

Global IT company moves Russian services to India



Atos delivers critical digital services to some of its global clients out of Russia. (Representational Image) (Bloomberg)

2 min read . Updated: 27 Apr 2022, 02:40 PM IST

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French IT consulting group Atos on Wednesday confirmed moving services delivered from Russia to other countries, including India and Turkey. Atos condemns the war in Ukraine. The company unveiled in its earnings statement for the first quarter ending of 2022.

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“The feasibility of exiting Russia has required significant planning in terms of implications for business operations and for Atos employees based there. Atos is focused on managing the impact on its employees as part of an orderly exit. In support of its global clients, the Group is moving services currently delivered from Russia to other countries, including India and Turkey,” the company said.

Atos announced its revenue for the first quarter of 2022.

In Q1 2022, Atos’ consolidated revenue was € 2,747 million up +2.1% on a reported basis, and down -0.6% at constant currency. On an organic basis, revenue decreased by -2.4%. Q1 2022 showed a significant sequential improvement compared to Q4 2021, where revenue contracted -5.4% at constant currency and -6.9% organically excluding the impact of the UK BPO contract reassessment.

Rodolphe Belmer, Chief Executive Officer of Atos, declared: “Revenue in Q1 was in line with our expectations, and fully consistent with the quarterly sequence embedded in our 2022 guidance. Albeit negative, revenue growth at constant currency improved sequentially, driven by an improvement in our Tech Foundations business while Digital and Cybersecurity remained well into positive territory.”

“We continued to press ahead with large-scale recruitment in our growth activities and exceeded our Q1 target with 8,200 gross new hires, mainly in offshore and nearshore locations,” Belmer added.

Belmer said, “these are encouraging signs that the Group is starting to reap the benefits of the energetic turnaround plan engaged since the beginning of the year. I am confident that we are taking the right steps to position Atos on a long-term value creation path.”

The company recorded an order entry of € 2.0 billion in Q1 2022, representing a book-to-bill ratio of 72%, compared to 96% in Q1 2021. This low level is not representative of revenue trends expected for the balance of the year, as it is primarily the reflect of (i) the timing of contract renewals, as significant renewals took place in prior quarters, including in Q1 2021, and (ii) a decrease in the average duration of new contracts.

Atos’ full backlog was € 23.3 billion, decreasing by € 0.7 billion at constant currency compared to the end of 2021 and representing 2.1 years of revenue. The full qualified pipeline reached € 6.9 billion, broadly stable compared to the end of 2021 at constant currency.

Total headcount stood at 111,355 at the end of March 2022, up +2.0% compared to 109,135 at the end of December 2021 (+1.4% organically).