

# INTERIM FINANCIAL REPORT

## CONSOLIDATED FINANCIAL STATEMENTS



## CONTENTS

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FINANCIAL HIGHLIGHTS .....	3
STATUTORY AUDITORS' REPORT ON THE 2019 INTERIM FINANCIAL INFORMATION.....	4
INTERIM FINANCIAL REVIEW.....	5
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2019.....	9
IMPORTANT INFORMATION .....	33
DECLARATION BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT .....	34



## FINANCIAL HIGHLIGHTS

### CONSOLIDATED FINANCIAL STATEMENTS

<i>in millions of euros</i>	First-half 2015 published <sup>(1)</sup>	First-half 2016 published <sup>(1)</sup>	First-half 2017 restated <sup>(1)</sup>	First-half 2018	First-half 2019 **
<b>Revenues</b>	<b>5,608</b>	<b>6,257</b>	<b>6,280</b>	<b>6,467</b>	<b>7,007</b>
Operating expenses	(5,122)	(5,619)	(5,608)	(5,760)	(6,210)
<b>Operating margin *</b>	<b>486</b>	<b>638</b>	<b>672</b>	<b>707</b>	<b>797</b>
<i>% of revenues</i>	8.7%	10.2%	10.7%	10.9%	11.4%
<b>Operating profit</b>	<b>447</b>	<b>510</b>	<b>538</b>	<b>521</b>	<b>658</b>
<i>% of revenues</i>	8.0%	8.1%	8.6%	8.0%	9.4%
<b>Profit for the period attributable to owners of the Company</b>	<b>290</b>	<b>366</b>	<b>375</b>	<b>314</b>	<b>388</b>
<i>% of revenues</i>	5.2%	5.8%	6.0%	4.8%	5.5%
<b>Earnings per share</b>					
<i>Average number of shares outstanding during the period</i>	165,150,124	170,241,240	168,548,476	167,323,709	165,843,357
Basic earnings per share (in euros)	1.76	2.15	2.23	1.88	2.34
Normalized earnings per share * (in euros)	1.92	<sup>(2)</sup> 2.52	2.81	2.64	2.90
<b>GOODWILL AT JUNE 30</b>	<b>3,925</b>	<b>6,959</b>	<b>6,939</b>	<b>7,323</b>	<b>7,591</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY AT JUNE 30</b>	<b>6,017</b>	<b>6,350</b>	<b>6,845</b>	<b>6,992</b>	<b>7,466</b>
<b>(NET DEBT) / NET CASH AND CASH EQUIVALENTS* AT JUNE 30</b>	<b>1,464</b>	<b>(2,278)</b>	<b>(1,929)</b>	<b>(2,192)</b>	<b>(1,621)</b>
<b>ORGANIC FREE CASH FLOW * AT JUNE 30</b>	<b>(86)</b>	<b>31</b>	<b>64</b>	<b>11</b>	<b>90</b>
<b>Average number of employees</b>	<b>146,250</b>	<b>182,685</b>	<b>195,059</b>	<b>201,318</b>	<b>213,470</b>
<b>Number of employees at June 30</b>	<b>147,572</b>	<b>184,899</b>	<b>196,376</b>	<b>205,574</b>	<b>216,801</b>

(1) Only first-half 2017 figures have been restated for the retrospective application of IFRS 15, Revenue from contracts with customers.

(2) Excluding tax income (net) of €32 million in respect of goodwill arising on legal restructurings.

\* Operating margin, normalized earnings per share, net debt / net cash and cash equivalents and organic free cash flow, alternative performance measures monitored by the Group, are defined in Note 4 - Alternative performance measures, to the condensed interim consolidated financial statements for the half-year ended June 30, 2019.

\*\* First-half 2019 data reflects the application of IFRS 16, Leases, using the modified retrospective method, (see Note 1 – Accounting Basis).



