

**1st half 2004 results:
Bull exceeds its operational profitability objectives
(EBIT: € 20.1 million)**

Paris, October 29th, 2004: Bull's Board of Directors, headed by Gervais Pellissier, Acting Chairman and Managing Director, met on October 29th, and examined the financial statements for the first half year 2004 which are presented below.

Results of the first half 2004

The revenue in line with March 31st 2004 forecasts, taking into account Bull's still difficult economic environment during this period, reached € 565.7 million, against € 642.4 million in the first half of 2003,. The gross margin amounts to € 158.7 million, i.e. 28% of the revenue against 26.6% in the first half of 2003.

Bull has maintained its R&D investments which represent € 28.5 million, i.e. 11.4% of product revenue and 5% of the total revenue.

Drastic efforts applied to SG&A expenses have been on going, reducing them from € 122 million to € 108 million.

Earnings before tax, financial expenses, goodwill amortisation and exceptional items (EBIT) amounts to € 20.1 million, i.e. 3.6 % of the revenue, to be compared to € 20 million (3.1% of revenue) in the first half of 2003. With results superior to forecasts given on the occasion of the publication of its 2003 full year results, Bull achieves its fourth profitable semester in a row, since the 2nd half 2002, and confirms its profitability capacity.

Financial expenses amount to € 16.1 million, € 12.9 million of which are related to interest expenses on the French State loan.

The Group net result is a profit of € 2.2 million showing an increase of € 0.9 million compared to the first half of 2003.

The free cash flow generated by Bull in the first half of 2004 amounts to € 17.6 million, € 21 million of which result from operations.

Recapitalisation

Bull has successfully carried out the two market operations relative to its recapitalisation, respectively closed on June 30th and July 2nd.

The capital increase of € 44.3 million received a 100% subscription from investors that committed to guarantee the capital increase in November 2003, as well as from the Public(*)).

The Public Exchange Offer of the 11.495.396 Oceane bonds in shares was subscribed at a level of 95.46%. 98% of the exchanged bonds were brought to the 2nd branch (1 bond in exchange for 16 new shares with warrants attached – ABSA) and will give rise to the issue of 172.361.376 shares with warrants – ABSA. The warrants (BSA) will be detached and quoted, giving rights from July 15th until December 15th 2004 to subscribe to one Bull share at the price of € 0.10 per share. They can generate an additional 17.2 million to the capital.

Regarding the restructuring aid notified by the French State to the European Commission, Bull expects a rapid decision. After the European Commission approval, and once Bull has reimbursed the subordinated loan granted by the French State in March 2004, the French State will proceed, beginning of 2005, to the payment of the restructuring aid.

Upon the market operations, Bull's capital has changed and will be modified once the warrants are exercised:

| As of July 22nd 2004 | | Simulation with 100% warrants exercised prior to December 15th 2004 |
|--|----------------------------|--|
| | <u>% of Capital</u> | <u>% of Capital</u> |
| France Telecom | 12.4 % | 10.1 % |
| Nec | 12.4 % | 10.1 % |
| AXA Private Equity + Artemis | 10.4 % | 8.6 % |
| Debeka | 3.5 % | 2.9 % |
| Management | 6.2 % | 5.1 % |
| Motorola | 3.6 % | 3.0 % |
| French State | 3.5 % | 2.9 % |
| Public and others | 48.0 % | 57.3 % |
| Total | 100 % | 100 % |

Operations

Bull has further deployed its strategy by accompanying its customers in the modernisation of their networked IT systems through an enhanced product and services offer.

Bull has extended its GCOS customer base with the announcement of the fully open and partitionable NovaScale 6000 and 9000 servers, and with the launch of the latest version of GCOS 8, its own operating system.

The Intel® Itanium® based NovaScale servers have gained world-wide recognition in High Performance Computing and in business environments. Bull has also signed OEM agreements, in particular in Russia and China and developed an application portfolio, in partnership with leading ISVs.

