset of EUR 47.5 million as at 31 December 2008 has been capped at EUR 8.6 million, and the corresponding depreciation of EUR 38.9 million was recognized as an other operating expense due to its materiality.

Capital gains and losses on disposal of assets

On 5 August 2008, the Group completed the sale of its 50% stakes in Atos Euronext Market Solutions (AEMS) to NYSE Euronext materializing the commitments taken on 11 December 2007 when a memorandum of understanding was signed and announced. This transaction generated a capital gain of EUR 135 million.

In January 2008, Atos Origin finalised the sale of its activities in Italy to Engineering, for a capital gain adjustment of EUR 1.4 million.

On 12 December 2008, the Group sold its activities in Thailand to the local management. Consequently, a capital loss of EUR 12.5 million was recorded.

On 30 December 2008, the Group sold its Technical Automation business in the Netherlands to Gilde Equity Management, with a capital gain of EUR 4.0 million.

In December 2008, the Group sold its headquarters in Madrid to a real estate investor. This transaction led to the recognition of a EUR 14.3 million capital gain.

Impairment losses on long-term assets and other

The Group has recorded an impairment charge of EUR 226.4 million, mainly attributable to the French operations (excluding Atos Worldline activities) for EUR 209.7 million and to Iberia for EUR 15.4 million.

The comments on this charge are described in note 12.

Note 7 Net financial income

Net cost of financial debt

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Net interest expenses	**(31.2)**	**(28.9)**	**(21.0)**
Interest on obligations under finance leases	(1.0)	(1.6)	(3.2)
Gain/(loss) on disposal of cash equivalents	2.5	2.4	4.4
Gain/(loss) on interest rate hedges of financial debt	1.0	(0.5)	(2.9)
Net cost of financial debt	**(28.7)**	**(28.6)**	**(22.7)**

The average net debt during the year 2008 was EUR 518.5 million. The average net cost of financial debt amounted to 5.73% before interest swaps and to 5.53% after interest swaps.

Other financial income and expenses

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Foreign exchange (expenses)/income	(4.1)	(3.5)	(4.1)
Fair value gain/(loss) on forward exchange contracts held for trading	(1.8)	0.1	(0.6)
Other financial income	13.2	17.9	16.8
Discounting financial expenses	(1.4)	0.1	(0.7)
Other financial income and expenses	**5.9**	**14.6**	**11.5**

The EUR 13.2 million of Other financial income mainly relate to pensions for EUR 20.1 million, which represent the positive difference between the interests cost and the expected return on plan assets.

Note 8 Income tax expenses

Current and deferred taxes

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Current taxes	(36.7)	(57.4)	(30.9)
Deferred taxes	(11.4)	(2.5)	(45.7)
Total	**(48.1)**	**(59.9)**	**(76.6)**

Effective tax rate

The difference between the French standard rate of tax and the effective tax rate is shown as follows:

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Net income before tax	77.6	122.8	(171.1)
French standard rate of tax	34.4%	34.4%	34.4%
Theoretical tax charge at French standard rate	(26.7)	(42.2)	58.9
Impact of permanent differences	(3.3)	(9.8)	(2.9)
Differences in foreign tax rates	26.2	29.5	3.7
Unrecognized tax assets	(4.2)	(14.9)	(46.1)
Capital gains and goodwill impairment	(39.1)	-	(78.7)
Other	(1.0)	(22.5)	(11.5)
Group tax charge	**(48.1)**	**(59.9)**	**(76.6)**
Effective tax rate	**62.0%**	**48.8%**	**-44.8%**

The Group effective tax rate is 62.0%. The impact of permanent differences of EUR 3.3 million relates to non deductible items such as stock options, mixed expenses, partly exempted capital gains. Unrecognized tax assets variation of EUR -4.2 million mainly relates to new unrecognized tax losses in the United Kingdom, Hong Kong and Brazil and for EUR 1.1 million to the change of valuation allowances on the deferred tax assets. Capital gains and goodwill impairment of EUR -39.1 million relate to the disposal of AEMS Exchange and Thailand (EUR 39.7 million) and goodwill impairments (EUR -78.8 million) in France, Spain, Sweden and the disposed Technical Automation business in the Netherlands.

After restating for exceptional items such as the disposals of AEMS Exchange, Italy and Thailand, the above mentioned impairments and the change of the deferred tax asset recognition, the restated profit before tax is EUR 187.4 million, the restated tax charge is EUR 44,2 million, resulting in a restated effective tax rate of 23.6%.

Note 9 Deferred taxes

Breakdown of deferred tax assets and liabilities by nature

(In EUR million)	Tax losses carry forward	Fixed assets	Pensions	Other	Total
At 31 December 2006	**37.8**	**41.4**	**96.1**	**27.8**	**203.1**
Charge to profit or loss for the year	5.3	10.5	(8.4)	(9.7)	(2.3)
Charge to goodwill	-	-	-	-	-
Change of scope	-	-	0.1	(1.7)	(1.6)
Charge to equity	-	(0.2)	(0.4)	0.1	(0.5)
Reclassification	-	-	-	(0.1)	(0.1)
Exchange differences	(0.6)	(3.6)	(5.3)	(4.8)	(14.3)
Subtotal	**42.5**	**48.1**	**82.1**	**11.6**	**184.3**
Asset held for sale	**(0.3)**	**(6.4)**	**(0.8)**	**1.7**	**(5.8)**
At 31 December 2007	**42.2**	**41.7**	**81.3**	**13.3**	**178.5**
Charge to profit or loss for the year	12.6	7.5	(25.4)	(6.1)	(11.4)
Charge to goodwill	0.9	-	-	2.1	3.0
Change of scope	-	1.0	1.1	(3.7)	(1.6)
Charge to equity	-	-	-	4.3	4.3
Reclassification	4.1	(2.0)	(2.6)	0.7	0.2
Exchange differences	(0.5)	(10.4)	(9.7)	(13.8)	(34.4)
At 31 December 2008	**59.3**	**37.8**	**44.7**	**(3.2)**	**138.6**

The increase of deferred tax assets on tax losses carry forward is primarily caused by an increase of recognized tax losses in France and the USA. The decrease of deferred tax assets on Pensions and Others is primarily caused in the United Kingdom by New Deal and the depreciation of the GBP.

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Deferred tax assets	208.4	260.6	258.0
Reclassified as held for sale	-	(13.6)	-
Total deferred tax assets excluding held for sale activities	**208.4**	**247.0**	**258.0**
Deferred tax liabilities	69.8	76.3	54.9
Reclassified as held for sale	-	(7.8)	-
Total deferred tax liabilities excluding held for sale activities	**69.8**	**68.5**	**54.9**

Tax losses carry forward schedule

(in EUR million)	12 months ended 31 December 2008			12 months ended 31 December 2007			12 months ended 31 December 2006		
	Recog-nised	Unrecog-nised	Total	Recog-nised	Unrecog-nised	Total	Recog-nised	Unrecog-nised	Total
2007	-	-	-	-	-	-	1.8	-	1.8
2008	-	-	-	-	2.2	2.2	0.1	3.7	3.8
2009	-	0.5	0.5	-	4.6	4.6	-	8.3	8.3
2010	-	0.2	0.2	-	5.1	5.1	-	13.8	13.8
2011	-	10.0	10.0	-	99.9	99.9	0.2	95.7	95.9
2012	1.0	-	1.0	3.9	43.7	47.6	-	-	-
2013	0.3	9.1	9.4	-	-	-	-	-	-
Tax losses available for carry forward more than 5 years	11.4	10.4	21.8	13.7	119.8	133.5	17.2	127.1	144.3
Ordinary tax losses carry forward	**12.7**	**30.2**	**42.9**	**17.6**	**275.3**	**292.9**	**19.3**	**248.6**	**267.9**
Evergreen tax losses carry forward	**165.2**	**471.7**	**636.9**	**112.5**	**317.1**	**429.6**	**114.6**	**223.9**	**338.5**
Total tax losses carry forward	**177.9**	**501.9**	**679.8**	**130.1**	**592.4**	**722.5**	**133.9**	**472.4**	**606.3**

Compared to 2007, total tax losses carried forward have decreased by EUR 42.7 million. The decrease is mostly due to the absence of the Italian tax losses (EUR 131.0 million), usage of losses in the USA, balanced with the creation of tax losses in France (EUR 53.7 million) and in Hong Kong (EUR 25.0 million).

The countries with the largest tax losses available for carry forward are the United Kingdom (EUR 153.5 million), the Netherlands (EUR 40.8 million), Spain (EUR 13.5 million) the United States (EUR 109.6 million), France (EUR 137.1 million), Asia Pacific (EUR 80.8 million), Brazil (EUR 52.1 million) and Germany (EUR 31.8 million).

Deferred tax assets not recognized by the Group

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Tax losses carry forward	142.3	184.8	149.9
Temporary differences	20.7	49.7	76.1
Total	**163.0**	**234.5**	**226.0**

Note 10 Minority interests

(In EUR million)	31 December 2007	2008 Income	Others	31 December 2008
Atos Euronext Market Solutions	163.0	2.1	(165.1)	-
Atos Worldline Processing GmbH	5.7	3.2	(2.3)	6.6
Others	4.2	1.5	(1.3)	4.4
Total	**172.9**	**6.8**	**(168.7)**	**11.0**

(In EUR million)	31 December 2006	2007 Income	Others	31 December 2007
Atos Euronext Market Solutions	156.0	12.1	(5.1)	163.0
Atos Worldline Processing GmbH	3.8	1.8	-	5.7
Others	5.7	0.9	(2.4)	4.2
Total	**165.5**	**14.8**	**(7.5)**	**172.9**

Other changes for Atos Euronext Market Solutions (AEMS) (EUR 165.1 million) are due to the sale on 5 August 2008 of the Group's 50% stake to NYSE Euronext.

Note 11 Earnings per share

Basic and diluted earnings per share are reconciled in the table below. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation. The average number of stock options not exercised in 2008 amounted to 6,260,361 shares, out of which 74,279 have a dilutive effect on earnings per share.

(In EUR million and shares)	31 December 2008	31 December 2007	31 December 2006
Net income - Group share [a]	**22.6**	**48.2**	**(264.4)**
Weighted average number of shares outstanding [b]	69,712,178	68,946,489	67,614,323
Impact of dilutive instruments [c]	74,279	194,921	-
Diluted weighted average number of shares [d]=[c]+[b]	69,786,457	69,141,410	67,614,323
Earnings per share in EUR [a]/[b]	**0.32**	**0.70**	**(3.91)**
Diluted earnings per share in EUR [a]/[d]	0.32	0.70	(3.91)

Note 12 Goodwill

(In EUR million)	31 December 2007	Acquisitions / Depreciations	Reclassified as held for sale	Others	Exchange rate fluctuations	31 December 2008
Gross value	2,196.1	2.0	-	(8.0)	(194.4)	**1,995.7**
Impairment loss	(328.3)	(226.4)	-	-	70.1	**(484.6)**
Carrying amount	**1,867.8**	**(224.4)**	**-**	**(8.0)**	**(124.3)**	**1,511.1**

(In EUR million)	31 December 2006	Acquisitions / Depreciations	Reclassified as held for sale	Others	Exchange rate fluctuations	31 December 2007
Gross value	2,466.3	3.0	(198.6)	(2.2)	(72.4)	2,196.1
Impairment loss	(420.7)	-	70.4	-	22.0	(328.3)
Carrying amount	**2,045.6**	**3.0**	**(128.2)**	**(2.2)**	**(50.4)**	**1,867.8**

Goodwill is allocated to the Group's cash generating units (CGUs) by geographical segment. A summary of the carrying amounts of goodwill allocated by geographical segment corresponding to CGUs or grouping of CGUs is presented hereafter. Overall, goodwill was reduced from EUR 1,867.8 million to EUR 1,511.1 million mainly due to the impairment charge of the year for EUR 226.4 and by the effect of foreign exchange rates variations for EUR 124.3 million.

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
France	471.8	534.8	648.5
The United Kingdom	398.9	522.2	566.2
The Netherlands	292.2	298.5	298.5
Germany & Central Europe	117.7	117.6	117.6
Other European countries and Africa (*)	125.2	284.5	296.9
Americas	16.8	24.6	24.1
Asia-Pacific	88.5	85.6	93.8
Total	**1,511.1**	**1,867.8**	**2,045.6**

(*) "Other European countries and Africa" group of CGUs includes the Spanish CGU.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial business plans approved by management, covering a three-year period. They are also based on the following assumptions:

Terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.5 % (3.0% in 2007) consistent with forecasts from industry analysts.

Discount rates are applied by CGU based on the Group's weighted average cost of capital and adjusted to take into account specific tax rates and country risks relating to each geographical area.
In response to the high volatility of equity risk premiums observable in the financial markets at year-end, in line with the AMF ("Autorité des Marchés Financiers") recommendation dated 29 October 2008, the Group considers that the weighted average cost of capital should be determined based on an historical equity risk premium of 5.3%, in order to reflect the long-term assumptions factored in the impairment tests.

As a result, the discount rates used are presented hereafter, with the indication of corresponding pretax discount rates:

	2008 discount rate	Corresponding pre-tax discount rate	2007 discount rate
France	9.6%	13.1%	9.6%
The United Kingdom	9.7%	12.4%	9.4%
The Netherlands	9.7%	12.1%	9.8%
Germany & Central Europe	9.7%	12.7%	9.7%
Other European countries and Africa(*)	Between 9.6% and 9.7%	Between 12.1% and 17.8%	Between 9.6% and 9.8%
Americas	Between 9.6% and 12.7%	Between 13.2% and 18.5%	9.6%
Asia-Pacific	11.1%	11.6%	10%

(*) "Other European countries and Africa" group of CGUs includes the Spanish CGU.

The Group has recorded an impairment charge of EUR 226.4 million in 2008, mainly attributable to the French operations (excluding Atos Worldline activities) for EUR 209.7 million and to the Spanish operations for EUR 15.4 million.

In France, the EUR 209.7 million impairment charge results from a business plan which has been revised following a lower base for 2008, mainly for the Systems Integration service line, and a profitability below the Group's average.

The Group's operations in Spain are suffering from a severe economic environment and accordingly a EUR 15.4 million impairment charge was recognized.

For both cash generating units, values in use have also been significantly affected by the reduction of 0.50 point of the long-term perpetuity growth assumption. Had the 2007 assumptions be maintained (WACC between 9.4% and 10.0%, LT growth 3.0%), the impairment charge would have been EUR 190.1 million. In addition, in compliance with IAS 36, the impairment tests do not take into consideration the effects of the TOP plan.

The Group has conducted a sensitivity analysis on the key assumptions used, mainly the discount rates and the perpetuity growth. The changes in impairment expense that would result from a change in hypothesis are presented below:

Change in impairment expense	Maintain of discount rates	Increase of discount rate by 0.5 point
Maintain of perpetuity growth assumption	Not applicable	-32.3
Decrease of perpetuity growth assumption by 0.5 point	-28.3	-57.0

Note 13 Intangible assets

Intangible assets mainly comprise software representing a net value of EUR 42.3 million at 31 December 2008 against EUR 66.5 million at 31 December 2007.

(In EUR million)	**Gross value**	**Amortisation**	**Net value**
31 December 2006	**365.3**	**(247.0)**	**118.3**
Additions / charges	44.2	(39.5)	4.7
Disposals / reversals	(38.1)	32.3	(5.8)
Impact of business combinations	0.2	(0.2)	(0.0)
Disposals of subsidiaries	(0.5)	0.4	(0.2)
Exchange differences	(11.7)	8.0	(3.7)
Impairment	-	(0.5)	(0.5)
Reclassified as held for sale	(110.1)	71.5	(38.6)
Others	(7.1)	7.8	0.7
31 December 2007	**242.1**	**(167.3)**	**74.9**
Additions / charges	42.1	(42.2)	(0.1)
Disposals / reversals	(0.3)	0.3	-
Impact of business combinations	-	-	-
Disposals of subsidiaries	(0.7)	7.8	7.1
Exchange differences	(18.6)	15.2	(3.4)
Impairment	-	(3.4)	(3.4)
Reclassified as held for sale	-	-	-
Others	16.3	(13.9)	2.4
31 December 2008	**280.9**	**(203.4)**	**77.5**

Note 14 Tangible assets

(In EUR million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At 1 January 2008	266.5	800.5	77.0	1,144.0
Additions	23.7	178.5	32.7	234.9
Disposals	(24.0)	(57.0)	(9.7)	(90.7)
Impact of business combinations	0.1	0.1	0.1	0.3
Disposal of subsidiaries	(0.9)	(8.4)	(1.3)	(10.6)
Exchange differences	(16.5)	(21.0)	(1.4)	(38.9)
Reclassified as held for sale	-	-	-	-
Others	7.7	14.7	(18.8)	3.6
At 31 December 2008	**256.6**	**907.4**	**78.6**	**1,242.6**
Accumulated depreciation				
At 1 January 2008	(129.0)	(540.7)	(37.2)	(706.9)
Depreciation charge for the year	(27.2)	(152.8)	(6.2)	(186.2)
Eliminated on disposal	14.5	55.6	7.2	77.3
On assets reclassified as held for sale	-	-	-	-
Exchange differences	8.6	13.5	0.9	23.0
Disposal of subsidiaries	1.0	4.7	0.2	5.9
Impairment	-	-	-	-
Others	-	(2.9)	1.6	(1.3)
At 31 December 2008	**(132.1)**	**(622.6)**	**(33.5)**	**(788.2)**
Net value				
At 1 January 2008	**137.4**	**259.8**	**39.8**	**437.0**
At 31 December 2008	**124.5**	**284.8**	**45.0**	**454.3**

(In EUR million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
At 1 January 2007	261.6	813.7	85.6	1,160.9
Additions	45.5	216.6	22.3	284.3
Disposals	(21.2)	(82.1)	(6.7)	(110.0)
Impact of business combinations	0.0	0.1	0.0	0.1
Disposal of subsidiaries	(2.2)	(1.0)	(0.5)	(3.6)
Exchange differences	(5.7)	(17.7)	(1.0)	(24.5)
Reclassified as held for sale	(16.9)	(151.7)	(5.0)	(173.6)
Others	5.4	22.7	(17.6)	10.4
At 31 December 2007	**266.5**	**800.5**	**77.0**	**1,144.0**
Accumulated depreciation				
At 1 January 2007	(124.2)	(604.9)	(49.4)	(778.5)
Depreciation charge for the year	(26.3)	(138.6)	(9.7)	(174.7)
Eliminated on disposal	13.5	64.5	4.7	82.7
On assets reclassified as held for sale	10.1	134.6	3.5	148.2
Exchange differences	2.8	12.4	0.3	15.5
Disposal of subsidiaries	0.2	0.7	0.4	1.3
Impairment	(0.1)	(4.1)	(0.2)	(4.3)
Others	(5.0)	(5.3)	13.2	2.9
At 31 December 2007	**(129.0)**	**(540.7)**	**(37.2)**	**(706.9)**
Net value				
At 1 January 2007	**137.4**	**208.8**	**36.2**	**382.4**
At 31 December 2007	**137.4**	**259.8**	**39.8**	**437.0**

The tangible assets of the Group include mainly IT equipments used in the delivery centers, mainly data centers and the software factories. In addition, Atos Origin's policy is to rent its premises. Therefore, "lands and buildings" include mainly datacenters' technical infrastructure. As a result, no further information regarding tangible assets has to be specifically mentioned.

Finance leases

Tangible assets held under finance leases had a net carrying value of EUR 10.9 million. Future minimum lease payments under non-cancellable leases amounted to EUR 12.5 million at year-end.

(In EUR million)	2008			2007			2006
	Minimum lease payments	Interest	Principal	Minimum lease payments	Interest	Principal	Principal
Less than one year	8.6	(1.0)	7.6	11.2	(0.9)	10.3	23.0
Between one and five years	3.9	(0.6)	3.3	13.2	(0.5)	12.7	19.4
More than five years	-	-	-	-	-	-	-
Total	**12.5**	**(1.6)**	**10.9**	**24.4**	**(1.4)**	**23.0**	**42.4**

Note 15 Non-current financial assets

Non-current financial assets of EUR 68.5 million included mainly investments in associates accounted for under the equity method for EUR 0.8 million, non-consolidated investments amounting to EUR 0.1 million, pension prepayments in the United Kingdom and the Netherlands of EUR 36.5 million, and loans, deposits and guarantees (primarily linked to property rentals) of EUR 30.0 million.

Note 16 Trade accounts and notes receivable

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Gross value	1,420.9	1,464.3	1,612.6
Transition costs	24.4	18.7	22.9
Provision for doubtful debts	(27.3)	(23.2)	(35.6)
Net asset value	**1,418.0**	**1,459.8**	**1,599.9**
Prepayments	(14.0)	(7.1)	(21.0)
Deferred income and upfront payments received	(259.0)	(313.5)	(271.5)
Net accounts receivable	**1,145.0**	**1,139.2**	**1,307.4**
Number of days' sales outstanding	**63**	**67**	**68**

The average credit period on sale of services is between 20 and 60 days depending on the countries. Beyond this period an interest equal to 1.5 times the legal interest rate might be charged to outstanding balances based on contract terms.

For outstanding balances over 60 days delays in payment terms, the Group considers the need for an impairment loss on a case by case basis through a quarterly review of its balances.

Since 2004, the Group has entered a securitisation program for a maximum amount of EUR 300.0 million. As of 31 December 2008, the Group has sold EUR 294.0 million receivables for which EUR 198.7 million were received in cash. The sale is with recourse, thus re-consolidated in the balance sheet.

Ageing of receivables past due but not impaired

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
0-30 days overdues	140.2	129.3	138.8
30-60 days overdues	39.9	35.3	51.6
Beyond 60 days overdues	58.3	55.0	59.0
Reclassified as held for sale	-	41.1	-
Total	**238.4**	**260.7**	**249.4**

Movement in the allowance for doubtful debts

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Balance at beginning of the year	(23.2)	(35.6)	(33.9)
Impairment losses recognized	(20.2)	(20.2)	(6.7)
Amounts written off as uncollectible	3.5	8.3	2.3
Impairment losses reversed	7.0	6.1	7.4
Others (*)	5.6	1.7	(4.7)
Reclassified as held for sale	-	16.5	-
Balance at end of year	**(27.3)**	**(23.2)**	**(35.6)**

(*)Scope variation, reclassification and exchange difference.

Note 17 Breakdown of assets and liabilities by financial categories

As of 31 December 2008, the analysis of assets was the following:

(In EUR million)	Loans, deposits, trade accounts and other receivables	Financial instruments – P&L measurement	Financial instruments – Equity measurement
Non-current financial assets	67.5	-	1.0
Trade accounts and notes receivables	1,418.0	-	-
Other current assets	177.7	-	-
Current financial instruments	-	-	0.7
Total	**1,663.2**	**-**	**1.7**

As of 31 December 2007, the analysis of assets was the following:

(In EUR million)	Loans, deposits, trade accounts and other receivables	Financial instruments – P&L measurement	Financial instruments – Equity measurement
Non-current financial assets	74.2	-	0.3
Trade accounts and notes receivables	1,683.2	-	-
Other current assets	202.2	-	-
Current financial instruments	-	1.1	-
Subtotal	**1,959.6**	**1.1**	**0.3**
Reclassified as held for sale	(254.0)	-	-
Total	**1,705.6**	**1.1**	**0.3**

As of 31 December 2008, the analysis of liabilities was the following:

(In EUR million)	Trade accounts and notes payables	Financial Liabilities – Measurement at amortised cost	Financial instruments – P&L measurement	Financial instruments – Equity measurement
Borrowings	-	313.5	-	-
Non-current financial liabilities	-	-	-	6.1
Trade accounts and notes payables and Other current liabilities	1,556.2	-	-	-
Current portion of borrowings	-	276.6	-	-
Current financial instruments	-	-	-	3.0
Total	**1,556.2**	**590.1**	**-**	**9.1**

As of 31 December 2007, the analysis of liabilities was the following:

(In EUR million)	Trade accounts and notes payables	Financial Liabilities – Measurement at amortised cost	Financial instruments – P&L measurement	Financial instruments – Equity measurementt
Borrowings	-	443.7	-	-
Non-current financial liabilities	-	-	-	-
Trade accounts and notes payables and Other current liabilities	1,808.7	-	-	-
Current portion of borrowings	-	242.3	-	-
Current financial instruments	-	-	0.4	0.9
Subtotal	**1,808.7**	**686.0**	**0.4**	**0.9**
Reclassified as held for sale	**(175.7)**	**-**	**-**	**-**
Total	**1,633.0**	**686.0**	**0.4**	**0.9**

Fair value of the derivatives is therefore EUR (7.4) million as at 31 December 2008 and has been recorded net of tax in the Group's shareholder equity for EUR (5.5) million.

Note 18 Cash and cash equivalents

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Cash in hand and short-term bank deposit	285.8	331.5	441.5
Money Market funds	0.3	16.5	12.4
Total	**286.1**	**348.0**	**453.9**

Depending on market conditions and short-term cash flow expectations, Atos Origin from time-to-time invests in Money Market funds with a maturity period not exceeding three months.

Note 19 Pensions

The total amount recognized in the Group balance sheet in respect of pension plans and associated benefits was EUR 185.0 million at 31 December 2008. It was EUR 387.2 million at 31 December 2007.

The Group's commitments are located predominantly in the United Kingdom (46% of Group total obligations), The Netherlands (42%), Germany (4%) and France (3%). In the UK, these commitments are generated by legacy defined benefit plans, the majority of which has been closed to new accruals in 2008. Defined benefit arrangements have been maintained only for the purpose of complying with outsourcing requirements in the public sector in which case appropriate financial compensation is sought with customers. In the Netherlands, the pension plan is a hybrid defined contribution / defined benefit plan. Only the defined benefit component (capped at a certain level of salary) gives rise to a valuation of long term commitments for the Group, after deduction of applicable limitations and ceilings. These plans are externally funded through separate and independent legal entities, which receive employer and employee contributions.

Actuarial methods used to determine Group contribution obligations in respect of these plans differ from the "projected unit credit method" used for the valuation of accounting costs and commitments. In particular, contribution schedules and solvency rules applicable to Group pension funds usually rely on vested benefit approaches rather than projected benefit methods and, in certain instances, allow for an anticipation of future financial returns which cannot be reflected in accounting numbers. The funding of benefit entitlements accumulated by beneficiaries in the various schemes is spread over their expected active careers. The average benefit payment maturity is estimated to be between 19 and 25 years for the most significant plans of the Group.

The net funding deficit of the benefit plans shown in the table below (the difference between the value of benefit obligations and related plan assets at closing) does not therefore represent a short-term payable obligation.

Group commitments are also generated, but to a lesser extent, by legal or collectively bargained end of service or end of career benefit plans. Group commitments in respect of post-employment healthcare benefits are not significant (less than 2% of total Group pension obligations).

The amounts recognized in the balance sheet as at 31 December 2008 relies on the following components, determined at each benefit plan's level:

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Amounts recognized in financial statements consist of:			
Prepaid pension asset – post employment plans	36.5	38.1	12.2
Accrued liability – post employment plans	(208.1)	(405.9)	(438.5)
Accrued liability – other long-term benefits	(13.4)	(19.4)	(20.1)
Net amount recognized – Total	**(185.0)**	**(387.2)**	**(446.4)**
Of which, Reclassified as held for sale		(30.8)	-
Components of net periodic cost			
Service cost (net of employees' contributions)	36.0	58.2	60.5
Interest Cost	115.0	119.1	109.1
Expected return on plan assets	(135.1)	(137.5)	(123.2)
Amortisation of prior service cost	(51.7)	1.6	(12.4)
Amortisation of actuarial (gain)/ loss	22.6	(5.3)	1.0
Effect of asset ceiling	8.0	-	-
Curtailment (gain)/ loss	(7.1)	(2.1)	(0.5)
Settlement (gain)/ loss	(1.3)	-	0.2
Net periodic pension cost – Total expense/(profit)	**(13.6)**	**34.0**	**34.7**
Of which, net periodic pension cost – post employment plans	(14.9)	31.7	33.2
Of which, net periodic pension cost – other long term benefits	1.3	2.3	1.5
Change in defined benefit obligation			
Defined benefit obligation at 1 January	2,239.5	2,469.8	2,355.1
Funded Status – Other long term benefits at 1 January	19.1	20.1	15.0
Reclassification other non-current financial liabilities	-	-	11.4
Reclassification other current liabilities	-	12.5	-
Exchange rate impact	(270.0)	(106.2)	28.5
Service cost (net of employees' contributions)	36.0	58.2	60.5
Interest cost	115.0	119.1	109.1
Employees' contributions	22.3	24.6	22.6
Plan amendments	(53.6)	5.0	(12.3)
Curtailment	(7.1)	(3.4)	(0.5)
Settlement	(4.0)	(5.5)	(1.9)
Business combinations / disposals	(28.2)	8.5	25.5
Special termination benefits	-	-	(0.1)
Benefits paid	(62.6)	(62.7)	(60.5)
Actuarial (gains)/ losses	(215.8)	(281.4)	(62.5)
Defined benefit obligation at 31 December	**1,790.6**	**2,258.6**	**2,489.9**
Experience adjustments generated in current year on DBO	**5.0**	**(10.9)**	**71.7**
Change in plan assets			
Fair value of plan assets at 1 January	2,019.9	1,992.8	1,739.0
Exchange rate impact	(241.4)	(90.8)	22.1
Actual return on plan assets	(323.1)	67.7	169.1
Employer contributions	117.3	71.6	67.2
Employees' contributions	22.3	24.6	22.6
Benefits paid by the fund	(48.9)	(48.8)	(45.3)
Settlements	(0.5)		
Business combinations / disposals	-	2.8	18.1
Fair value of plan assets at 31 December	**1,545.6**	**2,019.9**	**1,992.8**

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Reconciliation of prepaid/ (accrued) Benefit cost (all plans)			
Funded status – post employment plans	(231.7)	(219.6)	(476.9)
Funded status – other long term benefit plans	(13.4)	(19.1)	(20.1)
Unrecognized actuarial (gain)/loss	58.8	(159.9)	42.4
Unrecognized past service cost	9.3	11.4	8.2
Any other amount not recognized (asset ceiling limitation,.)	(8.0)	-	-
Prepaid/(accrued) pension cost – post employment plans	**(185.0)**	**(387.2)**	**(446.4)**
Of which provision for pension and similar benefits	*(221.5)*	*(394.5)*	*(458.6)*
Non-current financial assets	*36.5*	*38.1*	*12.2*
Of which provision reclassified as held for sale	-	*(30.8)*	-
Reconciliation of net amount recognized (all plans)			
Net amount recognized at beginning of year	**(387.2)**	**(446.4)**	**(483.7)**
Reclassification other current liabilities	2.1	(12.5)	-
Net periodic pension cost – post employment plans	14.9	(31.7)	(33.2)
Benefits paid by employer – post employment plans	8.8	15.2	17.0
Employer contributions – post employment plans	117.3	71.6	67.2
Business combinations/disposals	29.2	(5.7)	(7.4)
Other (other long-term benefit, exchange rate)	29.9	22.3	(6.3)
Net amount recognized at end of year	**(185.0)**	**(387.2)**	**(446.4)**

The obligations in respect of benefit plans which are partially or totally funded through external funds (pension funds) were EUR 1,680.2 million at 31 December 2008 and EUR 2,103.1 million at 31 December 2007, representing more than 93% of Group total obligations.

The change in funded status for other long-term benefits per the end of the year is mainly the result of some plans being reclassified from other long term benefit to post employment plan.

Sensitivity analysis show that the DBO as at the end of the year would change by 4.90% as a result of a 30 basis point change in discount rate. An increase in discount rate leads to a decrease in DBO; a decrease in discount rate leads to an increase in DBO.

Plan assets

Plan assets, which do not include Atos Origin securities or any assets used by the Group, were invested at 31 December 2008 as follows:

	31 December 2008	31 December 2007	31 December 2006
Equity	30%	52%	60%
Bonds	41%	30%	30%
Cash and Cash equivalent	14%	Not material	Not material
Other	15%	18%	10%

“Other” assets are mostly hedge funds, asset backed securities and interest rates swaps held by the Dutch Pension Fund as part of its diversification or hedging strategy. The Dutch Pension Fund has decided to apply for redemptions in the last quarter of 2008 for the majority of its hedge funds, and is further considering to request redemptions of its remaining alternative investments, as part of general discussions with the Group. Some of the redemption proceeds are expected to be received in the first half of 2009.

For the determination of the value at 31 December 2008 of such hedge funds and asset backed securities which are subject to particular liquidity issues, the company has firstly relied on the valuation provided by the external custodian of the Dutch Pension Fund, and carried out complementary investigations with the related fund managers when appropriate. Based on the complementary information obtained, the company has decided to prudently impair the fair value of such investments to reflect the current lack of liquidity and valuation issues of these assets due to the financial market conditions prevailing at year-end, and the redemption process already initiated. These corrections in fair values represent 15% of the value of the Dutch Pension Fund's portfolio and have been treated as actuarial losses. They will be adjusted when redemption values are determined.

Prepaid pension situations on balance sheet

The application of IAS 19 prior to any IAS 19 par 58 or IFRIC 14 "asset ceiling" considerations would result in a net asset position for three of these funded plans (a "prepaid pension cost" asset) due to previous favourable evolutions of assets and liabilities and deferral of the recognition of actuarial losses by application of the corridor mechanism. Nevertheless, the company has considered that in the case of its Dutch Pension Fund, no reduced contributions or refunds will become available to the employer in the medium term for the full amount of the corresponding EUR 47.5 million prepaid pension asset, by application of IAS 19 par 58 restrictions and IFRIC 14 requirements. As a result, the corresponding net asset of EUR 47.5 million at 31 December 2008 has been capped at EUR 8.6 million, and the corresponding depreciation of EUR 38,9 million recognized in other operating income due to its materiality. The company will later reconsider this impairment based on the future developments of the valuation of the assets of its Dutch pension fund, and the employer funding obligations.
The net asset of EUR 27.0 million in respect of the other two UK schemes are supported by appropriate refund expectations, as requested by IFRIC 14.

Amendment to UK Pensions (New Deal)

As a result of the negotiations initiated in 2007 with the Trustees of two of its five defined benefit pension schemes in the United Kingdom, totalling more than two thirds of its local benefit obligation, the rules of the respective pension schemes have been formally amended in April 2008. As a consequence, defined benefit accrual have ceased on 1 April 2008 and have been replaced by defined contribution pension arrangements for the employees concerned. These plan amendments have reduced Atos Origin's defined benefit obligations under IAS 19 by EUR 54.6 million. The corresponding positive impact has been recognized in Other Operating Income. As part of its agreement with the two sets of Trustees, the Group has accelerated the funding of past deficits, ahead of its statutory obligations, by contributing a total of EUR 64.5 million into the two pension funds in the first half of 2008.

Situation of the UK pension funds and impact on contributions for 2009

De-risking the schemes' investments was also one important aspect of the agreement reached with the related Trustees, and proactive consultation on this topic has been extended to an additional scheme not affected by benefit changes. The collaboration between the company and the three schemes has resulted in large equity disposals in the summer of 2008, temporary investments in well diversified cash deposits of a significant portion of the funds' assets (including the EUR 64.5 million cash injection paid in April 2008), and avoidance of hazardous investments. As a result, based on information made available to the Group in the last quarter of 2008, no significant deterioration of the funding status of the related plans is expected in 2009. Further de-risking measures will be implemented by Trustees in 2009 to secure this situation. Therefore, contribution schedules agreed in the first half of 2008 are not likely to be increased in 2009, and the company expects to contribute a maximum of EUR 28.7 million to its UK schemes next year versus EUR 87.8 million in 2008 of which EUR 19.8 million being recovery payments in respect of deficits accrued before 2008. Discussions have been initiated with the respective Trustee Boards to further ease deficit repayment schedules in accordance with current economic circumstances, and flexibilities offered by the Pension Regulator.

Situation of the Dutch pension fund and impact on contributions for 2009

In the Netherlands, disappointing investment results, and the adoption of new technical factors as imposed by local legislation, have deteriorated the funding ratio of the Atos Origin Pension Fund, a fully independent body executing local pension provisions which until 2008 had shown reassuring cover ratios. The company has therefore reinforced its collaboration with the Board of the Pension Fund and is actively searching ways of mitigating the impacts of the financial market crisis for its own financials but also for its employees, who are significant contributors to the plan. As a result of the preliminary recovery plan prepared by the Dutch Pension Fund, in order to meet within a period of 3 years the 105% cover ratio imposed by Dutch legislation (prior to any potential relief of this legislation), total employee and employer contributions are scheduled to increase over a period of at least 3 years up to the contractual maximum of 23%, the company share being estimated to be EUR 4.0 million per year. Another aspect of this recovery plan is that no indexation will be granted by the Pension Fund during at least 3 years to all pension accruals, a flexibility offered by contractual arrangements as long as the cover ratio has not reached a minimal level. A de-risking of the investment strategy is also included in this preliminary recovery plan, and the company is actively working with the Board of Trustees to adjust the investment strategy as needed.

As a result of the recovery plan triggered by Dutch legislation, company pension contributions in this country are expected to be EUR 29 million in 2009 (compared with EUR 24 million in 2008). On top of its legal funding obligation, the company can be solicited by the Dutch Pension Fund, in certain circumstances, to restore the cover ratio up to 110% within one year, as part of its pension execution agreement. The current cover ratio is estimated to be around 90%. The maximum contractual contribution cap of 23% being already reached through the recovery plan prepared by the Pension Fund, the company believes that any additional contributions, if requested, to accelerate the recovery plan on top of mutual efforts agreed with employees, will have to be negotiated separately with the Dutch Pension Fund, in consideration of all reciprocal contractual obligations.

Actuarial assumptions

Group obligations are valued by independent actuaries, based on assumptions that are periodically updated.

These assumptions are set out in the table below:

	United Kingdom			Eurozone		
	31 December 2008	**31 December 2007**	**31 December 2006**	**31 December 2008**	**31 December 2007**	**31 December 2006**
Discount rate	6.35%	5.75%	5.00 %	5.60%	5.55%	4.55%
Long-term expected return on plan assets	7.75%-8.75%	5.75%-6.25%	7.0%	6.20%	7.0%	7.0%
Salary increase assumption	2.75%-3.00%	3.25%	2.75%-3.25%	2.75%-3.30%	1.9% -3.0%	1.9% -3.0%

The expected long-term investment return assumption on plan assets has been determined based on the particular asset allocation of each benefit plan, through the formulation of a specific expected return assumption for each asset class. The expected returns shown in the table apply for the year ending per 31 December. The expected return shown for the Eurozone applies for the Netherlands as the majority of the assets reside here.

For the determination of the 2009 financial component of the pension expense, the expected return on assets is based on the following assumptions for the United Kingdom and the Netherlands:

Asset Class	Expected Return on Assets UK
Equity	8.00%
Corporate Bonds	6.35%
Real Estate	6.25%
Gilts	4.00%
Cash	4.00%
Total Expected Average Return	**6.15%**

Depending on the specific asset allocation of each plan, the combined expected return assumptions vary between 6.00% and 6.80%.

In the Netherlands pension investments have been structured according to three investment portfolios, each of which having its own return assumption:

Portfolio	Expected Return on Assets NL
High Volatility Portfolio	8.70%
Medium Volatility Portfolio	4.90%
Risk Control Portfolio	4.40%
Total Expected Average Retrun	**6.20%**

The net impact of defined benefits plans on Group financial statements can be summarized as follows:
Profit and loss

(In EUR million)	31 December 2008			31 December 2007			31 December 2006		
	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total	Post-employment	Other LT benefit	Total
Operating margin	(22.8)	(0.5)	(23.3)	(50.7)	(1.4)	(52.1)	(43.2)	(0.9)	(44.1)
Other operating items	16.8	-	16.8	(0.3)	-	(0.3)	(4.6)	-	(4.6)
Financial result	20.9	(0.8)	20.1	19.3	(0.9)	18.4	14.6	(0.6)	14.0
Total (expense)/profit Profit/(loss)statement	**14.9**	**(1.3)**	**13.6**	**(31.7)**	**(2.3)**	**(34.0)**	**(33.2)**	**(1.5)**	**(34.7)**

Cash impacts of pensions in 2008
The cash impact of pensions is mainly composed of cash contributions to the pension funds for EUR 117.4 million, the remaining part being benefit payments directly made by the Group to the beneficiaries.

The cash contributions to the pension funds are made of ongoing contributions in respect of services rendered in the year (usually expressed as a percentage of salary), as well as past deficits repayment contributions spread over 10 to 15 years period as agreed with the respective trustees (fixed yearly amount). In 2008, a specific contribution of EUR 64.5 million has been paid to the two UK pension schemes concerned by benefit changes, as an acceleration of the coverage of past deficits. Deficits repayment contributions schedules are usually updated every 3 years mostly depending on market conditions.