## STATUTORY AUDITORS' REPORT ON THE 2019 INTERIM FINANCIAL INFORMATION

Period from January 1, 2019 to June 30, 2019

To the Shareholders,

**Capgemini SE**  
11 rue de Tilsitt  
75017 Paris

In compliance with the assignment entrusted to us by the Shareholders Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Capgemini SE, for the six months ended June 30, 2019;
- the verification of the information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### 1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - the standard of IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to Note 1B "Accounting basis - New Standards and interpretations applicable in 2019" to the condensed half-year consolidated financial statements, which describes the application as of January 1, 2019 of IFRS 16 "Leases".

### 2. Specific verification

We have also verified the information given in the half-year management report on the condensed half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

The Statutory Auditors  
*French original signed by*

Neuilly-sur-Seine and Paris La Défense, August 2, 2019

PricewaterhouseCoopers Audit

KPMG Audit  
*Département de KPMG S.A.*

Richard Béjot  
*Partner*

Stéphanie Ortega  
*Partner*

Frédéric Quélin  
*Partner*



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## INTERIM FINANCIAL REVIEW

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### FIRST-HALF 2019 HIGHLIGHTS

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In the first-half of 2019, the Group once again demonstrated the relevance of its market positioning and the strength of its business model. The offer portfolio developed around digital and cloud services continues to enjoy resounding success, generating revenue growth at constant exchange rates of around 20%. These digital and cloud offers now represent, for the first time, half of our revenues. The Group also maintained the balance between innovation and competitiveness, as well as between growth and increased profitability.

The Group generated **revenues** of €7,007 million in the first-half of 2019, up 8.4% on reported revenues for the first-half of 2018. Excluding the impact of currency fluctuations (2.2 points), mainly attributable to the appreciation of the US dollar against the euro, growth was 6.2%. Business acquisitions had an impact on growth of 1.3 points. Organic growth for the period was therefore 4.9%.

**Bookings** totaled €7,101 million in the first six months of 2019, a 4.8% increase at constant exchange rates year-on-year.

The **operating margin** is €797 million, or 11.4% of revenues, an increase of 13% or 50 basis points year-on-year. This robust performance reflects the higher gross margin, which has increased at the same rate thanks to the success of innovation offerings. It illustrates the Group's ability to balance growth and higher profitability.

Other operating income and expenses represent a net expense of €139 million. The €47 million improvement year-on-year is mainly due to a reduction in restructuring costs.

**Operating profit** rose 26% to €658 million, or 9.4% of revenues.

The net financial expense is stable year-on-year at €39 million. The income tax expense is €232 million and includes €30 million due to the transitional impact of tax reforms in the United States, compared with €18 million last year. Adjusted for these expenses, the effective tax rate is 32.6%, compared with 31.4% in H1 2018 and 33.7% in FY 2018.

**Net profit (Group share)** increases 23% year-on-year to €388 million for the first six months of the year. **Basic earnings per share** is up 24% year-on-year at €2.34. The Group defines Normalized net profit as the Group share in net profit for the year adjusted for the impact of items recognized in "Other operating income and expense", net of tax calculated using the effective tax rate. **Normalized earnings per share** is up 10% to €2.90. Normalized EPS adjusted for the transitional tax expense is up 12% to €3.08.

The Group generated **organic free cash flow** of €90 million in the half-year, compared with €11 million in the previous year period.

Returns to shareholders amounted to €431 million in H1 2019, with a dividend payment of €281 million and share buybacks totaling €150 million (excluding the liquidity contract). In addition, bolt-on acquisitions resulted in a net cash outflow of €152 million over the period.

Group **net debt** therefore increased to €1,621 million at June 30, 2019, from €1,104 million at January 1, 2019. Net debt at June 30, 2018, that is before the application of IFRS 16 on January 1, 2019, was €2,192 million.

At June 30, 2019, the Group's total headcount stood at 216,800, an increase of 5.5% year-on-year, with 125,100 employees in offshore centers (58% of the total headcount, compared with 57% at the end of June 2018). The attrition rate during the half year was 19.7%.