More recently, the two contracts signed by Bull, represented by Gervais Pellissier, during the State visit of France's President in China, have opened up new perspectives for the future:

- the first one with Lenovo, a leading IT player in China, for the sale of Bull's range of NovaScale servers,
- the second one with CEA, STMicroelectronics and the MOST, the Chinese Ministry of Science and Technology, in the field of research for the development of an open IT platform.

The Escala AIX™ range of servers has experienced a significant growth and this offer has been enhanced with the introduction of the Power5® processor.

With regards to systems administration and security, Bull has announced new versions of OpenMaster and AccessMaster software suites, addressing in particular identity and access management. Among its new and recent successes, Bull has secured Dassault-Aviation's virtual platform for the design of the Falcon 7X business jet, deployed T-Com's secured infrastructure (SSO).

Bull has also launched new hardware and software cryptography solutions, based on Trustway, its own offer, and taken a stake in the capital of Keynectis, the new French certification operator.

With regards to services activity in France, beside a significant growth in the field of business intelligence and outsourcing, Bull has maintained its efforts to improve productivity.

At a geography level, the good performance of Spain is to be noticed with, in particular, the modernisation and the security of Banco Sabadell's IT infrastructure and the servers provided to host the scientific applications of Castilla-La Mancha University research centre.

It is also important to note the recovery of Bull's operations in Latin America and the development of solutions for customs in Eastern Europe where Bull contributed to the modernisation projects of six of the ten European Community entrant countries in May 2004.

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2004 3rd quarter revenue and 2004 perspectives

The revenue of 2004 3rd quarter, in line with objectives defined by Bull, amounts to € 254.4 million to be compared to € 286.4 million in the third quarter of 2003.

Taking into account the perspectives of the commercial activities uptake, Bull forecasts, for the second semester of 2004, an improvement of its backlog and a turnover similar to the one of the first semester 2004, while maintaining profitability level.

Conclusion

The return to profitability for four semesters in a row, the backlog growth perspectives for the second 2004 semester and the success of its recapitalisation plan give Bull confidence in its return to growth as well as in its future development.

These results confirm the relevance of Bull's strategic options as defined in 2002.

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P&L 1st Half 2004

(M. Euros)

| | 2002 2nd Half | 2003 1st Half | 2003 2nd Half | 2004 1st Half | |
|--------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--|
| Bookings | 710 | 579 | 580 | 549 | |
| Revenue | 733 | 642.4 | 622.8 | 565.7 | |
| Gross Margin | 179 | 170.6 | 169.6 | 158.7 | |
| <i>% of revenue</i> | <i>24.4%</i> | <i>26.6%</i> | <i>27.2%</i> | <i>28.0%</i> | |
| R&D | (31.1) | (30.0) | (30.5) | (28.5) | |
| <i>% of revenue</i> | <i>4.2%</i> | <i>4.7%</i> | <i>4.9%</i> | <i>5.0%</i> | |
| SG&A | (127.8) | (121.9) | (116.9) | (108.3) | |
| <i>% of revenue</i> | <i>17.4%</i> | <i>19.0%</i> | <i>18.8%</i> | <i>19.1%</i> | |
| Exchange gain / loss | (2.0) | 1.2 | (1.5) | (1.8) | |
| EBIT | 18.1 | 20.0 | 20.7 | 20.1 | |
| <i>% of revenue</i> | <i>2.5%</i> | <i>3.1%</i> | <i>3.3%</i> | <i>3.6%</i> | |
| Financial interests | (27.8) | (24.4) | (23.2) | (16.1) | Includes M€ 12.9 due to French State loan |
| Taxes / goodwill depr. | (4.1) | (10.4) | (4.8) | (6.2) | |
| Capital gains and others | (10.2) | 16.1 | 10.1 | 4.4 | |
| Net Income | (24.0) | 1.3 | 2.8 | 2.2 | |