	31 December 2008	31 December 2007	31 December 2006
Ongoing contributions	*39.6*	*56.8*	*53.4*
Deficits repayment other than New Deal	*12.7*	*14.8*	*13.8*
Total contributions included in OMDA	**52.3**	**71.6**	**67.2**
Direct Benefit payments	*13.6*	*13.7*	*15.2*
Cash compensation received	*-*	*(5.7)*	*-*
Net OMDA impact	**65.9**	**79.6**	**82.4**
New Deal contributions (UK)	*64.5*	*-*	*-*
Direct benefit payments	*-*	*7.6*	*1.8*
Total cash impact in other operating items	**64.5**	***7.6***	***1.8***
Total Cash impact	**130.4**	**87.2**	**84.2**

The pension cash impact in other operating items corresponds to the exceptional deficit contributions paid to UK schemes as part of the agreement finalized in March 2008.

Below table shows the historic development of the DBO, the Fair Value of Plan Assets, The Funded Status and the Experience Adjustments:

(In EUR million)	31 December 2008	31 December 2007	31 December 2006	31 December 2005	31 December 2004
DBO	1,791	2,259	2,490	2,382	2,045
Fair Value of Plan Assets	1,546	2,020	1,993	1,739	1,433
Funded Status	(245)	(239)	(497)	(643)	(613)
Experience Adjustments	5	(11)	72	(38)	(8)

Note 20 Provisions

(In EUR million)	31 December 2007	Charge	Release used	Release unused	Other (a)	31 December 2008	Current	Non-current
Reorganisations	56.2	52.3	(42.1)	(7.4)	(6.0)	53.0	53.0	
Rationalisations	26.0	4.2	(4.3)	(2.9)	(1.6)	21.4	5.2	16.2
Project commitments	72.3	16.8	(30.9)	(7.8)	(12.4)	38.0	38.0	
Litigations and contingencies	90.1	23.3	(5.0)	(10.2)	(14.6)	83.6		83.6
Total provisions	**244.6**	**96.6**	**(82.3)**	**(28.3)**	**(34.6)**	**196.0**	**96.2**	**99.8**
Reclassified as held for sale	(18.1)	-	-	-	18.1	-	-	-
Total excluding held for sale activities	**226.5**	**96.6**	**(82.3)**	**(28.3)**	**(16.5)**	**196.0**	**-**	**-**

(a) Other movements mainly consist of the currency translation adjustments and impacts of changes in scope of consolidation.

(In EUR million)	31 December 2006	Charge	Release used	Release unused	Other (a)	31 December 2007	Current	Non-current
Reorganisations	39.2	92.8	(67.0)	(14.1)	5.3	56.2	56.2	-
Rationalisations	33.6	7.1	(7.9)	(4.4)	(2.4)	26.0	5.1	20.9
Project commitments	81.1	33.5	(26.2)	(10.7)	(5.4)	72.3	72.3	-
Litigations and contingencies	110.1	23.2	(12.1)	(23.9)	(7.2)	90.1	-	90.1
Total provisions	**264.0**	**156.6**	**(113.2)**	**(53.1)**	**(9.7)**	**244.6**	**133.6**	**111.0**
Reclassified as held for sale	-	-	-	-	-	(18.1)	(8.4)	(9.7)
Total excluding held for sale activities	**-**	**-**	**-**	**-**	**-**	**226.5**	**125.2**	**101.3**

(a) Other movements mainly consist of the currency translation adjustments and impacts of changes in scope of consolidation.

Reorganisations and rationalisations

The EUR 42.1 million consumptions come mainly from restructuring programs in France (EUR 36.2 million). The efforts to streamline the workforce continue and the accrual of new provisions amounts to EUR 52.3 million over the year mainly due to the Netherlands (EUR 16.2 million), France (EUR 11.0 million), Central Europe (EUR 9.7 million) and the UK (EUR 8.9 million). The charge to reorganisation provisions has been booked mainly through the “Other operating income and expenses” (EUR 49.4 million).

Rationalisation provisions include provisions in connection with properties leased some of which contain dilapidation clauses requiring the Group to return premises to their original condition at termination.

Project commitments

Compared with the end of December 2007, the project commitments provisions have decreased by EUR 34.3 million. The EUR 30.9 million consumptions are in line with the closing expectations. The overall decrease of the projects commitments reflects the stronger control of the delivery of the projects.

Litigations and contingencies

Contingency provisions of EUR 83.6 million include a number of long-term litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers. The legal department continues to manage these situations with a view to minimising the ultimate liability.

Note 21 Borrowings

(In EUR million)	31 December 2008			31 December 2007			31 December 2006		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Finance leases	7.6	3.3	10.9	10.3	12.7	23.0	23.0	19.4	42.4
Bank loans	4.5	294.8	299.3	5.2	409.9	415.1	3.8	550.6	554.4
Securitisation	198.7	-	198.7	184.7	-	184.7	160.8	-	160.8
Other borrowings	65.8	15.4	81.2	42.1	21.2	63.2	37.4	19.2	56.6
Total borrowings	**276.6**	**313.5**	**590.1**	**242.3**	**443.7**	**686.0**	**225.0**	**589.2**	**814.2**

The multi-currency revolving facility and the Securitisation program are subject to the same financial covenants as follows:

Nature of ratios subject to covenants	Covenants	Group ratios at 31 December 2008	Group ratios at 31 December 2007
Leverage ratio (Net debt / OMDA)	not greater than 2.5	0.64	0.67
Interest cover ratio (Operating margin / net cost of financial debt)	not lower than 4.0	9.3	9.5

OMDA: Operating margin before non cash items

Non-current borrowings maturity

(In EUR million)	2009	2010	2011	2012	2013	>2013	Total
Finance leases		2.8	0.5	0.0	0.0	0.0	3.3
Bank loans		0.1	0.3	290.5	0.5	3.4	294.8
Other borrowings		2.9	4.3	4.8	3.5	0.0	15.4
As at 31 December 2008 long-term debt		**5.8**	**5.1**	**295.2**	**4.0**	**3.4**	**313.5**
As at 31 December 2007 long-term debt	**15.5**	**6.7**	**6.3**	**414.5**	**0.6**		**443.7**

(In EUR million)	2008	2009	2010	2011	2012	>2012	Total
Finance leases		9.9	2.8	0.0	0.0	0.0	12.7
Bank loans		0.4	0.4	0.4	408.0	0.6	409.8
Other borrowings		5.2	3.5	5.9	6.5	0.0	21.1
As at 31 December 2007 long-term debt		**15.5**	**6.7**	**6.3**	**414.5**	**0.6**	**443.7**
As at 31 December 2006 long-term debt	**16.2**	**9.4**	**5.9**	**556.6**	**1.1**	**-**	**589.2**

Borrowings in currencies

The carrying amounts of the Group's borrowings were denominated in the following currencies:

(In EUR million)	EUR	Other currencies	Total
31 December 2008	**571.3**	**18.8**	**590.1**
31 December 2007	681.2	4.8	686.0
31 December 2006	810.3	3.9	814.2

Fair value and effective interest rate of financial debt

The fair value of bank loans, which are primarily composed of variable interest rate loans, are considered as being the same as their carrying value. For other elements of borrowings, carrying value is considered the best estimate of fair value, the difference between the fair value and the carrying value being not material.

The effective interest rates in 2008 were as follows:

(In EUR million)	Carrying value	Fair Value	Effective interest rate
Finance leases	10.9	10.9	6.25%
Bank loans	299.3	299.3	5.06%
Securitisation	198.7	198.7	4.73%
Other borrowings	81.2	81.2	-
Total borrowings (*)	**590.1**	**590.1**	**5.03%**

(*) Before effect of hedging transactions

Change in net debt over the period

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Opening net debt	**338.0**	**360.3**	**180.5**
New borrowings	116.4	30.5	225.2
Repayment of long and medium-term borrowings	(163.2)	(162.5)	(141.2)
Variance in net cash and cash equivalents	54.5	99.2	68.9
New Finance Leases	1.3	0.0	4.5
Long and medium-term debt of companies purchased during the period	-	0.6	25.2
Long and medium-term debt of companies sold during the period	(70.9)	(0.1)	(4.3)
Debt – related reclassifications	-	-	(17.8)
Impact of exchange rate fluctuations on net long and medium-term debt	23.7	1.6	11.6
Profit-sharing amounts payable to French employees transferred to debt	4.2	8.4	7.7
Closing net debt	**304.0**	**338.0**	**360.3**

Note 22 Fair value and characteristics of financial instruments

(In EUR million)	31 December 2008		31 December 2007		31 December 2006	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts	1.7	(9.1)	1.1	(1.3)	1.2	(1.9)
Interest rate swaps	-	-	0.3	-	-	(1.2)
Analysed as:						
Non-current	1.0	(6.1)	0.3	-	-	(1.2)
Current	0.7	(3.0)	1.1	(1.3)	1.2	(1.9)

The fair value of financial instruments is provided by banking counterparties.

Interest rate risk

Bank loans of EUR 299.3 million (2007: EUR 415.1 million) are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The Group mitigates its interest rate exposure using interest rates swap contracts with financial institutions in order to fix the rate of a portion of the floating-rate financial debt. The fair value of the financial instruments used to hedge the floating-rate financial qualifies for cash flow hedge accounting. After the effect of this hedge, the bank loans interest rate in 2008 was 4.86 %.

At 31 December 2008, the Group held no interest rate swaps contracts.

Exposure to interest rate risk

The table below presents the interest rate risk exposure of the Group based on future debt commitments. The exposure at floating rate after hedging risk management is approximately EUR 293.1 million at 31 December 2008. A 1% rise in 3-month Euribor would impact negatively the financial expense by EUR 2.9 million assuming the structure (cash / floating debt /hedges) remains stable for the full period of the year.

(In EUR million)	Notes	Exposure		Total
		Less than 1 year	1 – 5 Years	
Bank loans	Note 21	(4.5)	(294.8)	(299.3)
Securitisation program	Note 21	(198.7)	-	(198.7)
Others		(41.6)	(15.4)	(57.0)
Total liabilities		**(244.8)**	**(310.2)**	**(555.0)**
Cash and cash equivalents	Note 18	286.1	-	286.1
Overdrafts		(24.2)	-	(24.2)
Total net cash and cash equivalents (*)		**261.9**	**-**	**261.9**
Net position before risk management		17.1	(310.2)	(293.1)
Hedging instruments		-	-	-
Net position after risk management		**17.1**	**(310.2)**	**(293.1)**
Finance Leases	Note 21			(10.9)
Total net debt				**(304.0)**

(*) Overnight deposits (deposit certificate) and money market securities and overdrafts

Liquidity risk

In order to benefit from favourable market conditions, Atos Origin signed with a number of major financial institutions on 12 May 2005 a EUR 1.2 billion multi-currency revolving facility with five years maturity and a two-year extension option exercisable in 2006 and 2007. These options were exercised in 2006 and 2007 extending the maturity of the multi-currency revolving facility until 12 May 2011 for EUR 1.2 billion and 12 May 2012 for EUR 1.1 billion.
In addition, Atos Origin implemented a securitisation program in 2004 for a maximum amount of EUR 300.0 million, and on 7 October 2005 aligned the covenants on this program with the more favourable terms of the multi-currency revolving facility.

Currency exchange risk

Atos Origin operates in 40 countries. However, in most cases, Atos Origin invoices in the country where the Group renders the service, thus limiting the foreign exchange risk. Where this is not the case, the Group generally uses hedging instruments such as forward contracts or foreign currency swaps to minimise the risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

(In EUR million)	Assets		Liabilities	
	2008	2007	2008	2007
EUR	46.4	21.8	24.7	72.4
GBP	5.7	59.2	0.3	1.3
USD	15.2	45.4	24.9	47.9

Foreign currency sensitivity analysis

The Group is mainly exposed to the EUR, GBP and the USD.

The following table details the Group's sensitivity to a 5% increase and decrease of the sensitive currency against the relevant fonctionnal currency of each subsidiary. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for an 5% increase in foreign currency rates.

(In EUR million)	EUR		GBP		USD	
	2008	2007	2008	2007	2008	2007
Income Statement	1.1	(2.5)	0.3	2.9	(0.5)	(0.1)

Hedge accounting

There is no material deviation between the maturity of the financial instruments and the period in which the cash flows are expected to occur.

At December 2008, derivatives are all allocated to the hedge of some transactional risks (interest and foreign exchange currency risks). From an accounting point of view, most of the derivatives were considered as cash flow hedge instruments.

Breakdown of the designation of the instruments per currency is as follow:

Instruments	31 December 2008		31 December 2007		31 December 2006	
	Fair value	Notional	Fair value	Notional	Fair value	Notional
Cash flow hedge						
Interest rate	-	-	-	-	-	-
Swaps	-	-	0.3	150.0	(1.2)	250.0
Foreign exchange	-	-	-	-	-	-
Forward contracts USD	(1.3)	35.0	(0.9)	7.0	(0.7)	17.8
Option contracts USD	1.4	16.7	-	-	-	-
Forward contracts CAD	(0.2)	11.8	-	-	-	-
Forward contracts GBP	(5.7)	24.0	-	-	-	-
Option contracts GBP	0.3	13.3	-	-	-	-
Forward contracts INR	(1.9)	38.6	-	17.6	-	-
Trading						
Foreign exchange	-	-	-	-	-	-
Forward contracts USD	0.0	1. 9	0.4	7.6	0.8	17.9
Forward contracts GBP	-	-	0.3	5.3	(0.3)	11.1
Forward contracts BRL/ZAR	-	-	-	0.5	(0.4)	9.1

The net amount of cash flow hedge reserve at 31 December 2008 was (5.5) EUR million (net of tax), with a variation of EUR (4.9) million (net of tax) over the year.

Note 23 Trade accounts and notes payable

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Trade payables	500.8	629.3	595.7
Amounts payable on tangible assets	16.0	11.0	13.4
Sub-total	**516.8**	**640.3**	**609.1**
Reclassified as held for sale	-	(74.2)	-
Total disclosed on the balance sheet	**516.8**	**566.1**	**609.1**

Trade accounts and notes payable are expected to be paid within one year.

Note 24 Other current liabilities

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Advances and down payments received on clients orders	14.0	7.6	21.0
Employee-related liabilities	302.7	339.6	307.3
Social security and other employee welfare liabilities	206.8	205.1	219.2
VAT payable	177.8	186.4	178.0
Deferred income	227.8	289.0	198.4
Other operating liabilities	110.3	140.7	139.0
Sub-total	**1,039.4**	**1,168.4**	**1,062.9**
Reclassified as held for sale	-	(101.5)	-
Total disclosed on the balance sheet	**1,039.4**	**1,066.9**	**1,062.9**

Other current liabilities are expected to be settled within one year, excepted for deferred income that is released over the particular arrangement of the corresponding contract.

Note 25 Off-balance sheet commitments

Contractual commitments

The table below illustrates the minimum future payments for firm obligations and commitments over the coming years. Amounts indicated under the long-term borrowings and finance leases are posted on the Group balance sheet.

(In EUR million)	31 December 2008	Maturing Up to 1 year	1 to 5 years	Over 5 years	31 December 2007	31 December 2006
Bank loans	299.3	4.5	291.4	3.4	415.1	554.4
Finance leases	10.9	7.6	3.3	-	23.0	42.4
Recorded on the balance sheet	**310.2**	**12.1**	**294.7**	**3.4**	**438.1**	**596.8**
Operating leases: land, buildings, fittings	461.3	128.0	279.5	53.8	575.4	574.1
Operating leases: IT equipment	23.0	15.5	7.5	-	53.0	97.2
Operating leases: other fixed assets	125.1	46.9	78.2	-	111.3	119.8
Non-cancellable purchase obligations (>5 years)	21.2	20.4	0.8	-	15.0	12.5
Commitments	**630.6**	**210.8**	**366.0**	**53.8**	**754.7**	**803.6**
Total	**940.8**	**222.9**	**660.7**	**57.2**	**1,192.8**	**1,400.4**

Commercial commitments

(In EUR million)	31 December 2008	31 December 2007	31 December 2006
Bank guarantees	85.8	119.0	135.7
Performance guarantees	1,232.7	1,492.8	1,198.3
Pledges	-	0.1	1.0
Total	**1,318.5**	**1,611.9**	**1,335.0**

For various large long term contracts, the Group provides performance guarantees to its clients. These guarantees amount to EUR 1,232.7 million as of 31 December 2008, compared with EUR 1,492.8 million in 2007. These guarantees represent a total contracts value of EUR 1,585.4 million for 2008.

In the framework of the contract for the provision of IT services signed by Atos Origin IT Services UK Limited with the International Olympic Committee (IOC), Atos Origin SAE (Spain) has granted a full performance guarantee to the IOC by which it commits to perform the contract in case the signing entity (or any other affiliate to whom the signing entity could have assigned all or part of the rights and obligations under the contract) is unable to provide services required under the contract.

In relation to the multi-currency revolving facility, Atos Origin SA issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to EUR 440 million the obligations of its subsidiary, Atos Origin Telco Services B.V.

Subsequent to the Cellnet disposal in July 2004, Atos Origin SA still has one outstanding guarantee with Schlumberger related to Citicorp for a total amount of USD 91.9 million, which is fully counter-guaranteed by the acquirer of Cellnet, “Cellnet Holdings Corp”.

In relation to its subsidiary Atos Worldline Belgium operating in the commercial acquiring of card transactions, Atos Origin Group has guaranteed directly or indirectly, its partners Visa International and MasterCard in case of default of payment resulting from its role of intermediary between the payment issuer and the beneficiary, or any major breaches to their rules. These guarantees are estimated for a maximum amount of USD 66.9 million. The effective risk is considered as very low.

In addition Atos Origin SA has granted a EUR 26.2 million guarantee to AIG Europe SA for the performance of the duties of its reinsurer St-Louis-Re. The Guarantee could only be exercised in the very unlikely event that St Louis Re was unable to meet all of its reinsurance obligations to AIG Europe.

Finally, Atos Origin SA or Atos Origin BV have given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Note 26 Related party transactions

Transactions between Atos Origin and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

<u>Compensation of Management Board and Supervisory Board members</u>

The remuneration of Management Board and Supervisory Board members during the year was as follows:

(In EUR million)	12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2006
Short-term benefits	7.0	9.1	4.4
Long-term incentives	-	0.5	-
Termination benefits	2.6	9.2	6.0
Post-employment benefits	0.1	(4.5)	11.4
Equity-based compensation: stock options	2.5	1.6	3.6
Total	**12.2**	**15.9**	**25.4**

The remuneration of Management Board members is determined by the Remuneration Committee having regard to the performance of individuals and the Group’s financial achievements.

Short-term benefits include salaries and bonuses as approved by the Supervisory Board, and fringe benefits. Bonuses correspond to the total charge in income statement including the bonuses effectively paid during the exercise, the charge in accruals relating to current year and the release in accruals relating to previous year.

<u>Termination benefits</u>

Wilbert Kieboom, member of the Management Board, left the Group on 31 July 2008. Consequently and in application of the status of Management Board member, he received a termination benefit of EUR 2.6 million, which was recorded in the Group accounts.

On 16 November 2008, the Supervisory Board ended the mandate of Philippe Germond, Chairman of the Management Board and Group CEO.

A EUR 1.1 million expense was recorded in the Group accounts, representing the remaining cost of the free shares granted to him in 2007 and 2008.

Philippe Germond asked for the payment of a termination benefit amounting to around EUR 4.0 million. The Group's Supervisory Board considered that this demand had to be rejected. Accordingly, no expense was recognized in the Group's 2008 accounts.

Note 27 Subsequent events

In January 2009, the Group signed an agreement to sell its consulting activity in Sweden to the management. The transaction was completed on 17 February 2009.

On 10 February 2009, Atos Origin's Ordinary and Extraordinary Shareholders' Meeting was held with a quorum of 71.47%. The meeting was chaired by Jean-Philippe Thierry, Chairman of the Supervisory Board.

The main resolutions submitted by the Supervisory Board were the following:
- A new mode of governance of the Company with the establishment of a Board of Directors.
- The appointment of 11 directors, including 6 members of the former Supervisory Board: René Abate, Behdad Alizadeh, Bertrand Meunier, Michel Paris, Vernon Sankey and Jean-Philippe Thierry; and 5 new members: Nicolas Bazire, Jean-Paul Béchat, Thierry Breton, Dominique Mégret and Pasquale Pistorio.
- The election of a Board Member representing the employee shareholders.

The shareholders subsequently approved the transformation of the company with a Board of Directors, the change of the Articles of Association and the appointment as directors of all the candidates. They also approved a total yearly amount of Board fees at EUR 500,000.0.

The newly elected Board of Directors held its first meeting right after the General Meeting. It unanimously appointed Thierry Breton as Chairman and CEO of Atos Origin.
The Board of Directors appointed Jean-Paul Béchat as chairman of the audit committee and Behdad Alizadeh as chairman of the nominations and remunerations committee.

Note 28 Main operating entities part of scope of consolidation as of 31 December 2008

	% of interest	Consolidation method	% of control	Address
HOLDING				
Atos Origin SA	Consolidating parent company			18 avenue d' Alsace 92400 Courbevoie
Atos Origin BV	100	FC	100	Groenewoudseweg 1 5621 BA Eindhoven Netherlands
Atos Origin International NV	100	FC	100	Rue Abbé Cuypers 3 Priester Cuypersstraat 1040 Brussel
Atos Origin International Competencies and Alliances (ICA)	100	FC	100	Rue Abbé Cuypers 3 Priester Cuypersstraat 1040 Brussel
Saint Louis Re	100	FC	100	74 rue de Merl L2146 Luxembourg
Atos Origin International SAS	100	FC	100	18 avenue d' Alsace 92400 Courbevoie
Atos Origin International BV	100	FC	100	Naritaweg 52 1043 BZ Amsterdam Netherlands
FRANCE				
Arema	95	FC	95	18 avenue d' Alsace 92400 Courbevoie
Atos Worldline	100	FC	100	18 avenue d' Alsace 92400 Courbevoie
Atos Origin Integration	100	FC	100	18 avenue d' Alsace 92400 Courbevoie
Diamis	60	FC	60	6/8 Boulevard Haussmann-75009 Paris
Mantis SA	100	FC	100	24 rue des Jeûneurs 75002 Paris
Atos Origin Infogérance	100	FC	100	18 avenue d' Alsace 92400 Courbevoie
Atos TPI	51	FC	51	18 avenue d' Alsace 92400 Courbevoie
Atos Consulting	100	FC	100	6/8 Boulevard Haussmann-75009 Paris
Atos Origin A2B	100	FC	100	18 avenue d' Alsace 92400 Courbevoie
Atos Origin Formation	100	FC	100	7/ 13 rue Bucarest 75008 Paris
THE **UNITED KINGDOM**				
Atos Consulting Limited	100	FC	100	4 Triton Square, Regent' s Place, London, NW 1 3HG UK
Atos Origin IT Services UK Ltd	100	FC	100	4 Triton Square, Regent' s Place, London, NW 1 3HG UK
THE NETHERLANDS				
Atos Origin IT Services Nederland B.V.	100	FC	100	Papendorpseweg 93 3528 BJ Utrecht Netherlands
Atos Origin IT Systems Management Nederland BV	100	FC	100	Papendorpseweg 93 3528 BJ Utrecht Netherlands
Atos Origin Nederland B.V.	100	FC	100	Papendorpseweg 93 3528 BJ Utrecht Netherlands
Atos Origin Telco Services	100	FC	100	Henri Dunantlaan 2 9728 HD Groningen Netherlands
Atos Origin IT Financial Services BV	100	FC	100	Arlandaweg 98, 1043 HP Amsterdam Netherlands
Atos Consulting NV	100	FC	100	Papendorpseweg 93 3528 BJ Utrecht Netherlands
E.M.E.A. (Europe – Middle East – Africa)				
AUSTRIA				
Atos Origin Information Tech GmbH	100	FC	100	Technologiestrasse 8/ Gebaude D 1120 Vienna Austria
BELGIUM				
Atos Origin Belgium SA	100	FC	100	Da Vincilaan 5 1930 Zaventem
Atos Worldline NV	100	FC	100	Chaussée de Haecht 1442, B-1130 Bruxelles
GERMANY				
Atos Worldline GmbH	100	FC	100	Hahnstrasse 25, 60528 Frankfurt Germany
Atos Origin GmbH	100	FC	100	Theodor AlthoffStrasse 47, 45133 Essen
Atos Worldline Processing GmbH	58,4	FC	58,4	Hahnstrasse 25, 60528 Frankfurt Germany
GREECE				
Atos Origin Hellas SA	100	FC	100	Kifissias 18 15125 Maroussi Athens
LUXEMBURG				
Atos Origin Luxembourg S.A.	100	FC	100	2 rue Nicolas Bové L1253 Luxembourg
MOROCCO				
Atos Origin Maroc	100	FC	100	Avenue Annakhil, Espace high-tech, hall B, 5th floor, Hayryad RABAT

	% of interest	Consolidation method	% of control	Address
POLAND				
Atos Origin IT Services SP ZOO	100	FC	100	Ul. Domaniewska 41 (Taurus Building) 02- 672 Warswaza Poland
PORTUGAL				
Atos Origin Tecnologias de Informaçao LDA	100	FC	100	5 Avenue Outubro, 73C 1° Edificio Goya 1050 Lisbonne Portugal
SOUTH AFRICA				
Atos Origin (Pty) Ltd	100	FC	100	204 Rivonia Road, Sandton private bag X 136, Bryanston 2021
SPAIN				
Atos Origin, Sociedad Anonima Espanola	100	FC	100	Albarracin 25- Madrid 28037- Spain
SWEDEN				
Atos Consulting AB (Sweden)	100	FC	100	Wallingatan 11 111 60 Stockholm
SWITZERLAND				
Atos Origin (Schweiz) AG	100	FC	100	Industriestrasse 19 8304 Wallisellen (Zurich)
TURKEY				
Atos Origin Bilisim Danismanlik ve Musteri Hizmetleri Sanayi ve Ticaret A/S	100	FC	100	Kısıklı Caddesi, Aksel İş Merkezi A Blok No 37 Kat 2 Altunizade, Üsküdar, İstanbul
ASIA PACIFIC				
CHINA				
Atos Origin Information Technology (Shangai) Co. Ltd.	100	FC	100	Room 1103- B4, Pudong software park, Zhang Jiang Hi-Tech Zone, 498 Guo Shou King Road, Shanghai 201203
Atos Origin Information Technology (Beijing) Co Ltd	100	FC	100	502-505 Lido Commercial Building, Lido Place, Jichang Road, Chaoyang District, Beijing
Atos Origin Hong Kong Ltd	100	FC	100	Suites 1701-8, 17/ F, The Prudential Tower, 21 Canton Road, Kowloon, Hong Kong
INDIA				
Atos Origin India Private Limited	100	FC	100	Unit 126/ 127, SDF IV, SEEPZ, Andheri (East), 400 096 Bombay
Atos Origin IT Services Private Ltd	100	FC	100	The Capital Court, 4th Floor, LSC Phase III, Olof Palme Marg, Munirka, New Delhi 110 003
INDONESIA				
PT Atos Origin Indonesia	100	FC	100	Wisma Kyoei Prince #1707 Jalan Jenderal Sudirman Kav 3 Jakarta 10220 Indonesia
JAPAN				
Atos Origin KK	100	FC	100	20 F, Shinjuku ParkTower Nishi Shinjuku 3- 7- 1 Shinjuku- ku, Tokyo, Japan
MALAYSIA				
Atos Origin (Malaysia) sdn bhd	100	FC	100	Level 17, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia
SINGAPORE				
Atos Origin Asia Pacific Pte Ltd	100	FC	100	8 Temasek Boulevard, #07- 01 Suntec City Tower 3 Singapore 038988
TAIWAN				
Atos Origin Taiwan Ltd	100	FC	100	9 F, No. 115, Sec 3, Ming Sheng Road, Taipei, Taiwan 105
AMERICAS				
ARGENTINA				
Atos Origin Argentina SA	100	FC	100	Vedia 3892 C1430DAL-Capital Federal Republica Argentina
BRAZIL				
Atos Origin Brasil Ltda	100	FC	100	Rua Itapaiuna 2434- 2° andar - parte - Santo Amaro- Sao Paulo
Atos Origin IT Serviços do Brasil Ltdal	100	FC	100	Rua Alexandre Dumas 1711- bloco 12- 1° andar Sao Paulo CEP 04717004
MEXICO				
Atos Origin IT Services Mexico SA de CV	100	FC	100	Ejercito Nacional 425, 6° Floor, Colonia Granada, 11520 Mexico City Mexico
THE UNITED STATES OF AMERICA				
Atos Origin Inc	100	FC	100	5599 San Felipe, Suite 300 Houston, Texas 77056-2724 USA

The complete list of entities part of Atos Origin Group is available on our internet site www.atosorigin.com.

Note 29 Auditors fees

(In EUR thousand and %)	Total			Deloitte			Grant Thornton		
	2008		2007	2008		2007	2008		2007
	Amount	%	Amount	Amount	%	Amount	Amount	%	Amount
Audit									
Statutory & consolidated	5,189.9	79%	6,263	3,014.2	69%	3,656	2,175.7	99%	2,607
Parent company	*1,602.9*	*24%*	*1,812*	*1,005.7*	*23%*	*1,098*	*597.2*	*27%*	*714*
Subsidiaries	*3,587.0*	*55%*	*4,451*	*2,008.5*	*46%*	*2,558*	*1,578.5*	*72%*	*1,893*
Other audit services	1,340.2	20%	698	1,315.0	30%	630	25.2	1%	68
Parent company	*736.7*	*11%*	-	*736.7*	*17%*	-	-	-	-
Subsidiaries	*603.5*	*9%*	*698*	*578.3*	*13%*	*630*	*25.2*	*1%*	*68*
Sub total Audit	**6,530.1**	**100%**	**6,962**	**4,329.2**	**100%**	**4,287**	**2,200.9**	**100%**	**2,675**
Non audit services									
Tax & Legal	-	-	210	-	-	210	-	-	-
Other services	13.0	0%	-	13.0	0%	-	-	-	-
Sub total Non Audit	**13.0**	**0%**	**210**	**13.0**	**0%**	**210**	**-**	**-**	**-**
Total	**6,543.1**	**100%**	**7,172**	**4,342.2**	**100%**	**4,497**	**2,200.9**	**100%**	**2,675**

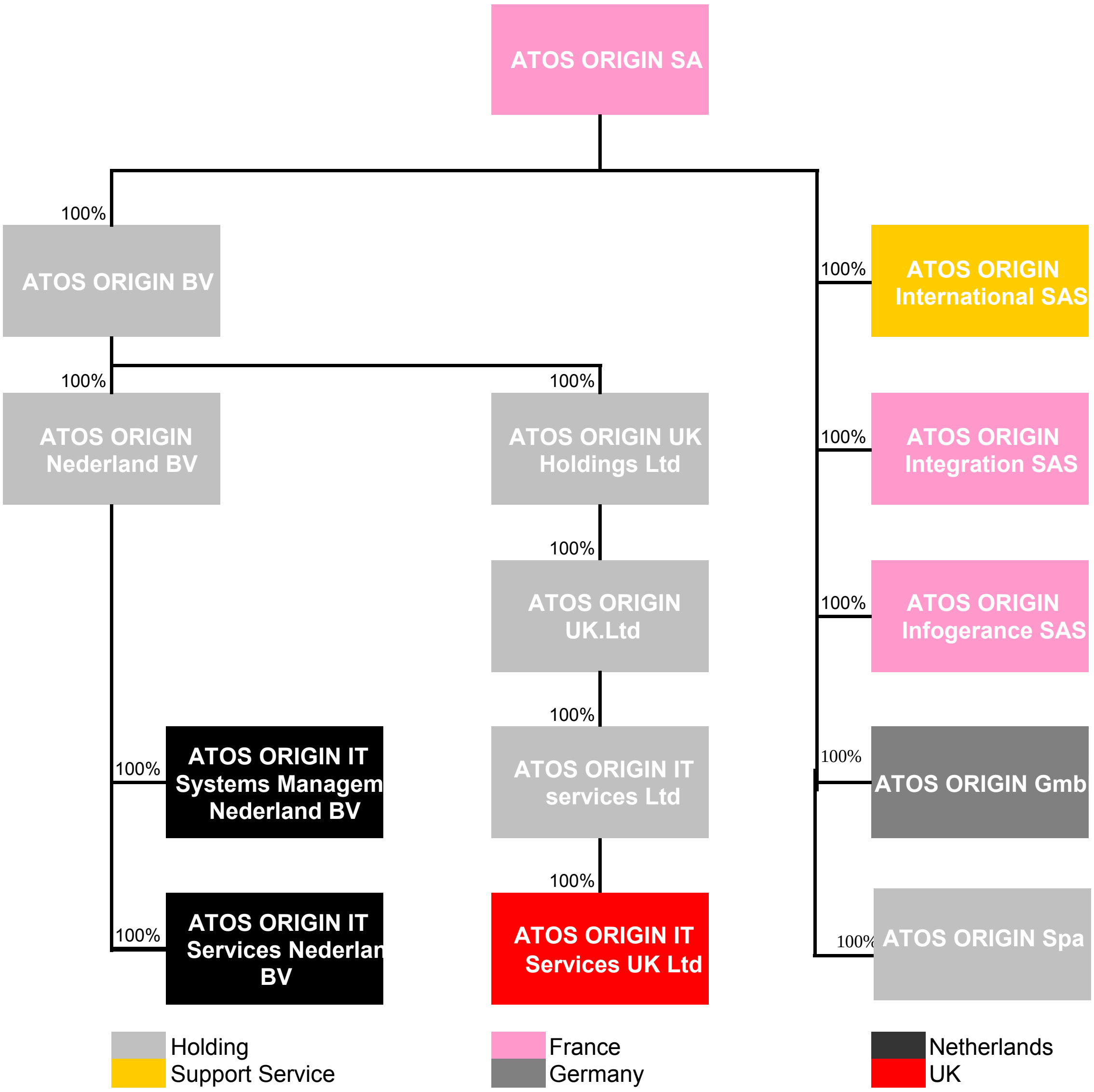
The “other services” fees mainly include audit missions that are related to SAS 70 mission.

18.4 PARENT COMPANY SUMMARY FINANCIAL STATEMENTS

18.4.1 Parent company's simplified organisation chart

Atos Origin shares are traded on the Paris Eurolist Market under Euroclear code 5173 ISIN FR0000051732. They were first listed in Paris in 1995. The shares are not listed on any other stock exchange and Atos Origin SA is the only Group listed company.

At 31 December 2008, the Group's issued common stock amounted to EUR 69.7 million, comprising 69,717,453 fully paid-up shares of EUR 1 par value each.



18.4.2 Statutory financial statements

Balance sheet

ASSETS (in EUR thousand)	31 December 2008	31 December 2007
Intangible fixed assets	72,544	107,066
Tangible fixed assets	426	531
Participating interests	2,252,324	2,283,588
Other financial investments	233,289	249,080
Total fixed assets	**2,558,583**	**2,640,265**
Trade accounts and notes receivable	3,714	3,559
Other receivables	130,107	101,536
Cash and cash equivalent	256,179	250,747
Total current assets	**390,000**	**355,842**
Prepayments, deferred expenses and unrecognised exchange losses	2,133	2,818
TOTAL ASSETS	**2,950,716**	**2,998,925**

LIABILITIES AND SHAREHOLDERS'EQUITY (in EUR thousand)	31 December 2008	31 December 2007
Common stock	69,717	69,710
Additional paid-in capital	1,409,861	1,409,679
Legal reserve	6,971	6,888
Other reserves and retained earnings	118,565	192,880
Net income for the period	38,301	(58,857)
Shareholders' equity	**1,643,415**	**1,620,300**
Provisions for contingencies and losses	**39,379**	**39,460**
Borrowings	679,590	798,383
Trade accounts payable	17,620	33,806
Other liabilities	570,712	502,155
Total liabilities	**1,267,922**	**1,334,344**
Unrecognized exchange gains	-	4,821
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,950,716**	**2,998,925**

Income statement

(in EUR thousand)	Period ended 31 December 2008	Period ended 31 December 2007
Revenue	**44,755**	**44,760**
Other income	7,376	9,249
Total operating income	**52,131**	**54,009**
Cost of sales	(19,586)	(26,382)
Taxes	(212)	(818)
Depreciation, amortisation and provisions	(11,157)	(16,513)
Other expenses	(16,317)	(22,694)
Total operating expenses	**(47,272)**	**(66,407)**
Operating margin	**4,859**	**(12,399)**
Net financial result	14,627	(38,992)
Net income on ordinary activities	**19,486**	**(51,391)**
Non-recurring items	6,822	(15,251)
Corporate income tax	11,993	7,785
Net income for the period	**38,301**	**(58,857)**

18.4.3 Notes to the statutory financial statements

Atos Origin S.A. activity

Atos Origin SA main activities are:

- The management of the Atos Origin trademark;
- The management of Group participating interests;
- The management of Group financing activities;

The financial statements of the company reflect these activities. Revenue is comprised of trademark fees received from Group subsidiaries.

The company Atos Origin SA is the parent company of the Atos Origin group and consequently establishes consolidated financial statements.

2008 Atos Origin S.A. highlights

- Incentive plans

2008 « Long-Term Incentive » Plan

On 18 March 2008, the Group has set up a performance free share plan called 2008 "Long-Tem Incentive" (LTI), similar to the one already set up in 2007. Under this new plan, 228,442 free shares were granted to 408 managers. The stock price at the grant date was EUR 32.87.
The aim of this plan is to motivate employees and to reinforce the group's capability to reach challenging financial targets, in line with Shareholder's value creation.
According to local tax regulations, the vesting period is either:
- 2 years followed by a lock-up period of 2 years, or
- 4 years and no lock-up period.

Vesting conditions are subject to:
- the realisation of Group financial objectives over the two fiscal years 2008 and 2009
- the realisation of personal achievements
- a presence in the Group throughout the vesting period.

The number of free shares obtained by the employees will vary in a 0 to 3 range depending on the level of performance reached.

Atos Origin acquired 192,000 shares in April 2008 in order to be able to deliver the shares.

2008 "Management Incentive" Plan

On 15 May 2008, the Group has set up a voluntary free share plan called 2008 "Management Incentive" plan (MIP), similar to the one already set up in 2007, whereby free shares are granted upon the acquisition of an equivalent number of shares on the stock market. Under this new plan, 248,306 shares were granted. The stock price at grant date was EUR 38.69. The aim of this plan is to promote employee ownership and retention.
According to local tax regulations, the vesting period is either:
- 2 years followed by a lock-up period of 2 years, or
- 4 years and no lock-up period.

Vesting conditions are subject to the presence in the Group and investment in Atos Origin shares throughout the vesting period. The initial investment is subject to a 2 year lock-up period.

Atos Origin bought 200,000 shares on the market during April 2008 in order to be able to match the engagement.

- Italian activities

On 30 January 2008, the Group finalised the sale of its activities in Italy to Engineering following the share purchase agreement signed on 11 December 2007. Following the sale, the provision for contingencies on the Italian activities has been reversed (EUR 21 million).

- Disposal of Atos Euronext Market Solutions

On 5 August 2008, the Group signed the sale of its 50% stake in Atos Euronext Market Solutions (AEMS) to NYSE Euronext materialising the commitments taken on 11 December 2007 when a memorandum of understanding was signed. The sale of Atos Origin SA's 6% interest in AEMS has led to a profit of EUR 14 million.

- Impairment losses and provisions on investments

The goodwill related to the French activity was depreciated by EUR 34 million. In addition, a charge for provisions of EUR 9 million was booked for one Brazilian subsidiary and various French subsidiaries. Furthermore, provisions for contingencies on subsidiaries were recorded in three French entities for EUR 23 million.

- Dividends

During the Annual Shareholders Meeting held on 12 June 2008, for the first time in the history of the Group, the distribution of a dividend of EUR 0.40 per share based on 2007 results was voted.

- Sweden

The entity Atos Origin Sweden AB has been liquidated on 5 December 2008, the impact of this liquidation amounted to EUR 2.3 million.

Rules and accounting method

General conventions were applied, in the respect of:

- principle of prudence;
- principle of going concern;
- permanence of the accounting methods from one exercise to another;
- cut-off principle.

As a principle, items are booked in the accountancy based on the historical cost method. The annual accounts are established and presented in thousands of euros.
The main methods used are described hereafter.

Change in method:

In application

- of the CNC, guideline 2008-17;
- of the CRC, regulation 08-15, art 6 ;
- of the CNC recommendation of the CNC n°2009-R-01 of 5 February 2009;

the accounts of the 2008 financial year present a change in accounting method concerning the first application of new rules for calculating the provisions on free shares and stock options. The cost of attribution of these free shares is spread over the vesting period.