## RESULTS BY GEOGRAPHIC AREA

	Revenues	Year-on-year growth		Operating margin rate	
	H1 2019 (In millions of euros)	Reported	at constant exchange rates	H1 2018	H1 2019
North America	2,248	+10.8%	+3.8%	13.2%	12.9%
United Kingdom and Ireland	849	+8.7%	+8.0%	12.2%	15.9%
France	1,498	+6.9%	+6.9%	8.4%	9.6%
Rest of Europe	1,898	+5.7%	+6.2%	12.0%	11.3%
Asia Pacific and Latin America	514	+12.1%	+12.2%	11.7%	11.4%
<b>TOTAL</b>	<b>7,007</b>	<b>+8.4%</b>	<b>+6.2%</b>	<b>10.9%</b>	<b>11.4%</b>

**North America** revenues (32% of Group revenues) grew 3.8% at constant exchange rates, on a particularly high comparison basis as the region's growth reached 17.2% in H1 2018. TMT (Telecoms, Media & Technology), Energy & Utilities and Services sectors recorded the strongest momentum. The operating margin rate was 12.9%, compared with 13.2% in the prior-year period.

The **United Kingdom & Ireland** region (12% of Group revenues) reported a remarkable performance, with growth of 8.0% at constant exchange rates. Revenue growth in the Financial Services, Consumer Goods & Retail and TMT sectors was 10% or higher, while the Public Sector continued the positive trends initiated a year ago. The operating margin jumped to 15.9% from 12.2% a year earlier.

Activity was strong in **France** (22% of Group revenues), with revenues up 6.9% year-on-year. The Manufacturing sector was the most buoyant during the period, growing in excess of 10%. By business, growth was driven by Applications & Technology services and Digital and Cloud demand. The operating margin improved 120 basis points year-on-year to 9.6% of revenues.

Growth momentum remained robust in the **Rest of Europe** (27% of Group revenues), with a 6.2% increase in revenues at constant exchange rates. The Energy & Utilities, Consumer Goods & Retail and Services sectors were the strongest over the period. The region reported a slightly lower operating margin at 11.3%, from 12.0% a year earlier.

Finally, the **Asia-Pacific and Latin America** region (7% of Group revenues) was particularly dynamic. Revenues grew 12.2%, with Financial Services and Manufacturing the main drivers. Overall, the region's operating margin was slightly down to 11.4%, compared with 11.7% in H1 2018.

## OPERATIONS BY BUSINESS

When determining activity trends by business and in accordance with internal operating performance measures, growth at constant exchange rates is calculated based on **total revenue**, i.e. before elimination of inter-business billing. The Group considers this to be more representative of activity levels by business. As its businesses change, an increasing number of contracts require a range of business expertise for delivery, leading to a rise in inter-business flows (for information, approximately 7% of total revenues in 2018).

	Total revenues	Year-on-year growth
	H1 2019 (% of Group revenues)	at constant exchange rates in total revenues of the business
Strategy & Transformation	7%	+19.4%
Applications & Technology	71%	+6.6%
Operations & Engineering	22%	+3.5%

**Strategy & Transformation** consulting services (7% of Group total revenues), now grouped under *Capgemini Invent*, recorded a 19.4% increase at constant exchange rates in their total revenues. Growth was driven primarily by the TMT sector and, with the contribution of the acquisitions, by Financial Services.



**Applications & Technology** services (71% of Group total revenues), the Group's core business, reported total revenue growth of 6.6% at constant exchange rates. These services are heavily involved in client projects for the large-scale roll-out of their digital strategy.

Finally, **Operations & Engineering** services (22% of Group total revenues) grew 3.5% at constant exchange rates. The stabilization of the Infrastructure Services and Business Services (Business Process Outsourcing and platforms) activities observed at the beginning of the year was confirmed, while Digital Manufacturing and Engineering business is buoyant.

## PROPOSED ACQUISITION OF ALTRAN TECHNOLOGIES

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On June 24, 2019, Capgemini and Altran Technologies (Euronext Paris: ALT), the global leader in Engineering and R&D services, jointly announced they had entered into an agreement for exclusive negotiations whereby Capgemini would acquire Altran, through a friendly public offer at €14.00 per Altran share, payable in cash. This project seeks to create a global digital transformation leader for industrial and tech companies. The agreement was unanimously approved by the Capgemini and Altran Boards of Directors.

