

France makes 700-mn-euro offer for Atos security units

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Tech giant Atos provides IT services to the French military and the Paris Olympics.

Debt-laden tech group Atos said Friday the French state has made a 700-million-euro bid for its most sensitive businesses, including cybersecurity and supercomputers used for the country's nuclear deterrent.

The offer, equivalent to \$750 million, comes weeks after Paris said it would not allow the French company's strategic activities from being taken over by foreign actors.

"We kept our word. I always said that we had to preserve Atos' strategic activities," French Economy Minister Bruno Le Maire told Franceinfo radio.

"We have taken our responsibilities to buy, with other companies that could be partners, the strategic activities of Atos and guarantee that these strategic activities remain under the total or partial control of the state and public authorities," Le Maire said.

Atos said in a statement that its board, under the aegis of a mediator, and management "will discuss this proposal with the French State" but cautioned that "no assurances can be made that the parties will successfully negotiate and enter into a definitive agreement".

Paris is seeking to acquire the group's activities in advanced computing, mission-critical systems and cybersecurity.

The company had said in late April that these businesses were valued between 700 million and one billion euros.

The offer also comes three days after Atos chose a financial rescue offer from a consortium led by its main shareholder, French-owned IT consultancy Onepoint, over a bid from Czech billionaire Daniel Kretinsky.

Onepoint's head, David Layani, warned in an interview with French business daily Les Echos on Wednesday: "We will do everything to protect the so-called ultrasensitive assets, but we will be very vigilant to ensure that they are not sold off".

Olympics partner

Atos shares soared more than 20 percent following Friday's announcement, though the stock price has lost a fifth of its value since the start of the work.

Atos, which holds contracts with the French army and is the IT partner for the Paris Olympics, is sagging under almost five billion euros of debt.

The group confirmed on Friday its goal of reaching a definitive bailout deal with the Onepoint consortium that would be implemented by July. The Olympic Games begin on July 26.

Onepoint's financial restructuring deal includes pumping 250 million euros in new equity into Atos, providing 1.5 billion euros in new debt and converting 2.9 billion euros of debt into shares.

The government has also provided a 50-million-euro loan to the company.

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