As of 31 December 2007, the totality of the shares bought for free share plans had been depreciated based on the weighted average share price of December 2007, that is to say EUR 36.66. The amount of the depreciation is EUR 4,164 thousand. The net book value calculated has been completely provided for, for an amount of EUR 16,132 thousand.
The depreciation has not been modified; on the other hand the amount of the provision was recalculated according to the table presented below and amounts to EUR 3,622 thousand.

Type of Plan	Creation date of plan	Maturity of the Plan	Number of shares bought 12/31/07	Share price (in EUR thousand)	Evaluation 12/31/07 (36,66/share)	Depreciation	Number of shares granted 12/31/07	Valuation 12/31/07 (in thousand of euros)	New provision calculation	Provision (in thousand of euros)
LTI 2007	17 May 2007		214,500	9,987	7,865	2,122				
		2 years					136,865	5,018	A/2*228days/365days	1,567
		4 years					21,561	791	A/4*228days/365days	123
MIP 2007	15 June 2007		225,500	10,309	8,267	2,042				
		2 years					179,337	6,575	A/2*199days/365days	1,792
		4 years					27,892	1,023	A/4*199days/365days	139
TOTAL			**440,000**	**20,296**	**16,132**	**4,164**	**365,655**			**3,622**
Non distributed shares							74,345			
Previous method			**440,000**							**16,132**
		IMPACT CHANGE IN METHOD (PROFIT)								**12,510**
* 2 years		Follow-ups by one period of inalienability of the 2 years actions								
4 years		Without later period of inalienability								

The impact of the change in method was recorded on 1 January 2008 within “Retained earnings” for an amount of EUR 12,510 thousand.

Notes on assets

Intangible assets

(in EUR thousand)	31/12/07	Acquisitions/ charges	Disposals/ reversals	31/12/08
Intangible assets	183,539	-	-	183,539
Amortisation	(6,852)	(513)	-	(7,365)
Depreciation	(69,621)	(34,009)	-	(103,630)
Total of amortisation & depreciation	(76,473)	(34,522)	-	(110,995)
Of which : - operating		*(20)*		
- financial		*(34,009)*		
- non-recurring items		*(493)*		
Net value	**107,066**	**(34 522)**	**-**	**72,544**

The intangible assets are mainly composed of a goodwill (“merger deficit”) resulting from the transfer of assets and liabilities from Atos Investissement 6 to Atos Origin SA. The part of this goodwill allocated to French operations was depreciated in 2008 for EUR 34,009 thousand.

The Company applied the regulation CRC 2004-01 relating to the accounting treatment of mergers. As a result, a goodwill of EUR 173,579 thousand was booked in 2004.

As required by this regulation, this goodwill was allocated to the various assets brought to allow a proper follow-up and is broken down as follows:

- France: EUR 40,826 thousand ;
- Spain: EUR 63,132 thousand ;
- Sweden: EUR 69,621 thousand ;

This goodwill follows the rules applied in the consolidated financial statements for the goodwill:

- No depreciation
- Periodical impairment test.

The periodical impairment test of these intangible assets is carried out by comparing for each subsidiary held by the Company, the total of goodwill linked to this subsidiary (if any) and the gross amount of the investments with the enterprise value.

Other goodwill amounting to EUR 9,755 thousand in gross value are depreciated over a maximum period of 20 years.

Tangible assets

(in EUR thousand)	31/12/07	Acquisitions / Depreciation	Disposals / Reversals	31/12/08
Tangible fixed assets	2,689	-	-	2,689
Depreciation of tangible fixed assets	(2,159)	(105)	-	(2,264)
Of which operating		*(105)*		
Net value	**530**	**(105)**	**-**	**425**

The tangible fixed assets (fittings / buildings) are booked at their acquisition value excluding any financial expenses.

Tangible fixed assets include land and buildings for a gross amount of EUR 1,717 thousand and fittings for an amount of EUR 967 thousand.

The methods used for depreciation are based on the straight-line method or the declining balance method over the useful life of the assets, as follows:

- buildings, 20 years, straight-line method;
- fixtures and fittings, 5 to 10 years, straight-line method;
- computer hardware from 3 to 5 years, declining balance method;
- equipment and office furniture from 5 to 10 years, straight-line method.

Financial fixed assets

The gross amount of the participating interests and other financial investments reflect their acquisition costs.

The accounting value of the shares corresponds to the value in use for the company, determined by the following:

- for the operational subsidiaries, the value in use is determined on the basis of the impairment tests described above;
- for the holding subsidiaries, the value in use is given by taking into account the company's share in restated equity and the profitability expectations.

Depreciation is booked when the accounting value thus defined is lower than the acquisition costs.

1,293 Atos Origin shares held by the Company and not part of the liquidity contract are registered in investments. This accounting treatment results from the intention given to their detention as those shares are not held for stock price adjustment nor part of grants of free shares plan. The 278,000 shares acquired under the contract of liquidity are on the other hand recorded as cash equivalent as well as the 832,000 free shares acquired under the MIP and LTI plans.

Their accounting value is calculated based on the weighted average share market price of Atos Origin share on the closing month, that is to say EUR 16.9.

Gross value of financial fixed assets

(in EUR thousand)	31 Dec 2007	Acquisition	Decrease	31 Dec 2008
Investments in consolidated companies	2,408,956	157	(40,031)	2,369,082
Investments in non consolidated companies	139	-	-	139
Treasury stocks	92	-	-	92
Other investments	85	-	-	85
Loans and accrued interests	133,579	5,866	(178)	139,267
Others	115,359	94,000	(115,359)	94,000
TOTAL	**2,658,210**	**100,023**	**(155,568)**	**2,602,665**

The decrease of investments corresponds to the liquidation of the Swedish company and the disposal of the subsidiary AEMS.

New loans were granted to the subsidiary of South Africa for ZAR 56 million (EUR 4,287 thousand) at the end of the year and to the company Atos Investissement 10 for EUR 900 thousand.

Other financial fixed assets correspond to the deposit granted under the securitisation program.

Change in depreciations on financial fixed assets

(in EUR thousand)	31/12/07	Depreciation	Reversal	31/12/08
Investments in consolidated companies	(125,395)	(8,990)	17,600	(116,785)
Investments in non consolidated companies	(113)	-	-	(113)
Treasury stocks	(35)	(35)	-	(70)
Other investments	-	(85)	-	(85)
TOTAL	**(125,543)**	**(9,110)**	**17,600**	**(117,053)**
Of which financial		*(9,110)*	*17,600*	

The depreciation expenses are related to the Brazilian entity and other French entities. The reversal relates to the Swedish company.

Net value of the financial fixed assets

(in EUR thousand)	Gross amount	Depreciation	Net value
Investments in consolidated companies	2,369,082	(116,785)	2,252,297
Investments in non consolidated companies	139	(113)	26
Treasury stocks	92	(70)	22
Other investments	85	(85)	-
Loans and accrued interests	139,267	-	139,267
Others	94,000	-	94,000
TOTAL	**2,602,665**	**(117,053)**	**2,485,612**

Maturity of loans and other financial fixed assets

(in EUR thousand)	Gross amount 31/12/08	Up to 1 year	1 to 5 years
Loans and accrued interests	139,267	139,267	-
Others	94,000	94,000	-
TOTAL	**233,267**	**233,267**	**-**

Main subsidiaries and investments

(in EUR thousand)	Gross value at 31 Dec 2008	Net value at 31 Dec 2008	% interest	Common stock/ additional paid-in capital	Reserves and retained earnings	Outstanding loans and advances granted by the company	Guarantees given by the company	Revenue at 31 Dec 2008	Net Income at 31 Dec 2008	Dividends received during the period
I - Detailed information										
A - Subsidiaries (50% or more of common stock)										
France										
Atos Worldline	110 015	110 015	100%	98 974	(32 117)	0	15 500	325 977	64 518	74 482
Atos Investment 5	618 681	618 681	100%	618 681	2 328				(20)	
Atos Origin Infogérance	101 776	101 776	92%	31 143	84		46 554	502 686	92 597	2 566
Atos Origin Formation	2	2	100%	437	45			9199	695	510
Atos Origin Integration	59 906	59 906	92%	44 919	(82 016)		17 851	709 488	90 101	
Atos Consulting	16 139	16 139	100%	7 131	15			58 503	(4 151)	506
Atos Origin Participation 2	30 616	30 616	100%	15 052	154				1590	
Atos Origin International	2 378	0	100%	1 003	(4 840)			121 963	(8 436)	
Atos Investissement 10	5 040	5 040	100%	5 040	(404)	6 100			(294)	
Atos Origin Management France	40	0	100%	40	(1)			22 142	(939)	
Atos Investissement 12	40	40	100%	40	(1)					
Atos Meda	40	0	100%	40	55			10 819	(2 059)	875
Italy										
Multi-media Atos	68	68	100%	52	119					
Atos SPA	57 183	0	100%	100	11 599			3 064	(9264)	
The Benelux countries										
St Louis RE	1 224	1 224	100%	1 225						
Spain										
Atos Origin SAE	53 389	53 389	100%	41 261	5 636			343 457	4 349	1 889
GTI	751	685	100%	31	188			1 404	147	
Germany										
Atos Origin GMBH	110 750	110 750	100%	111 926	5 889		264 381	545 119	(5 756)	24 341
Sema GMBH	50 637	0	100%	50 993	(53 143)			32	241	
Netherlands										
Atos Origin BV	1 139 608	1 139 608	100%	995 761	(515 588)	127 979			64	(12 097)
B - Participations (less than 50% of common stock)										
Brazil										
Atos IT Servicios C Brazil LTDA	10 736	4 294	37%	26 293	(17 889)		11 812	62 244	(8 817)	
Others	**202**	**89**								
TOTAL	**2,369,221**	**2,252, 322**				**134,079**	**356,098**	**2,716,161**	**202,405**	**105,169**

Trade accounts and notes receivable

Notes receivable are recorded at their nominal value. They are valued separately and, if necessary, are subject to an impairment loss.
Trade accounts and notes receivable denominated in foreign currency are booked at their fair value at closing date. The difference between their historical value and their fair value at year end is booked as unrecognised exchange gain or loss.

Notes receivable

(in EUR thousand)	Gross amount 31/12/08	Depreciation	Net value 31/12/08	Net value 31/12/07
Trade accounts and notes receivable	2,843	-	2,843	2,694
Doubtful debtors	289	(245)	44	44
Invoices to be issued	826	-	826	602
Amounts receivable on disposal of asset	-	-	-	219
State and income tax	8,736	-	8,736	-
VAT receivable	4,501	-	4,501	3,818
VAT to be reimbursed	-	-	-	2,039
Intercompany current account	115,305	-	115,305	94,805
Other debtors	1,768	(202)	1,565	874
TOTAL	**134,268**	**(447)**	**133,821**	**105,095**
Of which - operating		*(447)*		

Maturity of trade accounts receivable and other debtors

(in EUR thousand)	Gross amount 31/12/08	Up to 1 year	1 to 5 years
Trade accounts and notes receivable	2,843	2,843	-
Doubtful debtors	289	289	-
Invoices to be issued	826	826	-
State and income tax	8,736	8,736	-
VAT receivable	4,501	4,501	-
Intercompany current account	115,305	115,305	-
Other debtors	1,768	1,768	-
TOTAL	**134,268**	**134,268**	

Cash and cash equivalents

(in EUR thousand)	Gross amount 31/12/08	Depreciation	Net value 31/12/08	Net value 31/12/07
Treasury stock - liquidity contract	15,239	(10,541)	4,698	9,679
Mutual funds	23	-	23	364
Treasury stock	1,327	(962)	365	2,726
Treasury stock for share based payments	33,455	(3,918)	29,537	13,406
Cash in transit	153	-	153	308
Cash at bank	221,403	-	221,403	224,263
TOTAL	**271,600**	**(15,421)**	**256,179**	**250,746**
Of which - Financial		*(15,421)*		

Depreciations on treasury have been valued based on the weighted average stock price in December 2008: EUR 16.90 per share.
795,704 shares to be granted for the MIP and LTI plans are valued:
- at the purchase price for those bought in 2008 (EUR 14,499 thousand)
- at the net book value as at 31 December 2007 for the others.

Accrued income

(in EUR thousand)	31/12/08	31/12/07
Accrued income included in the following balance sheet accounts		
Other financial fixed assets	898	400
Notes receivable	826	602
Other debtors	202	-
Banks and financial institutions	166	620
TOTAL	**2,093**	**1,622**

Prepayments, deferred expenses and unrecognised exchange losses

(in EUR thousand)	31/12/08	31/12/07
Prepaid expenses	460	508
Deferred expenses	1,495	2,310
Unrecognized exchange losses	179	-
TOTAL	**2,133**	**2,818**

The prepaid expenses correspond mainly to financial expenses.

The deferred expenses relate exclusively to costs for setting-up financing programmes. Those costs are recognised over the duration of the borrowings on a straight line basis.

Notes on the liabilities and shareholders' equity

Shareholders' equity

Common stock

	31/12/08	31/12/07
Number of shares	69,717,453	69,710,154
Nominal value in €	1	1
Common stock in EUR thousand	**69,717**	**69,710**

Capital ownership structure

	31/12/08		31/12/07		31/12/06	
	Shares	%	Shares	%	Shares	%
Centaurus	3,492,119	5,0%	7,110,506	10,3%	6,544,204	9,5%
Pardus	7,000,004	10,0%	6,700,000	9,7%		
PAI Partners	15,765,838	22,6%				
Management Board	33,785	0,1%	43,809	0,1%	121,598	0,2%
Supervisory Board	10,721	0,0%	2,040	0,0%	2,050	0,0%
Total Directors	44,506	0,1%	45,849	0,1%	123,648	0,2%
Employees	2,119,700	3,0%	2,164,319	3,1%	1,538,860	2,2%
Treasury stock	1,111,293	1,6%	705,293	1,0%	258,293	0,4%
Public	40,183,993	57,6%	52,984,187	75,8%	60,415,960	87,7%
Total	**69,717,453**	**100,0%**	**69,710,154**	**100,0%**	**68,880,965**	**100,0%**
Registered shares	1,703,175	2,4%	1,664,916	2,4%	1,102,460	1,6%
Bearer shares	68,014278	97,6%	68,045,238	97,6%	67,778,505	98,4%
Total	**69,717,453**	**100,0%**	**69,710,154**	**100,0%**	**68,880,965**	**100,0%**

The shares owned by employees are held through mutual funds and corporate savings plans.

The 7th resolution of the Annual General Meeting of 12 June 2008 renewed the authorisation to trade in the Group's shares. The number of shares purchased may not exceed 10% of the Company's common stock at the date of the last Annual General Meeting. At 31 December 2008, the Company held 1,111,293 shares of treasury stock.

The free-float available of the Group's shares is close to 100% today, with no shareholder owing more than 5% of the issued share capital of the Company for the last three years (as per Euronext definition).

	31/12/08			31/12/07		
	Shares	% of capital	% of voting rights	Shares	% of capital	% of voting rights
Treasury stock	1,111,293	1.6%		705,293	1,0%	
Free float	68,606,160	98.4%	100,0%	69,004,861	99,0%	100,0%
Total	**69,717,453**	**100,0%**	**100,0%**	**69,710,154**	**100,0%**	**100,0%**

During 2008, the company was informed of various movements of shares from Centaurus, Pardus and PAI Partners. On 6 January 2009, Pardus and Centaurus declared that their *action de concert* (shareholder agreement) had ended.

Changes in shareholders' equity

(in EUR thousand)	**31/12/07**	**Change in method impact**	**31/12/07 proforma**	**Appropriation of result**	**Capital increase**	**Net Income at 31 Dec 2008**	**31/12/08**
Common stock	69,710	-	69,710	-	7	-	69,717
Additional paid-in capital	1,409,679	-	1,409,679	-	182	-	1,409,861
Legal reserve	6,888	-	6,888	83	-	-	6,971
Other reserves	25,511	-	25,511	-	-	-	25,511
Retained earnings	167,370	12,510	179,880	(86,826)	-	-	93,054
Net income for the period	(58,857)	-	(58,857)	58,857	-	38,301	38,301
TOTAL OF THE SHAREHOLDERS' EQUITY	**1,620,300**	**12,510**	**1,632,810**	**(27,886)**	**189**	**38,301**	**1,643,415**

Potential common stock

Based on 69,717,453 shares in issue, the common stock could be increased by 7,153,540 new shares, representing 9.3% of the common stock after dilution. This can occur only through the exercise of stock options granted to employees.

(in shares)	31/12/08	31/12/07	Change	31/12/2008	
				% dilution	EUR million
Number of shares outstanding	**69,717,453**	**69,710,154**	**7,299**		
Stock options	7,153,540	5,982,272	1,171,268	9.3%	382
Total potential common stock	**76,870,993**	**75,692,426**	**1,178,567**		

The exercise of all the options would have the effect of increasing the shareholders' equity by EUR 382 million and common stock by EUR 7.2 million.

Nevertheless, 100% of stock options granted to employees have an exercise price that exceeds the stock market price at 31 December 2008 (EUR 17.92).

Stock options table:

Date of SHs' meeting	Date of MB meeting	Options granted	Of which members of the MB (*)	Of which ten employees	Options exercised	Of which members of the MB (*)	Options cancelled	Of which members of the MB (*)	Closing 31/12/08	Of which members of the MB (*)	Numbers of beneficiaries	Exercise period start date	Exercise period end date	Strike Price (EUR)	Cash (EUR million)
30/06/97	04/01/99	9 000							**9 000**		1	04/01/04	04/01/09	95,26	**0,9**
30/06/97	17/05/99	3 600							**3 600**		3	17/05/04	17/05/09	79,27	**0,3**
30/06/97	07/06/99	400							**400**		1	07/06/04	07/06/09	84,04	**0,0**
30/06/97	01/10/99	1 000							**1 000**		1	01/10/04	01/10/09	120,29	**0,1**
30/06/97	30/11/99	259 000	7 500	27 000			38 300		**220 700**	7 500	292	30/11/04	30/11/09	134,55	**29,7**
30/06/97	01/03/00	1 500							**1 500**		2	01/03/05	01/03/10	159,94	**0,2**
30/06/97	03/04/00	300					300				1	03/04/05	03/04/10	153,82	
30/06/97	01/06/00	4 500							**4 500**		5	01/06/04	01/06/10	110,15	**0,5**
30/06/97	03/07/00	10 000							**10 000**		1	03/07/04	03/07/10	106,67	**1,1**
30/06/97	01/09/00	2 500							**2 500**		2	01/09/04	01/09/10	109,50	**0,3**
30/06/97	02/10/00	500							**500**		1	02/10/04	02/10/10	112,97	**0,1**
31/10/00	18/12/00	514 100		12 000			129 575		**384 525**		385	18/12/03	18/12/10	78,27	**30,1**
31/10/00	18/12/00	428 650	70 000	22 800			61 200	20 000	**367 450**	50 000	479	18/12/04	18/12/10	78,27	**28,8**
31/10/00	15/01/01	5 000							**5 000**		2	15/01/04	15/01/11	76,23	**0,4**
31/10/00	15/01/01	500							**500**		1	15/01/05	15/01/11	76,23	**0,0**
31/10/00	23/04/01	4 000					3 000		**1 000**		3	23/04/04	23/04/11	84,33	**0,1**
31/10/00	23/04/01	3 200							**3 200**		3	23/04/05	23/04/11	84,33	**0,3**
31/10/00	18/09/01	2 200							**2 200**		1	18/09/05	18/09/11	80,71	**0,2**
31/10/00	08/10/01	1 800					800		**1 000**		3	08/10/04	08/10/11	74,06	**0,1**
31/10/00	11/12/01	5 000							**5 000**		1	11/12/04	11/12/11	79,36	**0,4**
31/10/00	12/12/01	410 350		33 000			84 700		**325 650**		774	12/12/04	12/12/11	79,04	**25,7**
31/10/00	12/12/01	236 400		8 500			13 950		**222 450**		522	12/12/05	12/12/11	79,04	**17,6**
31/10/00	14/01/02	2 500					500		**2 000**		2	14/01/05	14/01/12	75,17	**0,2**
31/10/00	14/01/02	1 000					500		**500**		2	14/01/06	14/01/12	75,17	**0,0**
31/10/00	16/04/02	1 350					1 100		**250**		3	16/04/05	16/04/12	87,51	**0,0**
31/10/00	16/04/02	1 000							**1 000**		1	16/04/06	16/04/12	87,51	**0,1**
31/10/00	20/06/02	11 101	5	6 943			2 806		**8 295**	5	815	20/06/05	20/06/12	63,06	**0,5**
31/10/00	20/06/02	6 000					6 000				4	20/06/05	20/06/12	63,06	
31/10/00	20/06/02	12 574		331			2 125		**10 449**		1 536	20/06/06	20/06/12	63,06	**0,7**
31/10/00	01/07/02	45 000							**45 000**		4	01/07/05	01/07/12	62,32	**2,8**
31/10/00	01/07/02	20 000	10 000						**20 000**	10 000	2	01/07/06	01/07/12	62,32	**1,2**
31/10/00	09/07/02	5 000					5 000				3	09/07/06	09/07/12	61,49	
31/10/00	16/08/02	184 606		24 650	46 730		87 228		**50 648**		146	16/08/05	16/08/12	41,52	**2,1**
31/10/00	02/10/02	2 000			500		500		**1 000**		4	02/10/05	02/10/12	41,52	**0,0**
31/10/00	15/10/02	3 000							**3 000**		1	15/10/05	15/10/12	26,02	**0,1**
31/10/00	15/10/02	100							**100**		1	15/10/06	15/10/12	26,02	**0,0**
31/10/00	27/03/03	616 410		25 300	351 954		56 658		**207 798**		1 447	01/01/05	27/03/13	25,92	**5,4**
31/10/00	27/03/03	348 902	15 491	10 564	110 962		13 854		**224 086**	15 491	3 444	27/03/07	27/03/13	25,92	**5,8**
31/10/00	16/06/03	2 000					2 000				2	16/06/07	16/06/13	30,88	
31/10/00	08/07/03	500							**500**		1	08/07/06	08/07/13	31,81	**0,0**

Date of SHs' meeting	Date of MB meeting	Options granted	Of which members of the MB (*)	Of which ten employees	Options exercised	Of which members of the MB (*)	Options cancelled	Of which members of the MB (*)	Closing 31/12/08	Of which members of the MB (*)	Numbers of beneficiaries	Exercise period start date	Exercise period end date	Strike Price (EUR)	Cash (EUR million)
31/10/00	01/10/03	1 500					1 000		**500**		2	01/10/06	01/10/13	49,87	**0,0**
31/10/00	01/10/03	762							**762**		1	01/10/07	01/10/13	49,87	**0,0**
31/10/00	09/02/04	1 172 125		117 000	51 675		63 175		**1 057 275**		1 220	01/01/06	09/02/14	54,14	**57,2**
22/01/04	09/02/04	414 750	30 000	52 000			13 425		**401 325**	30 000	686	09/02/08	09/02/14	54,14	**21,7**
04/06/04	10/01/05	805 450		52 500	500		116 367		**688 583**		803	10/01/08	10/01/15	49,75	**34,3**
04/06/04	10/01/05	347 250	35 000	41 500	200		23 905		**323 145**	35 000	567	10/01/09	10/01/15	49,75	**16,1**
04/06/04	28/04/05	750					500		**250**		1	28/04/08	28/04/15	49,98	**0,0**
04/06/04	28/04/05	6 750					1 333		**5 417**		5	28/04/09	28/04/15	49,98	**0,3**
04/06/04	26/10/05	5 200					1 999		**3 201**		3	26/10/09	26/10/15	58,04	**0,2**
04/06/04	12/12/05	20 000							**20 000**		1	12/12/08	12/12/15	57,07	**1,1**
04/06/04	12/12/05	15 000					6 666		**8 334**		1	12/12/09	12/12/15	57,07	**0,5**
04/06/04	29/03/06	810 130		50 000			143 051		**667 079**		828	29/03/09	29/03/16	59,99	**40,0**
04/06/04	29/03/06	337 860	35 000	44 500			32 511		**305 349**	35 000	420	29/03/10	29/03/16	59,99	**18,3**
04/06/04	01/12/06	50 000	50 000						**50 000**	50 000	1	01/12/10	01/12/16	43,87	**2,2**
04/06/04	19/12/06	16 150					3 465		**12 685**		24	19/12/09	19/12/16	43,16	**0,5**
04/06/04	19/12/06	3 000					166		**2 834**		6	19/12/10	19/12/16	43,16	**0,1**
23/05/07	09/10/07	20 000							**20 000**		1	09/10/10	09/10/17	40,35	**0,8**
23/05/07	09/10/07	5 000							**5 000**		1	09/10/11	09/10/17	40,35	**0,2**
23/05/07	10/03/08	190 000	50 000				140 000		**50 000**		3	10/03/14	10/03/18	34,73	**1,7**
23/05/07	22/07/08	5 000							**5 000**		1	22/07/11	22/07/18	34,72	**0,2**
23/05/07	22/07/08	2 500							**2 500**		1	22/07/12	22/07/18	34,72	**0,1**
23/05/07	23/12/08	459 333	233 333	182 667					**459 333**	233 333	24	01/04/10	23/12/18	18,40	**8,5**
23/05/07	23/12/08	459 333	233 333	182 667					**459 333**	233 333	24	01/04/11	23/12/18	22,00	**10,1**
23/05/07	23/12/08	459 333	233 333	182 667					**459 333**	233 333	24	01/04/12	23/12/18	26,40	**12,1**
22/06/01	08/11/01	198 590	12 000		190 529	12 000	8 061				28	23/12/01	23/12/03	28,13	
22/06/01	08/11/01	236 000	10 000		13 966		222 034	10 000			56	28/07/02	28/07/04	52,18	
22/06/01	08/11/01	493 000	30 000				493 000	10 000			183	29/05/03	30/06/06	72,15	
Total Stock options end of Dec-08		**9 944 810**	**1 060 996**	**1 108 588**	**767 516**	**12 000**	**2 023 754**	**46 000**	**7 153 540**	**932 996**					**382,0**

(*) Either previous Management Board or current Board of Directors

Provisions for losses and contingencies

The provisions are based on the best estimate of the outflow of resources necessary to comply with the underlying obligation.

- Provisions

(in EUR thousand)	31/12/07	Change in method impact	31/12/07 proforma	Charge	Release used	Release unused	31/12/08
Currency risk	-		-	179			179
Subsidiary risk	22,480		22,480	23,220	(21,310)	(490)	23,900
Contingencies	16,486	(12,510)	3,976	10,829	-		14,805
Litigations	494		494				494
TOTAL	**39,460**	**(12,510)**	**26,950**	**34,228**	**(21,310)**	**(490)**	**39,379**
Of which - operating	*16,486*	*(12,510)*	*3,976*	*10,829*			*14,805*
- financial	*22,480*		*22,480*	*23,399*	*(21,310)*	*(490)*	*24,079*
- tax	*494*		*494*				*494*

A provision for subsidiary risk has been booked for three French entities (AO International, Atos Origin Meda and Atos Origin Management France).

Following the disposal of the Italian activities, the provision for contingencies on Italy amounting to EUR 21,100 thousand has been released.

The charge to provision for contingencies of EUR 10,829 thousand relates to LTI/MIP plans for 2007 and 2008 and was calculated in order to spread the free shares grant cost over the vesting period.

Loans, trade accounts payable and other liabilities

The syndicated loan has been fully repaid as at 31 December 2008 and presents therefore a zero balance.

The loans and other financial liabilities include:
- Profit-sharing for a total amount of EUR 20,049 thousand.
- Intercompany loans for an amount of EUR 91,204 thousand.

- Closing net debt

(in EUR thousand)	Up to 1 year	1 to 5 years	Gross value 31/12/08	Gross value 31/12/07
Long and medium term borrowings	-	-	-	140,576
Bank overdraft	568,226	-	568,226	490,900
Other borrowings	111,364	-	111,364	166,908
BORROWINGS	679,590	-	679,590	798,384
CASH AT BANK	221,403	-	221,403	224,262
CLOSING NET DEBT	**458,187**	**-**	**458,187**	**574,122**

The change in net debt is explained by a repayment of borrowing to AEMS Ltd for EUR 52,925 thousand following the disposal of the AEMS activity.

Structure of the syndicated loan (2005-2012)

On 12 May 2005, Atos Origin signed with a number of major financial institutions a EUR 1.2 billion multi-currency revolving facility. With an initial term of five years, this facility was extended twice of an additional year. As of 31 December 2008, Atos Origin SA has not used this multi-currency revolving facility.

Securitisation

In addition, Atos Origin implemented a pan-European securitisation program in March 2004 for a maximum amount of EUR 300 million. This program was renewed for five years in March 2009. At 31 December 2008, Atos Origin SA received EUR 198.7 million for this program.

- Maturity of trade accounts and notes payable

(in EUR thousand)	Gross amount 31/12/08	Up to 1 year	1 to 5 years
Notes payable	16,180	16,180	-
Social security and other employee welfare liabilities	189	189	-
VAT payable	1,251	1,251	-
State, income tax	-	-	-
Intercompany current account liabilities	569,538	569,538	-
Other liabilities	1,174	1,174	-
TOTAL	**588,332**	**588,332**	-

- Deferred Expenses

(in EUR thousand)	31/12/08	31/12/07
Deferred Expenses included in the following balance sheet accounts		
Borrowings and other liabilities	2,174	6,900
Trade accounts and notes payable	3,565	27,415
Other liabilities	492	375
State and employee related liabilities	75	72
Accrued interests on overdraft	1,109	2,030
TOTAL	**7,415**	**36,792**

Notes on the income statement

Revenue and activity

Revenue is mainly composed of trademark fees and income from re-invoicing to other Group companies.

- Revenue split

	12 months ended 31 December 2008		12 months ended 31 December 2007	
	(in EUR thousand)	(in %)	(in EUR thousand)	(in %)
Trademark fees	41,696	93%	42,016	94%
Re-invoicing	743	2%	1,061	2%
Parental guarantees	2,316	5%	1,683	4%
TOTAL REVENUE by nature	**44,755**	**100%**	**44,760**	**100%**
France	17,102	38%	16,192	36%
Foreign countries	27,653	62%	28,568	64%
TOTAL REVENUE by geographical area	**44,755**	**100%**	**44,760**	**100%**

The revenue from trademark fees amounted to EUR 41,696 thousand, stable compared to 2007.

Operating and other expenses

Cost of sales includes sponsorship fees paid to the International Olympic Committee.
Other expenses mainly comprise marketing, communication, investor relations and human resources expenses invoiced to Atos Origin S.A. by Atos Origin International SAS and other Group companies.

- Other expenses detail

(in EUR thousand)	12 months ended 31 December 2008	12 months ended 31 December 2007
Expenses incurred in the interest of Atos Origin SA	(15,140)	(21,915)
Directors' fees	(567)	(710)
Others	(610)	(69)
TOTAL	**(16,317)**	**(22,694)**

- Accruals

The EUR 11,157 thousand expense for "depreciation, amortisation and provision" in 2008 corresponds mainly to the provision booked on treasury stock related to the LTI/MIP plans (EUR 10,829).

Financial result

(in EUR thousand)	12 months ended 31 December 2008	12 months ended 31 December 2007
Dividends received	105,165	14,579
Intercompany current account interests	6,917	12,483
Other financial assets income	9,073	7,990
Reversal of provisions on investments in consolidated companies	21,800	278
Reversal of other financial provisions	-	1,361
Disposal of short-term investment	51	27
Foreign exchange gains	16,770	6,029
Other financial income	12,685	12,257
TOTAL OF THE FINANCIAL INCOME	**172,461**	**55,004**
Interests on borrowings	(8,985)	(9,073)
Securitisation interests	(8,892)	(7,391)
Intercompany loans interests	(7,791)	(7,921)
Intercompany current accounts interests	(6,823)	(8,545)
Provision for goodwill depreciation	(34,009)	-
Provision for depreciation on investments in consolidated companies	(8,990)	(2,874)
Provision for depreciation of treasury stocks	(6,188)	(6,036)
Other financial provisions	(24,394)	(1,097)
Loss on receivables held by participating investments	(12,582)	(9,279)
Short term borrowing interests	(17,651)	(20,510)
Foreign exchange losses	(11,812)	(11,146)
Other financial expenses	(9,715)	(10,124)
TOTAL OF THE FINANCIAL EXPENSES	**(157,833)**	**(93,996)**
NET FINANCIAL RESULT	**14,627**	**(38,992)**

The increase in financial income is related to higher dividends received for EUR 90,586 thousand along with the reversal of provision for contingencies in Italy for EUR 21,100 thousand. Indeed the Company received from Atos Worldline EUR 74,482 thousand of dividends of which an advance payment of EUR 40,000 thousand for the year 2008 and from Germany (Atos Origin GMBH) EUR 24,341 thousand.

The increase in financial expense by EUR 63 837 thousand was caused by the following:

- Goodwill impairment for EUR 34 009 thousand ;
- Subsidiary risk provision expense for EUR 23 220 thousand
- Depreciation of financial fixed assets (interests in the Brazilian entity and other French entities) for EUR 8 990 thousand.

Non recurring items

The non-recurring income and expenses recorded in the income Statement include the non recurring items of ordinary activities and extraordinary items.
Non-recurring items coming from ordinary activities are those whose realization is not related to the current operations of the company either because they are abnormal in their amount or their incidence, or because they barely occur.

(in EUR thousand)	12 months ended 31 December 2008	12 months ended 31 December 2007
Selling price from disposal of financial assets	35,462	-
Reversal of provision	1,650	-
TOTAL OF NON RECURRING INCOME	**37,112**	**-**
Amortization of goodwill	(492)	(492)
Net book value of financial assets sold	(20,031)	(278)
Other expenses	(9,766)	(14,481)
TOTAL OF NON RECURRING EXPENSES	**(30,290)**	**(15,251)**
NON RECURRING ITEMS	**6,822**	**(15,251)**

The non-recurring income of EUR 6,822 thousand can be analyzed as follows:

- Disposal of AEMS Exchange to NYSE Euronext for EUR 13,584 thousand
- Severance costs of a director amounting to EUR 3,580 thousand
- Specific fees for EUR 2,742 thousand

Decrease and increase of the future tax charge of Atos Origin taxed separately

At closing, decrease and increase of the future tax charge are broken down as follows:

(in EUR thousand)	Basis Decrease	Basis Increase
Non deductible timings	1,075	-
Tax loss carry forward	35,844	-
TOTAL	**36,919**	**-**

No related deferred tax assets nor income have been recognised.

Breakdown between net income on ordinary activities and non recurring activities

(in EUR thousand)	Before tax	Computed tax	Net amount
Net income on ordinary activities	19,486	-	19,486
Non recurring items	6,822	-	6,822
Tax credit	-	11,993	11,993
TOTAL	**26,308**	**11,993**	**38,301**

At closing there is no risk of repayment of the tax credit booked in the frame of the French Tax Consolidation as per the French Tax Consolidation Agreement.

The difference between the tax booked in the accounts and the tax that would have been booked in the absence of French Tax Consolidation is EUR 11,907 thousand.

Tax consolidation agreement

As per the article 223-A from the French Fiscal Code, Atos Origin SA signed an agreement of Group tax consolidation with a certain number of its French subsidiaries with effect as of 1 January 2001.

Atos Origin as parent company of the Group is designated as the only liable entity for the corporate tax of the group formed by itself and the companies indicated below:

Company name	Form	Capital in KEUR	Registered office	RCS
ATOS Worldline	SAS	38.805	18 Avenue d'Alsace 92400 COURBEVOIE	378.901.946 RCS Nanterre
MANTIS	SA	40	27, rue des Jeuneurs 75002 Paris	352.188.601 RCS Nanterre
Atos Origin Infogérance	SAS	832	18 Avenue d'Alsace 92400 COURBEVOIE	064.502.636 RCS Nanterre
Atos Origin Integration	SAS	4.205	18 Avenue d'Alsace 92400 COURBEVOIE	408.024.719 RCS Nanterre
Atos Origin International	SAS	1.003	18 Avenue d'Alsace 92400 COURBEVOIE	412.190.977 RCS Nanterre
Atos Origin Participation 2	SA	5.000	24 Quai Gallieni 92150 Suresnes	552.149.502 RCS Nanterre
Atos Origin Formation	SAS	430	7-13, rue de Bucarest 75008 Paris	343.358.115 RCS Paris
Atos Origin Investment 5	SAS	618.681	18 Avenue d'Alsace 92400 COURBEVOIE	440.221.679 RCS Nanterre
Atos Origin Investment 10	SAS	5.040	18 Avenue d'Alsace 92400 COURBEVOIE	480.055.680 RCS Nanterre
Atos Origin Management France	SAS	40	18 Avenue d'Alsace 92400 COURBEVOIE	480.055.664 RCS Nanterre
Atos Origin Investment 12	SAS	40	18 Avenue d'Alsace 92400 COURBEVOIE	480.055.797 RCS Nanterre
ATOS Consulting	SAS	40	6/8 Boulevard Haussmann 75009 PARIS	410.333.223 RCS PARIS
Atos Meda	SA	40	18 Avenue d'Alsace 92400 COURBEVOIE	448.686.154 RCS Nanterre
Atos Origin A2B	SAS	416	18 Avenue d'Alsace 92400 COURBEVOIE	413 573.013 RCS Nanterre
Santeos	SA	1.402	18 Avenue d'Alsace 92400 COURBEVOIE	419 300.678 RCS Nanterre
ATOS Participation1	SA	146	18 Avenue d'Alsace 92400 COURBEVOIE	341 596.294 RCS Nanterre

The principal methods of the Agreement are:

- Each subsidiary records in its accounts the amount of tax that it would have paid on a stand-alone basis;
- Tax savings related to the use of the tax losses of the Tax Consolidation members will be only temporary since the subsidiaries concerned will still be able to use them. Consequently the tax savings are booked as liabilities towards those subsidiaries;
- Atos Origin SA is the only liable for any additional tax to be paid in the event of an exit of the subsidiaries from the French Tax Consolidation.

Other information

Commercial commitments

(in EUR thousand)	31/12/08
Performance Guarantees	1,188,504
Bank guarantees (to subsidiaries)	218,537
Bank guarantees	196
TOTAL	**1,407,237**

Subsequent to the Cellnet disposal in July 2004, Atos Origin SA still has one outstanding guarantee with Schlumberger related to Citicorp for a total amount of USD 91.9 million, which is fully counter-guaranteed by the acquirer of Cellnet, “Cellnet Holdings Corp”.

In relation to the multi-currency revolving facility, Atos Origin SA issued a parental guarantee to the benefit of the consortium of banks represented by BNP Paribas, in order to cover up to EUR 440 million the obligations of its subsidiary, Atos Origin Telco Services B.V.

In the normal course of business of its subsidiaries, Atos origin SA has given financial guarantees for a total of EUR 218.5 million to, inter alia, banks consortiums, lessors and real estate owners.

Atos Origin SA has given for various subsidiaries guarantees of general financial support at the request of auditors or to comply with local regulations.

Risk analysis

Market risks; fair value of financial instruments

Cash at bank and short term deposits, trade accounts receivable, bank overdraft and trade accounts payable.

Due to the short term nature of these instruments, the Group considers that the book value constitutes a reasonable estimate of their market value as at 31 December 2008.

Long and medium term liabilities

On 31 December 2008, the market value of the long and medium term liabilities was nil on the basis of the book value of the syndicated loan.

Interests rate derivatives

For the management of its liabilities, Atos Origin contracts usual interest rates swaps negotiated with major banking institutions. As of 31 December 2008, these contracts expired. The average fixed rate guaranteed on these contracts was of 4.29%.

Liquidity risk

The major financing tool of Atos Origin is a EUR 1.2 billion multi-currency revolving facility signed on 12 May 2005 with major financial institutions; it includes a five year maturity and a two-year extension option exercisable in 2006 and 2007. These options were exercised in 2006 and 2007 extending the maturity of the multi-currency revolving facility until 12 May 2011 for EUR 1.2 billion and 12 May 2012 for EUR 1.1 billion.

Bank covenants:

- The consolidated leverage ratio (net debt divided by OMDA) may not be greater than 2.5 times under the multi-currency revolving facility.

- The consolidated interest cover ratio (operating margin divided by the net cost of financial debt) may not be less than four times throughout the term of the multi-currency revolving facility.

Liquidity Risk as of 31 December 2008

Type of instruments	Fix /Variable	Line	Maturity
Syndicated loan (*)	Variable	EUR 1.2 billion	May 2011

(*) EUR 290 million used as of 31 December 2008, out of which EUR 290 million by the swiss subsidiary, Atos Origin Telco Services B.V.