Capgemini has secured a bridge financing of €5.4 billion, covering the purchase of securities (€3.6 billion) as well as the gross debt (€1.8 billion).

Additionally, on July 2, 2019, Capgemini announced that it held 29,378,319 Altran shares following settlement and delivery of the off-market acquisition of a block of shares from the concert formed around Apex Partners (Altrafin Participations, Mr Alexis Kniazeff and Mr Hubert Martigny). This transaction follows the signature on June 24, 2019 of a definitive agreement to acquire this block, representing 11.43% of Altran's share capital.

## ANALYSIS OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2019

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### Consolidated Income Statement

**Revenues** for the first-half 2019 totaled €7,007 million, compared with €6,467 million for the first-half 2018. Growth at current Group scope and exchange rates is 8.4% year-on-year, with revenue increasing 6.2% at constant exchange rates.

The **operating margin** for the first six months of 2019 was €797 million, compared with €707 million for the same period in 2018, representing a margin rate of 11.4% compared with 10.9%.

**Operating profit** is €658 million for the first-half-2019, compared with €521 million for the first-half 2018, after taking into account **other operating income and expense** down €47 million over the period (€139 million in the first-half 2019 compared with €186 million for the first-half 2018).

The **net financial expense** was €39 million in the first-half 2019, compared with €39 million for the same period in 2018. Net interest on lease liabilities, reflecting the application of IFRS 16, Leases, are offset by the income on cash and cash equivalents increase.

The **income tax expense** for the first-half of 2019 is €232 million, compared with €169 million for the first-half 2018. The effective tax rate of 37.4% compares with 35.2% for the first-half 2018.

**Profit for the period attributable to owners of the Company** is therefore €388 million for the first-half 2019, compared with €314 million for the first-half 2018. Normalized earnings per share are therefore €2.90 based on an average of 165,843,357 ordinary shares outstanding in the first-half 2019, compared with €2.64 based on an average of 167,323,709 ordinary shares outstanding in the first-half of 2018.

### Consolidated Statement of Financial Position

**Equity attributable to owners of the Company** totaled €7,466 million at June 30, 2019, up €2 million on January 1, 2019 (including first time application of IFRS 16, Leases, of (€16 million)). This increase was mainly due to:

- ▶ the net profit for the period of €388 million;
- ▶ the negative impact of other comprehensive income of €19 million;
- ▶ the payment to shareholders of dividends of €281 million;



- ▶ the elimination of treasury shares in the amount of €133 million;
- ▶ the impact of incentive and employee share ownership instruments of €47 million.

**Non-current assets** totaled €11,247 million at June 30, 2019, up €191 million on January 1, 2019 (including first time application of IFRS 16, Leases) mainly due to a €160 million increase in goodwill. This rise was mainly attributable to the acquisition performed during the first-half of 2019 in the amount of €145 million.

**Non-current liabilities** amounted to €5,488 million at June 30, 2019, up €166 million on January 1, 2019 (including first time application of IFRS 16). This increase comes mainly from the change in the discount rate curves for Canada and the United Kingdom.

**Trade receivables, contract assets and contract costs** totaled €3,512 million at June 30, 2019 compared with €3,279 million at December 31, 2018. Trade receivables and contract assets excluding contract costs and net of contract liabilities totaled €2,699 million at June 30, 2019, compared with €2,323 million at December 31, 2018.

**Accounts and notes payable** mainly consist of trade payables and related accounts, personnel costs and accrued taxes other than income tax and totaled €2,786 million at June 30, 2019, compared with €2,944 million at December 31, 2018.

