



Atos Digital Transformation Services

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for Atos is a comprehensive assessment of Atos' digital transformation services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for digital transformation services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the digital transformation sector.

Key Findings & Highlights

Atos was formed in 1997 as the result of a merger between two French IT services firms, Axime and Sligos, with a focus on infrastructure management services. It is headquartered in Bezons, a northwestern suburb of Paris, France.

Following the acquisition in 2011 of Siemens IT Solutions and Services (SIS), Atos became one of the top ten global IT services providers and the largest European IT service provider. Its Systems Integration unit was strengthened to ~ 22k employees with the addition of Siemens SIS.

In 2014, Atos merged its consulting, application management and system integration units into a single service line, Consulting & System Integration (C&SI).

On June 30, 2015, Atos completed its acquisition of the IT outsourcing business of Xerox Corp for \$966m, with the transfer of 9.5k employees. Xerox ITO, which had 2014 revenues of ~\$1.5bn and an operating margin of 7.7%, now forms part of Atos' Managed Services unit. 93% of its revenues come from the U.S., which is now Atos' largest single market.

In Q4 2016, Atos introduced a three-year strategy focused on digital transformation, primarily through a focus on building out a digital transformation factory.

This factory is comprised of four key digital transformation pillars:

- Orchestrated hybrid cloud
- SAP HANA
- Digital workplace
- Atos Codex analytics.

Atos has announced a focus on digital transformation as the foundation for its three-year growth strategy, targeting the four pillars mentioned in the Background section. Each pillar of this strategy consists of transformation and consulting components as well as operational components.

The focus of this profile is the transformational and consulting capabilities within each of the four service areas mentioned in the Background section. To help clients in mapping out how to meet their objectives across these pillars, Atos seeks to initiate engagements with a strategy and consulting phase to lay out a digital transformation roadmap.

At the end of H1 2016, Atos had 88,926 employees, of which ~32.9k reside in its C&SI service line.

Atos has seven delivery center locations supporting its consulting services. Two of these locations, in India and Poland, are global delivery centers (GDC). The Poland GDC provides nearshore support to address European regulatory requirements, while India is the main offshore location, with Atos centers based in Pune, Delhi, Kolkata, Mumbai, Bangalore, and Chennai.

Scope of the Report

The report provides a comprehensive and objective analysis of Atos' digital transformation service offerings, capabilities and market and financial strength, including:

- Analysis of the company's offerings and key service components
- Revenue estimates
- Identification of the company's strategy, emphasis and new developments
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.



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