Securitisation program

In March 2004, Atos Origin set up a securitisation program with Ester Finances, a subsidiary of CALYON rated AA- by Standard & Poors and Aa2 by Moodys. The maximum amount of the program is EUR 300 million.

The trade account receivables of certain entities of Atos Origin based in the Netherlands, in France, in England and Germany are transferred on a recurring basis to this financing institution. This transaction is financed through the issue of commercial notes rated A1P1. This rate is granted due to an underlying deposit made by Atos Origin. The deposit amount is calculated every month and is based on various criteria such as the dilution ratio, the days sales outstanding (DSO), losses, etc.

On 31 December 2008 the total amount of the trade accounts receivable transferred to Ester Finances amounted to EUR 294 million.

Credit risk

The Group has a fully-integrated process concerning credit risk. In its trade relations, the Group manages its credit risk with a portfolio of diversified customers and follow-up tools.

Financial wise, the Group monitors the credit risk on its investments and its market operations by rigorously selecting leading financial institutions and by using several banking partners. The Group thus considers its credit exposure as being limited.

Market risk

Monetary assets of the Group comprise receivables and loans, securities investments and cash at bank. Monetary liabilities comprise financial, operating and other liabilities.

Interest rate risk

The exposure to interest risk encompasses two types of risks:

- A price risk on fixed-rate financial assets and liabilities. For example, by contracting a fixed-rate liability, the Company is exposed to potential opportunity losses should interest rates fall. A change in interest rates would impact the market value of fixed-rate financial assets and liabilities. However, this loss of opportunity would not impact financial income and expenses as reported in the Company’s income statement and, as such, future net income of the Company up to maturity of these assets.

- A cash-flow risk on floating-rate financial assets and liabilities should interest rates increase. The Group considers that a variation in rates would have little incidence on floating-rate financial assets and liabilities.

Year-end headcount by category

Atos Origin SA had no employee in 2008 and in 2007.

Compensation of the Management Board and Supervisory Board members

The global amount of compensation and incentives of any nature to the members of the Management and Supervisory Board of Atos Origin during the year 2008 was EUR 11,900 thousand, including EUR 567 thousand of Directors' fees.

Notes concerning related parties

Balance sheet

(in EUR thousand)	Balance Sheet	Of which associated companies
ASSETS		
Other investments	2,252,323	2,252,297
Loans	139,267	139,190
Trade accounts and notes receivable	3,714	3,434
Other receivables	130,089	115,305
TOTAL	**2,525,393**	**2,510,226**
LIABILITIES		
Provision for losses and contingencies	38,884	23,900
Borrowings and other financial liabilities	111,364	91,204
Trade accounts payable	16,180	10,655
Other liabilities	570,712	569,196
TOTAL	**737,140**	**694,955**

Profit and loss

(in EUR thousand)	Profit and Loss	Of which associated companies
Operating income	52,131	44,354
Operating expenses	(47,272)	(24,911)
Financial income	172,460	145,834
Financial expenses	(157,833)	(93,567)
Non recurring income	37,112	35,462
Non recurring expenses	(30,290)	(20,031)
Income tax	11,993	-
TOTAL	**38,301**	**87,141**

18.5 AUDITORS' SPECIAL REPORT ON AGREEMENTS INVOLVING MEMBERS OF THE BOARD OF DIRECTORS

[This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with related parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.]

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments with related parties.

1. Agreements and commitments authorised during the year 2008 and until March 26, 2009

In application of article L.225-88 and L. 225-40 of the French Commercial Code ("Code de Commerce"), we have been informed of agreements and commitments which were previously authorised by the Supervisory Board during the year 2008 and by the Board of Directors since February 10, 2009.

The terms of our engagement do not require us to identify other agreements and commitments, if any, but to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention, without expressing an opinion on their usefulness and appropriateness. It is your responsibility, pursuant to Article R.225-58 and R.225-31 of the French Commercial Code, to assess the interest involved in respect of the conclusion of these agreements and commitments with respect to their approval.

We conducted our procedures in accordance with French professional standards. These standards require that we agree the information provided to us with the relevant source documents.

1.1 Agreement concluded with two shareholders, authorized by the Supervisory Board meeting of May 25, 2008 – Agreement

In its meeting of May 25, 2008, the Supervisory Board authorised the Management Board to conclude an agreement between Atos Origin, Centaurus Capital (i.e the Centaurus Alpha Master Fund Limited and the Green Way Managed Account Series Ltd (Portfolio E) and Pardus Capital (i.e. the Pardus Special Opportunities Master Fund L.P.), which includes, among others, the following matters:

- Any decision to co-opt a new Supervisory Board member occurring until the next Annual General Shareholders' Meeting of the Company and leading to more than nine Supervisory Board members would have to be voted by the Supervisory Board at the qualified majority of the two-third of the voting members, directly or by a proxy (this part of the agreement occurred during the Supervisory Board meeting of July 3, 2008 regarding the nomination of M. Paris and M. Meunier);
- Any action by the Management Board of the delegation to increase the Company's share captal without preferred subscription right (approved by the Annual General Shareholders' meeting of June 12, 2008 in its 16th resolution) would need a specific decision by the Supervisory Board approved at the qualified majority of the two-third of the voting members, directly or by a proxy (this part of the agreement did not occur) ;
- If before November 26, 2008, one of the current Supervisory Board member (or one of his substitutes), resigns, dies or would not be able to complete its mandate, the party who proposed to co-opt this member would propose to co-opt a candidate with similar professional competence and independence (where applicable). This candidate would be co-opted by the Supervisory Board (this part of the agreement did not occur);
- The representative of Centaurus Capital and/or the one of Pardus Capital will resign from the Supervisory Board of the Company within ten days after the participation

interest of Centaurus Capital or of Pardus Capital, respectively, becomes lower than 5% of the share capital of the Company (this part of the agreement did not occur);

1.2 Agreements concluded with two members of the Management Board, authorized by the Supervisory Board meetings of July 31, 2008 and December 11, 2008 – Termination of functions

In its meeting of July 31, 2008, the Supervisory Board authorised the Management Board to conclude with Mr. Wilbert Kieboom, member of the Management Board, a firm and final settlement agreement defining the terms and conditions of the termination of all mandates and functions of Mr. Wilbert Kieboom within the Atos Origin Group. In particular, Mr. Wilbert Kieboom retained the benefit from 3,013 free shares granted as part of the "LTI 2007" plan and 11,666 share subscription options granted on March 29, 2006, exercisable at the price of EUR 59.99. The Supervisory Board also authorized the payment of a bonus of Euros 151,000 for the year 2008 corresponding to the achievement of Mr. Wilbert Kieboom's individual and qualitative objectives between January 1st and July 31, 2008, and the payment of Euros 16,800 in compensation for moving costs. Moreover, in application of his employment contract, Mr. Wilbert Kieboom benefited from the payment of the uncompleted notice period in the amount of Euros 650,000.

In its meeting of December 11, 2008, the Supervisory Board authorised the Management Board to grant to Mr. Philippe Germond, following the termination of his mandate, the Company's shares that are due pursuant to the "LTI 2007" plan (7,674 free shares) and to the "LTI 2008" plan (16,429 free shares).

1.3 Agreement concluded with Mr. Thierry Breton, President of the Management Board then Chairman and Chief Executive Officer, authorized by the Supervisory Board meeting of December 23, 2008 and by the Board of Directors meeting of March 26, 2009 - Terms and conditions related to a supplementary collective defined benefit pension plan

In its meeting of December 23, 2008, the Supervisory Board determined the remuneration granted to Mr. Thierry Breton in his capacity of President of the Management Board. In this respect, Mr. Thierry Breton will benefit from the supplementary collective defined benefit pension plan implemented in the Group, starting December 1st 2007 (Supervisory Board meetings of November 14, 2007 and December 23, 2008 for Mr. Thierry Breton), for members of the Group Executive Committee, through insurance policies subscribed with solvent insurance companies (the said pension plan was submitted to shareholders approval as a regulated agreement in the Annual Shareholders meeting of June 12, 2008).

In its meeting of March 26, 2009, the Board of Directors authorized the new terms and conditions of the supplementary collective defined benefit pension plan concerning, amongst others, Mr. Thierry Breton.

The terms and conditions are as follows:

- Eligibility

Beneficiaries of the pension plan are the members of the Atos Origin Group Executive Committee ("CEG") and who terminate their careers within the Atos Origin Group.

- Rights

Beneficiaries will receive an annual benefit retirement of 1% per quarter of presence within the CEG, with a maximum of 60 quarters (15 years) multiplied by the average fixed remuneration over the last 60 months (5 years), received before the normal age of retirement, excluding any variable remuneration (bonuses, etc.), and after deduction of other legal or contractual pension benefits (including any applicable defined contribution scheme).
The pension benefit retirement is reassessed based on the AGIRC index and with no benefit to the surviving spouse, except as an option and implying an actuarial reduction of the benefit retirement.

- Seniority

Accrual of rights is based on the following rules:

- For beneficiaries who are more than 50 years old when they join the CEG, the seniority in the plan is equal to the difference between the age when they join the CEG and 50, rounded to the closest whole number of quarters, with a maximum of 20 quarters (5 years);
- For other beneficiaries, the seniority in the plan corresponds to their seniority since they joined the CEG or since December 1st, 2007 for those who where CEG members at this date, rounded to the closest whole number of quarters;
- Acquired rights are conserved if the beneficiary leaves the CEG after 10 years and remains in the company.

However, upon the request of M. Thierry Breton, the only CEG member being also a corporate officer, the benefit of this supplementary defined benefit pension plan is deferred for himself, the application being suspended until the end of 2009, where the plan will come into force, pending any amendment regarding such plans applicable to corporate officers that would be decided by the French Government.

2. Agreements and commitments approved in previous years with continuing effect during the year

Furthermore, pursuant to the French Commercial Code, we have been informed that the performance of the following agreements and commitments, approved in previous fiscal years, continued during the year ended December 31, 2008.

2.1. Debt securitisation program

As part of the negotiation of a debt securitisation program, for a maximum borrowing of Euros 200 million, the Supervisory Board, during its meetings held on December 12, 2003 and on March 15, 2005, authorised two guarantees for Ester Finance (a company in the Crédit Lyonnais Group), in the form of a subordinated deposit and a letter of guarantee, covering the company's obligations as the project's coordinating unit and the obligations of its main subsidiaries participating in the project and located in the Netherlands, France, Germany and the United Kingdom. These two guarantees continued during the current fiscal year.

2.2. Status of Management Board members

In connection with the status of Management Board members (agreement authorised by the Supervisory Board meeting held on December 16, 2005, amended on July 31, 2007 and approved by the shareholders, during the annual general meetings held on May 23, 2006 and June 12, 2008), the following commitments, with respect to compensation due to a termination of duties and to a supplementary defined benefit pension plan, concluded with each Management Board member, and representing remuneration, compensation or benefits likely to be payable due to the termination of duties, or subsequent thereto, continued:

- A compensation equal to 24 months of remuneration based on an annual base salary equal to the annual fixed salary plus the variable salary target of the year during which the duties were terminated and increased, if necessary and on the decision of the Chairman of the Management Board and approved by the Supervisory Board, by the amount of the long-term incentive of said year, to the exclusion of any other benefit of any kind. This compensation shall only be payable in the event of the revocation without cause of the duties of the Management Board member, when such termination takes place simultaneously to the termination of any remunerated term of office, employment or service contract that might exist with the company or one of its subsidiaries.

  During the fiscal year, this agreement resulted in the payment of Euros 2,600,000 in compensation to Mr. Wilbert Kieboom, with respect to the termination of all his duties and functions within the Atos Origin Group, on July 31, 2008.

- A supplementary defined benefit pension plan, of which terms and conditions were authorized by the Supervisory Board meetings of July 24, 2007, July 31, 2007 and November 14, 2007 and approved by the Annual Shareholders meeting of June 12, 2008.

During the fiscal year, this agreement resulted in the engagement taken by the company, in the context of the settlement agreement defining the terms and conditions of the termination of all mandates and functions of M. Wilbert Kieboom at Atos Origin Group, to pay Euros 1,090,000 to an insurance company in 2009, in addition to contributions already paid by the company for the pension plan described above, and leading to a total contribution made by the company for the benefit of M. Wilbert Kieboom of Euros 1,582,000, corresponding to the total amount of his rights acquired.

Paris and Neuilly-sur-Seine, April 8, 2009

The Statutory auditors,

Grant Thornton French Member of Grant Thornton International		Deloitte & Associés	
Jean-Pierre Colle	Vincent Frambourt	Jean-Paul Picard	Jean-Marc Lumet

18.6 AUDITORS' REPORT ON ANNUAL FINANCIAL STATEMENTS – YEAR ENDED 31 DECEMBER 2008

This is a free translation into English of the statutory auditors' report on the annual financial statements issued in the French language and is provided solely for the convenience of English speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the annual financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the annual financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the annual financial statements.
This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2008, on:
- the audit of the accompanying annual financial statements of ATOS ORIGIN,
- the justification of our assessments,
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, using sample testing techniques or other selection methods, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statements presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities, of the financial position of the Company as at 31 December 2008 and of the results of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion, we draw your attention to the matter set out in the Note "Rules and accounting methods" in the annual financial statements regarding the change in accounting method relating to the accounting treatment of stock options plans and free shares plans.

II. Justification of our assessments

The accounting assessments working towards the preparation of the annual financial statements for the year ended 31 December 2008 have been made in a context of economic crisis whose extent and length beyond 31 December 2008 can not be precisely anticipated. In that context and in accordance with the requirements of article L. 823-9 of French Commercial Code relating to the justification of our assessments, we bring to your attention the followings matters:

- As mentioned in the first part of this report, the note "Rules and accounting methods" to the financial statements sets out the change in accounting method relating to the accounting treatment of stock option plans and free shares plans. In the framework of our assessments of the accounting rules and principles applied by ATOS ORIGIN, we verified the validity and the presentation of this change.

- As indicated in the note “Financial fixed assets” to the financial statements, the valuation of investments can lead to the recognition of a depreciation when the value in use is lower than the acquisition cost. In the framework of our assessments of the accounting rules and principles applied by ATOS ORIGIN, we verified the appropriateness and the proper implementation of this accounting method.

The assessments were thus made in the context of the performance of our audit of the financial statements of ATOS ORIGIN as at 31 December 2008, taken as a whole and therefore contributed to the formation of our audit opinion expressed in the first part of this report.

III. Specific verifications and information

We have also performed the specific verifications required by law.

We have no matters to report regarding:

- the fair presentation and the conformity with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements,

- the fair presentation of the information given in the management report in respect of remuneration and benefits granted to the relevant company officers and any other commitments made in their favour in connection with, or subsequent to, their appointment, termination or change in current function.

In accordance with French law, we have ensured that the required information concerning acquisitions of equity interests and controlling interests and the identity of the principal shareholders has been properly disclosed in the management report.

Paris and Neuilly-sur-Seine, April 8, 2009

The Statutory Auditors

Grant Thornton	**Deloitte & Associés**
French member of Grant Thornton International	

Jean-Pierre Colle   Vincent Frambourt   Jean-Paul Picard   Jean-Marc Lumet

19 RISK ANALYSIS

19.1 BUSINESS RISKS

19.1.1 The market

The economic downturn starting in late 2008 affected the financial sector first, with consequences on both stock market performance and activity. It is likely to also impact industrial and service activities. All sectors are suffering, mostly the automotive sector, with dire sales forecast. The telecom/media sector, while among the best performers in the past years, is now under pressure, due to various drastic cost reduction programs implemented in 2008 by all the main actors worldwide. At this stage, exposure to the crisis is more contained as regards the retail and utilities sector. Similarly, the public sector is still performing well by way of a sustained level of investment as well as a solid backlog. In this context, Atos Origin's customers are facing significant pressure on their costs structure and profitability. As a result they seek to improve their margins through a reduction in their IT budgets or by postponing any contemplated transformation plans. These potential adverse effects are mitigated by the broad-based spread of Atos Origin's contracts and services. In that regard, circa two thirds of the Group's revenues are generated under multi-year recurring revenue contracts.

19.1.2 Clients

The Group's top 30 customers generate more than 43% of total Group revenues (a four-point decline compared to the previous year). The five largest clients in 2008 represented 16% of the Group's total revenues. No single client generated more than 6% of total revenues. This represents only a modest exposure since all of these clients are large national or multinational groups, with a limited risk of insolvency. In the context of an economic downturn, the cash capacity might become an issue. For that reason it is closely monitored at Group level. In addition, specific monitoring and precise follow-up processes have been implemented in respect of transactions with customers in all sectors that are more severely affected by the current crisis (e.g., automotive, distribution).

Customer relationship management is critical to ensure proper delivery of services, renewal of contracts and mitigation of the risks of early termination. In this respect, the Group has implemented detailed contract management processes and created a global account management function to oversee client accounts. Global account managers liaise with global key clients so as to make sure the standards of the services delivered are sustained.

As a result of the Sarbanes-Oxley and similar legislation, customers increasingly request that services rendered to them be certified. As a result, the Group has developed and implemented a number of audit and certification processes and has adjusted its standard contract terms to properly address these requirements.
The customer selection process and risk analysis is fully integrated within the global risk assessment process throughout the life cycle of a project. Credit risks are assessed on an individual basis and, where appropriate, provision is made to take into account likely recovery problems.

19.1.3 Legal risks

The IT services provided to customers are a critical element for them to be able to perform their commercial activities. Oftentimes IT solutions also play a key role in the development of their businesses. Any inadequate implementation of sensitive IT systems or any deficiency in the performance of services, either related to delays or unsatisfactory level of services, may result the Group's being held liable in contract.

In particular, systems integration frequently involves products designed and developed by third parties. Those products may be standard or may need to be adapted or specifically developed for customised requirements. Similarly, specific requirements in respect of functionality may either disrupt the operation of third-party products or cause significant delays or implementation problems, all of which might result in contract termination or penalties being imposed on the Group.

It is a practice of the IT sector to enter into certain contracts on a fixed-rate basis, sometimes with a result-based price formula. In the case of fixed-price contracts a price is negotiated regardless of the inherent costs or difficulties. Extending work beyond the initial estimate may result in damaging the anticipated profit on a specific transaction. This is at times exacerbated by the existence of contractual penalties

The Group seeks to minimise the risks described above through a rigorous review process right from the offer stage. A dedicated specific process is in place called Atos™ Rainbow, under which contract offers are reviewed, with a risk register kept for tracking purposes. This allows the Group to take any mitigating action where appropriate and follow up on outstanding actions.

In 2007, the Atos™ Rainbow process was extended to the performance phase of the contract, including updates to the risk register as and when required. Roll out has started in some countries. Periodical risk reviews are performed on major contracts with a view to enhancing control over all types of possible delivery and performance issues.

19.1.4 Suppliers

Atos Origin relies on a limited number of key suppliers, in particular for the supply of software used in the design, implementation and running of IT systems. While there are alternative sources for most software and the Group has long-term licences and agreements with a range of qualified suppliers, the possible failure of those suppliers to continue producing innovative software, or the inability to renew agreements on acceptable terms, may have an adverse impact on Atos Origin's operations.
Major risks with key IT suppliers are managed centrally by the Group Purchasing department. This department is responsible for relationships with suppliers, including their identification and selection, contract negotiation and the management and resolution of claims and litigations.

19.1.5 Partnerships and subcontractors

From time to time Atos Origin relies on partnerships and subcontractors to deliver services in particular contexts. Having recourse to third parties is a common practice in the industry but represents a business risk that must be managed carefully. Partnerships may be formed or subcontractors may be used in areas where the Group does not have specific expertise necessary to fulfil the terms of a particular contract or requires such skills for a limited period of time only, or to comply with local legislation. All requests to enter into partnerships or use subcontractors are initiated locally by the operational team evaluating the proposal or in specific case at Group level.

Recourse to subcontractors is managed by the country and Group Purchasing departments and subject to the same purchasing processes and policies as all other categories. At the end of 2008, the Group used 3,800 full-time equivalents subcontractors either for their specific skills or for volume requirement. This will allow managing the capacity flexibility in the 2009 tougher economic conditions.

19.1.6 Technology and IT risks

IT system breakdowns could be critical both for the internal operations of the Group and for its customers' needs in respect of the services provided. The Group has implemented specific programmes and procedures to ensure the proper management of IT risks, covering security and back-up systems and effective insurance coverage.

IT production sites, offshore development, maintenance centers and data-centers are specifically subject to high level technical procedures, covering physical and IT system access, energy supply breakdown or disruption, fire, regulation of extreme temperature change, data storage and back-up, contingency and disaster recovery plans.

19.1.7 Employees

Dependence on qualified personnel

In today's IT services market, providers remain dependant on the skills, the experience and the performance of its staff and the key members of its management teams. The success of organisations in this field of play depends on the ability to retain key qualified staff and to use their competences for the benefit of the customers. Atos Origin is focused on providing challenging carreer opportunities and job content. Over the reporting period, Atos Origin has been able to further develop the Group career framework and to offer better career perspective supported by competency development.

Atos Origin carries out once a year the annual human resources assessment, which combines both staff review and the succession planning process through the inventory of all ongoing human resources actions. This process also caters for the talent identification and ensures that consideration is given to the performance and the development of key staff. Each of the identified talents will complete an individual development plan with a specific focus on the succession programme defined at Group level.

Employee attrition

The inability to recruit and retain an adequate number of qualified employees to satisfy demand, or the loss of a significant number of staff could have serious repercussions in terms of the Group's ability to secure and successfully deliver client contracts. In 2008, Group Human Resources initiated a project to implement a global system and process for recruitment. The new way of working implies that the recruitment actions are supported on line. As a result, managers and recruitment specialists will be able to improve significantly the efficiency of the recruitment initiatives.

To enhance our ability to attract and retain staff, the Human Resources department has developed and maintained competitive rewarding structures. In addition it has strengthened the internal offerings for training and development programs through the Atos UNIVERSITY. During 2008, specific attention was given for skills development for the sales community. These programs allowed sales people to strengthen their personal skills, their knowledge of the market and the solutions offered and proposed by Atos Origin to its customers. At the same time, this approach will help Atos Origin to be even closer to its clients as part of their own transformation helping them to optimise and to innovate in their IT environments.

Offshoring

Atos Origin increasingly fulfills its client contracts using closeshore, nearshore and offshore facilities in order to optimise its cost structure. Offshoring is used by the main countries of the Group in Systems Integration and Managed Operations. To keep up with increasing demand, the Group developed its nearshore / offshore capacity to reach 4,500 staff at the end of 2008. The combination of insourcing and offshoring for the delivery of projects led the Group to adapt and to optimise the insourced resources to other contracts. Given our ongoing need to attract and to deploy human resources, the Group made sure it was able to address any issue related to utilization. The Group processes in this area are mature and the offshore facilities of the Company are certified. Atos Origin is therefore well positioned and ready in any case of business risk associated to offshoring.

19.1.8 Business risk assessment and management

Atos Origin has a robust business risk management approach reinforced during the last two years, based on two critical processes.

RISK MANAGEMENT SYSTEM

The Group operates a risk management system that facilitates the analysis and treatment of business risks throughout the life cycle of a project. This process is integrated with the control and approval process when entering into new contracts. The objective is to ensure that the Group only bids for projects that are capable of being delivered effectively and to provide an early warning system for any project that encounters problems or diverges from its original targets. Specifically, the risk management process:

- identifies potential exposures, including both technical and financial risks that could have an impact during the life cycle of the project;
- evaluates, both qualitatively and quantitatively, the significance and materiality of any such exposures;
- ensures that appropriate and cost-effective risk control or risk mitigation measures are taken to reduce the likelihood and impact of negative outcomes on the project; and,
- manages residual exposure through a combination of external risk transfer instruments and internal contingency reserves in order to optimise the use of exposed capital.

Risk Management reports directly to the Group Chief financial Officer, with the risk managers in the countries and the Global Service Lines reporting directly into the Group Vice President Risk Management, shortening lines of command.

Since 2007, new metrics have been implemented. Country management is measured on actual write-offs and losses vs. targets set upfront.

GROUP RISK MANAGEMENT COMMITTEE

A Group Risk Management Committee, established in 2004, convenes on a monthly basis to review the most significant contracts and the difficult ones (concerned by deviation in gross margin, specific commitments on transition or technical deliveries, contracts with liquidity risks). The Committee is chaired by the two Top Management members representing Functions and Operations. Permanent members of the Committee include several Vice Presidents with responsibilities in risk management. In addition, local risk managers are invited to attend any contract reviews related to their respective geographic areas. Once a year, the Audit Committee conducts a thorough review of all the major contracts considered at risk in the context of the preparation of the closing. There is then a follow-up either by the service line or the Risk Management Committee.

19.2 MARKET RISKS

Atos Origin has not been affected by the liquidity crisis that has impacted the financial markets over the year 2008.

Atos Origin's policy is to cover fully its expected liquidity requirements by long-term committed loans or other appropriate long-term financial instruments. Terms and conditions of these loans include maturity and covenants leaving sufficient flexibility for the Group to finance its operations and expected developments.

Atos Origin signed with a number of major financial institutions on 12 May 2005 a EUR 1.2 billion multi-currency revolving facility with six and seven years maturity. The maturity of the multi-currency revolving facility is until 12 May 2011 for EUR 1.2 billion and until 12 May 2012 for EUR 1.1 billion.

In addition, Atos Origin implemented a securitisation program in 2004 for a maximum amount of EUR 300 million, and on 7 October 2005 aligned the covenants on this program with the more favourable terms of the multi-currency revolving facility. This program has been renewed for 5 years on March 2009.

More details on liquidity risk, cash flow interest rate risk, currency risk, market value of financial instruments, price risk and credit risk are described within the Financial Report section in this document.

19.3 INSURANCE

Global insurance policies are placed with reliable international insurance companies, providing the Group with appropriate insurance coverage for its worldwide operations. The total cost of these policies in 2008 represented circa 0.20% of total Group revenue.

The most important global insurance programmes are bought and managed centrally at renewal on 1st January each year. In 2008 the Property Damage and Business Interruption policy and Professional Indemnity policy were both renewed for limits of EUR 150 million each. Several additional policies cover insurable business risks such as general liabilities, automobiles, employees, directors and officers and are maintained at cover limits commensurate with the Group's size and risk exposures. Deductible retentions are used both to promote good risk management practices and to control the quantity of claims and level of premiums.

Each country also contracts insurance policies in accordance with local regulations, customs and practice. These include employers' liability, workers compensation and employee travel. A variety of other employee-related insurance policies are maintained, with a view to both protecting and incentivising employees as part of employee benefits programmes.

Atos Origin's wholly-owned reinsurance company provides insurance for the first EUR 0.5 million layer of the property policy and the first EUR 10 million of claims for the professional indemnity policy.
Insurable losses are not a frequent occurrence, with an overall loss ratio (claims verses premiums) of about 30% over the last five years (with the bulk of that attributable to one sole loss in 2004). This is partly due to quality risk management processes deployed at all key locations to protect assets from fire and other unexpected events as well as ensuring business continuity in the event of damage or

loss. In offers and contracts a uniform and mandatory process of risk management is used whenever the contract value is in excess of EUR 1 million.

In 2008 an extensive review was conducted in respect of existing insurers and policies. On the basis of the findings and recommendations of the review contracts with longer term were adopted as well as a good balance of quality insurers, at more competitive prices more competitive thanks to the quality of the Group's risk management controls and the low claims made against the Group.

19.4 CLAIMS AND LITIGATION

The Group is faced with few claims, having regard to its size and turnover. There are a certain number of jurisdictions where the Group operates without any claim actually registered. In most jurisdictions where one or several claims are registered, they are considered "low risk".

Such a low level of claims and litigation is attributable in part to self-insurance incentives and the vigorous promotion of service quality and a fully dedicated Risk Management department, which effectively monitors contract management from offering through delivery and provides early warning on potential issues and claims. All potential and active claims are carefully monitored and managed. Last year the most significant claims made against the Group were successfully resolved in favour of Atos Origin.

In particular, certain claims were made in 2006 by a company for services allegedly supplied to the Group in the past. A thorough investigation into the matter showed that the claims were not legitimate. Accordingly, no payment was made, and all claims were disputed before various courts. Some of those claims are still pending while others resulted in a judgment in favour of Atos Origin.

In 2007, a dispute arose with the United Kingdom Department of Health following the termination of two planned regional diagnostic contracts. Both parties placed claims against each other in connection with the termination. Eventually the matter was settled with the Department of Health agreeing to pay Atos GBP 2.5 million.

The Group is a defendant in the context of several tax claims in Brazil. The largest claim is for taxes and penalties arising out of the alleged treatment of employees as contractors. Adequate provisions have been booked for all claims. It should be noted that tax claims are made against most if not all international corporations with operations in that jurisdiction and usually take a long time to be resolved in court.

All other claims are monitored carefully and duly reported. Management considers that adequate provision against all such claims has been made. All litigations inherited from the Sema Group were resolved successfully, with the exception of a minor one still pending.

As of 31 December 2008, provisions recorded by the Group to cover identified litigation and claims amounted to EUR 83.6 million including tax. To the best knowledge of the Group there are no other current or threatened claims, governmental procedures, arbitration or litigation procedures that have had, or are likely to have, a material impact on the profitability or financial status of the Group or the Group.

19.5 COUNTRY

Atos Origin operates in approximately 40 countries. Some countries are more exposed than others to political or economic risks that may affect the Group's business and profitability. A substantial proportion of Atos Origin's business is in Western Europe, with limited exposure to dramatic economic recession in the USA or Asia.
The Group also launched a Strategic Operational Review in the third quarter of 2008 in order to fully revisit all options in respect of portions of the business with a lower operational margin as well as activities considered as being non core business. A project leader was assigned to this task, supported by the legal, tax, and finance departments.

20 CORPORATE GOVERNANCE

20.1 REPORT BY THE CHAIRMAN OF THE SUPERVISORY BOARD

Dear Shareholders,

Pursuant to Article L. 225-68 of the Commercial Code, this is the Chairman of the Supervisory Board report, based on the information made available to me and the Supervisory Board, on the conditions of preparation and organisation of the work of the Supervisory Board throughout the year 2008, including internal control procedures as implemented by the Group.

20.1.1 Corporate Governance

The provisions relating to corporate governance applicable to the Company include French legal provisions, as well as rules dictated by its market authorities. The Company believes that its application of corporate governance principles is appropriate and is in compliance with the best practices of corporate governance in effect in France.

At its meeting of 23 December 2008, the Supervisory Board has reviewed the AFEP-MEDEF recommendations on the compensation of executive directors, issued on 6 October 2008 and incorporated in the AFEP-MEDEF Corporate Governance Code of December 2008.

The Supervisory Board considered that these recommendations are in line with the corporate governance principles of the Company and has decided to apply them to the compensation of the executive corporate officer and more generally, the Company shall apply the guidelines set forth in the AFEP-MEDEF Corporate Governance Code relating to listed companies of December 2008.

The rules and principles pursuant to which the Supervisory Board has determined the compensation and benefits granted to the corporate officers of the Company are set out below in Section «Remuneration Committee» of this report.

The composition of the Supervisory Board prior to 10 February 2009 and the conditions for the preparation and organisation of the work of the Supervisory Board in 2008 are set out in Section « Conditions of preparation and organisation of the work of the Supervisory Board » of this report. The composition of the Board of Directors following the change in the governance structure of the Company as of such date is set forth in Section « Legal Information » of the present report.

The rules relating to the participation of shareholders in Annual General Meetings are set out in section « Legal Information ».

The factors that could be of relevance with regards to takeover bids are set out in section «Legal Information ».

20.1.2 Conditions of preparation and organisation of the work of the Supervisory Board

Up until 10 February 2009, Atos Origin was incorporated in France as a "*société anonyme*" (Joint Stock Corporation) with a Management Board and a Supervisory Board. This two-tier structure separated management and supervision. Prior approval of the Supervisory Board was required for certain decisions, listed in Articles 19.3 and 19.4 of the former by-laws in effect prior to their modification (the “By Laws”).

20.1.3 The Management Board in 2008

In 2008, the Management Board was composed of the Chief Executive Officer and one Senior Executive Vice-President. The Management Board was responsible for the general management of the Group’s business operations and met as frequently as necessary. It reported to the Supervisory Board on a quarterly basis and on a case-by-case basis, according to necessity.

Subject to the provisions of Articles 19.3 and 19.4 of the By-Laws, the Management Board had full power and authority to represent the Group in its transactions with third parties. Although each of the members of the Management Board had specific executive responsibilities, by law the Management

Board members were collectively empowered to manage the Group's business operations. In case of split decisions, the Chairman of the Management Board had the casting vote.

Up until 16 November 2008, the Management Board was composed as follows:

Name	Operational functions	Transversal functions
Phillippe Germond	Chairman of the Management Board and Chief Executive Officer	
Eric Guilhou	Senior Executive Vice President Global Functions	Finance, Human Resources, Processes and IT, Purchasing, Legal and Internal Audit

Note: From 1 January 2008 through 31 July 2008, Mr. Wilbert Kieboom was a member of the Management Board and Senior Executive Vice President in charge of Global Operations. As from 31 July 2008, his responsibilities were taken over by Mr. Philippe Germond.

As of 16 November 2008, the Management Board was replaced as follows:

Name	Operational functions	Transversal functions
Thierry Breton	Chairman of the Management Board and Chief Executive Officer	
Eric Guilhou	Senior Executive Vice President Global Functions	Finance, Human Resources, Processes and IT, Purchasing, Legal and Internal Audit

In January 2007, a Group Executive Committee was created with a view to assisting the Management Board in driving the operational performance of the Group. Its main tasks included setting and revising business priorities, reviewing Atos Origin's operational performance and implementation of the Transformation Plan on a monthly basis and defining corrective action plans. The Executive Committee served as a dedicated forum for operational management of the Group, an operational link between the Group's operations and the Management Board.

20.1.4 Composition of the Supervisory Board in 2008

As of 31 December 2008, the Supervisory Board was composed of ten members.

The work of the Supervisory Board was governed by written internal rules ("*Règlement intérieur*"). The Supervisory Board adhered to a Charter, described in more detail in the present report. In accordance with Article L.225-68 of the Commercial Code, the Supervisory Board was responsible for supervising and controlling the work of the Management Board but had no operational prerogatives. It also had certain specific powers described in Articles 19.3 and 19.4 of the By-Laws.

Between 3 July 2008 and the change of the Company's governance structure into a "*société anonyme*" with a Board of Directors on 10 February 2009, the members of the Supervisory Board were the following:

Name	Nationality	Age	Date of appointment	Committee member	Term of offices (*)	Number of actions held
Jean-Philippe Thierry (Chairman)	French	60	2008		2009	1,500
René Abate	French	60	2008	R, S	2012	1,000
Behdad Alizadeh	American	47	2008	R, S	2012	1,000
Benoit d'Angelin	French	47	2008	A, R, S	2012	1,000
Jean-François Cirelli	French	50	2008	N, S	2012	220
Michel Combes	French	46	2008	S	2012	2,001
Bertrand Meunier	French	52	2008	N, R	2009	1,000
Colette Neuville	French	71	2008	N	2012	1,000
Michel Paris	French	51	2008	A, S	2009	1,000
Vernon Sankey	British	59	2005	A, N	2012	1,000

A: Audit Committee
S: Strategic Committee
R: Remuneration Committee
N: Nomination Committee

(*) General meeting of shareholders deciding on the accounts of the year.

On 12 June 2008, the mandates of Mr René Abate, Mr Behdad Alizadeh, Mr Benoit d'Angelin, Mr Jean-François Cirelli, Mr Michel Combes, Ms Colette Neuville, and the renewal of the mandates of Mr Vernon Sankey and Mr Michel Soublin were approved by the Annual Shareholders Meeting and Mr Jean-Philippe Thierry was nominated by the Supervisory Board as Chairman of the Supervisory Board. On 3 July 2008, Mr.Bertrand Meunier and Mr Michel Paris were appointed members of the Supervisory Board by the Supervisory Board.

On 26 December 2008, Mr Michel Soublin resigned from his Supervisory Board member mandate.

20.1.5 Independence of members of the Supervisory Board

The AFEP/MEDEF Corporate Governance Code of December 2008 defines a director as independent "when he/she has no relationship of any kind whatsoever with the corporation, its group or the management of either, that might colour his or her judgment". The AFEP/MEDEF Code also defines the various criteria that determine whether a director may be deemed to be independent as follows:

- The director is not an employee or corporate officer ("*mandataire social*") of the Group, nor an employee or director of its parent or of one of its consolidated subsidiaries, and has not been one during the previous five years.
- The director is not a corporate officer of a company in which the Group holds, either directly or indirectly, a directorship, or in which a directorship is held by an employee of the Group designated as such or by a current or former (going back five years) corporate officer of the Group.
- The director is none of the following (whether directly or indirectly) - a customer, supplier, investment banker or commercial banker – in each case:
  - which is material for the Company or its group, or
  - for which the Company or its group represents a material proportion of the entity's activity
- The director does not have any close family ties with a corporate officer of the Group.
- The director has not been an auditor of the Group over the past five years.
- The director has not been a director of the Group for more than 12 years.

As regards directors representing major shareholders of the Company, they may be considered as being independent provided that they do not take part in the management of the Company. If a director holds in excess of a 10% holding of stock or votes, the Supervisory Board, upon a report established by the Nomination Committee, should systematically review the qualification of a director as independent, having regard to the distribution of the Company's share capital and the existence of a potential conflict of interest.

Due to the significant change in the composition of the Supervisory Board in June 2008, the new Supervisory Board conducted a specific review of the independence of its members. On that basis, six out of ten members of the Supervisory Board were deemed to be independent, namely Ms Neuville and Mr Abate, Mr Cirelli, Mr Combes, Mr Sankey, and Mr Thierry.

20.1.6 Meetings of the Supervisory Board in 2008

In accordance with the By-Laws and internal rules, the Supervisory Board met as frequently as necessary. During 2008, the Supervisory Board met twenty-two times, with the members' rate of attendance at 88.5%. Due to the effective participation of all members of the Supervisory Board, and due to the complexity of the matters dealt during 2008, it was decided to distribute attendance fees equally among all the members – except for Mr.Behdad Alizadeh, who waived his attendance fees. Mr.Jean-Philippe Thierry also did not receive any fees; as Chairman of the Supervisory Board he benefitted from a fixed compensation (excluding variable compensation) of EUR 240,000 per full year. Mr.Jean-Philippe Thierry therefore collected a total remuneration of EUR 133,115 for the year 2008.

In order to carry out its functions efficiently, the Supervisory Board asked the Management Board to provide regular and comprehensive information, in writing, on all significant matters relating to the operations of the Group.

During 2008, the Supervisory Board meetings dealt, *inter alia*, with the following subjects:

- Annual review of the Group's strategy and major business trends and business plans;
- Review and approval of the 2008 budgets;
- 3O3 Transformation Plan and the TOP Programme at the end of 2008;
- Reviews of the quarterly trading results, forecasts and commercial prospects;
- Review of financial presentations and press releases;
- Review of off-balance-sheet commitments and risks;
- Review of the consolidated accounts for 2007 and first half of 2008;
- Divestments carried out during the year;
- Investment opportunities pursued during the year;
- Major contracts concluded during the year;
- Remuneration of the Management Board;
- Incentive plans for the senior management of the Group and for employees.

In addition, the Supervisory Board met in many occasions to deal with the following key and specific issues:

- During the first half of the year, the Supervisory Board, in place prior to the Annual General Meeting held on 12 June 2008, spent significant time analysing proposals made by certain shareholders of the Group and the reports and documents prepared by the Management Board and its financial advisors. This was to ensure that any actions that would create value for all shareholders pursuant to the corporate interests of the Group were taken into account in the Management Board's strategic plan. For that purpose, the Supervisory Board created an *ad hoc* Committee, composed of the following independent Supervisory Board members: Mr Didier Cherpitel, Mr Diethart Breipohl and Mr Vernon Sankey which regularly reported their conclusions to the Supervisory Board.
- During the second half of the year, the new Supervisory Board (appointed on 12 June 2008 and 3 July 2008) nominated a Strategic Committee and conducted an in-depth review of the recommendations made by this Committee, the Management Board and its financial advisors, in respect of each Service Line and geography. This was with a view to maximizing the potential creation of value, under the current market conditions, by focusing on high margin and recurring cash-flow businesses. The Supervisory Board also conducted a study on the opportunity of proposing to the shareholders a change of its governance structure simplifying the governance with a Board of Directors and a Chief Executive Officer.

The Supervisory Board had some of its members focus on particular aspects of the corporation's governance, within the following four committees:

- The Audit Committee
- The Investment Committee which was transformed on 12 June 2008 into the Strategic Committee
- The Remuneration Committee
- The Nomination Committee

Members of these Committees were appointed by the Supervisory Board. The Committees' terms of reference were specified in the Supervisory Board's internal rules and the Committees acted in a consultative capacity, reporting to the Supervisory Board. Their recommendations were discussed at length during the Supervisory Board sessions, together with related documentation.