**Consolidated net debt** was €1,621 million at June 30, 2019, compared with €2,192 million at June 30, 2018 and €1,104 million at January 1, 2019 (including first time application of IFRS 16, Leases). This €517 million increase in net debt on January 1, 2019 (including first time application of IFRS 16, Leases), chiefly reflects:

- ▶ the payment to shareholders of a dividend of €281 million,
- ▶ cash outflows on business combinations, net of cash and cash equivalents acquired, of €152 million;
- ▶ net cash outflows of €132 million in respect of transactions in Capgemini SE shares, partially offset by an organic free cash flow generation of €90 million.

## RELATED PARTIES

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No material transactions with related parties took place in the first-half 2019.

## MAIN RISKS AND UNCERTAINTIES FOR THE SECOND-HALF 2019

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The nature and degree of risks to which the Group is exposed have not changed from those presented on pages 109 to 124 of the 2018 Registration Document.

## OUTLOOK FOR FISCAL YEAR 2019

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For 2019, the Group targets revenue growth at constant exchange rates of 5.5% to 8.0%, improved profitability with an operating margin of 12.3% to 12.6% and stronger organic free cash flow - on a comparable basis - of over €1.1 billion.





## CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2019

### CONSOLIDATED INCOME STATEMENT

<i>in millions of euros</i>	Notes	2018		First-half 2018		First-half 2019	
		Amount	%	Amount	%	Amount	%
<b>Revenues</b>	5 - 6	<b>13,197</b>	<b>100</b>	<b>6,467</b>	<b>100</b>	<b>7,007</b>	<b>100</b>
Cost of services rendered		(9,627)	(72.9)	(4,747)	(73.4)	(5,105)	(72.9)
Selling expenses		(1,043)	(7.9)	(523)	(8.1)	(571)	(8.1)
General and administrative expenses		(930)	(7.1)	(490)	(7.6)	(534)	(7.6)
<b>Operating expenses</b>	7	<b>(11,600)</b>	<b>(87.9)</b>	<b>(5,760)</b>	<b>(89.1)</b>	<b>(6,210)</b>	<b>(88.6)</b>
<b>Operating margin *</b>		<b>1,597</b>	<b>12.1</b>	<b>707</b>	<b>10.9</b>	<b>797</b>	<b>11.4</b>
Other operating income and expense	8	(346)	(2.6)	(186)	(2.9)	(139)	(2.0)
<b>Operating profit</b>		<b>1,251</b>	<b>9.5</b>	<b>521</b>	<b>8.0</b>	<b>658</b>	<b>9.4</b>
Net finance costs	9	(12)	(0.1)	(6)	(0.1)	1	-
Other financial income and expense	9	(68)	(0.5)	(33)	(0.5)	(40)	(0.6)
<b>Net financial expense</b>		<b>(80)</b>	<b>(0.6)</b>	<b>(39)</b>	<b>(0.6)</b>	<b>(39)</b>	<b>(0.6)</b>
<b>Income tax income (expense)</b>	10	<b>(447)</b>	<b>(3.4)</b>	<b>(169)</b>	<b>(2.6)</b>	<b>(232)</b>	<b>(3.3)</b>
<b>PROFIT FOR THE PERIOD</b>		<b>724</b>	<b>5.5</b>	<b>313</b>	<b>4.8</b>	<b>387</b>	<b>5.5</b>
<i>Attributable to:</i>							
<i>Owners of the Company</i>		730	5.5	314	4.8	388	5.5
<i>Non-controlling interests</i>		(6)	-	(1)	-	(1)	-

#### EARNINGS PER SHARE

Average number of shares outstanding during the period	167,088,363	167,323,709	165,843,357
<b>Basic earnings per share (in euros)</b>	<b>4.37</b>	<b>1.88</b>	<b>2.34</b>
Diluted average number of shares outstanding	171,697,335	171,986,730	170,864,789
<b>Diluted earnings per share (in euros)</b>	<b>4.25</b>	<b>1.83</b>	<b>2.27</b>

\* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>in millions of euros</i>	2018	First-half 2018	First-half 2019
Actuarial gains and losses on defined benefit pension plans, net of tax <sup>(1)</sup>	114	169	(86)
Remeasurement of hedging derivatives, net of tax <sup>(2)</sup>	(53)	(81)	26
Translation adjustments <sup>(2)</sup>	177	78	41
<b>OTHER ITEMS OF COMPREHENSIVE INCOME</b>	<b>238</b>	<b>166</b>	<b>(19)</b>
Profit for the period (reminder)	724	313	387
Total comprehensive income for the period	962	479	368
<i>Attributable to:</i>			
Owners of the Company	967	480	369
Non-controlling interests	(5)	(1)	(1)

(1) Other items of comprehensive income that will not be reclassified subsequently to profit or loss.

(2) Other items of comprehensive income that may be reclassified subsequently to profit or loss.



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>in millions of euros</i>	Notes	June 30, 2018	December 31, 2018	June 30, 2019
Goodwill	11	7,323	7,431	7,591
Intangible assets		659	697	658
Property, plant and equipment		747	785	749
Lease right-of-use assets	2	-	-	827
Deferred taxes		1,240	1,128	1,102
Other non-current assets	15	296	303	320
<b>Total non-current assets</b>		<b>10,265</b>	<b>10,344</b>	<b>11,247</b>
Contract costs	12	94	92	86
Contract assets	12	1,335	1,123	1,519
Trade receivables	12	1,812	2,064	1,907
Current tax receivables		162	94	123
Other current assets	15	563	592	559
Cash management assets	13	221	183	204
Cash and cash equivalents	13	1,751	2,006	1,669
<b>Total current assets</b>		<b>5,938</b>	<b>6,154</b>	<b>6,067</b>
<b>TOTAL ASSETS</b>		<b>16,203</b>	<b>16,498</b>	<b>17,314</b>