20.1.7 The Audit Committee

As of 31 December 2008, the Audit Committee was composed of Mr Soublin (Chairman until 26 December 2008), Mr d'Angelin, Mr Paris, and Mr Sankey. The Committee met eight times in 2008 and the attendance rate of its members was 89.3%.

The Committee reviewed the accounting policies adopted by the Group in preparing the Parent Company and Group consolidated financial statements and ensured that they were appropriate and applied consistently. It also monitored the proper implementation of internal controls. It was kept informed of key risks, including major litigations and financial commitments. The Committee held various meetings with the Management Board member in charge of Global Functions, the Group Chief Financial Officer, the Group General Counsel, the Group Senior Vice-President in charge of Internal Audit and the statutory auditors. The Committee also held meetings with the corporation's statutory auditors without the presence of the management of the Group.

The Audit Committee reviewed the quarterly Group financial reporting package addressed to the Board. It was regularly informed of the Group's financial strategy and its implementation. It was informed on the terms and conditions of significant contracts (including the risk management aspect of such contracts). It also regularly reviewed the status of the major existing contracts delivered under the risk management programmes. The Committee examined the accounting and financial documents to be submitted to the Board. It also received reports from the statutory auditors on the conclusions of their work. A specific session was held, as each year, in addition to ordinary meetings, in order to review specific contracts engagements, major contracts, risks and losses declared.

During its eight meetings held in 2008, the Audit Committee reviewed both recurring and specific matters, as listed hereafter:

- Recurring matters:
  - Quarterly financial information to the Supervisory Board and financial market;
  - Statutory external auditors, reports on audit and internal control plan;
  - Internal control audit plans and recommendations;
  - Risk management reports for existing and new contracts;
  - Provisions (including pension provisions), risks and undertakings;
  - External audit fee budget;
  - Material claims and litigation (including tax audits).

- Specific matters:
  - Support functions organisation and key control processes;
  - Debt structure and risk liquidity in current market conditions;
  - Renewal process and validation of Grant Thornton as external auditor;
  - The Group Book of Internal Control;
  - The exposure and opportunities in respect of the United Kingdom and The Netherlands independent Pension Funds;
  - Full review of tax structure and exposure of the Group.

20.1.8 The Strategic Committee (formerly the Investment Committee)

The Strategic Committee was set up further to the Shareholders' Meeting of 12 June 2008 and was composed of Mr Combes (Chairman), Mr Abate, Mr Alizadeh, Mr d'Angelin, Mr Cirelli and Mr Paris. The Investment Committee and the Strategic Committee met seven times during 2008. The attendance rate of its members was 88.23%.

The Investment Committee's initial purpose was to review all proposed acquisitions, divestments and strategic developments likely to have a material impact on the Group's organic and external growth. On 12 June 2008, the Supervisory Board decided to rename the Committee as the Strategic Committee. On that occasion the Committee's scope was enlarged to include assessing and reviewing the Group's strategy. The Strategic Committee, in close cooperation with the Management Board and the Group Chief Financial Officer, and with the support of external advisors, reviewed all material investments and strategic options available to the Company.

20.1.9 The Remuneration Committee

As of 31 December 2008, the Remuneration Committee was composed of Mr Alizadeh (Chairman), Mr Abate, Mr d'Angelin, and Mr Meunier. In 2008, the Committee met nine times and the attendance rate of its members was 90.91%.

- ***From 1 January 2008 to 12 June 2008***

The Remuneration Committee analysed and made recommendations on various topics which resulted in the following decisions by the Supervisory Board:

- Variable compensation for 2007 related to Mr. Germond, Mr. Guilhou and Mr. Kieboom described in more details in Section 5.5.1 of the 2007 Annual Report;
- Benchmark of compensation to the members of the Management Board (i.e. Mr. Germond, Mr. Guilhou and Mr. Kieboom). The remuneration package for these members in 2008 was modified with a combination of fixed compensation, variable annual bonus and incentive package. The total compensation included:
  - 26% fixed compensation for the Chairman of the Management Board and 30% for the other members of the Management Board;
  - 30% variable annual bonus of which:
    - 60% (100% for the Chairman of the Management Board) was based equally on three financial criteria (i.e., revenue, operating margin and net debt);
    - 40% (none for the Chairman of the Management Board) was based on qualitative objectives;
    - Bonus is triggered with a low end objective achievement resulting in a 50% bonus with a curve up to an high end achievement resulting in a 150% bonus;
  - 44% Incentive Package for the Chairman of the Management Board (40% for the other members of the Management Board). The Incentive Package was based on one part on a free-share Long-Term Incentive scheme open to the top 400 managers based on achieving a rolling two-year financial performance linked to Operating Cash Capacity (OCC) which represents "OMDA-Net capital expenditure" and on the other part on a stock options grant;
    - The Long Term Incentive represents 50% of the nominal variable bonus and can be triggered only if the two-year financial performance is achieved at 100% minimum. Such incentive can exceed 100%, with a maximum of 300%. The Long Term Incentive was granted in March 2008 in free shares that are locked up for two years after target achievement. 20% of the free shares must be retained until the end of their mandate;
    - The stock option plan (in replacement of The Management Incentive Plan implemented in 2007) was based on 110% of the fixed salary for the Chairman of the Management Board and 83% for the other Management Board members. The amount of stock options was calculated on the basis of 30% of the stock price reference of the share at the time of the grant.

- Validation of share based plans for top management and employees:
  - Amendment of the Long Term Incentive Plan 2007 to modify the performance conditions to Operating Cash Capacity (OCC);
  - Implementation of the Long Term Incentive Plan 2008 for the top 400 manageers under which 228,442 free shares were granted under performance conditions (of which 36,136 for the Management Board members);
  - Implementation of the Management Incentive Plan 2008 for the top 400 managers under which 248,306 free shares were granted subject to conditions of presence in the Group and investment in Atos Origin shares through the vesting period and of which none for any members of the Management Board;

➢ ***From 12 June 2008 to 16 November 2008***

Further to the Annual General Meeting held on 12 June 2008, the new Remuneration Committee analysed and made recommendations on various topics which resulted in the following decision by the Supervisory Board:

- Termination of Mr Wilbert Kieboom's Management Board mandate resulting in the following termination package:
  - Termination indemnity of EUR 2.6 million;
  - 2008 bonus based on the financial target elements pro-rata based from 1 January 2008 to 31 July 2008 of EUR 0.3 million
  - Payment of EUR 0.65 million related to the notice period.

  - As a result of the settlement agreement but subject to subsequent approval by the shareholders (at the Annual Shareholders Meeting of 26 May 2009):
    - Payment of EUR 0.15 million related to the 2008 personal objectives pro-rata based from 1 January 2008 to 31 July 2008;
    - 3,013 free shares under the Long Term Incentive Plan 2007;

- Termination of Mr Philippe Germond Management Board mandate resulting in the following termination package:
  - Payment of EUR 0.8 million related to 2008 annual bonus pro-rata based from 1 January 2008 to 16 November 2008;
  - Vesting of the LTI 2007, LTI 2008 and MIP 2007 according to the contractual terms of these plans;

  - In addition, Mr Philippe Germond asked for the payment of a termination benefit amounting to around EUR 4 million. In its meeting held on 11 December 2008, the Supervisory Board of the Company decided to reject Mr Germond's request for such payment.

➢ ***From 16 November 2008 to 31 December 2008***

Further to the appointment of Mr Thierry Breton as Chairman of the Management Board on 16 November 2008, the following compensation elements were approved by the Supervisory Board:

- On 16 November 2008, Mr Thierry Breton was appointed Chairman of the Management Board. With respect to his compensation in this capacity, the Supervisory Board decided to grant him the following compensation package for 2008:
  - A fixed annual compensation of EUR 1.2 million ;
  - An annual variable compensation of EUR 1.2 million based on 100% on financial criteria similar to those defined hereunder for the Chairman of the Management Board (operating margin and free cash flow generated by the activity). In any case, the variable compensation subject to the achievement of the operational objectives is capped at 100% of its nominal value.

  For the next three years, Mr Thierry Breton was granted three tranches of stock options exercisable under strict performance conditions (233,334 for 2010, 233,333 for 2011 and 233,333 for 2012). Regarding external performance conditions, each of the stock options tranche has an exercise price with a premium over the stock price at the time of the grant (respectively 5% for the first tranche, 25% for the second one and 50% for the third one based on a closing stock price at grant date of EUR 17.60). In addition, the second and third tranches will be subject to internal performance conditions which are as follows:

(i) Net cash flow before dividend and proceeds from acquisitions/disposal at least equal to 80% of the annual budget or at least superior by 10% to the previous year's result; and

(ii) Operating margin at least equal to 80% of the annual budget or at least superior by 10% to the previous year's result.

5% of the shares resulting from the exercise of those stock options must be locked up until the end of the mandate.

▪ During its 23 December 2008 meeting, the Supervisory Board has taken notice of the recommendations issued by the AFEP and the MEDEF on 6 October 2008 concerning the compensation of executives who are corporate officers of publicly listed companies. The Supervisory Board has considered that these recommendations are in line with the corporate governance principles of the Company.

▪ In his capacity as Chairman of the Management Board, and Chairman and Chief Executive Officer as from 10 February 2009, and as for all members of the Group Executive Committee, Mr. Thierry Breton will benefit from the defined benefit pension scheme implemented on 1 December 2007 (by Supervisory Board and Board of Directors decisions dated 14 November 2007, 23 December 2008 for Mr. Thierry Breton). The Board of Directors held on 26 March 2009 reviewed and modified the terms of the defined benefit pension scheme at the best interest of the Company and its shareholders. The Board of Directors decided not to take into account the seniority in the Company before 1 December 2007 for the members who benefited from it until then (which could be up to 10 years) and to replace it by the terms here-below described. The Board decided to take as a reference the average fixed salary of the last 60 months (5 years) instead of the last 36 months (3 years) previously used for the supplemental pension plan calculation and therefore to release in 2009 the provisions accrued for in the financial income as of 31 December 2008. The main principles are as follows:

1. Eligibility
    - The beneficiaries of the defined benefit pension scheme are the members of the Group Executive Committee of Atos Origin and who end their career in the Group.
2. Rights conferred by the plan (benefit formula under the plan)
    - Pension annuity entitlement corresponding to a 1% accrual by trimester of presence within the Group Executive Committee, with a maximum of 60 trimesters (15 years) multiplied by the average **fixed salary received** over the last 60 months (5 years), excluding any variable remuneration (bonuses, etc…), before the legal retirement age **and** after deduction of any other legal or occupational pension benefits (including the defined contribution pension schemes).
    - The pension is revalued by reference to the AGIRC index and survivor benefits are optional with a correlative actuarial reduction of the main annuity entitlement.
3. Seniority taken into account for the benefit formula

    Company seniority taken into account for the calculation of the pension rights is as follows:

    a) For the beneficiaries who are over 50 years-old at the time they become member of the Group Executive Committee, the seniority taken into account in the scheme corresponds to the difference between the age at which they join the Group Executive Committee and 50; rounded to the closest whole number of trimesters, with a maximum of 20 (5 years).

b) For the other beneficiaries, the seniority taken under the pension scheme corresponds to the seniority since they were appointed as member of the Group Executive Committee or since 1 December 2007 for those who were members at that date, rounded to the closest whole number of trimesters.
c) Entitlements become vested if the beneficiary leaves the Group Executive Committee after 10 years of membership but remains within the Company.

The total number of trimesters taken into account is in all cases limited to 60 (15 years).

In addition, as requested by Mr. Thierry Breton, who is the only beneficiary of the Group Executive Committee pension scheme to be also a corporate officer, the benefit of this supplemental benefit pension plan will be differed for him while expecting some possible regulatory changes in respect of this type of pension plan for corporate officers. As a consequence, the application of the pension plan is put on hold and postponed for him until 31 December 2009, date at which it will become effective.

▪ In case of termination of his mandate, Mr Thierry Breton will not be entitled to any "parachute" or any other indemnity (termination, non-competition…).

▪ Stock options grant to Senior Management and TOP leaders: the stock option plan mentioned above included a grant of 1,378,000 stock options. The terms and conditions of this grant made on 23 December 2008 are similar to those mentioned above.

20.1.10 The Nomination Committee

The Nomination Committee was composed of Mr Cirelli (Chairman), Ms Neuville and Mr Sankey. The Committee was responsible for recommending suitable candidates for appointment to the Board should any vacancy arise.

20.1.11 Self assessment of the Supervisory Board

In 2008, follow-up interviews and discussions were held among the various members of the Supervisory Board. A self-assessment was conducted through written consultation of the members on the basis of existing questionnaires.

The improvements defined during the self-assessment session of 2006, covering both the process and format of the meetings and the contents of decisions, as reported in last year's annual report, were implemented in 2007, and sustained in 2008.

For 2008, the general direction reflected in recommendations for improvement defined in 2006 remained valid, especially for timely information of Supervisory Board members and for improved business information tools.

20.2 INTERNAL CONTROL

The internal control system whose definition is stated in section 20.2.1 below and designed within Atos Origin relied on the internal control reference framework prescribed by the AMF (Autorité des Marchés Financiers).

The "general principles" section of the AMF framework has been used to describe in a structured manner the components of the internal control system of Atos Origin (see section 20.2.2).
Specific attention has been given to the internal control system relating to accounting and financial information (section 20.2.3), inspired by the application guide section of the AMF framework.
Internal control players have been described in section 20.2.4.
The Chairman of the Supervisory Board had entrusted the preparation of the section of the Report from the Chairman of the Supervisory Board on internal control procedures to the Group Internal Audit Department. This preparation has been reviewed by the Group Finance Director and the Executive Director in charge of Global Functions. The information reported below has been extracted from this preparation.

20.2.1 Internal control definition and objectives

Internal control system designed throughout the parent company and its subsidiaries (together referred to as the "Group" or the "Company") aimed to ensure:

- compliance with applicable laws and regulations;
- application of instructions and directional guidelines settled by the Management Board;
- correct functioning of company's internal processes particularly those implicating the security of its assets;
- reliability of financial information.

One of the objectives of internal control procedures is to prevent and control risks of error and fraud, in particular in the accounting and financial areas. As for any internal control system, this mechanism can only provide reasonable assurance and in no event gives an absolute guarantee against these risks.

20.2.2 Components of internal control system

The internal control system within Atos Origin was a combination of closely related components that are detailed hereafter.

CONTROL ENVIRONMENT

The organisation, competencies, systems and policies (methods, procedures and practices) represented the ground layer of the internal control system and the fundamentals of the Group in the matter. The main components are presented in this section.

Matrix organisation: Atos Origin runs a matrix organisation structure that combined Operational Management (Countries) and Functional Management (Service lines, Sales and Markets and Support Functions). This was a source of control with a dual view on all operations (Country / Service line).

Policies and procedures: The Group has designed and implemented over the last years several policies and procedures in order to establish common practices and standardised methods. These policies and procedures are reviewed when necessary to be in line with the objectives of the Group.
Some of these key polices and procedures included:

- **The Code of Ethics**: As Atos Origin has paid a particular attention to compliance with ethical rules in connection with the conduct of its operations, a Code of Ethics established and adopted by the Management Board set out the principles applicable to conflicts of interest, insider trading and business ethics (see specific section on Code of Ethics).
- **Delegation of Authority**: A formal policy set out the authorisation of officers of subsidiaries to incur legal commitments on behalf of the Group with clients, suppliers and other third parties. The intention of these rules was to ensure efficient and effective management control from the country level to Management Board level. The delegation of authority policy was rolled-out under the supervision of the Group Legal department.
- **Segregation of Duties:** Updated rules for segregation of duties have been implemented in the organisation. A program was managed to follow-up the improvement of segregation of duties, including functional review of segregation of duties and review of procedures for profiles attribution. Tooling has been used to perform automatic assessments of those rules in the systems.
- **Atos$_{TM}$ Rainbow**: Rainbow is a set of procedures and tools that provides a formal and standard approach to bid management, balancing sales opportunities and risk management for all types of opportunities, as well as continuous guidance and control for the decision-making process. Rainbow was the means by which Atos Origin's management is involved in controlling and guiding the acquisition of the Group's contracts. Above specific thresholds Rainbow reviews are performed at Management Board level.
- **Operational policies and procedures** have also been implemented in all departments. The main impacting policies and procedures in terms of internal control (regarding authorizations and ethics) included "Payment & Treasury Security Rules", "Purchasing Code of Conduct", "Pension Governance", "Investment Committee" and "Legal Handbook".

Human Resource Management: A Group Human Resource management policy has been designed through the *Global Capability Model* (GCM) which is a standard for categorising jobs by experience and expertise across the Group. It has helped employees in to be aware of their responsibility through job description; it has helped managers in recruitment and rewarding; and it has helped the Operations in resourcing and budgeting. A Group Policy on bonus scheme completed this organisation by setting incentives for key managers.

Information Systems: Group Business Process and Internal IT department has been in place to provide common internal IT infrastructures and applications for Atos Origin staff worldwide. It supported functions like Finance (accounting and reporting applications), Human Resources (resourcing tool, corporate directory) or Communication (group websites and intranet). Security and access to these infrastructures and applications as well as their reliability and performance have been managed by this department and benefit from the core expertise and resources from the group.

COMMUNICATION OF RELEVANT AND RELIABLE INFORMATION

Several processes have been in place to ensure that relevant and reliable information is communicated on a timely manner to relevant players within Atos Origin.

A shared ERP system was deployed and used in the main countries of the group. With Spain and UK adopting this system in 2008, all main countries are now using the same ERP, enabling easier exchange of operational information.

Formal information reporting lines have been defined, following the operational and the functional structures. This formal reporting, based on standard formats, concerned both financial and non financial information. Communication of relevant information has also been organized in the Group through several specialised escalation processes that define criteria to raise issues to the appropriate level of management, up to the Management Board for the most important ones. This covered a wide range of topics like operational risks (through Risk Management Committees), treasury (with Payment and Treasury Security Committee), or financial restructuring (Equity Committee).
This bottom-up communication has been accompanied by top-down instructions, issued regularly, and especially for budgeting and financial reporting sessions.

A dedicated intranet site has been accessible to all employees which facilitates the sharing of knowledge and issues raised by the Atos Origin internal communities. This global knowledge management system promotes collaboration and allows efficient and effective information transfer.

SYSTEM FOR RISK MANAGEMENT

Risk management refers to means deployed in Atos Origin to identify and analyse risks. Although risk management is part of a manager's day to day decision making process, specific formal initiatives have been led concerning risk management:

The risk mapping will be updated in 2009, in order to identify and assess risks that may impact the objectives of the Group. The selected methodology involves the key managers of the Group through interviews, to collect their perception of the main risks that may impact Atos Origin objectives, their potential impact and their level of control. This assessment is also challenged against a standard risk model, which ensures a proper coverage of all areas (strategic, operations, finance, information…).

The Risk Analysis, as detailed in *"risks" section of the 2008 Annual Report*, presents the Group's vision of the main areas of risks, as well as the way those risks are managed. This includes the contracting of several insurance policies to cover primary insurable risks including the protection of Group assets (production sites and datacenters) and people. Operational risks on projects have previously been managed by the Risk Management function (including a Group Risk Management Committee who met monthly to review the most significant and challenging contracts. Control activities have also been implemented (through the Book of Internal Control), on the basis of main risks identified, as described next section related to "control activities".

The anti-fraud plan: Atos Origin has also set up a specific framework to manage the fraud risk. The objective was to build a comprehensive and structured approach to cement initiatives aiming at:

- establishing common values,
- assessing fraud risks,

- developing and implementing means to prevent and detect frauds,
- ensuring a high level of knowledge and maturity on fraud issues,
- and operating detection and investigation capabilities.

Some of those initiatives will pursue their development and deployement through the organisation in 2009.

CONTROL ACTIVITIES

Atos Origin's key control activities are described in the Book of Internal Control (BIC). This document, sent out to all entities by the Management Board, complements the different procedures by addressing the key control objectives of each process to achieve a convenient level of internal control.
For each control objective, one or more control activities (including control activities' description, evidences, owners and periodicity) have been identified in order to formalize Group's expectations in terms of control.
The Book of Internal Control covers not only the financial processes, but also delivery processes (like contract management), support processes (including legal, purchasing, HR or IT) and some management processes (Mergers and Acquisitions):

- **HR and Pensions' Management**: control activities have been designed regarding identification and management of evolutions of Labour laws in countries where the Group operates, treatment of payroll, control of employment contracts, recruitment and termination processes, authorisation mechanisms for compensation and benefits, objective and appraisal scheme, management of temporary staff and business expenses;
- **Legal:** on top of the Delegation of Authority mentioned above, control activities have been designed on rules for customer contracts, trademarks, patents and domain names registration, insurance and corporate law;
- **Delivery cycle:** from bidding to post-delivery, on top of the Bid Management process and Risk Management mentioned above, control activities have been designed on the handover from bidding to delivery, follow-up of risk register and action plans, resource management control, project financial review, monitoring of project execution and termination process for a project;
- **Purchasing**: control activities have been designed on purchasing request authorisation process, key steps of procurement flow and ethics for buyers;
- **Internal IT**: control activities have been designed around protection and confidentiality of data and information including disaster recovery plans, security and access to the systems and networks;
- **Communication**: designed control activities are related to internal communication of key messages as well as procedures and policies, preparation and disclosure of announcement, public relations, communication crisis plan, financial communication, and investor relations.
- **Mergers & Acquisitions**: control activities aim at ensuring that the proper authorizations have been obtained at each step of the process, and proper tools and resources employed to secure operations.
- **Finance and Treasury**: the control activities are described in section 20.2.3.

As the Book of Internal Control is in continuous improvement, several updates were conduced in 2008 to reflect the changing environment, processes or tools including purchasing, delivery, consolidation and Mergers and Acquisitions processes.

A specific action has also been with regards to **"SAS70"** reports.
SAS70 (*Statement on Auditing Standards no.70*) defines the American professional standards usually implemented in other countries within the framework of an auditor's report on internal control of a service to a third party. Activities of Atos Origin typically have an impact on the control environment of its clients (through information systems), which may require the issuance of "SAS70 reports" for the controls ensured by Atos Origin.
A control framework has been defined, detailing control activities related to client service. This framework has been built on the basis of the ITGI model *(IT Governance Institute's publication titled IT Control Objectives for Sarbanes-Oxley, 2nd Edition)*.

MONITORING

Monitoring of internal control system includes the analysis of results of controls (identification and treatment of incidents) and the assessment of controls to ensure controls are relevant and appropriate with control objectives. This monitoring was the responsibility of the Group and Local Management, and has also been supported by Internal Audit missions.

Self assessments have been conducted for the main functional processes by group process owners, in order to evaluate the level of maturity of internal control in the different countries. This has been performed through questionnaires, filled locally and challenged and analysed at Group level. Evaluation is performed against a maturity scale (from "unreliable" to "monitored") for each control objective. Actions plans are defined where gaps are identified with desired target.

Monitoring of specific areas has also been performed periodically to measure improvements or deviations of controls. For example, a monthly dashboard has been issued in 2008 to report on Segregation of Duties status, and distributed to group managers.

In parallel**, Internal Audit** has been responsible to assess the functioning of internal control system.
Internal Audit has carried out reviews to ensure that the internal control procedures are properly applied and supports the development of internal control procedures. Internal Audit also defined, in partnership with Group and Local management, action plans for continuously improving internal control processes.
In 2008, Internal Audit coordinated the self-assessment related to financial processes, to help Local Management evaluate and continuously improve their internal control. This process is supported by internal audit reviews at local level, to assess internal control, check self-assessment reliability and follow-up corrective actions.

In 2008, Internal Audit carried out 78 audit assignments assessing the functioning of internal control system. All assignments have been finalised by the issuance of an audit report including action plans to be implemented by the related division or country. Among the audit assignments achieved in 2008:

- 17 countries called "small and medium countries" were subject to a financial review. Assessment of their supervision structure were also performed.
- Follow-up of actions plans defined during 2007 financial review in 7 main countries (representing 40% of the external revenue of the Group) were carried out.
- Bonus process as well as purchasing savings process were audited through a full review of respectively 8 and 6 countries and of the piloting process at Group level.
- 3 particular investigation audits took place.

20.2.3 Internal Control system related to the accounting and financial information

Processes contributing to the accounting and financial information, referred as "financial processes", are in line with the internal control system of Atos Origin, and are subject to specific attention due to their sensitivity.

LOCAL AND GROUP FINANCIAL ORGANISATION

The financial processes have relied on finance teams in each country. Country CFOs had a dual reporting to local management and to Group CFO. This organisation allowed for a comprehensive capture of business events as well as independence with operations.
Piloting was ensured by Group CFO assisted by the Group Finance Executive Committee that included main country chief financial officers and Group Finance functions. This committee met on a regular basis and was in charge of the overall monitoring of the process of preparation of the financial information. Significant accounting issues, as well as potential internal control deficiencies, were reported to this committee, which decided corrective actions to be carried out.

Group Finance Department was in charge of piloting the financial processes, especially through the financial consolidation, the monitoring of compliance matters, the supply of expertise and the control of the reported financial information.

GROUP FINANCE POLICIES & PROCEDURES

Group Finance has drawn up a number of Group policies and procedures to control how financial information is processed in the subsidiaries. These policies and procedures were discussed with the statutory auditors before issuance and included the following main elements:

Financial accounting policies include a Group reporting and accounting principles handbook applicable to the preparation of financial information, including off-balance sheet items. The handbook set out how financial information must be prepared, with common presentation and valuation standards. It also specified the accounting principles to be implemented by Atos Origin entities in order to prepare budget, forecast and actual financial reporting required for Group consolidation purposes. Group reporting definitions and internal guidelines for IFRS, and particularly accounting rules applicable in the Operations, have been regularly updated. An IFRS knowledge center is in place at Group level to assist and support local operations.
Training and information sessions were organised regularly in order to circulate these policies and procedures within the Group. A dedicated intranet site has been accessible to all accounting staff, which facilitates the sharing of knowledge and issues raised by members of the Atos Origin financial community;

Instructions and timetable: Financial reporting including budget, forecast and financial information by subsidiary is carried out in a standard format and within a timetable defined by specific instructions and procedures. Group Finance liaised with statutory auditors to coordinate the annual and half-year closing process.

INFORMATION SYSTEMS

Information systems have played a key role in the control system related to the accounting and financial information, as they have both strongly structured the processes and provided automated preventive controls, but have also provided monitoring and analysis capabilities.

An integrated ERP system has supported the production of accounting and financial information in the main countries.

A unified reporting and consolidation tool has been used since the beginning of 2007 for financial information (operational reporting and statutory figures). Each subsidiary reported its financial statements on a standalone basis in order to be consolidated at Group level. There was no intermediary consolidation level and all accounting entries linked to the consolidation remain under the direct control of Group Finance. Off balance sheet commitments were reported as part of the mainstream financial information and are examined by Group Finance.

MONITORING AND CONTROL

In addition to the financial processes defined, monitoring and control processes have aimed to ensure that accounting and financial information complies with rules and instructions.
The Closing File (included in the Book of Internal Control) was designed in 2007 for deployment at local level in 2008. It was required for each subsidiary to elaborate on a quarterly basis, a standard closing file formalising key internal controls performed over financial cycles and supporting closing positions.

Functional reviews were performed by Group financial support functions on significant matters relating to financial reporting, such as tax issues, pensions, litigations, off balance sheet items or business performance and forecast.

Operational and financial reviews: Group controlling has supported Operations and General Management in the decision making process through monthly reviews and by establishing a strong link with country management in financial analysis & monitoring, enhancing control & predictability of operations and improving the accuracy & reliability of information reported to the Group;

Representation letters: During the annual and half-year accounts preparation, the management and financial head of each subsidiary was required to certify in writing that they have complied with the Group's accounting rules and policies and that, to the best of their knowledge, there was, within their scope of responsibility, no major deficiency in the control systems in place within their respective subsidiary.

Internal Audit Department: The review of the internal control procedures linked to the processing of financial information was a major component of the reviews conducted by the Internal Audit Department. The Internal Audit Department worked together with Group Finance to identify the main risks and to focus its audit plan as effectively as possible to control such risks.

20.2.4 Internal Control system players

The main bodies involved in the implementation of internal control procedures at Atos Origin were as follows:

SUPERVISORY BOARD WITH AUDIT COMMITTEE

The Supervisory Board prepared governance rules detailing the Board's role and the responsibility of its committees. Those committees played a key role in the internal control system through their review and monitoring duties in a number of areas. The Audit Committee, in particular, was informed of the content and the implementation of internal control procedures used to ensure the reliability and accuracy of financial information and monitors the proper implementation of the Internal Control System.

MANAGEMENT BOARD AND EXECUTIVE COMMITTEE

The Management Board was responsible for the general management of the Group's business and focus on strategic aspects to develop the Group. As part of its role, the Management Board defined the framework of the system of internal control.
The Executive Committee led the operational performance of the Group. Its main tasks were to define and review business priorities, review Atos Origin operational performance and define corrective action plans. Management at different levels was responsible for implementing and monitoring the internal control system within their respective areas of responsibility.

RISK MANAGEMENT

Risk Management monitors, reviews and inspects the bidding, engaging in and the execution of contracts to achieve an optimum balance between risk and reward and identifies improvements in our operational processes, including controls where applicable.

INTERNAL CONTROL

Internal control function is to ensure the coordination of the internal control system, like the implementation of the Book of Internal Control and its continuous improvement within the Group. Internal control coordinates also all other initiatives of internal control.

INTERNAL AUDIT

The Internal Audit organisation was centralised which enabled a global working practice following one group audit plan and a consistent audit methodology. Internal Audit operating principles were defined in the Group Internal Audit Charter, which was validated by the Audit Committee. The Audit Committee also received regular reports on the Internal Audit work plan, objectives of assignments, and associated results and findings. The internal audit department would liaise with the statutory auditors to ensure an appropriate co-ordination between internal and external control.

20.2.5 Outlook and related new procedures to be implemented

In 2009, the Top program, as described previously, should lead to process reviews and therefore have an impact on the Internal Control System.
The Internal Audit Department will pursue the internal review programme initiated in 2008. In line with the planned development of the internal control system of the Group, Internal Audit plans to pursue its focus on the implementation of the Book of Internal Control and Top program. In parallel with the continuation of the self-assessment process on financial internal controls, the Internal Audit team will continue to reinforce control and verification of financial information.

Conclusion

Based on the above, we have no other observation with regard to internal control and procedures implemented by the Group. However, it should be noted that internal control cannot provide an absolute guarantee that the Group's goals in this respect will be achieved and that all risks will have been completely eliminated.

Jean-Philippe Thierry
Chairman of the Supervisory Board

20.3 AUDITORS' REPORT PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMPANY LAW (CODE DE COMMERCE) ON THE REPORT PREPARED BY THE CHAIRMAN OF THE SUPERVISORY BOARD OF ATOS ORIGIN WITH RESPECT TO THE INTERNAL CONTROL PROCEDURES FOR THE PREPARATION AND TREATMENT OF FINANCIAL AND ACCOUNTING INFORMATION

This is a free translation into English of the statutory auditors' report issued in French prepared in accordance with Article L.225-235 of French company law on the report prepared by the Chairman of the Supervisory Board on the internal control procedures relating to the preparation and processing of accounting and financial information issued in French and is provided solely for the convenience of English speaking users.

This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Atos Origin and in accordance with Article L.225-235 of French company law (Code de Commerce), we hereby report on the report prepared by the Chairman of your company in accordance with Article L.225-68 of French company law (Code de Commerce) for the year ended 31 December 2008.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L.225-68 of French company law (Code de Commerce), particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that this report contains the other disclosures required by Article L. 225-68 of French company law (Code de commerce), being specified that we are not responsible for verifying the fairness of these other disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;

- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Supervisory Board in accordance with Article L.225-68 of French company law (Code de Commerce).

Other disclosures

We hereby attest that the Chairman's report includes the other disclosures required by Article L. 225-68 of French company law (Code de commerce).

Paris and Neuilly-sur-Seine, April 8, 2009

The Statutory Auditors

Grant Thornton **Deloitte & Associés**

French member of Grant Thornton International

Jean-Pierre Colle Vincent Frambourt Jean-Paul Picard Jean-Marc Lumet

20.4 CODES AND CHARTS

20.4.1 Code of Ethics

Atos Origin is committed to conducting its business in an ethical manner. Accordingly, it has issued a Code of Ethics to all employees, requiring them to act honestly, fairly and with integrity in their day-to-day work and in accordance with the legal framework in force in each country where Atos Origin is conducting business.

All members of the Management Board, senior managers and key employees are required to disclose in writing to the Group any shareholding or financial interest in the affairs of its suppliers, associates or competitors. The aim of this policy is to avoid conflicts of interest and to protect the Group and its management. All management and key personnel are required to accept the Code of Ethics in writing.

Conflicts of interest

The Code of Ethics is designed to prevent employees (or members of their family) from benefiting indirectly from transactions or associations with third parties.

Bribery and corruption

Atos Origin will not tolerate any form of bribery or corruption. Bribery is defined as the giving of money or some other form of benefit in order to obtain a commercial advantage. Corruption occurs where a dishonest or illegal practice undermines Atos Origin's business integrity or its assets.

General business integrity

The basic principles of Atos Origin's ethical business policy are that:

- All Atos Origin employees should be treated equally on the basis of their merits and qualifications, regardless of race, nationality, sex, age, handicap or any other distinctive trait.
- All Atos Origin employees should abide by the laws and regulations of the countries in which the Group operates.
- No employee should improperly influence a political candidate, elected official or government official in the exercise of his/her functions.
- No employee should take part in an agreement that could contravene the applicable laws and regulations concerning anti-competitive practices.

20.4.2 Insider trading code

The unauthorised use or publication of inside or confidential information can distort the market for Atos Origin securities. Accordingly, in order to ensure that there is a fair and open market in Atos Origin securities, the Group's policy is to publish material information to investors and shareholders regarding its activities immediately it becomes known and under conditions that are equal for all. The Group requires all senior managers or employees having access to critical information ("relevant employees") to follow insider trading rules and regulations.

Inside information

Inside information is classified as information having an impact on a decision of whether to buy, sell or retain any Atos Origin securities, therefore distorting the market. The unauthorised use or communication of inside information is strictly prohibited and constitutes a legal offence. Such offences are liable to criminal, regulatory (Autorité des Marchés Financiers, French Exchange Commission) and civil sanctions. Accordingly, no employee may discuss or divulge any inside information to third parties or deal in Atos Origin securities when he/she is in possession of any inside information.

Dealings during closed periods

"Relevant employees" may not deal in Atos Origin securities, whether directly or indirectly, during any "closed period", which is defined as six weeks prior to the publication of Atos Origin's annual and half-year financial statements and four weeks prior to publication of Atos Origin's first and third quarter revenues.

“Relevant employees” include (i) all directors and/or officers and/or managers of companies within the Atos Origin Group and their direct subordinates and assistants who have access to inside information; (ii) any key employee specifically designated as such by the Management Board to sign the Code of Ethics; and (iii) any employee who is likely to be in possession of unpublished price-sensitive information concerning Atos Origin SA and its subsidiaries. The above limitation on dealing in Atos Origin securities does not apply to the exercise by employees of stock options granted by Atos Origin in the course of their employment. The limitation does apply however to the sale of resulting shares.

Dealings in Atos Origin options

Employees are forbidden to negotiate any protection against fluctuations in the potential capital gain to be obtained from Atos Origin stock options or free shares granted by Atos Origin to an individual in the course of their employment (whether through a call, a put or otherwise), except if expressly authorised by the Management Board.

Clearance to deal

Even outside closed periods, relevant employees may not deal in Atos Origin securities, whether directly or indirectly, without obtaining the prior approval of the Chairman of the Management Board. This does not apply to the exercise (not followed by a sale) by employees of stock options granted by Atos Origin in the course of their employment.

20.4.3 Charter of Supervisory Board members

The Board has approved the text of a Charter which summarises the mission and obligations of each Board member, covering in particular the following points: Company interests, attendance, diligence, fairness, independence, confidentiality, trading in the Group's shares, conflicts of interest, information of members.

Election to office

Before accepting their mandate, each Board member must declare that they have understood the requirements of their position, the applicable laws and regulations, the Articles of Association of the Group, the internal regulations of the Board and this charter. Board members must own in their own name at least one thousand nominee shares and, if they do not own such shares at appointment, they must acquire them within three months of their date of appointment.

Defending the interests of the Group

Each Board member must act at all times in the interest of the shareholders and of the Group.

Conflicts of interest

The Atos Origin "Code of Ethics" prohibits any Board or staff member from having a conflict of interest between their personal and corporate responsibilities. Board members must inform the Board and the Group immediately they become aware of any actual or potential conflict of interest. The Board member must then participate in a review of that conflict by the Board as a whole, but must abstain from taking part in any vote taken on the subject.

Attendance - Diligence

By accepting their mandate, each Board member agrees to spend the necessary amount of time and care in performing their duties and must comply with legal regulations applying to the number of director mandates. Except in unavoidable circumstances, each Board member must attend all Board meetings and the meetings of all Board committees to which they belong. Each Board member agrees to resign upon the request of the Board if the Board considers that they are no longer in a position to comply with their duties.

Fairness

Each Board member must behave fairly towards the Group. They must not in any way cause damage to the Group or to any other entity within the Atos Origin Group. They must also inform the Board of any third party action or involvement of which they are aware, which may cause damage to the Group.

No Board member may take a position or financial interest in an entity or business which is in competition with the Group without informing the Board prior to accepting such position or interest and explaining to the Board how such position or interest would be compatible with the Group's interests.

In the event that the Board concludes such position or financial interest is incompatible with the Board member's role in Atos Origin, they must agree to relinquish that role or divest their financial interest immediately.

Independence

Each Board member agrees in all circumstances to represent the interests of the shareholders of Atos Origin by applying independent judgment in their decision-making and rejecting partisan pressure of any kind, whatever its source. Each Board member agrees not to seek or accept from the Group or from any of its affiliates, whether directly or indirectly, any personal advantage that may hinder their independence of judgment.

Confidentiality

Each Board member must keep strictly confidential any information that has not been publicly disclosed, of which they have been informed or become aware during their mandate, as well as the contents of discussions and votes of the Board and of its committees.
No Board member may comment on or disclose Company information to a third party, especially to newspapers and news agencies, without the prior agreement of the Chairman of the Board.

Inside information and trading in the Group's shares

Board members may not trade in the Group's shares other than within the limits of the "insider trading and confidential information" rules established by the Group. The Group prohibits trading in its shares especially during closed periods prior to the announcement of its annual and half-year results and quarterly revenue performance. Board members must inform the Group of any dealings in the shares of the Group within five days of executing the transactions, in order that the Group may comply with its relevant filing requirements, notably to the French stock exchange regulatory authority - the Autorité des Marchés Financiers.

Information of Board members

The internal regulations of the Board define the timing and manner by which Board members will be provided with information prior to a meeting. Unless exceptional circumstances or confidentiality requirements prevent such distribution, the members of the Supervisory Board will be provided with sufficient documentation and analysis of all projects and other agenda items that are scheduled to be discussed adequately in advance of its meetings. Each Board member must carefully review the information sent to them in order to be able to intervene as appropriate when such information is considered by the Board.

If a Board member considers that he or she has not received full and adequate information on a subject before being given the opportunity to vote, they must immediately inform the Board and request the information or documents necessary.

20.5 DIRECTORS' REMUNERATION AND INTERESTS

20.5.1 Directors' fees

Director fees paid to the members of the Supervisory Board		
	FY 2007	**FY 2008**
Didier Cherpitel (fees as Chairman)	372 500	**150 000**
Didier Cherpitel	54 277	**63 392**
Diethart Breipohl	29 277	**40 416**
Dominique Bazy	49 277	**54 523**
Jan P. Oosterveld	44 277	**51 904**
Vernon Sankey	26 222	**36 696**
Michel Soublin	38 666	**47 648**
Jean-François Théodore	22 458	**5 357**
Philippe Germond	35 541	
René Abate		
Behdad Alizadeh		
Benoit d'Angelin		
Jean-François Cirelli		
Michel Combes		
Bertrand Meunier		
Colette Neuville		
Michel Paris		
Jean-Philippe Thierry		
TOTAL	**672 495**	**449 936**

As Chairman of the Supervisory Board, Mr Didier Cherpitel was paid until 12 June 2008. Mr Jean-Philippe Thierry replaced Mr Didier Cherpitel as of 12 June 2008 and was entitled to an annual remuneration of EUR 240,000, which has been paid on a *pro-rata* basis in 2009 and amounted to EUR 133,115.