<i>in millions of euros</i>	Notes	June 30, 2018	December 31, 2018	June 30, 2019
Share capital		1,351	1,338	1,338
Additional paid-in capital		3,166	2,979	2,979
Retained earnings and other reserves		2,161	2,433	2,761
Profit for the period		314	730	388
<b>Equity (attributable to owners of the Company)</b>		<b>6,992</b>	<b>7,480</b>	<b>7,466</b>
Non-controlling interests		3	(1)	(2)
<b>Total equity</b>		<b>6,995</b>	<b>7,479</b>	<b>7,464</b>
Long-term borrowings	13	3,267	3,274	3,237
Deferred taxes		172	180	183
Provisions for pensions and other post-employment benefits	14	974	1,011	1,132
Non-current provisions		27	19	20
Non-current lease liabilities	2	-	-	638
Other non-current liabilities	15	283	305	278
<b>Total non-current liabilities</b>		<b>4,723</b>	<b>4,789</b>	<b>5,488</b>
Short-term borrowings and bank overdrafts	13	871	83	260
Accounts and notes payable		2,603	2,944	2,786
Contract liabilities	12	644	864	727
Current provisions		105	91	86
Current tax liabilities		134	141	199
Current lease liabilities	2	-	-	232
Other current liabilities	15	128	107	72
<b>Total current liabilities</b>		<b>4,485</b>	<b>4,230</b>	<b>4,362</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,203</b>	<b>16,498</b>	<b>17,314</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>in millions of euros</i>	Notes	2018	First-half 2018	First-half 2019
<b>Profit for the period attributable to owners of the Company</b>		<b>730</b>	<b>314</b>	<b>388</b>
Non-controlling interests		(6)	(1)	(1)
Depreciation, amortization and impairment of fixed assets and lease right-of-use assets	2	302	141	273
Change in provisions		(39)	18	(19)
Losses on disposals of assets		16	10	3
Expenses relating to share grants		84	40	47
Net finance costs	9	12	6	(1)
Income tax (income) expense	10	447	169	232
Unrealized (gains) losses on changes in fair value and other		(10)	(7)	11
<b>Cash flows from operations before net finance costs and income tax (A)</b>		<b>1,536</b>	<b>690</b>	<b>933</b>
<b>Income tax paid (B)</b>		<b>(205)</b>	<b>(96)</b>	<b>(98)</b>
Change in trade receivables, contract assets net of liabilities and contract costs		32	(162)	(360)
Change in accounts and notes payable		25	(77)	65
Change in other receivables/payables		8	(245)	(203)
<b>Change in operating working capital (C)</b>		<b>65</b>	<b>(484)</b>	<b>(498)</b>
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES (D=A+B+C)</b>		<b>1,396</b>	<b>110</b>	<b>337</b>
Acquisitions of property, plant and equipment and intangible assets		(236)	(112)	(120)
Proceeds from disposals of property, plant and equipment and intangible assets		7	3	2
<b>Acquisitions of property, plant and equipment and intangible assets, net of disposals</b>		<b>(229)</b>	<b>(109)</b>	<b>(118)</b>
Cash (outflows) inflows on business combinations net of cash and cash equivalents acquired		(461)	(409)	(152)
Cash outflows in respect of cash management assets		(18)	(56)	(19)
Other cash outflows, net		(20)	(8)	(25)
<b>Cash outflows from investing activities</b>		<b>(499)</b>	<b>(473)</b>	<b>(196)</b>
<b>NET CASH USED IN INVESTING ACTIVITIES (E)</b>		<b>(728)</b>	<b>(582)</b>	<b>(314)</b>
Proceeds from issues of share capital		230	-	-
Dividends paid		(284)	(284)	(281)
Net payments relating to transactions in Capgemini SE shares		(483)	(200)	(132)
Proceeds from borrowings		525	790	217
Repayments of borrowings		(592)	(56)	(24)
Repayments of lease liabilities	2	-	-	(142)
Interest paid		(56)	(12)	(19)
Interest received		49	22	32
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES (F)</b>		<b>(611)</b>	<b>260</b>	<b>(349)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (G=D+E+F)</b>		<b>57</b>	<b>(212)</b>	<b>(326)</b>
Effect of exchange rate movements on cash and cash equivalents (H)		(41)	(26)	(15)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD (I)</b>	<b>13</b>	<b>1,988</b>	<b>1,988</b>	<b>2,004</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD (G+H+I)</b>	<b>13</b>	<b>2,004</b>	<b>1,750</b>	<b>1,663</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>in millions of euros</i>	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Total income and expense recognized in equity		Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
						Translation adjustments	Other			
<b>At December 31, 2018</b>	<b>167,293,730</b>	<b>1,338</b>	<b>2,979</b>	<b>(50)</b>	<b>4,237</b>	<b>(188)</b>	<b>(836)</b>	<b>7,480</b>	<b>(1)</b>	<b>7,479</b>
<b>Impact of first time application of IFRS 16<sup>(1)</sup></b>	-	-	-	-	<b>(16)</b>	-	-	<b>(16)</b>	-	<b>(16)</b>
<b>At January 1, 2019, including impact of IFRS 16</b>	<b>167,293,730</b>	<b>1,338</b>	<b>2,979</b>	<b>(50)</b>	<b>4,221</b>	<b>(188)</b>	<b>(836)</b>	<b>7,464</b>	<b>(1)</b>	<b>7,463</b>
Dividends paid out for 2018	-	-	-	-	(281)	-	-	(281)	-	(281)
Incentive instruments and employee share ownership	-	-	-	-	47	-	-	47	-	47
Elimination of treasury shares	-	-	-	(134)	1	-	-	(133)	-	(133)
<b>Transactions with shareholders</b>	-	-	-	<b>(134)</b>	<b>(233)</b>	-	-	<b>(367)</b>	-	<b>(367)</b>
<b>Income and expense recognized in equity</b>	-	-	-	-	-	<b>41</b>	<b>(60)</b>	<b>(19)</b>	-	<b>(19)</b>
<b>Profit for the period</b>	-	-	-	-	<b>388</b>	-	-	<b>388</b>	<b>(1)</b>	<b>387</b>
<b>At June 30, 2019</b>	<b>167,293,730</b>	<b>1,338</b>	<b>2,979</b>	<b>(184)</b>	<b>4,376</b>	<b>(147)</b>	<b>(896)</b>	<b>7,466</b>	<b>(2)</b>	<b>7,464</b>