In accordance with the decision of the shareholders at the Annual General Meeting held on 23 May 2006, the Directors fees to be paid annually to the Supervisory Board members amount to EUR 300,000. The Directors fees paid in 2007 relate to the 2006 period and those paid in 2008 relate to the 2007 period. This explains why the new members of the Supervisory Board have not been paid any Director fees during 2008 and will receive the payments related to their 2008 fees in 2009.

During the Annual General Meeting held on 10 February 2009, the shareholders of the Company voted a total amount of EUR 500,000 for Directors fees to the members of the Board of Directors.

20.5.2 Directors' remuneration

During its 23 December 2008 meeting, the Supervisory Board has taken notice of the recommendations issued by the AFEP and the MEDEF on 6 October 2008 concerning the compensation of executives who are corporate officers of publicly listed companies. The Supervisory Board has considered that these recommendations are in line with the corporate governance principles of the Company.

Atos Origin discloses Directors remuneration according to the AFEP / MEDEF recommendations issued in October 2008.

During 2008, the Group was operated as a Management Board / Supervisory Board mode and changed its governance following the Extraordinary and Ordinary Shareholders Meeting held on 10 February 2009 for a Board of Directors.

It is important to notice that, during the year 2008, significant changes occurred both in the Supervisory Board and in the Management Board. Following the Annual General Shareholders

Meeting held on 12 June 2008, the Supervisory Board was reorganised to reflect the agreement with the main shareholders.
As far as the Management Board is concerned, Mr Philippe Germond was CEO and Chairman of the Management Board until 16 November 2008. Mr Thierry Breton was appointed as CEO and Chairman of the Management Board on 16 November 2008. Mr Wilbert Kieboom was member of the Management Board until 31 July 2008. Mr Eric Guilhou was member of the Management Board during the year 2008 and until 10 February 2009 when the legal structure of the Company was changed with the new Board of Directors elected.

Therefore, the annual remuneration presented herein after reflects for each member their 2008 remuneration *pro-rata temporis* in their execution of Directors position.

Mr Thierry Breton – Chairman of the Management Board and CEO of Atos Origin from 16 November 2008 to 31 December 2008:

The annual fix salary was EUR 1.2 million and the maximum annual variable salary was EUR 1.2 million.

Mr Thierry Breton	FY 2007		FY 2008	
	Charge	Cash payment	Charge	Cash payment
Fix salary	NA	NA	153 846	153 846
Variable salary (*)	NA	NA	123 000	
Exceptional bonus	NA	NA		
Director fees Atos Origin S.A.	NA	NA		
Fringe benefits	NA	NA		
TOTAL	0	0	276 846	153 846

(*) 100% variable salary of Mr Thierry Breton was based on financial objectives. 2008 achievement was 82% based on the full-year results and calculated on a *pro-rata temporis* basis.

Value of stock options granted	Year	Amount (in euros)
Value of stock options granted in 2008 as per the "2010 tranche"	2010	1 054 665
Value of stock options granted in 2008 as per the "2011 tranche"	2011	809 666
Value of stock options granted in 2008 as per the "2012 tranche"	2012	590 335

The three-year value of the stock options granted has been calculated using the Black and Scholes mathematical model. This value does take into account a successful achievement of performance conditions wich are differentiated according to the three tranches. This is described in the note 4 of the section 18. The Company considers that these three different elements can not be added since the three-year value of the stock options at the grant date does not correspond to a remuneration received by the beneficiary.

Mr Eric Guilhou member of the Management Board during the year 2008:

The annual fix salary was EUR 650 000 and the annual variable salary was EUR 650 000 limited to a maximum of EUR 975 000.

Mr Eric Guilhou	FY 2007		FY 2008	
	Charge	Cash payment	Charge	Cash payment
Fix salary	530 000	530 000	650 000	650 000
Variable salary (*)	1 325 000	75 000	709 800	1 325 000
Exceptional bonus				
Director fees Atos Origin S.A.				
Fringe benefits (**)	6 326	6 326	6 912	6 912
TOTAL	1 861 326	611 326	1 366 712	1 981 912

(*) Variable salary of Mr Eric Guilhou was 60% based on financial objectives and 40% on personal objectives. 2008 achievements were 82% on financial performance of the Group and 150% on personal objectives.

(**) Including company car.

Value	Amount (in euros)
Value of stock options granted in 2008	483 162
Value of free shares granted in 2008	286 717

The value of the stock options granted in March 2008 has been calculated using the Black and Scholes mathematical model. Its does take into account a successful achievement of the internal conditions of performance. This is described in note 4 of the section 18. The value of the free shares granted in 2008 is also described in note 4 of the section 18.

Mr Philippe Germond - Chairman of the Management Board and CEO of Atos Origin from 1 January 2008 to 16 November 2008:

The annual fix salary was EUR 900 000 and the annual variable salary was EUR 1 080 000 limited to a maximum of EUR 1 620 000.

Mr Philippe Germond	FY 2007		FY 2008	
	Charge	Cash payment	Charge	Cash payment
Fix salary	787 500	787 500	790 005	790 005
Variable salary (*)	1 550 000		806 369	2 356 369
Exceptional bonus				
Director fees Atos Origin S.A.				
Fringe benefits (**)	6 617	6 617	7 693	7 693
TOTAL	2 344 117	794 117	1 604 067	3 154 067

(*) Variable salary of Mr Philippe Germond was based on financial objectives. 2008 achievement was 85% based on the full-year results and calculated on a *pro-rata temporis* basis. The variable valary received in 2008 included both the variable salary due for 2007 and the variable salary due for 2008 paid in December.

(**) Including company car.

Value	Amount (in euros)
Value of stock options granted in 2008	N/A
Value of free shares granted in 2008	516 908

Stock options granted in March 2008 to Mr Philippe Germond have been cancelled upon his departure from the Company in November 2008. The value of the free shares granted in 2008 is described in note 4 of the section 18.

Mr Wilbert Kieboom member of the Management Board from 1 January 2008 to 31 July 2008:

The annual fix salary was EUR 650 000 and the annual variable salary was EUR 650 000 limited to a maximum of EUR 975 000.

Mr Wilbert Kieboom	FY 2007		FY 2008	
	Charge	Cash payment	Charge	Cash payment
Fix salary	530 000	530 000	379 167	379 167
Variable salary	1 325 000	475 000	413 000	1 187 000
Termination indemnity (***)			2 600 000	2 600 000
Notice period (***)			650 000	650 000
Exceptional bonus				
Directors fees				
Finge benefits (**)	162 198	162 198	136 751	136 751
TOTAL	2 017 198	1 167 198	4 178 918	4 952 918

(*) Variable salary of Mr Wilbert Kieboom was 60% based on financial objectives and 40% on personal objectives. 2008 achievements were 115% on financial performance of the Group until the date of his departure and 100% on personnal objectives. The payment of the 2008 variable salary related to financial objectives and which is EUR 262,000 was made in 2008. The payment of the 2008 variable

salary related to personal objective and which is EUR 151,000 will be subject to the shareholders approval at the Annual General Meeting deciding on the 2008 accounts.
(**) Including company car, housing and insurance expenses.
(***) The payments related to the termination of Mr Wilbert Kieboom's Management Board mandate and to the remuneration due for the notice period are described in the "Remuneration Committee" section.

Value	Amount (in euros)
Value of stock options granted in 2008	N/A
Value of free shares granted in 2008	N/A

Free shares granted during the year as well as the stock options granted in March 2008 to Mr Wilbert Kieboom have been cancelled upon his departure from the Company in July 2008.

Value	Value in euros
Supplemental pension plan	1 090 000

Mr Wilbert Kieboom benefits from a supplemental pension plan. The value of the due payments to the insurance company as of 2009 and according to the contracted agreement is EUR 1,090,000. Total acquired pension rights for Mr Wilbert Kieboom paid to the insurance company amount to EUR 1,582,000.

Stock subscription options plans and free shares plans

Stock subscription options plan granted during 2008						
Member of the Management Board	Date of issue of the plan	Nature of options	Valuation of the options according to the method used in the statutory accounts (in euros)	Number of options	Strike price in % above the stock price at grant date (*)	Exercice period
Thierry Breton	23 December 2008 - 2010 tranche	subscription	1,054,670	233,334	5%	01/04/2010-31/03/2018
Thierry Breton	23 December 2008 - 2011 tranche	subscription	809,666	233,333	25%	01/04/2011-31/03/2018
Thierry Breton	23 December 2008 - 2012 tranche	subscription	590,332	233,333	50%	01/04/2012-31/03/2018

(*) Stock price at grant date at EUR 17.60

The options valuation is based on the accounting method used in the consolidated accounts as described in the note 4 of the section 18.

Mr Thierry Breton was granted stock options spread over three different tranches exercisable on a three-year basis with respectively 233,334 of them on 1 April 2010, 233,333 of them on 1 April 2011 and 233,333 on 1 April 2012. The Supervisory Board has fixed as a prerequisite the granting of these three tranches to the following conditions: on one hand the strike price should be higher than the stock price at grant date of EUR 17.60 by respectively 5%, 25% and 50%; on the other hand the second and third tranches (2011 and 2012) are subject to internal performance conditions which, approved by the Board of Directors on 17 February 2009, are the following:

- Net cash flow before dividends, proceeds from disposals and acquisitions: 80% of the budget or increase of 10% compared to the previous year;
- Operating margin: 80% of the budget or increase of 10% compared to the previous year.

Stock subscription options plan granted during 2008						
Member of the Management Board	Date of issue of the plan	Nature of options	Valuation of the options according to the method used in the statutory accounts (in euros)	Number of options	Strike price	Exercice period
Eric Guilhou	10 March 2008	subscription	483,162	50,000	34.73	01/04/2012-31/03/2018

Stock options granted to Mr Eric Guilhou are not subject to any performance conditions.

No stock options were exerciced by the members of the Management Board.

Free shares granted in 2008 to members of the Management Board under performance conditions					
Member of the Management Board	Name and date of the plan	Number of free shares granted during the year	Valuation of the free shares according to the method used in the statutory accounts (in euros)	Acquisition date	Exercice date
Philippe Germond	LTI March 2008	16,360	516,908	March 2010	March 2012
Eric Guilhou	LTI March 2008	9,888	286,717	March 2010	March 2012

Free shares granted in 2007 to members of the Management Board under performance conditions					
Member of the Management Board	Name and date of the plan	Number of free shares granted during the year	Valuation of the free shares according to the method used in the statutory accounts (in euros)	Acquisition date	Exercice date
Philippe Germond	LTI May 2007	7,674	297,356	May-2009	May-2011
Philippe Germond	MIP 2007 - June 2007	10,956	414,413	June-2009	June-2011
Eric Guilhou	LTI May 2007	6,026	233,499	May-2009	May-2011
Eric Guilhou	MIP 2007- June 2007	10,956	414,413	June-2009	June-2011
Wilbert Kieboom	LTI May 2007	3,013	112,548	May-2009	May-2011

The free shares valuation is based on the accounting method used in the consolidated accounts as described in the note 4 of the section 18.

Mr Wilbert Kieboom did not subscribe the MIP Plan in 2007 and the LTI 2007 has been reduced to 3,013 free shares further the termination of his mandate. The grant of the 3,013 remaining free shares will be subject to approval at the Annual General Meeting.

During year 2008, no shares granted under performance conditions became available for any member of the Management Board.

Benefits of the Corporate Officers

Corporate Officer	Employment contract		Supplemental Pension Plan		Compensation or benefits due or which maybe due in case of termination or change in duties		Compensation for a non-compete clause	
	YES	NO	YES	NO	YES	NO	YES	NO
Mr Thierry Breton - Chairman and CEO (16 November 2008 - 31 December 2008)		X	X			X		X
Mr Eric Guilhou - member of the Management Board (1 January 2006 - 31 December 2008)	X		X			X		X

Mr Thierry Breton does not have any employment contract and will not benefit from any termination payment at the end of his mandate.

In addition, Mr Thierry Breton will not benefit from any compensation for a non-compete clause.

The employment contract of Mr Eric Guilhou was suspended during his mandate as member of the Management Board. Further to the Supervisory Board held on 23 December 2008, the mandate of Mr Eric Guilhou was renewed and all indemnities payment for termination of his employment contract were cancelled. Following the change in Atos Origin S.A. By-Laws voted on 10 February 2009, Mr Eric Guilhou’s employment contract became effective again. Mr Eric Guilhou has the same supplemental pension plan as the members of the Management Board and the Executive Committee and he is not entitled to any compensation for non-compete clause. No payment has been made in 2008 by the Company as regard to the supplemental pension plan.

20.5.3 Directors' interests

The ownership of the Group's shares by members of the Management and Supervisory Boards at 31 December 2008 was as follows:

	Number of shares			Number of shares	
Management Board	**FY08**	**FY07**	**Supervisory Board**	**FY08**	**FY07**
Thierry Breton	5,000	-	Jean-Philippe Thierry	1,500	-
Eric Guilhou	28,785	28,785	René Abate	1,000	-
			Behdad Alizadeh	1,000	-
			Benoit d'Angelin	1,000	-
			Jean-François Cirelli	220	-
			Michel Combes	2,001	-
			Bertrand Meunier	1,000	-
			Colette Neuville	1,000	-
			Michel Paris	1,000	-
			Vernon Sankey	1,000	500
Total	**33,785**	**28,785**	**Total**	**10,721**	**500**
Previous members					
Philippe Germond	10,959	10,959	Didier Cherpitel	1,000	1,000
Wilbert Kieboom	NA	4,065	Michel Soublin	1,000	500
			Dominique Bazy	1,000	20
			Jan Oosterveld	1,000	10
			Diethart Breipohl	1,000	10

The Group is required to report immediately to the Autorité des Marchés Financiers (AMF) all transactions in the shares of the Group by members of the Supervisory and Management Boards. The rules on insider trading detailed in the "Code of Ethics" section of this document also apply to such transactions.

20.5.4 Stock subscription options

In 2008, 890,000 stock subscription options were granted to members of the Management Board by the Group or its associates. During the year, a total of 146,000 stock subscription options have been cancelled either due to forfeiting or termination of Management Board mandate. A special report is part of the Management Board's Report to the Annual General Meeting pursuant to article L225-184 of the Commercial Code", as set out in this document.

The ownership of stock subscription options by members of the Management Board and their conditions of exercise at 31 December 2008 were as follows:

	Date of Issue	Number at 31 Dec. 2007	2008 Granted	2008 Exercised	2008 cancelled	Number at 31 Dec. 2008	Strike price (EUR)	Market price at date of sale	Exercise period start date	Exercise period end date
T. Breton	23/12/08		233,334	-	-	233,333	18.40		01/04/10	30/03/18
	23/12/08		233,333			233,333	22.00		01/04/11	30/03/18
	23/12/08		233,333			233,334	26.40		01/04/12	30/03/18
E. Guilhou	08/12/98	6,000	-	-	6,000	0	94.80		08/12/03	08/12/08
	30/11/99	7,500	-	-	-	7,500	134.55		30/11/04	30/11/09
	18/12/00	40,000	-	-	-	40,000	78.27		18/12/04	18/12/10
	18/12/00	10,000	-	-	-	10,000	78.27		18/12/04	18/12/10
	01/07/02	10,000	-	-	-	10,000	62.32		01/07/06	01/07/12
	27/03/03	15,491	-	-	-	15,491	25.92		27/03/07	27/03/13
	09/02/04	30,000	-	-	-	30,000	54.14		09/02/08	09/02/14
	10/01/05	35,000	-	-	-	35,000	49.75		10/01/09	10/01/15
	29/03/06	35,000	-	-	-	35,000	59.99		29/03/10	29/03/16
	10/03/08		50,000	-		50,000	34.73		10/03/12	10/03/18
Previous members										
P. Germond	1/12/06	50,000	-	-	-	50,000	43.87		01/12/10	01/12/16
	10/03/08		90,000	-	90,000	0	34.73		10/03/12	10/03/18
W. Kieboom	18/12/00	40,000	-	-	-	40,000	78.27		18/12/03	18/12/10
	18/12/00	1,500	-	-	-	1,500	78.27		18/12/03	18/12/10
	01/07/02	10,000	-	-	-	10,000	62.32		01/07/05	01/07/12
	27/03/03						25.92	49.94	01/01/05	27/03/13
	27/03/03						25.92	52.50	01/01/05	27/03/13
	09/02/04	30,000	-	-	-	30,000	54.14		01/01/06	09/02/14
	10/01/05	35,000	-	-	-	35,000	49.75		10/01/08	10/01/15
	29/03/06	35,000	-	-	-	35,000	59.99		29/03/09	29/03/16
	10/03/08		50,000	-	50,000	0	34.73		10/03/11	10/03/18
Total		**390,491**	**890,000**		**146,000**	**1,134,491**				

20.5.5 Free share grants

In 2008, 36,205 free shares or free shares equivalent were granted on 18 March 2008 to the members of the Management Board by the Group, further to the Long Term Incentive Plan. This grant has been reduced down to 26,317 free shares following the termination of the mandate of Mr Wilbert Kieboom.

The stock price at grant date was EUR 32.87. A special report is part of the Management Board's report to the Annual General Meeting pursuant to article L225-197 of the commercial code", as set out in this document.

21 RESOLUTIONS

21.1 PROPOSED RESOLUTIONS TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING

Resolutions submitted to the shareholders will be published in the Bulletin des Annonces Legales Obligatoires (official legal gazette for listed companies) and will be posted on the Atos Origin website (investors' section), as required by laws and regulations (i.e. at least 35 days before the shareholders' meeting).

21.2 MANAGEMENT BOARD'S REPORTS TO THE ANNUAL GENERAL MEETING PURSUANT TO ARTICLE L225-184 OF THE COMMERCIAL CODE

Dear Shareholders, we hereby inform you that the following stock subscription options were granted to members of the Management Board during the fiscal year.

Name	Exercise date	Number of stock subscription options granted	Subscription price in euros
Thierry Breton	01/04/10 – 30/03/18	233,334	18.40
	01/04/11 – 30/03/18	233,333	22.00
	01/04/12 – 30/03/18	233,333	26.40
Eric Guilhou	10/03/10 – 10/03/18	50,000	34.73
Previous members			
Philippe Germond	10/03/10 – 10/03/18	90,000	34.73
Wilbert Kieboom	10/03/10 – 10/03/18	50,000	34.73

No stock subscription options were exercised by members of the Management Board during the fiscal year 2008.

The top ten grants of stock subscription options during 2008 by the Group to employees of all associated companies and groupings were as follows (as defined by Article L225-180):

Number of stock subscription options granted	Weighted average price in euros
548,000	17.60

The total number and weighted average price of options in the Group's stock exercised by employees of all associated companies and groupings (as defined by Article L225-180) during 2008 for the top ten grants of stock subscription options were as follows:

Number of stock subscription options exercised	Weighted average price in euros
6,526	25.92

21.3 MANAGEMENT BOARD'S REPORTS TO THE ANNUAL GENERAL MEETING PURSUANT TO INSTRUCTION N° 2006-05 OF 3 FEBRUARY 2006 TO DISCLOSE TRANSACTIONS ON DEALING WITH SHARES OF THE GROUP

Name	Number of shares	Date	Acquisition / exercice
Vernon SANKEY	500	02/05/2008	38.70
Jean-Philippe THIERRY	1,500	13/06/2008	36.51
Michel COMBES	1,000	01/08/2008	37.11
Behdad ALIZADEH	999	05/08/2008	36.41
Colette NEUVILLE	300	19/08/2008	35.50
Benoït d'ANGELIN	1,000	29/08/2008	36.38
Colette NEUVILLE	200	03/09/2008	37.43
Michel COMBES	1,000	04/09/2008	36.98
Jean-François CIRELLI	220	08/09/2008	37.01
Colette NEUVILLE	300	09/09/2008	36.10
Bertrand MEUNIER	998	12/09/2008	34.07
Michel PARIS	1,000	12/09/2008	33.80
Thierry BRETON	5,000	12/12/2008	17.22
Previous members			
Michel SOUBLIN	500	02/05/2008	39.10
Jan OOSTERVELD	1000	02/05/2008	38.60
Dominique BAZY	1,000	06/05/2008	38.90
Diethart BREIPOHL	990	06/05/2008	38.49

21.4 MANAGEMENT BOARD'S REPORTS TO THE ANNUAL GENERAL MEETING PURSUANT TO ARTICLE L225-197 OF THE COMMERCIAL CODE

Dear Shareholders,

We hereby inform you that the following free shares were granted under the LTI 2008 plan during the fiscal year to members of the Management Board by the Group or its associates.

Name	Date	Number of shares	Stock price on date of grant in euros
Thierry Breton	-	-	-
Eric Guilhou	18/03/08	9,888	32.87
Phlippe Germond	18/03/08	16,360	32.87
Wilbert Kieboom	18/03/08	9,888	32.87

Following the departure of Mr Philippe Germond from the Group on 16 November 2008, the LTI 2008 free shares are subject to terms conditions of the plan.

Following the departure of Mr Wilbert Kieboom from the Group on 31 July 2008, the LTI 2008 free shares were cancelled.

The total number and weighted average stock price of the top ten free shares grants made during 2008 by the Group to its employees of all associated companies and groupings (as defined by Article L225-180) were as follows:

Number of free shares granted	Weighted average stock price in euros
53,340	32.87

22 LEGAL INFORMATION

On 10 February 2009 the Shareholders approved new articles of association. This resulted in the corporation changing its governance mechanisms from one structure with a Management Board and a Supervisory Board to one with a Board of Directors, which is the structure in place as of the date of issuance of this annual report. In the following sections, both structures are described.

22.1 CORPORATE FORM AND PURPOSE

- Company name (article 3 of the articles of association) : Atos Origin
- Legal form (article 1 of the articles of association): Limited Liability Company (societe anonyme) with a Management Board and a Supervisory Board until February 9, 2009, then with a Board of Directors, governed by Articles 225 et seq. of the French Commercial Code.
- Corporate purpose (article 2 of the articles of association): Information processing, systems development, technical, consulting and support services, research, development, production and sale of products and services that contribute to the promotion or development of data automation and transmission systems, including the design, application and installation of software and data processing, online data transfer and office automation systems.
- Nationality: French.
- Registered office and principal place of business (article 4 of the articles of association): 18 avenue d'Alsace –
  92 926 Paris La Defense, France.
- Registered in Nanterre under Siren number 323 623 603.
- Business identification code (NAF code): 7010Z.
- Date of incorporation: 1982.
- Term: up to 2 March 2081.
- Fiscal year (article 27 of the articles of association): 1 January to 31 December.
- Common stock as at 31 December 2008: The Group's common stock amounted to
  EUR 69,717,453 divided into the same number of shares with a par value of EUR 1.00 each.

22.2 PROVISIONS OF THE ARTICLES OF ASSOCIATION

Board of Directors

The Company is management by a Board of Directors. The term of office of Directors is three years. Each Board member is required to own at least 1,000 Company's shares (article 15 of the bylaws).

Chairman

The Board of Directors elects from among its members a Chairman and, where applicable, one or more Vice-Chairman. The Chairman represents the Board of Directors. He organizes and directs the Board's activities, on which he reports at Shareholders' Meetings.

Decisions by the Board of Directors

Notice of Board meetings is sent to Directors by the Chairman or, where applicable, the Vice-Chairman. If no Board meeting is called for over two months, at least one-third of the Directors are empowered to ask the Chairman to call a meeting in order to handle the specific matters included on the agenda. The Chief Executive Officer is also empowered to ask the Chairman to call a Board meeting in order to discuss specific matters included on the agenda. Decisions are taken in accordance with the quorum and majority rules provided for by law. In the event of a tie in the voting, the Chairman will have the casting vote.

Transactions in which Directors are materially interested

Any agreement entered into (directly or through an intermediary) between the Company and any of the members of the Board of Directors that is not entered into (i) in the ordinary course of the business and (ii) under normal conditions is subject to the prior authorization of the disinterested members of the Board of Directors. The same provision applies to agreements between the Company and another company if one of the members of the Board of Directors is the owner, general partner, manager, director, general manager or member of the executive or supervisory board of the other company, as well as to agreements in which one of the members of the Board of Directors has an indirect interest.

Directors’ compensation

The aggregate amount of attendance fees (jetons de présence) of the Board of Directors is determined at the ordinary general meeting of the shareholders. The Board of Directors then divides this aggregate amount up among its members, by a simple majority vote. In addition, exceptional compensation may be granted to directors in particular for special assignments in committees.

Directors' Age Limits

The number of Directors who have reached 70 years of age may not exceed one-third of the total number of Directors in office at any time.

Rights, privileges and restrictions attached to shares

Voting rights

Each shareholder is entitled to one vote per share at any shareholders' meeting. No shares carry double voting rights.

Attendance at shareholders’ meetings (Article 28 of the bylaws)

All shareholders may participate in general meetings either in person or by proxy. Shareholders may vote in person, by proxy or by mail.

The right of shareholders to participate in general meetings is subject to the recording of their shares on the third business day, zero hour (Paris time), preceding the general meeting: (i) for holders of registered shares in the registered shareholder account held by the Company or on its behalf by an agent appointed by it; and (ii) for holders of bearer shares in the bearer shareholder account held by the accredited financial intermediary with whom such holders have deposited their shares (such financial intermediaries shall deliver to holders of bearer shares a shareholding certificate enabling them to participate in the general meeting).

All shareholders may also, if permitted by the Board of Directors when the shareholders’ meeting is convened, attend the meeting by video conference or by electronic communications or remote transmission.

All shareholders are bound by the decisions of shareholders’ meetings made in accordance with applicable laws and the bylaws.

Information concerning the identity of holders of bearer shares (article 9.3 of the bylaws)

The Group is entitled, at any time, to request central depository to disclose the identity of holders of bearer shares.

Changes to shareholders' rights

Any amendment to the bylaws, which set out the rights attached to the shares, must be approved by a two-thirds majority at an extraordinary shareholders’ meeting. A unanimous shareholder vote is required to increase the liabilities of shareholders.

Conditions governing the means for calling annual shareholders’ meetings and extraordinary shareholders’ meetings, including the conditions for admission to such meetings

Shareholders' meetings (Articles 34 and 35 of the bylaws)
Shareholders’ meetings are considered to be “Extraordinary” when the decisions relate to a change in the bylaws or Company’s nationality and “ordinary” in all other cases.

Shareholders’ meetings are called and conducted in accordance with the terms and conditions of French law.

Meetings are held at the corporate headquarters or at any other place.

Shareholders’ meetings are chaired by the Chairman of the Board of Directors, or, in his absence, by the Vice-Chairman, or failing this, by a Director specially appointed for this purpose by the Board of Directors. Failing all of the above, the Shareholders’ Meeting can elect its own Chairman.

Attendance at shareholders’ meetings (Article 22 of the bylaws)

Please refer to section “Rights, privileges and restrictions attached to shares” above.

Provision in the incorporation documents, bylaws, a corporate charter or a regulation setting the threshold above which any shareholding must be disclosed

Notices that must be made to the company (Article 10 of the By-Laws)
All private individuals and legal entities, acting alone or in concert, who acquire or cease to hold, directly or indirectly, a fraction of the share capital equal to or greater than 2% or, following a shareholding of 2%, a multiple of 1% are required to inform the Company, by registered letter with return receipt requested, within 5 days from the date on which one of these thresholds is crossed, of the total number of shares held directly, indirectly or in concert.

Failure to comply with the above requirements results in rescission of the voting rights attached to those shares relating to the unreported fraction at all Shareholders’ Meetings held during a two-year period following the date or filing of the aforementioned notice. Application of this penalty is subject to a request by one or more shareholders holding at least 5% of the Company’s share capital.

Financial statements

Legal Reserve

5% of the unconsolidated statutory net profit for each year has to be allocated to the legal reserve fund before dividends may be paid with respect to that year. Funds must be allocated until the amount in the legal reserve is equal to 10% of the aggregate par value of the issued and outstanding share capital.

Approval of dividends

Dividend payments are approved by general shareholders' meeting, in accordance with articles L. 232-12 to 232-18 of the French commercial code.

Other commitments

Commitments with shareholders are described in the “Investor Information” section of this document.

22.3 BOARD OF DIRECTORS

As of 10 February 2009, the Company has been converted from a "société anonyme" with a Management Board and a Supervisory Board into a "société anonyme" with a Board of Directors (Conseil d'administration).

Chairman and CEO
Thierry BRETON
Appointed: Supervisory Board meeting of 10 February 2009
Term expires : Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduate of the Ecole Supérieure d’Electricité “Supelec” of Paris and of the Institut des Hautes Etudes de Défense Nationale (IHEDN)
- Other directorships (at 31 December 2008):

Member of the Board of Directors
Jean-Paul BECHAT
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduated of the Ecole Polytechnique – Master in Science from Stanford University (USA)
- Other positions (as of 31 December 2008) :

General Manager of the Simplified Joint Stock Company Atos Origin International (France)

Director of Carrefour (France)

- Positions held during the last five years

Chairman and CEO of France Telecom (France)

Chairman of the Board of Orange S.A., TSA (previously Thomson SA)

Member of the Supervisory Board of Equant NV, Axa

Director of Thomson (previously Thomson Multimedia), Schneider Electric, TSA, DEXIA Banque (Belgium)

Minister of Economy, Finance and Industry

Member of the Board of Directors
Jean-Philippe THIERRY
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Master in Politics and Economy (I.E.P. Paris), Master of Business Administration in Economy (Paris)

- Other positions (as of 31 December 2008) :

Chairman of AGF SA (France), Tocqueville Finance SA (France)

Chairman of Allianz Holding France SAS and Tocqueville Finance Holding SAS

Chairman of the Supervisory Board of Euler Hermès (France) and Mondial Assistance AG (Switzerland)

Director of Société Financière Foncière et de Participations (FFP) and PPR (France)

Censor of Baron Philippe de Rothschild SA, Eurazeo and Paris Orleans (France)

- Positions held during the last five years:

Member of the Management Board of Allianz SE (Germany)

Chairman and CEO of AGF SA and AGF Holding (France)

Chairman of AGF Vie, AGF IART, AGF International, Tocqueville Finance SA (France), SC Holding SAS, Chateau Larose Trintaudon (France), AGF Belgium Insurance

Director of Arsco private company

Director of Alstom and of Sogepa

Member of GIFAS Council (Groupement des Industries Françaises Aéronautiques et Spatiales) and of UIMM Council (Union of Industries in Metallurgy)

- Positions held during the last five years:

Chairman and Chief Executive Officer of Snecma

Chief Executive Officer of Sagem

Director of Natexis Banques Populaires and of Aeroports de Paris (ADP)

Member of the Board of Directors
Dominique MEGRET
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduated of the Ecole des Hautes Etudes Commerciales (HEC)

- Other positions (as of 31 December 2008) :

Chairman of PAI Partners, PAI Partners (Spain) and PAI Partners (Italy)

General Partner of PAI Europe III, PAI Europe IV, PAI Europe V (Guernsey)

Director of Monier (Germany), Chr, Hansen (Denmark), Yoplait, Spie, Kaufman & Broad (France), PAI Syndication GP (Guernsey), Coin, Saeco (Italy), Speedy Ltd (U.K.)

- Positions held during the last five years:

Director of Vivarte, Elis, Saur, Eiffage (France), Panzani (Italy), United Biscuits (U.K.) and Perstorp (Sweden)

Member of the Board of Directors
Bertrand MEUNIER
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduated from the Ecole Polytechnique - Master degree in

Chairman of Allianz Holding France SAS and Tocqueville Finance Holding SAS

Chairman of the Supervisory Board of Euler Hermès (France), GIE AGF Informatique (France) and Mondial Assistance AG (Switzerland)

Director of AGF International, AGF RAS Holding (The Netherlands), Société Financière Foncière et de Participations (FFP), PPR (France), Allianz Global Corporate & Specialty AG (Germany), Allianz Seguros y Reaseguros (Spain)

Member of the Supervisory Board of Compagnie Financière Saint-Honoré (France), Groupe Taittinger, Allianz Nederland Groep (The Netherlands),

Censor of Rue Impériale (France)

Member of the Board of Directors
René ABATE
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduate of the "Ecole nationale des Ponts et Chaussées" and of the Harvard Business School

- Other positions (as of 31 December 2008) :

Member of the Board of Directors of Carrefour (France) and of LFB (Laboratoire Français du Fractionnement et des Biotechnologies)

Board member of L'Ecole Nationale des Ponts et Chaussées and of « L'ENVOL pour les enfants européens », non profit association

Managing partner of Delphen Sarl

Senior advisor of The Boston Consulting Group

- Positions held during the last five years:

Senior vice-president of Boston Consulting Group, in charge of the activity in France

Chairman of the Group for Europe

Member of the World Executive Commiittee

Mathematics

- Other positions (as of 31 December 2008) :

Director of Chr. Hansen (Denmark),
Gruppo Coin , Saeco (Italy),
Kaufman & Broad, Spie and Yoplait (France),
Monier, Xella (Germany),
PAI Europe III General Partner, PAI Europe IV General Partner, PAI Europe V General Partner,
PAI Syndication GP (Guernsey) ,
PAI Partners (Spain),
Perstorp (Sweden),
PAI Europe IV UK, United Biscuits (UK)

- Positions held during the last five years:

Director of Evialis, Elis, Panzani, Saur, Stoeffler (France)
And Provimi (The Netherlands)

Member of the Board of Directors
Michel PARIS
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduate from Ecole Centrale of Lyon and from Ecole Supérieure de Commerce de Reims

- Other positions (as of 31 December.2008) :

Director of Gruppo Coin (Italy), Monier, Xella (Germany), Cortefiel (Spain), Speedy 1 Ltd (UK)

- Positions held during the last five years:

Director of Saur, Vivarte (France)

Member of the Board of Directors
Pasquale PISTORIO
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Graduated in Electrical Engineering from the Polytechnic School of Turin

- Other positions (as of 31 December.2008) :

Honorary Chairman of SGS-THOMSON Microelectronics (STMicroelectronics)
Honorary Chairman of ST Foundation (charity organisation)

Member of the Board of Directors
Behdad ALIZADEH
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: MBA from Columbia University – Bachelor of Science from New York University

- Other positions (as of 31 December.2008) :

President of Pardus Europe SAS

Director of Valeo (France)

Member of the Board of the Governor's Committee on Scholastic Achievement.

- Positions held during the last five years:

Managing Director and Head of Merchant Banking at the Bank of New-York

Director of Caliber Collsion Centers and of Mid West Wholesale Distribution

Member of the Board of Directors
Nicolas BAZIRE
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

Background: Degree from the Naval Academy and from the French Institute in Political Science in Paris

- Other positions (as of 31 December 2008) :

Member of the Supervisory Board of Montaigne Finance SAS, Semyrhamis SAS, Rothschild & Cie Bank

Vice President of the Supervisory Board of Les Echos SAS

Managing Director of Group Arnault SAS

Executive Vice President of Finance Agache SA and Permanent Representative of Group Arnault SAS, Director

Director of LVMH Moët Hennessy Louis Vuitton SA, Agache Developpement SA, Europatweb SA, Financiere Agache Private Equity SA, Groupe les Echos SA, LVMH Fashion Group

Chairman of Sagem Wireless (France)

Independent Member of the Board of Directors of Fiat S.p.A.

Member of the Internal Advisory Council of the Government of Singapore ; of the International Business Council of the World Economic Forum ; and of the French Strategic Counsel for Information Technology

- Positions held during the last five years:

Director, then Chairman of Telecom Italia

Vice-president of Confindustria for innovation and research

Member of the Strategic Counsel for the Country's Attractivity for the French Prime Minister (M. Raffarin)

Member of the Board of Directors
Vernon SANKEY
Appointed: General Meeting of 10 February 2009
Term expires: Annual General Meeting called to approve the fiscal year 2011 financial statements

- Background: Master of Arts in Modern Languages, Oriel College, Oxford (UK)

- Other positions (as of 31 December 2008) :

Chairman, previously Director, of Firmenich SA (Switzerland)

Director of Zurich Financial Services AG (Switzerland),

Advisory Board member of GLP Llp (UK)

Member of Pi Capital (private equity investment group) (UK)

- Positions held during the last five years:

Chairman of Photo-Me International plc (UK), The Really Effective Development Company Ltd (UK)

Deputy Chairman of Beltpacker plc (UK)

Director of Pearson plc (UK), Firmenich (Switzerland), Zurich Financial Services AG (Switzerland), Cofra AG (Switzerland), Taylor Woodrow Plc (UK), Vividas Group Plc (UK)

Board member of Food Standards Agency

SA, Louis Vuitton for Creation Foundation (Company Foundation), Suez Environnement, Carrefour Group, Tajan SA in France, and Go Invest SA (Belgium)

- Positions held during the last five years:

Chairman of Invry SAS, La Tour du Pin SAS, Société Financière Saint-Nivard SAS

Chairman of the Supervisory Board of LVMH Fashion Group SA

Member of the Supervisory Board of Lyparis SAS, Sifanor SAS

Executive Vice President of Montaigne Participations et Gestion SA

Director of Amec, Ipsos SA, Marignan Investissements SA

Permanent Representative of :
- Sifanor SA, director of Agache Developpement SA
- Eurofinweb, director or Europatweb France SA
- Montaigne Participations et Gestion SA, Chairman of Gasa Developpement SAS
- Montaigne Participations et Gestion SA, member of the Supervisory Board of Paul Doumer Automobiles SAS

(FSA) (UK)

Member of Pi Capital (private equity investment group) (UK)

Advisory Board member of GLP Llp (UK), Proudfoot UK, Korn/Ferry International (US)

To the knowledge of the Group, there have been no official public incrimination and/or sanctions taken by statutory or regulatory authorities against any of the members of the Board of Directors.

22.4 MANAGEMENT BOARD AND SUPERVISORY BOARD AS OF 31 DECEMBER 2008

Prior to the modification of the governance structure of the Group on 10 February 2009, the Company was governed by a Management Board under the control of a Supervisory Board. During the financial year 2008, the following persons were members of the Management Board or the Supervisory Board.

22.4.1 Management Board

Chairman of the Management Board
Thierry BRETON

Elected: 2008
Appointed: Supervisory Board meeting of 16 November 2008

- Background: Graduate of the Ecole Supérieure d'Electricité "Supelec" of Paris and of the Institut des Hautes Etudes de Défense Nationale (IHEDN)

- Other directorships (at 31 December 2008):

General Manager of the Simplified Joint Stock Company Atos Origin International (France)

Director of Carrefour (France)

- Positions held during the last five years

Chairman and CEO of France Telecom (France)

Chairman of the Board of Orange S.A., TSA (previously Thomson SA)

Member of the Supervisory Board of Equant NV, Axa

Director of Thomson (previously Thomson Multimedia), Schneider Electric, TSA, DEXIA Banque (Belgium)

Minister of Economy, Finance and Industry

Member of the Management Board
Eric Guilhou
Elected: 2000
Re-elected: Supervisory Board meeting of 23 December 2008

- Background: Chartered accountant, Business degree from ESCEM, Qualified teacher in economics and financial management

- Other directorships (at 31 December 2008):

Member of the Supervisory Board of Atos Origin Nederland B.V. (Netherlands)

Director of Atos Origin International (Belgium), Sinsys (Belgium), Atos Origin Inc (British Virgin Islands), Atos Origin Luxembourg PSF (Luxemburg), Atos Consulting AB (Sweden)

Chairman of the Simplified Joint Stock Company Atos Origin International (France),

Permanent representative of Atos Origin S.A., member of the Atos Origin Participations 2 Board of Directors (France),

- Positions held during the last five years

Member of the Management Board of Atos Origin B.V. (Netherlands)

Member of the Supervisory Board of Atos Euronext Market Solutions Holding SAS (France), Atos Euronext SBF SA (France), Atos Origin Nederland B.V. (Netherlands),

Director of Atos Origin Belgium SA (Belgium), Atos Origin International Competences & Alliances (Belgium), Atos Origin Inc (British Virgin Islands), Atos Origin SpA (Italy), Atos Origin Luxembourg PSF(Luxembourg), Atos Consulting AB (Sweden), Atos Origin IT Services Ltd (UK), Atos Consulting Ltd (UK)
General manager of EURL F. Clamart (France)
General Manager, then Chairman of the Simplified Joint Stock Company Atos Origin International (France),

Permanent representative of Atos Origin S.A., member of the Board of Directors of Atos Origin Participations 2 (France), Atos Investissement 5 (France),

Permanent representative of Atos Origin B.V., member of the Board of Directors of Atos Origin International (Belgium)

22.4.2 Supervisory Board

Chairman and Member of the Supervisory Board
Jean-Philippe THIERRY
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2009 financial statements

- Background: Master in Pollitics and Economy (I.E.P. Paris), Master of Business Administration in Economy (Paris)

- Other positions (as of 31 December 2008) :

Chairman of AGF SA (France)

Chairman of Tocqueville Finance SA (France)

Chairman of Allianz Holding France SAS and Tocqueville Finance Holding SAS

Chairman of the Supervisory Board of Euler Hermès (France) and Mondial Assistance AG (Switzerland)

Director of Société Financière Foncière et de Participations (FFP) and PPR (France)

Censor of Baron Philippe de Rothschild SA, Eurazeo and Paris Orleans (France)

- Positions held during the last five years:

Member of the Management Board of Allianz SE (Germany)

Chairman and CEO of AGF SA and AGF Holding (France)

Chairman of AGF Vie, AGF IART, AGF International, Tocqueville Finance SA (France), SC Holding SAS, Chateau Larose Trintaudon (France), AGF Belgium Insurance

Chairman of Allianz Holding France SAS and Tocqueville Finance Holding SAS

Chairman of the Supervisory Board of Euler Hermès (France), GIE AGF Informatique (France) and Mondial Assistance AG (Switzerland)

Director of AGF International, AGF RAS Holding (The Netherlands), Société Financière Foncière et de Participations (FFP), PPR (France), Allianz Global Corporate & Specialty AG (Germany), Allianz Seguros y Reaseguros (Spain)

Member of the Supervisory Board of Compagnie Financière Saint-Honoré (France), Groupe

Member of the Supervisory Board
Michel COMBES
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Graduated from the Ecole Polytechnique and from the Ecole Nationale Supérieure des Télécommunications

- Other positions (as of 31 December.2008) :

Chief Executive Officer of Vodafone
Chief non Executive Office of Télédiffusion de France (TDF)

Chairman of the Board of Directors of Infogrames Entertainment
Chairman of the Supervisory Board of Assystem SA

- Positions held during the last five years:

Chief Executive Officer of Télédiffusion de France (TDF)

Chairman of the Board of Directors of Pages Jaunes, Carlson WagonLit France

Senior Executive Vice-President in charge of financial Balance and Value Creation of the France Telecom Group

Member of the Supervisory Board of Europacorp, Altamir, Banque Neuflize OBC (France), Eurotunnel, Protravel, Fortuneo, ProCapital, Sonaecom (Portugal), Equant (The Netherlands), Weather (Italy)

Member of the Supervisory Board
Bertrand MEUNIER
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2009 financial statements

- Background: Graduated from the Ecole Polytechnique - Master degree in Mathematics

- Other positions (as of 31 December 2008) :

Director of Chr. Hansen (Denmark),
Gruppo Coin , Saeco (Italy),
Kaufman & Broad, Spie and Yoplait (France),
Monier, Xella (Germany),
PAI Europe III General Partner, PAI Europe IV General Partner, PAI Europe V General Partner,

Taittinger, Allianz Nederland Groep (The Netherlands),

Censor of Rue Impériale (France)

Member of the Supervisory Board
René ABATE
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Graduate of the “Ecole nationale des Ponts et Chaussées” and of the Harvard Business School

- Other positions (as of 31 December 2008) :

Member of the Board of Directors of Carrefour (France) and of LFB (Laboratoire Français du Fractionnement et des Biotechnologies)

Board member of L’Ecole Nationale des Ponts et Chaussées and of « L’ENVOL pour les enfants européens », non profit association

Managing partner of Delphen Sarl

Senior advisor of The Boston Consulting Group

- Positions held during the last five years:

Senior vice-president of Boston Consulting Group, in charge of the activity in France

Chairman of the Group for Europe

Member of the World Executive Commiittee

Member of the Supervisory Board
Behdad ALIZADEH
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: MBA from Columbia University – Bachelor of Science from New York University

- Other positions (as of 31 December.2008) :

President of Pardus Europe SAS

Director of Valeo (France)

Member of the Board of the Governor’s Committee on Scholastic Achievement.

- Positions held during the last five years:

PAI Syndication GP (Guernsey) ,
PAI Partners (Spain),
Perstorp (Sweden),
PAI Europe IV UK, United Biscuits (United Kingdom)

- Positions held during the last five years:

Director of Evialis, Elis, Panzani, Saur, Stoeffler (France)
And Provimi (The Netherlands)

Member of the Supervisory Board
Colette NEUVILLE
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Graduate from I.E.P.-Paris – Master in Law – Master of Business Administration in Political Economy and in Economy

- Other positions (as of 31 December.2008) :

Founder Chair of the Association for the defence of minority shareholders (ADAM)

Director of GET Eurotunnel (previously Eurotunnel)

Member of the European Forum on Corporate Governance with the European Commission, and member of the “Savers and minority shareholders” commission at the Financial Markets Authority (AMF)

- Positions held during the last five years:

Director of Groupe Eurotunnel, La Vie Financière

Member of the Board of Euroshareholders (European Federation of Shareholders Associations)

Member of the European Forum on Corporate Governance with the European Commission, and member of the “Savers and minority shareholders” commission at the Financial Markets Authority (AMF)

Member of the Supervisory Board
Michel PARIS
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2009 financial statements

Managing Director and Head of Merchant Banking at the Bank of New-York

Director of Caliber Collsion Centers and of Mid West Wholesale Distribution

Member of the Supervisory Board
Benoît d'ANGELIN
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Graduated from I.E.P.-Paris
- Other positions (as of 31 December.2008) :

Chief Executive Officer of Centaurus Capital

Member of the Supervisory Board of Oddo & Cie (France)

Director of Matignon Investissement et Gestion (France)

- Positions held during the last five years:

Member of the Supervisory Board of Oddo & Cie (France)

Director of Matignon Investissement et Gestion (France)

Member of the Advisory Board of Lehman Brothers

Member of the Supervisory Board
Jean-François CIRELLI
Elected: 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Graduated from I.E.P.-Paris and of the Ecole Nationale d'Administration (E.N.A.) – Master in Law

- Other positions (as of 31 December.2008) :

Chairman of the Board of Electrotel

Vice-president of the Board of Gdf Suez

Director of Suez Envirionnement Company

- Positions held during the last five years:

Chairman and CEO of Gaz de France

Director of Neuf Cegetel

- Background: Graduate from Ecole Centrale of Lyon and from Ecole Supérieure de Commerce de Reims

- Other positions (as of 31 December.2008) :

Director of Gruppo Coin (Italy), Monier, Xella (Germany), Cortefiel (Spain), Speedy 1 Ltd (United Kingdom)

- Positions held during the last five years:

Director of Saur, Vivarte (France)

Member of the Supervisory Board
Vernon SANKEY
Elected: 2005
Re-elected : Shareholders meeting on 12 June 2008
Term expires: Annual General Meeting called to approve the fiscal year 2012 financial statements

- Background: Master of Arts in Modern Languages, Oriel College, Oxford (UK)

- Other positions (as of 31 December.2008) :

Chairman, previously Director, of Firmenich SA (Switzerland)

Director of Zurich Financial Services AG (Switzerland),

Advisory Board member of GLP Llp (UK)

Member of Pi Capital (private equity investment group) (UK)

- Positions held during the last five years:

Chairman of Photo-Me International plc (UK), The Really Effective Development Company Ltd (UK)

Deputy Chairman of Beltpacker plc (UK)

Director of Pearson plc (UK), Firmenich (Switzerland), Zurich Financial Services AG (Switzerland), Cofra AG (Switzerland), Taylor Woodrow Plc (UK), Vividas Group Plc (UK)

Board member of Food Standards Agency (FSA) (UK)

Member of Pi Capital (private equity investment group) (UK)

Advisory Board member of GLP Llp (UK), Proudfoot UK, Korn/Ferry International (US)

To the knowledge of the Group, there have been no official public incrimination and/or sanctions taken by statutory or regulatory authorities against any of the members of the Board of Directors, the Management Board or the Supervisory Board.

The members of the Board of Directors, the Management Board or of the Supervisory Board have not been convicted in relation to any fraudulent offences or have not filed for bankruptcies/receiverships or liquidations during the last five years.

None of the members of the Board of Directors, the Management Board or the Supervisory Board have any actual or potential conflicts of interest.

23 COMMON STOCK EVOLUTION AND SHARE PERFORMANCE

Atos Origin shares are traded on the Paris Eurolist Market under Euroclear code 5173 ISIN FR0000051732. They were first listed in Paris in 1995. The shares are not listed on any other stock exchange and Atos Origin SA is the only listed company in the Group.

23.1 TRADING OF SHARES (EURONEXT)

Number of shares traded	: 69,717,453
Sector classification	: Information Technology
Main index	: CAC AllShares
Other indices	: CAC IT, CAC IT20, CAC Next20, Euronext 100, SBF120
Market	: Eurolist segment A
Trading place	: Euronext Paris (France)
Tickers	: ATO (Euronext)
Code ISIN	: FR0000051732
Payability PEA / SRD	: Yes / Yes

The main tickers are:

Source	Tickers	Source	Tickers
Euronext	ATO	Reuters	ATOS.PA
AFP	ATO	Thomson Finance	ATO FR
Bloomberg	ATO FP		

The Euronext sector classification is as follows:

Euronext: sector classification Industry Classification Benchmark (ICB)
9000 AEX Technology
9530 AEX Software and Computer services
9533 Computer Services

The shares also form components of the following indices:

Index	Type	Code ISIN	Market Place
Eurolist (segment 1)	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext CAC 70	Global Europe		Paris-Amsterdam-Brussels-Lisbon
Euronext 100	Global Europe	FR0003502079	Paris-Amsterdam-Brussels-Lisbon
CAC Next 20	Global	QS0010989109	Paris CN20
SBF 80	Global	FR0003999473	Paris PX8
SBF 120	Global	FR0003999481	Paris PX4
SBF 250	Global	FR0003999499	Paris PX5
CAC IT20	Sector	QS0010989091	Paris CIT20
CAC IT	Sector	FR0003501980	Paris PXT
DJ Euro Stoxx Techno	Sector	EUR0009658541	Germany-Xetra SX8E
CAC Technology	Sector	QS0011017827	Paris
CAC Software & Computer Services	Sector	FR0000051732	Paris
ASPI Europe, Europa EMP 100 Europa CAP 100, ECPI Ethical Index €uro: Sustainable Development			

23.2 COMMON STOCK

23.2.1 Common stock at 31 December 2008

At 31 December 2008, the Group's issued common stock amounted to EUR 69.7 million, comprising 69,717,453 fully paid-up shares of EUR 1 par value each.

After the issuing of 7,299 new shares which resulted from the exercise of stock subscription options, the common stock of the Company remained stable.

Transactions	Number of shares issued	Common stock	Additional paid-in capital	Total
			(in EUR millions)	
At 31 December 2007	**69,710,154**	**69.7**	**1,409.6**	**1,479.3**
Exercise of stock options	7,299	0.0	0.2	0.2
At 31 December 2008	**69,717,453**	**69.7**	**1,409.7**	**1,479.5**

23.2.2 Common stock during the last five years

Year	Changes in Common stock	Date	New shares	Total number of shares	Common stock	Additional paid-in capital	New Common stock
						(in EUR million)	
2004	Consideration for Sema	22/01/2004	19,000,000	66,869,633	19.0	958.3	66.9
	Exercise of stock options	31/03/2004	47,186	66,916,819	0.1	1.7	66.9
	Exercise of stock options	30/06/2004	12,820	66,929,639	0.0	0.5	66.9
	Exercise of stock options	30/09/2004	1,320	66,930,959	0.0	0.0	66.9
	Exercise of stock options	31/12/2004	7,295	66,938,254	0.0	0.2	66.9
2005	Exercise of stock options	31/03/2005	222,499	67,160,753	0.2	7.2	67.2
	Exercise of stock options	30/06/2005	78,260	67,239,013	0.1	1.9	67.2
	Exercise of stock options	30/09/2005	91,253	67,330,266	0.1	2.6	67.3
	Exercise of stock options	31/12/2005	33,199	67,363, 465	0.0	1.0	67.4
2006	Exercise of stock options	31/03/2006	144,022	67,507, 487	0.1	5.3	67.5
	Exercise of stock options	30/06/2006	31,645	67,539, 132	0.0	0.9	67.5
	Exercise of stock options	30/09/2006	85,844	67,624, 976	0.1	2.1	67.6
	Stock purchase plan	20/12/2006	1,230,757	68,855, 733	1.2	42.0	68.9
	Exercise of stock options	31/12/2006	25,232	68,880, 965	0.0	1.0	68.9
2007	Exercise of stock options	31/03/2007	23,624	68,904, 589	0.0	0.6	68.9
	Exercise of stock options	30/06/2007	79,229	68,983, 818	0.1	2.0	69.0
	Exercise of stock options	30/09/2007	21,753	69,005, 571	0.0	0.5	69.0
	Stock purchase plan	20/12/2007	693,439	69,699, 010	0.7	21.9	69.7
	Exercise of stock options	31/12/2007	11,144	69,710, 154	0.0	0.3	69.7
2008	Exercise of stock options	31/03/2008	1,708	69,711, 862	0.0	0.0	69.7
	Exercise of stock options	30/06/2008	2,746	69,714, 608	0.0	0.1	69.7
	Exercise of stock options	31/12/2008	2,845	69,717, 453	0.0	0.1	69.7

A total of 7,299 stock options were exercised during the period, representing 0.12% of the opening total number of stock options at December 2007.

23.2.3 Share ownership structure

Principal changes in the ownership of the Group's shares in the past three years have been as follows:

In shares	31 December 2008		31 December 2007		31 December 2006	
	Shares	%	Shares	%	Shares	%
PAI Partners	15,765,838	22.6%				
Pardus	7,000,004	10.0%	6,700, 000	9.6%		
Centaurus	3,492,119	5.0%	7,110, 506	10.2%	6,544, 205	9.5%
Management Board	33,785	0.0%	43, 809	0.1%	121, 598	0.2%
Supervisory Board	10,721	0.0%	2, 040	0.0%	2, 050	0.0%
Total Directors	44,506	0.1%	45, 849	0.1%	123, 648	0.2%
Employees	2,119,700	3.0%	2,164, 216	3.1%	1,538, 860	2.2%
Treasury stock	1,111,293	1.6%	705, 293	1.0%	258, 293	0.4%
Public	40,183,993	57.6%	52,984, 290	76.0%	60,415, 959	87.7%
Total	**69,717,453**	**100.0%**	**69,710, 154**	**100.0%**	**68,880, 965**	**100.0%**
Registered shares	1,703,175	2.4%	1,664, 916	2.4%	1,102, 460	1.6%
Bearer shares	68,014,278	97.6%	68,045, 238	97.6%	67,778, 505	98.4%
Total	**69,717,453**	**100.0%**	**69,710, 154**	**100.0%**	**68,880, 965**	**100.0%**

The ownership of the Group's shares by members of the Management and Supervisory Boards at 31 December 2008 is detailed under "Directors' compensation and interests" in the Corporate Governance section of this report. The ownership of the Group's shares by employees relates to ownership plans such as mutual funds and corporate savings plans.

The treasury stock evolution is explained hereafter under "implementation of a liquidity contract".

The free-float of the Group's shares is almost 100% today, with no shareholder owning more than 5% of the issued share capital of the Group, for the last 3 years and whose position has not moved by one percentage point or more (Euronext definition).

In shares	31 December 2008			31 December 2007		
	Shares	% of capital	% of voting rights	Shares	% of capital	% of voting rights
Treasury stock	1,111,293	1.6%		705,293	1.0%	
Free float	68,606,160	98.4%	100.0%	69,004,861	99.0%	100.0%
Total	**69,717,453**	**100.0%**	**100.0%**	**69,710,154**	**100.0%**	**100.0%**

During 2008, the Group has been advised of several share movements of which some from PAI Partners, Pardus Capital and Centaurus Capital LP.
PAI Partners, Centaurus Capital LP, Pardus Capital, directors and employees are all classified under free-float.

23.2.4 Disclosure of interests

During 2008, the Group has been advised of share movements by PAI Partners, Pardus Capital and Centaurus Capital LP, which respectively held 22.6%, 5.01% and 10.04% of the common stock at the date of the last disclosure (6 January 2009). On 6 January 2009, Pardus Capital and Centaurus Capital notified that the concert constituted by the two funds was terminated.

	Date of statement	Shares	% interest (a)	% voting rights (b)
Centaurus Capital LP (upwards)	11/01/2008	7,410,506	10.63%	10.63%
Pardus Capital Management (upwards)	11/01/2008	7,000,000	10.04%	10.04%
Centaurus Capital LP (upwards)	17/04/2008	8,571,095	12.30%	12.30%
Centaurus Capital LP (upwards)	12/05/2008	9,038,995	12.97%	12.97%
Deutsche Bank (upwards)	16/05/2008	4,365,160	6.26%	6.26%
Deutsche Bank (downwards)	04/06/2008	3,461,669	4.97%	4.97%
Deutsche Bank (upwards)	06/06/2008	3,508,921	5.03%	5.03%
PAI Partners (upwards)	23/06/2008	12,471,006	17.89%	17.89%
Deutsche Bank (downwards)	27/06/2008	285,228	0.41%	0.41%
Centraurus Capital (upwards)	02/07/2008	7,644,713	10.96%	10.96%
Deutsche Bank (upwards)	20/08/2008	6,019,374	8.63%	8.63%
Deutsche Bank (downwards)	20/08/2008	694,131	1.00%	1.00%
PAI Partners (upwards)	24/09/2008	15,765,838	22.61%	22.61%
Centaurus Capital LP (downwards)	25/09/2008	4,644,713	6.66%	6.66%
Centaurus Capital LP (downwards)	06/01/2009	3,493,119	5.01%	5.01%

(a) On the basis of the capital at this date
(b) On the basis of the capital excluding treasury stock at this date

The Group has not been advised of any share movement since this date.

23.2.5 Voting rights

Voting rights are in the same proportion as shares held. No shares carry double voting rights.

23.2.6 Shareholder agreements

The Group has not received notice of any shareholder agreements for filing with the stock exchange authorities and, to the best of the Group Management, no other “Action de Concert” (shareholder agreements) or similar agreements exist.

To the knowledge of the Group, there are no other agreements capable of having a material effect on the share capital of the Group.

23.2.7 Treasury stock

At 31 December 2008, treasury stock held by the Group amounted to 1,111,293 shares.

The 7th resolution of the Annual General Meeting of 12 June 2008 renewed the authorisation to trade in the Group’s shares. The number of shares purchased may not exceed 10% of the share capital existing at the moment of such purchase. The purpose of this authorisation is to allow the Group to trade in the Group's shares in order to:

- Grant or sell shares to employees or managers of the Company or of one of the Group’s companies, under the conditions defined by law and regulations, notably in compliance with employee profit sharing schemes, share subscription option schemes, or for the grant of free shares or sale of shares to employees,
- Keep and remit shares in exchange or in payment in connection with external growth transactions, as the case may be, and as authorised by laws and regulations,

- Remit shares upon the exercise of rights in connection to convertible securities,
- Stabilise the market or the liquidity of its shares through a liquidty agreement signed with an investment service provider in compliance with a deontology charter recognized by the Autorité des Marchés Financiers,
- Allow the company to trade in the Company's shares on the stock exchange market or otherwise, for any other implementation of a market practice authorised by law and regulations, either now or in the future.

Shareholders also authorise the Management Board, subject to prior approval by shareholders in Extraordinary General Meeting, to cancel all or part of the shares acquired by the Group. Shares may be purchased, sold or transferred by any means, including derivative instruments or the acquisition or sale of blocks of shares.

The maximum purchase price per share is set at EUR 50.0. Where all or part of the shares acquired under the aforementioned conditions are used to exercise stock purchase options pursuant to Article L 225-179 of the Commercial Code, the selling price must be set in accordance with the legal provisions applicable to stock purchase options.
Shareholders grant full powers to the Management Board to adjust the aforementioned unit price in proportion to any changes in the number or value of shares resulting from financial transactions performed by the Group.
This authorisation is granted for a maximum period of 18 months from the shareholders' meeting. The Management Board must report to shareholders at the next Annual General Meeting on any transactions performed pursuant to this authorisation.

Legal documents relating to trading in the Group's shares may be viewed at the Group's registered office (Legal Department) by prior appointment and are available through the AMF database.

23.2.8 Implementation of a liquidity contract

Atos Origin entrusted to Rothschild & Cie Banque the implementation of a liquidity contract through an agreement dated 13 February 2006, for a one-year duration with automatic renewal, in conformity with the ethics charter of the former AFEI (renamed AMAFI for Assocation Française des Marchés Financiers) approved by the instruction of the Commission des Opérations de Bourse (COB) dated 10 April 2001.

For the implementation of this contract, EUR 15 M were allocated to the liquidity account at the beginning.

At 31 December 2008, the Group held 1,111,293 shares as reasury stock representing 1.59% of common stock out of which 278 000 shares are related to the liquidity contract and the rest (833 293 shares) correspond to the LTI and MIP plans engagements.

In shares	31/12/2007	Period February 2008	Period April 2008	Period October 2008	Period December 08
Buy		192,000	392,000	406,000	406,000
Sell					
Net		192,000	392,000	406,000	406,000
Net in the month		+192,000	+200,000	+14,000	-
Treasury stock	705,293	897,293	1,097,293	1,111,293	1,111,293
Common stock	69,710,154	69,711,517	69,712,362	69,717,453	69,717,453
%	1.01%	1.29%	1.57%	1.59%	1.59%

The number of shares purchased may not exceed 10% of the Group's common stock at the date of the last Annual General Meeting (6,971,186 shares).

23.2.9 Potential common stock

Potential dilution

Based on 69,717,453 shares in issue, the common stock of the Group could be increased by 7,153,540 new shares, representing 9.3% of the common stock after dilution. This can occur only through the exercise of stock subscription options granted to employees.

In shares	31 December 2008	31 December 2007	Change	% dilution	EUR million
Number of shares outstanding	**69,717,453**	**69,710,154**	**7,299**		
Stock subscription options	7,153,540	5,982,272	1,171,268	9.3%	382.0
Total Employees = potential dilution	**7,153,540**	**5,982,272**	**1,171,268**	**9.3%**	**382.0**
Total potential common stock	**76,870,993**	**75,692,426**	**1,178,567**		

The exercise of all the options and warrants would have the effect of increasing total shareholders' equity by EUR 382 million and common stock by EUR 7.2 million.

All the stock subscription options granted to employees have an exercise price that exceeds the stock market price as at 31 December 2008 (EUR 17.92).

Stock options evolution

During the period, 1,575,500 new stock subscription options were granted to employees at a share price of EUR 23.83.

Number of stock subscription options at 31 December 2007	**5,982,272**
Stock subscription options granted in 2008	+1,575,500
Stock subscription options exercised in 2008	-7,299
Stock subscription options forfeited in 2008	-182,033
Stock subscription options expired in 2008	-214,900
Number of Stock subscription options at 31 December 2008	**7,153,540**

A total of 396,933 stock subscription options were cancelled and 7,299 were exercised during the period.

Date of SHs' meeting	Date of Board meeting	Options granted	Of which mbers of the Board	Of which ten employees	Options exercised	Of which mbers of the Board	Options cancelled	Of which mbers of the Board	Closing 31/12/08	Of which mbers of the Board	Numbers of beneficiaries	Exercise period start date	Exercise period end date	Strike Price (EUR)	Cash EUR million
30/06/97	04/01/99	9,000							9,000		1	04/01/04	04/01/09	95.26	0.9
30/06/97	17/05/99	3,600							3,600		3	17/05/04	17/05/09	79.27	0.3
30/06/97	07/06/99	400							400		1	07/06/04	07/06/09	84.04	0.0
30/06/97	01/10/99	1,000							1,000		1	01/10/04	01/10/09	120.29	0.1
30/06/97	30/11/99	259,000	7,500	27,000			38,300		220,700	7,500	292	30/11/04	30/11/09	134.55	29.7
30/06/97	01/03/00	1,500							1,500		2	01/03/05	01/03/10	159.94	0.2
30/06/97	03/04/00	300					300				1	03/04/05	03/04/10	153.82	
30/06/97	01/06/00	4,500							4,500		5	01/06/04	01/06/10	110.15	0.5
30/06/97	03/07/00	10,000							10,000		1	03/07/04	03/07/10	106.67	1.1
30/06/97	01/09/00	2,500							2,500		2	01/09/04	01/09/10	109.50	0.3
30/06/97	02/10/00	500							500		1	02/10/04	02/10/10	112.97	0.1
31/10/00	18/12/00	514,100		12,000			129,575		384,525		385	18/12/03	18/12/10	78.27	30.1
31/10/00	18/12/00	428,650	70,000	22,800			61,200	20,000	367,450	50,000	479	18/12/04	18/12/10	78.27	28.8
31/10/00	15/01/01	5,000							5,000		2	15/01/04	15/01/11	76.23	0.4
31/10/00	15/01/01	500							500		1	15/01/05	15/01/11	76.23	0.0
31/10/00	23/04/01	4,000					3,000		1,000		3	23/04/04	23/04/11	84.33	0.1
31/10/00	23/04/01	3,200							3,200		3	23/04/05	23/04/11	84.33	0.3
31/10/00	18/09/01	2,200							2,200		1	18/09/05	18/09/11	80.71	0.2
31/10/00	08/10/01	1,800					800		1,000		3	08/10/04	08/10/11	74.06	0.1
31/10/00	11/12/01	5,000							5,000		1	11/12/04	11/12/11	79.36	0.4
31/10/00	12/12/01	410,350		33,000			84,700		325,650		774	12/12/04	12/12/11	79.04	25.7
31/10/00	12/12/01	236,400		8,500			13,950		222,450		522	12/12/05	12/12/11	79.04	17.6
31/10/00	14/01/02	2,500					500		2,000		2	14/01/05	14/01/12	75.17	0.2
31/10/00	14/01/02	1,000					500		500		2	14/01/06	14/01/12	75.17	0.0
31/10/00	16/04/02	1,350					1,100		250		3	16/04/05	16/04/12	87.51	0.0
31/10/00	16/04/02	1,000							1,000		1	16/04/06	16/04/12	87.51	0.1
31/10/00	20/06/02	11,101	5	6,943			2,806		8,295	5	815	20/06/05	20/06/12	63.06	0.5
31/10/00	20/06/02	6,000					6,000				4	20/06/05	20/06/12	63.06	
31/10/00	20/06/02	12,574		331			2,125		10,449		1,536	20/06/06	20/06/12	63.06	0.7
31/10/00	01/07/02	45,000							45,000		4	01/07/05	01/07/12	62.32	2.8
31/10/00	01/07/02	20,000	10,000						20,000	10,000	2	01/07/06	01/07/12	62.32	1.2
31/10/00	09/07/02	5,000					5,000				3	09/07/06	09/07/12	61.49	
31/10/00	16/08/02	184,606		24,650	46,730		87,228		50,648		146	16/08/05	16/08/12	41.52	2.1
31/10/00	02/10/02	2,000			500		500		1,000		4	02/10/05	02/10/12	41.52	0.0
31/10/00	15/10/02	3,000							3,000		1	15/10/05	15/10/12	26.02	0.1
31/10/00	15/10/02	100							100		1	15/10/06	15/10/12	26.02	0.0
31/10/00	27/03/03	616,410		25,300	351,954		56,658		207,798		1,447	01/01/05	27/03/13	25.92	5.4
31/10/00	27/03/03	348,902	15,491	10,564	110,962		13,854		224,086	15,491	3,444	27/03/07	27/03/13	25.92	5.8
31/10/00	16/06/03	2,000					2,000				2	16/06/07	16/06/13	30.88	
31/10/00	08/07/03	500							500		1	08/07/06	08/07/13	31.81	0.0
31/10/00	01/10/03	1,500					1,000		500		2	01/10/06	01/10/13	49.87	0.0
31/10/00	01/10/03	762							762		1	01/10/07	01/10/13	49.87	0.0
31/10/00	09/02/04	1,172,125		117,000	51,675		63,175		1,057,275		1,220	01/01/06	09/02/14	54.14	57.2
22/01/04	09/02/04	414,750	30,000	52,000			13,425		401,325	30,000	686	09/02/08	09/02/14	54.14	21.7
04/06/04	10/01/05	805,450		52,500	500		116,367		688,583		803	10/01/08	10/01/15	49.75	34.3
04/06/04	10/01/05	347,250	35,000	41,500	200		23,905		323,145	35,000	567	10/01/09	10/01/15	49.75	16.1
04/06/04	28/04/05	750					500		250		1	28/04/08	28/04/15	49.98	0.0
04/06/04	28/04/05	6,750					1,333		5,417		5	28/04/09	28/04/15	49.98	0.3
04/06/04	26/10/05	5,200					1,999		3,201		3	26/10/09	26/10/15	58.04	0.2
04/06/04	12/12/05	20,000							20,000		1	12/12/08	12/12/15	57.07	1.1
04/06/04	12/12/05	15,000					6,666		8,334		1	12/12/09	12/12/15	57.07	0.5
04/06/04	29/03/06	810,130		50,000			143,051		667,079		828	29/03/09	29/03/16	59.99	40.0
04/06/04	29/03/06	337,860	35,000	44,500			32,511		305,349	35,000	420	29/03/10	29/03/16	59.99	18.3
04/06/04	01/12/06	50,000	50,000						50,000	50,000	1	01/12/10	01/12/16	43.87	2.2
04/06/04	19/12/06	16,150					3,465		12,685		24	19/12/09	19/12/16	43.16	0.5
04/06/04	19/12/06	3,000					166		2,834		6	19/12/10	19/12/16	43.16	0.1
23/05/07	09/10/07	20,000							20,000		1	09/10/10	09/10/17	40.35	0.8
23/05/07	09/10/07	5,000							5,000		1	09/10/11	09/10/17	40.35	0.2
23/05/07	10/03/08	190,000	50,000				140,000		50,000		3	10/03/14	10/03/18	34.73	1.7
23/05/07	22/07/08	5,000							5,000		1	22/07/11	22/07/18	34.72	0.2
23/05/07	22/07/08	2,500							2,500		1	22/07/12	22/07/18	34.72	0.1
23/05/07	23/12/08	459,333	233,333	182,667					459,333	233,333	24	01/04/10	23/12/18	18.40	8.5
23/05/07	23/12/08	459,333	233,333	182,667					459,333	233,333	24	01/04/11	23/12/18	22.00	10.1
23/05/07	23/12/08	459,333	233,333	182,667					459,333	233,333	24	01/04/12	23/12/18	26.40	12.1
22/06/01	08/11/01	198,590	12,000		190,529	12,000	8,061				28	23/12/01	23/12/03	28.13	
22/06/01	08/11/01	236,000	10,000		13,966		222,034	10,000			56	28/07/02	28/07/04	52.18	
22/06/01	08/11/01	493,000	30,000				493,000	10,000			183	29/05/03	30/06/06	72.15	
Total Stock options end of Dec-08		**9,944,810**	**1,060,996**	**1,108,588**	**767,516**	**12,000**	**2,023,754**	**46,000**	**7,153,540**	**932,996**					**382.0**

The weighted average exercise price of the above-mentioned options is summarised in the table below:

	31 December 2008	Weighted average strike Price (EUR)	Value (EUR millions)	% total stock options
Strike price from 10€ to 20€	459,333	18.40	8.5	6%
Strike price from 20€ to 30€	1,353,651	24.75	33.5	19%
Strike price from 30€ to 40€	58,000	35	2	1%
Strike price from 40€ to 50€	1,160,824	49	57	16%
Strike price from 50€ to 60€	2,462,563	56	139	34%
Strike price from 60€ to 70€	83,744	62	5	1%
Strike price from 70€ to 80€	1,317,675	79	104	18%
Strike price from 80€ to 90€	8,050	84	1	0%
Strike price from 90€ to 100€	9,000	95	1	0%
Strike price from 100€ to 110€	12,500	107	1	0%
Strike price from 110€ to 120€	5,000	110	1	0%
Strike price from 120€ to 130€	1,000	120	0	0%
Strike price from 130€ to 140€	220,700	135	30	3%
Strike price from 140€ to 150€				0%
Strike price from 150€ to 160€	1,500	160	0	0%
Total Stock options	**7,153,540**	**53.40**	**382.0**	**100%**

	31 December 2008	Weighted average strike Price (EUR)	Value (EUR millions)	% total stock options
Already exercisable end of 2008	4,314,996	62.60	270.1	60%
Exercisable in 2009	1,019,861	56.45	57.6	14%
Exercisable in 2010	837,516	35.69	29.9	12%
Exercisable in 2011	469,333	22	10	7%
Exercisable in 2012	461,833	26	12	6%
Exercisable in 2013				
Exercisable in 2014	50,000	35	2	1%
Total Stock options	**7,153,540**	**53.40**	**382.0**	**100%**

None of the stock subscription options granted to employees are already exercisable or exercisable during 2009, with an exercice conditions below the stock market at 31 December 2008 (EUR 17.92).

Unused authorizations to issue shares and share equivalents

Having regard to resolutions voted during the Annual Shareholders Meeting on 12 June 2008, the unused authorizations to issue shares and share equivalents are the following:

Authorisation (in EUR)	Amount authorised Par value	Amount utilised Par value	Amount not utilised Par value	Authorisation expiry date
EGM 23/05/2007 9th resolution Stock subscription options	3,440,000	25,000 in 2007 1,575,500 in 2008	1,839,500	23/07/2010
Sub-total stock options			**1,839,500**	
EGM 23/05/2007 7th resolution Common stock increase with preferential subscription rights	20,664,000		20,664,000	23/07/2009
EGM 23/05/2007 8th resolution Common stock increase in payment for contributions in kind	6,890,460		6,890,460	23/07/2009
EGM 12/06/2008 17th resolution Common stock increase reserved for employees	4,182,711		4,182,711	12/08/2010
EGM 12/06/2008 16th resolution Common stock increase without preferential Subscription rights (in deduction of the 20.6 million authorisation above)	10,456,728		10,456,728	12/08/2010
Sub-total common stock			**42,193,899**	
Total			**44,033,399**	

The potential authorization to issue 44,033,399 shares represents 63% of current issued common stock.

The following authorisation to cancel shares corresponds to 10% of the current issued common stock.

Authorisation (in EUR)	Amount authorised Par value	Amount utilised Par value	Amount not Utilised Par value	Authorisation expiry date
EGM 03/06/2005 12th resolution Share cancellation	6,716,075		6,716,075	AGM approving 2009 statutory accounts
Common stock			**6,716,075**	

23.3 DIVIDENDS

During its meeting held on 17 February 2009, the Board of Directors decided to propose at the 2009 Ordinary Shareholders Meeting not to pay a dividend in 2009 on the 2008 accounts.

23.4 SHARE TRADING PERFORMANCE

23.4.1 Five-year key figures

		2008	2007	2006	2005	2004
High	(in EUR)	**40.5**	55.3	65.2	62.0	59.4
Low	(in EUR)	**15.0**	32.8	33.5	45.6	39.5
Closing	(in EUR)	**17.9**	35.4	44.9	55.7	50.0
Daily average volume	(in shares)	**395,561**	821,106	640,181	438,833	357,107
Free-float	In %	**100%**	100%	100%	100%	85%
Market capitalization	(in EUR million)	**1,249**	2,464	3,095	3,749	3,345
Enterprise value (EV)	(in EUR million)	**1,553**	2,802	3,524	3,931	3,837
EV / revenue		**0.28**	0.48	0.64	0.72	0.73
EV / OMDA		**3.3**	5.5	7.9	7.9	8.8
EV / OM		**5.8**	10.3	14.3	9.8	10.7
P/E (year-end stock price on adjusted EPS)		**6.9**	17.4	27.5	14.7	15.5

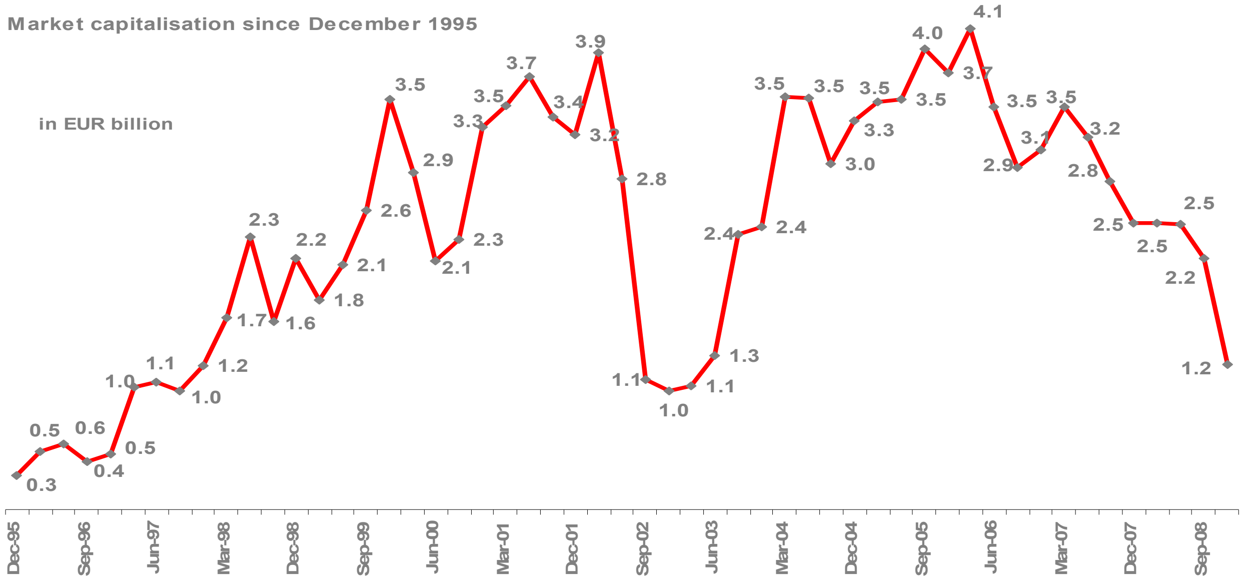
23.4.2 Market and free-float capitalisation

Based on a closing share price of EUR 17.92 at the end of December 2008 and 69,717,453 shares in issue, the market capitalisation of the Group at 31 December 2008 was EUR 1,249 million.

In terms of market capitalisation, Atos Origin is ranked 85th within the Eurolist index, which includes the largest companies by market capitalisation on the Paris exchange.

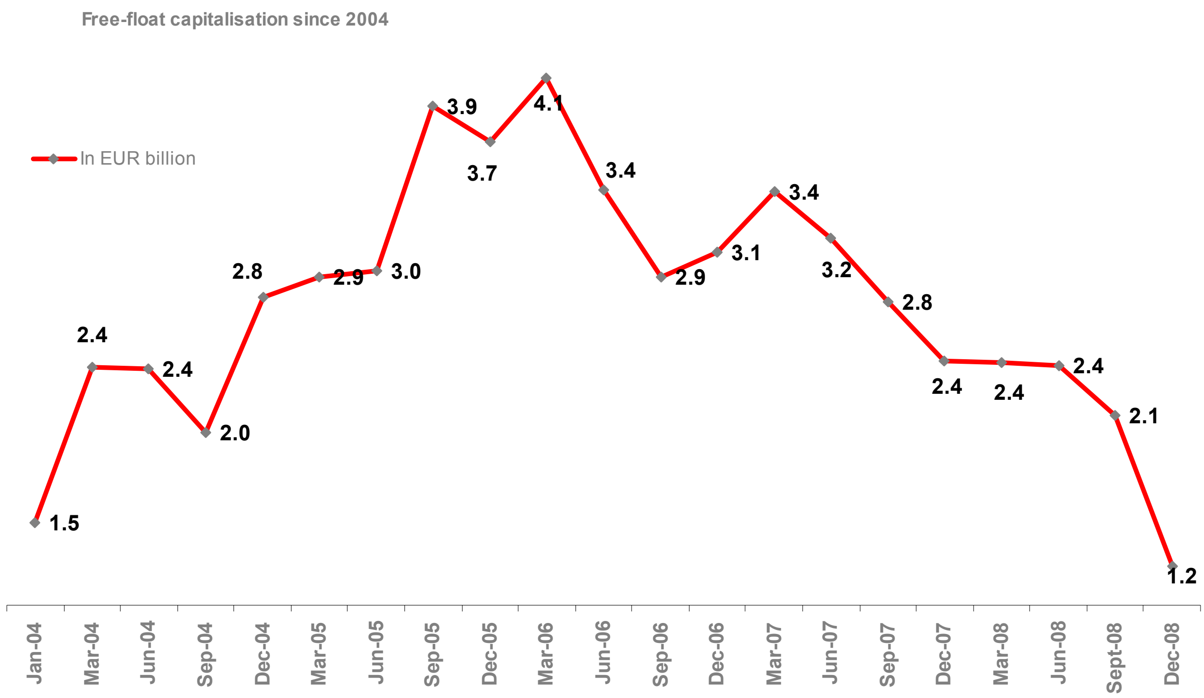
Between September and December 2008, Atos Origin, as all its peers, saw its market capitalisation affected by the global financial crisis on the stock exchanges market. As a result, it decreased from EUR.2.2 billion to EUR 1.2 billion

The Group's market capitalisation by quarter since listing in Paris in 1995 has been as follows:



French indices have shifted to free-float weightings in 2004. This is in line with the general trend for major market indices, which are based on free-float capitalisation instead of total market capitalisation. The change is intended to ensure a closer match between the actual market position of component stocks and the index. It also reduces the risk of peaks in volatility that may result from an excessive discrepancy between the weighting of a stock in the index and the number of shares actually available to the market.

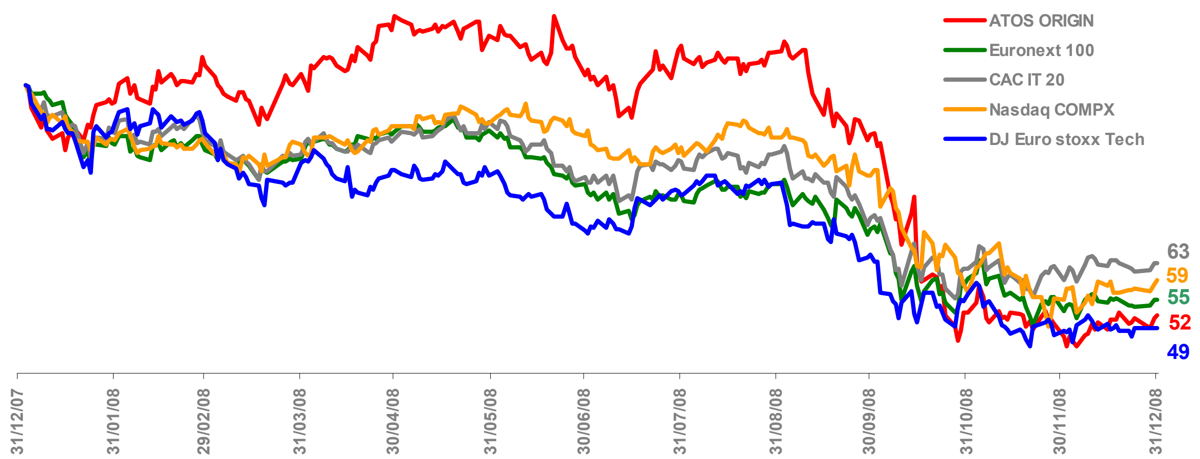
The Group's actual free-float of shares increased from 39% to 100% between January 2004 and December 2008. The free-float capitalisation since the acquisition of Sema Group in January 2004 has been as follows:



23.4.3 Share performance in comparison with indices (base index 100)

During 2008, all Tech indices such as the CAC IT 20, DJ Euro Stoxx Tech or the Nasdaq Composite ended the year with significant decrease in the range -37% to -51% compared to the end of 2007.

As far as Atos Origin is concerned, from January to September 2008, the stock overperformed all the Technology Indices. In the last quarter of 2008, the stock price of Atos Origin was affected by the financial crisis which severely impacted the financial markets in the same range as the one observed for the technology indices.
From 1 January 2008 to 15 September 2008, the average closing price of Atos Origin was EUR 35.46 compared to a closing price of EUR 35.35 at the end of 2007 and EUR 17.92 at the end of 2008.

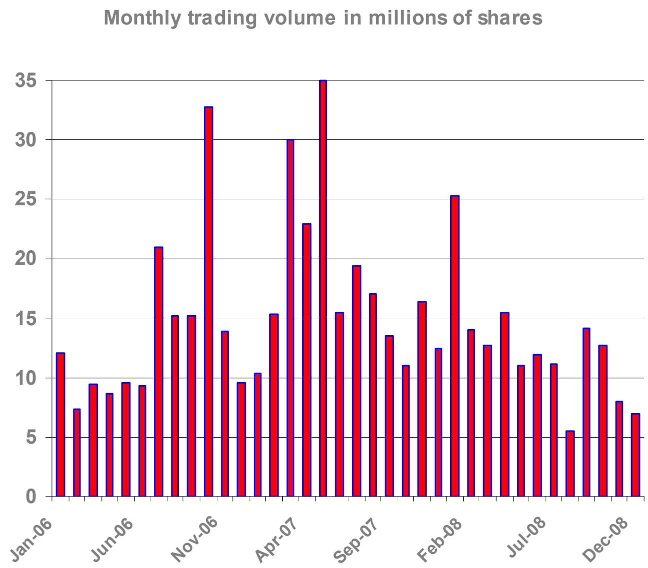


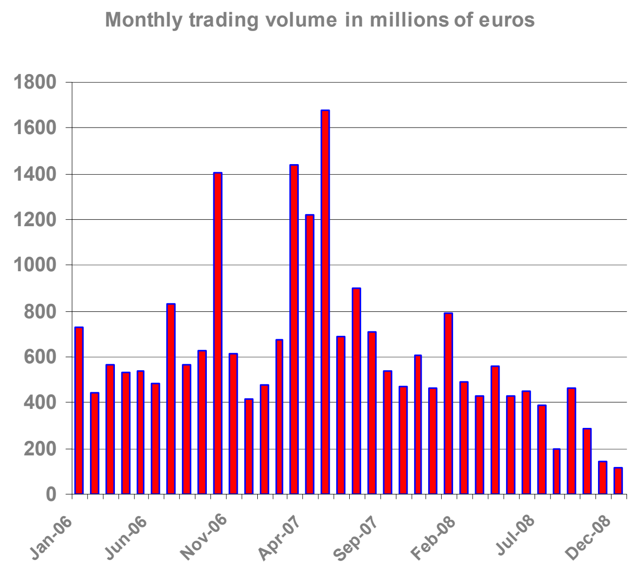
23.4.4 Monthly and quarterly trading volumes

Source: Euronext	High	Low	Closing	Weighted average price	Trading Volume (in thousands of shares)	Trading volume (in EUR thousands)
		(in EUR per share)				
2008						
January	35.4	28.7	33.2	31.4	25,261	793,364
February	37.5	32.6	35.8	34.8	14,088	490,624
March	35.6	31.5	35.3	33.7	12,711	428,433
1st Quarter					**52,059**	**1,712,422**
April	40.0	32.4	39.4	36.0	15,434	556,050
May	39.6	36.6	38.0	38.7	11,031	426,578
June	40.5	33.8	35.2	37.4	11,974	448,012
2nd Quarter					**38,439**	**1,430,640**
July	37.4	31.9	37.3	34.8	11,145	387,886
August	37.2	34.5	36.8	36.2	5,499	199,053
September	37.7	29.6	30.9	32.9	14,173	466,114
3rd Quarter					**30,817**	**1,053,053**
October	31.9	16.2	18.1	22.6	12,683	287,175
November	20.5	16.4	17.4	18.0	8,059	145,147
December	18.5	15.0	17.9	16.9	6,980	118,293
4th Quarter					**27,722**	**550,616**
Total 2008					**149,038**	**4,746,731**
% of capital traded during the period:		214%				

The daily average number of shares traded during the 12 months of 2008 was 580,000, in decrease of 33% compared with last year.

The monthly average trading volume during 2008 was EUR 396 million, in decrease of 52% compared with last year.





23.4.5 Key trading dates in 2008 and post-closing

On 23 January 2008, Centaurus Capital LP and Pardus exceeded the 21% threshold with respectively 11.61% and 10.04% of Atos Origin share capital and voting rights.

On 23 June 2008, PAI Partners exceeded the 15% threshold and declared owning 17.89% of Atos Origin share capital and voting rights. On 24 September 2008, PAI Partners exceeded another threshold of 20% with 22.61% of share capital.

As of 6 January 2009, Centaurus Capital declared owning 5.01% of Group share capital and voting rights and the end of the Action de Concert with Pardus Capital.

In January 2009, the Group signed an agreement to sell its consulting activity in Sweden to the management. The transaction was completed on 17 February 2009.

On 10 February 2009, Atos Origin's Ordinary and Extraordinary Shareholders' Meeting was held with a quorum of 71.47%. The meeting was chaired by Jean-Philippe Thierry, Chairman of the Supervisory Board.

The main resolutions submitted by the Supervisory Board were the following:

- A new mode of governance of the Company with the establishment of a Board of Directors.
- The appointment of 11 directors, including 6 members of the former Supervisory Board: René Abate, Behdad Alizadeh, Bertrand Meunier, Michel Paris, Vernon Sankey and Jean-Philippe Thierry; and 5 new members: Nicolas Bazire, Jean-Paul Béchat, Thierry Breton, Dominique Mégret and Pasquale Pistorio.
- The election of a Board Member representing the employee shareholders.

The shareholders subsequently approved the transformation of the company with a Board of Directors, the change of the Articles of Association and the appointment as directors of all the candidates. They also approved a total yearly amount of Board fees at EUR 500,000.0.

The newly elected Board of Directors held its first meeting right after the General Meeting. It unanimously appointed Thierry Breton as Chairman and CEO of Atos Origin.
The Board of Directors appointed Jean-Paul Béchat as chairman of the audit committee and Behdad Alizadeh as chairman of the nominations and remunerations committee.

23.4.6 Share value for French wealth tax ("ISF") purposes

The closing share price on 31 December 2008 was EUR 17.92.
The average closing share price over the last 30 stock market trading days of 2008 was EUR 17.21

23.4.7 Purchase or sale by the Group of its own shares

The Group purchased or sold its own shares in 2008 as described within the section "implementation of a liquidity contract". At 31 December 2008, the Group held 1,111,293 shares as treasury stock.

24 SHAREHOLDER RELATIONS

24.1 COMMUNICATION

The Group aims to provide regular and clear information to all its shareholders, whether private individuals or institutions. We ensure the uniformity and transparency of information through the distribution of formal financial documents, the Group's web site and personal meetings.

24.2 CONTACTS

Institutional investors, financial analysts and individual shareholders may obtain information from:

Gilles Arditti, Tel: +33 (0) 1 55 91 28 83, gilles.arditti@atosorigin.com
Azzedine Hamaïli, Tel: +33 (0)1 55 91 25 34, azzedine.hamaili@atosorigin.com

Or by sending requests for information to investors@atosorigin.com

24.3 SHAREHOLDER DOCUMENTATION

In addition to the Annual Report, which is published in English and French, the following information is available to shareholders:

A half year report
Quarterly revenue and trading update announcements
The Group's informational website at www.atosorigin.com
Regular press releases, available through the web site or via the AMF database

Legal documents relating to the Group Articles of Association, minutes of Shareholder Meetings, Auditors' reports, etc. may be viewed at the Group's registered office (Legal Department) by prior appointment.

24.4 REGISTRAR

The Group's share registrar and paying agent is Société Générale.

24.5 FINANCIAL CALENDAR

2008 Calendar	
▪ 15 April 2009	➢ 2009 First quarter revenue
▪ 26 May 2009	➢ Annual General Meeting (2008 results)
▪ 30 July 2009	➢ 2009 Half-year results
▪ 16 October 2009	➢ 2009 Third quarter revenue
▪ 17 February 2010	➢ 2009 Annual results

24.6 UPDATE OF DOCUMENTS ISSUED

In accordance with Article 221-1-1 of the Autorité des Marchés Financiers (AMF) general regulations, the following list includes all financial information published or made available since 1 January 2006.

This document is a full free translation of the original French text

Document	Date of issue	Source
Financial reports		
▪ Annual report 2008	09/04/09	website Atos Origin / website AMF
▪ Half-year report 2008	29/07/08-28/08/08	website Atos Origin / website AMF
▪ Annual report 2007	29/02/08-09/04/08	website Atos Origin / website AMF
▪ Half-year report 2007	01/08/07-28/08/07	website Atos Origin / website AMF
▪ Annual report 2006	28/02/07-06/04/07	website Atos Origin / website AMF
▪ Half-year report 2006	06/09/06-30/10/06	website Atos Origin / website AMF
▪ Annual report 2005	08/03/06-15/05/06	website Atos Origin / website AMF
Financial press releases		
▪ Annual results 2008	18/02/09	website Atos Origin / website AMF
▪ Half-year results 2008	29/07/08	website Atos Origin / website AMF
▪ Annual results 2007	15/02/08	website Atos Origin / website AMF
▪ Half-year results 2007	01/08/07	website Atos Origin / website AMF
▪ Annual results 2006	28/02/07	website Atos Origin / website AMF
▪ Half-year results 2006	06/09/06	website Atos Origin / website AMF
▪ Annual results 2005	08/03/06	website Atos Origin / website AMF
▪ Fourth quarter revenue 2008	05/02/09	website Atos Origin / website AMF
▪ Third quarter revenue 2008	31/10/08	website Atos Origin / website AMF
▪ First quarter revenue 2008	30/04/08	website Atos Origin / website AMF
▪ Fourth quarter revenue 2007	31/01/08	website Atos Origin / website AMF
▪ Third quarter revenue 2007	15/11/07	website Atos Origin / website AMF
▪ Second quarter revenue 2007	01/08/07	website Atos Origin / website AMF
▪ First quarter revenue 2007	14/05/07	website Atos Origin / website AMF
▪ Fourth quarter revenue 2006	05/02/07	website Atos Origin / website AMF
▪ Third quarter revenue 2006	31/10/06	website Atos Origin / website AMF
▪ Second quarter revenue 2006	18/07/06	website Atos Origin / website AMF
▪ First quarter revenue 2006	28/04/06	website Atos Origin / website AMF
▪ Fourth quarter revenue 2005	31/01/06	website Atos Origin
Financial presentations		
▪ Full-year 2008 results	18/02/09	website Atos Origin
▪ Half-year 2008 results	29/07/08	website Atos Origin
▪ Full-year 2007 results	15/02/08	website Atos Origin
▪ Half-year 2007 results	01/08/07	website Atos Origin
▪ Operational 2006 results and transformation plan	05/02/07	website Atos Origin
▪ Full-year 2006 results	28/02/07	website Atos Origin
▪ Half-year 2006 results	06/09/06	website Atos Origin
▪ Full-year 2005 results	08/03/06	website Atos Origin
Other financial communications		
▪ Trading programme of Company's shares	02/07/08	website Atos Origin / website AMF
▪ Description of trading programme of Company's shares	30/06/08	website Atos Origin / website AMF
▪ Description of trading programme of Company's shares	30/05/07	website Atos Origin / website AMF
▪ Employee shareholders plan	18/09/06	website Atos Origin / website AMF
▪ Trading programme of Company's shares	08/03/06	website Atos Origin / website AMF

Document	Date of issue	Source
Shareholders' meetings		
▪ Shareholders' meeting presentation 2008	26/05/09	website Atos Origin
▪ Shareholders' meeting presentation 2007	12/06/08	website Atos Origin
▪ Shareholders' meeting presentation 2006	23/05/07	website Atos Origin
▪ Shareholders' meeting presentation 2005	23/05/06	website Atos Origin
▪ Minutes of the 2008 AGM (full text of resolutions and results of vote)	26/05/09	Company's registered office
▪ Minutes of the 2007 AGM (full text of resolutions and results of vote)	12/06/08	Company's registered office
▪ Minutes of the 2006 AGM (full text of resolutions and results of vote)	23/05/07	Company's registered office
▪ Minutes of the 2005 AGM (full text of resolutions and results of vote)	23/05/06	Company's registered office
Financial statements		
▪ Consolidated financial statements 2008	18/02/09-09/04/09	Company's registered office / Commercial court / Document de Reference
▪ Parent company financial statements 2008	18/02/09-09/04/09	Company's registered office / Commercial court / Document de Reference
▪ Condensated consolidated financial statements for the first half 2008	29/07/08-28/08/08	Company's registered office / Commercial court / Half-year report
▪ Consolidated financial statements 2007	29/02/08 – 09/04/08	Company's registered office / Commercial court / Document de Reference
▪ Parent company financial statements 2007	29/02/08 – 09/04/08	Company's registered office / Commercial court / Document de Reference
▪ Condensated consolidated financial statements for the first half 2007	01/08/07	Company's registered office / Commercial court / Half-year report
▪ Consolidated financial statements 2006	28/02/07	Company's registered office / Commercial court / Document de Reference
▪ Parent company financial statements 2006	28/02/07	Company's registered office / Commercial court / Document de Reference
▪ Condensated consolidated financial statements for the first half 2006	20/10/06	Company's registered office / Commercial court / Half-year report
▪ Consolidated financial statements 2005	07/03/06	Company's registered office / Commercial court / Document de Reference
▪ Parent company financial statements 2005	07/03/06	Company's registered office / Commercial court / Document de Reference
Auditors reports		
▪ Auditors' report on the consolidated financial statements 2008	08/04/09	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the parent company financial statements 2008	08/04/09	Company's registered office / Commercial court / Document de Reference
▪ Auditors' special report on regulated agreements 2008	08/04/09	Company's registered office / Document de Reference
▪ Auditors' special report on the report prepared by the Chairman of the Supervisory Board 2008	08/04/09	Company's registered office / Document de Reference
▪ Auditors' letter regarding the information given in the Document de Reference 2008	08/04/09	Company's registered office
▪ Auditors' letter regarding the information given in the half-year report 2008	29/07/08	Company's registered office

Document	Date of issue	Source
▪ Auditors' review report on the first half-year financial information 2008	29/07/08	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the consolidated financial statements 2007	08/04/08	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the parent company financial statements 2007	08/04/08	Company's registered office / Commercial court / Document de Reference
▪ Auditors' special report on regulated agreements 2007	08/04/08	Company's registered office / Document de Reference
▪ Auditors' special report on the report prepared by the Chairman of the Supervisory Board 2007	08/04/08	Company's registered office / Document de Reference
▪ Auditors' letter regarding the information given in the Document de Reference 2007	08/04/08	Company's registered office
▪ Auditors' letter regarding the information given in the half-year report 2007	28/08/07	Company's registered office
▪ Auditors' review report on the first half-year financial information 2007	28/08/07	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the consolidated financial statements 2006	06/04/07	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the parent company financial statements 2006	06/04/07	Company's registered office / Commercial court / Document de Reference
▪ Auditors' special report on regulated agreements 2006	06/04/07	Company's registered office / Document de Reference
▪ Auditors' special report on the report prepared by the Chairman of the Supervisory Board 2006	06/04/07	Company's registered office / Document de Reference
▪ Auditors' letter regarding the information given in the Document de Reference 2006	06/04/07	Company's registered office
▪ Auditors' letter regarding the information given in the half-year report 2006	30/10/06	Company's registered office
▪ Auditors' review report on the first half-year financial information 2006	19/09/06	Company's registered office / Commercial court / Document de Reference
▪ Auditors' letter regarding the information given in the Document de Reference 2005	12/05/06	Company's registered office
▪ Auditors' report on the consolidated financial statements 2005	07/03/06	Company's registered office / Commercial court / Document de Reference
▪ Auditors' report on the parent company financial statements 2005	07/03/06	Company's registered office / Commercial court / Document de Reference
▪ Auditors' special report on regulated agreements 2005	07/03/06	Company's registered office / Document de Reference
▪ Auditors' special report on the report prepared by the Chairman of the Supervisory Board 2005	07/03/06	Company's registered office / Document de Reference
Declarations		
▪ Declaration of share transfer made by Board members of Atos Origin	22/05/06-23/05/06-7/06/06-26/06/07-8/08/07-07/05/08-15/05/08-16/05/08-22/05/08-24/06/08-08/09/08-12/09/08	website AMF / Document de Reference
▪ Disclosure of liquidity contract	27/02/06 17/01/08 09/01/09	website AMF

Document	Date of issue	Source
▪ Auditors' fees 2008	09/04/09	website AMF / Document de Reference
▪ Auditors' fees 2007	29/02/08-09/04/08	website AMF / Document de Reference
▪ Auditors' fees 2006	28/02/07	website AMF / Document de Reference
▪ Auditors' fees 2005	15/05/06	website AMF / Document de Reference

Websites mentioned:

- Atos Origin www.atosorigin.com
- AMF www.amf-france.org > Décisions et informations financières > Communiqués des sociétés
- BALO www.journal-officiel.gouv.fr

25 GLOSSARY – DEFINITIONS

Financial terms and Key Performance Indicators

- Current and non-current
- DSO
- EBITDA
- EPS
- Gearing
- Gross margin – Direct costs
- Indirect costs
- Interest cover ratio
- Leverage ratio
- Net debt
- Adjusted EPS
- Adjusted net income
- OMDA
- Operating income
- Operating margin
- Operational Capital Employed
- ROCE (Return Of Capital Employed)

Business Key Performance Indicators

- Attrition rate
- Backlog / Order cover
- Book-to-bill
- Direct and indirect staff
- External revenue
- Full Time Equivalent (FTE)
- Legal staff
- Order entry / bookings
- Organic revenue growth
- Permanent and temporary staff
- Pipeline
- Ratio S
- Subcontractors and interims
- TCV (Total Contract Value)
- Turnover
- Utilisation rate and non-utilisation rate

Business terms

- BPO
- CMM
- CRM
- ERP
- LAN
- MMS
- SCM
- WAN

Market terms

- Consensus
- Dilutive instruments
- Dividends
- Enterprise Value (EV)
- Free float
- Free float capitalisation
- Market capitalisation
- PEG (Price Earnings Growth)
- PER (Price Earnings Ratio)
- Volatility

25.1 FINANCIAL TERMS AND KEY PERFORMANCE INDICATORS USED IN THIS DOCUMENT

Operating margin. Operating margin comprises operating income before major capital gains or losses on the disposal of assets, major reorganisation and rationalisation costs, impairment losses on long-term assets, net charge to provisions for major litigations and the release of opening balance sheet provisions no longer needed.

Operating income. Operating income comprises net income before deferred and income taxes, net financial expenses, share of net income from associates and the results of discontinued operations.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation). For Atos Origin, EBITDA is based on Operating margin less non-cash items and is referred to as **OMDA** (Operating Margin before Depreciation and Amortisation)

OMDA (Operating Margin before Depreciation and Amortisation) is calculated as follows:

Operating margin
Less - Depreciation of fixed assets (as disclosed in the "Financial Report")
Less - Operating net charge of provisions (composed of net charge of provisions for current assets and net charge of provisions for contingencies and losses, both disclosed in the "Financial Report")
Less - Net charge of provisions for pensions (as disclosed in the "Financial Report")
Less - Equity-base compensation

Gross margin and **Indirect costs**. Gross margin is composed of revenues less the direct costs of goods sold. Direct costs relate to the generation of products and/or services delivered to customers, while indirect costs include all costs related to indirect staff (defined hereafter), which are not directly linked to the realisation of the revenue. The operating margin comprises gross margin less indirect costs.

Adjusted net income. Net income (Group share) before unusual, abnormal and infrequent items, net of tax.

EPS (earnings per share). Basic EPS is the net income divided by the weighted-average number of common shares outstanding during the period. Diluted EPS is the net income divided by the diluted weighted-average number of common shares for the period (number of shares outstanding + dilutive instruments with dilutive effect). **Adjusted EPS** is based on adjusted net income.

Operational capital employed. Operational capital employed comprises net fixed assets and net working capital, but excludes goodwill and net assets held for sale.

Current and non-current assets or liabilities. A current and non-current distinction is made between assets and liabilities on the balance sheet. Atos Origin has classified as current assets and liabilities those that Atos Origin expects to realise, use or settle during its normal cycle of operations, which can extend beyond 12 months following the period-end. Current assets and liabilities, excluding the current portion of borrowings and financial receivables, represent the Group's working capital requirement.

Net debt. Net debt comprises total borrowings (bonds, finance leases, short and long-term bank loans, securitisation and other borrowings), short-term financial assets and liabilities bearing interest with a maturity of less than 12 months, less cash and cash equivalents (transferable securities, cash at bank and in hand).

DSO (Days' sales outstanding). DSO is the amount of trade accounts receivables (including work in progress) expressed in days' revenue (on a last-in, first-out basis). The number of days is calculated in accordance with the Gregorian calendar.

Gearing. The proportion, expressed as a percentage, of net debt to total shareholders' equity (Group share and minority interests).

Interest cover ratio. Operating margin divided by the net cost of financial debt, expressed as a multiple.

Leverage ratio. Net debt divided by OMDA.

ROCE (return on capital employed). ROCE is net income (Group share), before the net cost of financial debt (net of tax) and the depreciation of goodwill, divided by capital employed.

25.2 MARKET TERMS

Consensus. Opinion that emerges from the financial community, in which financial analysts play a prominent role. Consensus can relate to earnings outlook (individual stock consensus) or to a group of companies in the same sector (market consensus).

Dilutive instruments. Financial instruments such as bonds, warrants, stock subscription options, free shares, which could be converted into shares and have therefore a potential dilutive impact on common stock.

Dividends. Cash or stock payments from a company's profits that are distributed to stockholders.

Free float. Free float is the proportion of a Company's share capital that is regularly traded on the stock exchange. It excludes shares in the six categories listed below (source Euronext):

- *Shares held by Group companies*
  Shares of the listed company held by companies that it controls within the meaning of Article 233/3 of the French Commercial Code.
- *Shares held by founders*
  Shares held directly or indirectly by the founders (individuals or family group) when these founders have managerial or supervisory influence (management positions, control by voting rights, influence that is a matter of public knowledge, etc.).
- *Shares held by the State*
  Interests held directly by the State, or by public sector or other companies which are themselves controlled by the State.
- *Shares within the scope of a shareholders agreement*
  Shares subject to a shareholders' agreement within the meaning of Article 233/10 and 11 of the French Commercial Code, and other than those held by founders or the State.
- *Controlling interest*
  Shares held by juridical persons (other than founders or the State) exercising control within the meaning of article 233/3 of the French Commercial Code.
- *Interests considered stable*
  Interests exceeding 5%, which have not declined by one percentage point or more, excluding the impact of dilution, in the three preceding years. This category also includes shareholders that, in addition to or in association with the link represented by share ownership, have recently entered into significant industrial or strategic agreements with the Group.

Free-float capitalisation. The share price of a company multiplied by the number of free-float shares as defined above.

Market capitalisation The share price of a company multiplied by the number of its shares in issue.

Volatility. The variability of movements in a share price, measured by the standard deviation of the ratio of two successive prices.

Enterprise Value (EV). Market capitalisation + debt.

PER (Price Earnings Ratio). Market capitalisation divided by net income for a trailing (or forward) 12-month period.

PEG (Price Earnings Growth**).** Price-earnings ratio divided by year-on-year earnings growth.

25.3 BUSINESS TERMS

BPO (Business Process Outsourcing). Outsourcing of a business function or process, e.g. administrative functions such as accounting, HR management, call centers, etc.

CMM (Capability Maturity Model). CMM is a method for evaluating and measuring the competence of the software development process in an organisation on a scale of 1 to 5.

CMMI. Capability Maturity Model Integration.

CRM (Customer Relationship Management). Managing customer relationships (after–sales service, purchasing advice, utilisation advice, customer loyalty) has become a strategic component of a company's successful operation. Not only does CRM facilitate efficiency, it also leads to higher sales by building customer loyalty.

ERP (Enterprise Resource Planning). An ERP system is an integrated management software system built in modules, which is capable of integrating sales, manufacturing, purchasing, accounting and human resources systems into an enterprise-wide management information system.

LAN (Local Area Network). A local network that connects a number of computers within a single building or unit.

MMS (Multimedia Message Service). A message capable of carrying text, sounds, fixed or animated colour images, generally sent to a mobile phone.

SCM (Supply Chain Management). A system designed to optimise the logistics chain, aimed at improving cost management and flexibility.

WAN (Wide Area Network). A long–distance network that generally comprises several local networks and covers a large geographical area.

25.4 BUSINESS KPIS (KEY PERFORMANCE INDICATORS)

Revenue

External revenue. External revenue represents Atos Origin sales to third parties (excluding VAT, nil margin pass-through revenue).

Book-to-bill. A ratio expressed in percentage terms based on order entry in the period divided by revenue of the same period.

Order entry / bookings. The total value of contracts (TCV), orders or amendments signed during a defined period. When an offer is won (contract signed), the total contract value is added to the backlog and the order entry is recognized.

TCV (Total Contract Value). The total value of a contract at signature (prevision or estimation) over its duration. It represents the firm order and contractual part of the contract excluding any clause on the decision of the client, as anticipated withdrawal clause, additional option or renewal.

Backlog/ Order cover. The value of signed contracts, orders and amendments that remain to be recognized over their contract lives.

Pipeline. The value of revenues that may be earned from outstanding commercial proposals issued to clients. Qualified pipeline applies an estimated percentage likelihood of proposal success.

Organic growth. Organic growth represents the % growth of a unit based on a constant scope and exchange rates basis.

Human resources

Legal staff. The total number of employees under Atos Origin employment contracts at the end of the period. Legal staff includes those on long sickness or long absence, apprentices, trainees, and employees on maternity leave, but excludes subcontractors and interims.

FTE (Full-time equivalent) staff). The total number of staff calculated using information from time sheets on the basis of working time divided by standard contractual workable time per employee. In general, a person working on a full time contract is considered as one FTE, whereas a person working on a part time contract would be less considered than one FTE.

Calculations are based on contractual working time (excluding overtime and unpaid holidays) with potential workable time (in hours or days) = nominal time + overtime balance – unpaid vacation. For subcontractors and interims, potential workable hours are based on the number of hours billed by the supplier to Atos Origin.

Subcontractors. External subcontractors are third-party suppliers. Outsourced activities (e.g. printing or call center activities) and fixed price subcontracting are excluded from the recorded number of subcontractors or interims.

Interims. Staff from an agency for temporary personnel. Interims are usually used to cover seasonal peaks or for situations requiring staff for a short period of time.

Direct Staff. Direct staff include permanent staff and subcontractors, whose work is billable to a third party.

Indirect staff. Indirect staff include permanent staff or subcontractors, who are not billable to clients. Indirect staff are not directly involved in the generation of products and/or services delivered to clients.

Permanent staff. Permanent staff members have a contract for an unspecified period of time.

Temporary staff. Temporary staff have a contract for a fixed or limited period of time.

Ratio S. Measures the number of indirect staff as a percentage of total FTE staff, including both own staff and subcontractors.

Staff turnover and **attrition rate** (for legal staff). Turnover and attrition rates measure the proportion of legal staff that has left the Group (voluntary and/or involuntary) in a defined period.

Turnover measures the percentage of legal staff that has left the business in a defined period.

Attrition measures the percentage of legal permanent staff that has voluntarily left the business in a defined period. Attrition rate is a ratio based on total voluntary leavers in the period on an annual basis divided by the average number of permanent staff in the period.

Utilisation rate and **non-utilisation rate**. Utilisation rate + non-utilisation rate = 100% of workable time for direct FTE, which excludes legal vacations, long-term sickness, long-term sabbaticals and parental leave. Workable time is composed of billed time, inactivity that is billable but not billed (exceptional holidays, sickness, on the bench which is between two assignments, other inactivity as delegation), and non-billable time (pre-sales, training, management meetings, research and development and travel).

Utilisation rate measures the proportion of workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is billed to customer. The ratio is expressed in percentage terms based on billed hours divided by workable hours excluding vacations. Non-utilisation rate measures the workable time (hours or days) of direct FTE (own staff excluding subcontractors) that is not billed or is non-billable to clients.

26 PERSONS RESPONSIBLE FOR THE DOCUMENT AND THE AUDIT OF THE FINANCIAL STATEMENTS

26.1 PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT

Thierry Breton
Chairman and Chief Executive Officer

26.2 PERSON RESPONSIBLE FOR THE ACCURACY OF THE REFERENCE DOCUMENT

I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the registration document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the financial statements for 2008 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the Management Report here attached gives a fair description of the material events, results and financial position of the Company and all the other companies included in the scope of consolidation, as well as a description of the main risks and contingencies with which the Company may be confronted.

I obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have read the whole of the registration document and examined the information in respect of the financial position and the historical accounts contained therein.

The Statutory Auditors produced their reports on the Consolidated and the Annual Financial Statements of 2008 shown respectively at page 85 and page 166 of this Report with the following observation:

> *"Without qualifying our opinion, we draw your attention to the matter set out in the Note "Goodwill" to the consolidated financial statements regarding the impairment charge on goodwil recorded as of 31 December 2008."*

Thierry Breton
Chairman and Chief Executive Officer

26.3 PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Appointment and term of offices

Statutory Auditors	Substitute Auditors
Grant Thornton Jean-Pierre Colle and Vincent Frambourt • Appointed on: 12 June 2008 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2013 financial statements	Cabinet IGEC, 3, rue Léon Jost, 75017 Paris • Appointed on: 12 June 2008 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2013 financial statements
Deloitte & Associés Jean-Paul Picard and Jean-Marc Lumet • Appointed on: 23 May 2006 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2011 financial statements	Cabinet B.E.A.S., 7/9, Villa Houssay 92200 Neuilly-sur-Seine • Appointed on: 23 May 2006 for a term of 6 years • Term of office expires: at the end of the AGM held to adopt the 2011 financial statements

27 AMF CROSS-REFERENCE TABLE

This document is a full free translation of the original French text. The original document n°D.09-251 has been filed with the Autorité des Marchés Financiers (AMF) on 9 April 2009, in accordance with article 212-13 of the AMF's general regulations.

After filing, this document as a Reference Document could be used to support a financial operation if accompanied by a prospectus duly approved by the AMF.

The cross-reference table below refers to the main articles of Commission Regulation (CE) n° 809-2004 implementing the Prospectus Directive.

In accordance with the requirements of Article 28 of EC regulation n° 809-2004 dated 29 April 2004 relating to documents issued by issuers listed on markets of states members of the European Union (« Prospectus Directive»), the following elements are enclosed by reference:

- the consolidated accounts for the year ended 31 December 2007 under IFRS, the related statutory auditors' reports and the Group management report presented within the registration document ("document de reference") n° D.08-218 filed with the Autorité des Marchés Financiers (AMF) on 9 April 2008;

- the consolidated accounts for the year ended 31 December 2006 under IFRS, the related statutory auditors' reports and the Group management report presented within the registration document ("document de reference") n° D.07-302 filed with the Autorité des Marchés Financiers (AMF) on 6 April 2007;

- the consolidated accounts for the year ended 31 December 2005 under IFRS, the related statutory auditors' reports and the Group management report presented within the registration document ("document de reference") n° D.06-402 filed with the Autorité des Marchés Financiers (AMF) on 15 May 2006;

- the consolidated accounts for the year ended 31 December 2004 under French accounting principles, the related statutory auditors' reports and the Group management report presented within the registration document ("document de reference") n° D.05-0800 filed with the Autorité des Marchés Financiers (AMF) on 30 May 2005;

The chapters of the registration documents 2007, 2006, 2005 and 2004 not mentioned above either do not apply to investors or are covered in another part of the present registration document.

28 FULL INDEX

29 CONTACTS

Atos Origin has offices in more than **120 cities worldwide** to support our customers. The addresses, phone and fax numbers of our main offices can be found on the Locations page on our website www.atosorigin.com.

Details of current job opportunities can be found in our Careers pages.
An email address for general questions and comments about our Internet site can be found at the bottom of the page.

29.1 HEADQUARTERS

Tour Les Miroirs - Bat C
18, avenue d'Alsace
92926 Paris La Defense 3 cedex - France
Tel: + 33 1 55 91 20 00
Fax: + 33 1 55 91 20 05

29.2 CORPORATE FUNCTIONS

Finance
Michel-Alain Proch +33 (0)1 5591 2026

Human Resources
Jean-Marie Simon +33 (0)1 5591 2427

Legal
Eric Sandrin +33 (0)1 55 91 24 35

Mergers & Acquisition
Patrick Byron +32 (0)2 712 3812

Communication and Public Relations
Marie-Tatiana Collombert +33 (0)1 5591 2662

Information Technology
Tarek Moustafa +33 (0)1 5591 2472

29.3 GLOBAL ORGANISATION

Global Consulting
Hervé Payan +33 (0)1 55 91 20 00

Global Systems Integration
Francis Meston +33 (0)1 55 91 21 43

Global Managed Operations
Francis Delacourt +33 (0)1 4614 54 52

Global Sales and Market
Patrick Adiba +34 93 242 37 08

Atos Worldline
Didier Dhennin +33 (0)3 2060 7805

30 LOCATIONS

Austria
Technologiestraße 8 / Gebäude D
A-1120 Wien
Tel: +43 1 60543 0

Belgium
Da Vincilaan 5
B-1930 Zaventem
Tel: +32 2 690 2800

Global Consulting & Systems Integration (Global C&SI)
Da Vincilaan 5
B-1930 Zaventem
Tel: +32 2 712 3777

Atos Worldline Belgium
Chaussée de Haecht 1442
Haachtsesteenweg
1130 Brussels
Phone: +32 (0)2 727 61 11
Fax: +32 (0)2 727 67 67

Brazil
Rua Itapaiuna
2434 - 2° andar - Santo Amaro
São Paulo – SP
CEP: 05707-001
Tel: +55 11 3779 2344

China
5th Floor, Lido Commercial Center
Jichang Road
Beijing 100004
Tel: +86 10 6437 6668

France
Tour les Miroirs - Bât C
18, avenue d'Alsace
92926 Paris La Défense Cedex
Tel: +33 1 55 91 2000

Atos Worldline France
Tour Manhattan
5-6 place de l'Iris
92926 Paris La Defense Cedex
Tel: +33 1 49 00 9000

Outsourcing
Tour Horizon
64 Rue du 8 Mai 1945
92025 Nanterre
Tel: +33 1 70 92 1340

Systems Integration
Tour les Miroirs - Bât C
18, Avenue d'Alsace
92926 Paris La Defense Cedex
Tel: +33 1 55 91 2000

Atos Consulting
6-8 Boulevard Haussmann
75009 Paris
Tel: +33 1 73 03 2000

Atos Euronext Market Solutions
6-8 Boulevard Haussmann
F - 75009 Paris
Phone: +33 1 73 03 0303

Germany
Theodor-Althoff-Str. 47
D-45133 Essen
Telefon: +49 (0) 20 14 3050

Atos Worldline GmbH
Hahnstraße 25
D-60528 Frankfurt/Main
Tel: +49 69 66566 0

Greece
18 Kifisias Avenue
151 25 Athens
Tel +30 210 688 9016

Hong Kong
Suites 1701-8, Prudential Tower
21 Canton Road
Tsimshatsui, Kowloon
Tel: +852 2830 0000

India
SDF-IV, Units 126/127
SEEPZ, Andheri (east)
Mumbai 400 096
Tel: +91 22 28 29 0743

Indonesia
Wisma Kyoei Prince, #1707
Jalan Jenderal Sudirman Kav. 3
Jakarta, 10220
Tel: +62 21 572 4373

Japan
20/F Shinjuku Park Tower, 3-7-1
Nishi-shinjuku, Shinjuku-ku,
Tokyo 163-1020
Tel: +81 3 3344 6631

Luxembourg
Rue Nicolas Bové 2a
1253 Luxembourg
Tel.: +352 31 36 37 1

Malaysia
Suite F01, 1st Floor
2310 Century Square
Jalan Usahawan
63000 Cyberjaya
Selangor Darul Ehsan
West Malaysia
Tél.: +60 3 8318 6100

Poland
ul. Domaniewska 41
02-672 Warszawa
(budynek Taurus)
Tel: +48 22 606 1900

Morocco
Avenue Annakhil -
Espace High tech Hall B – 5th floor
HAYRYAD - Rabat
Morocco
Tel: +212 37 57 79 79

Portugal
Av. 5 de Outubro, 73 - C,
1 andar
Edifício Goya, Escritório 4
1050-049 Lisboa
Tel: +351 21 359 3150

Singapore
8 Temasek Boulevard
#07-01 Suntec Tower Three
Singapore 038988
Tel: +65 6333 8000

South Africa
204 Rivonia Road, Sandton
Private Bag X136
Bryanston 2021
Tel: +27 11 895 2000

Spain
Albarracín, 25
28037 Madrid
Tel: +34 91 440 8800

Atos Consulting
Albarracín, 27
28037 Madrid
Tel: +34 91 214 9500

Switzerland
Industriestrasse 19
8304 Wallisellen
Tel: +41 1 877 6969

24, Avenue de Champel
1206 Genève
Tel: +41 22 789 3700

Switzerland (Telecom)
Binzmühlestrasse 95
8050 Zürich
Switzerland
Tel: +41 1 308 9510

Taiwan
9F, No 115 Sec 3
Ming Sheng E Road
Taipei
Tel: +886 2 2514 2500

The Netherlands
Papendorpseweg 93
3528 BJ Utrecht
Tel: +31 30 299 4444

Atos Consulting
Papendorpseweg 93
3528 BJ Utrecht
Tel: +31 30 299 4444

Turkey
Kisikli Caddesi N°37
Aksel Is Merkezi 2 Kat
Altunizade 34 662
Istanbul
Tél.: +90 216 531 7383

United Kingdom
4 Triton Square
Regent's Place
London NW1 3HG
Phone: +44 20 7830 4444

USA
5599 San Felipe
Suite 300
Houston TX, 77056
Tel: +1 713 513 3000