<i>in millions of euros</i>	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Total income and expense recognized in equity		Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
						Translation adjustments	Other			
<b>At December 31, 2017</b>	<b>168,483,742</b>	<b>1,348</b>	<b>3,169</b>	<b>(61)</b>	<b>3,767</b>	<b>(364)</b>	<b>(903)</b>	<b>6,956</b>	<b>4</b>	<b>6,960</b>
<b>Impact of first-time application of IFRS 9<sup>(2)</sup></b>	-	-	-	-	<b>(6)</b>	-	<b>6</b>	-	-	-
<b>At January 1, 2018, including impact of IFRS 9</b>	<b>168,483,742</b>	<b>1,348</b>	<b>3,169</b>	<b>(61)</b>	<b>3,761</b>	<b>(364)</b>	<b>(897)</b>	<b>6,956</b>	<b>4</b>	<b>6,960</b>
Dividends paid out for 2017	-	-	-	-	(284)	-	-	(284)	-	(284)
Incentive instruments and employee share ownership	333,291	3	(3)	-	40	-	-	40	-	40
Elimination of treasury shares	-	-	-	(200)	-	-	-	(200)	-	(200)
<b>Transactions with shareholders</b>	<b>333,291</b>	<b>3</b>	<b>(3)</b>	<b>(200)</b>	<b>(244)</b>	-	-	<b>(444)</b>	-	<b>(444)</b>
<b>Income and expense recognized in equity</b>	-	-	-	-	-	<b>78</b>	<b>88</b>	<b>166</b>	-	<b>166</b>
<b>Profit for the period</b>	-	-	-	-	<b>314</b>	-	-	<b>314</b>	<b>(1)</b>	<b>313</b>
<b>At June 30, 2018</b>	<b>168,817,033</b>	<b>1,351</b>	<b>3,166</b>	<b>(261)</b>	<b>3,831</b>	<b>(286)</b>	<b>(809)</b>	<b>6,992</b>	<b>3</b>	<b>6,995</b>

(1) Equity at January 1, 2019 has been restated for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).

(2) Equity at January 1, 2018 has been restated for the retrospective application of IFRS 9, Financial instruments.



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## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2019

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### NOTE 1 ACCOUNTING BASIS

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The condensed interim consolidated financial statements for the half-year ended June 30, 2019 and the notes thereto were drawn up under the responsibility of the Board of Directors and adopted by the Board of Directors' meeting of July 29, 2019.

#### A) IFRS standards base

The condensed interim consolidated financial statements for the first-half 2019 have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (IASB), and endorsed by the European Union.

The Group also takes account of the positions adopted by Syntec Numérique, an organization representing major consulting and computer services companies in France, regarding the application of certain IFRS.

These condensed interim consolidated financial statements for the half-year ended June 30, 2019 should be read in conjunction with the 2018 consolidated financial statements.

#### B) New standards and interpretations applicable in 2019

##### a) New standards, amendments and interpretations of mandatory effect at January 1, 2019

The accounting policies applied by the Capgemini Group are unchanged on those applied for the preparation of the December 31, 2018 consolidated financial statements, except for the standards, amendments, and interpretations which entered into mandatory effect on January 1, 2019 that have an effect for the Group and are presented below.

##### b) Transition note on the application of IFRS16

IFRS 16, *Leases*, was adopted by the Group on January 1, 2019. This standard introduces a single lessee accounting model and replaces the standard IAS 17, *Leases*, and the interpretations IFRIC 4, *Determining whether an arrangement contains a lease*, SIC 15, *Operating leases - Incentives* and SIC 27, *Evaluating the substance of transactions involving the legal form of a lease*.

As a lessee, the Group now recognizes:

- a "lease right-of-use asset" in the Consolidated Statement of Financial Position, representing its right to use the underlying asset and a lease liability representing its obligation to make future lease payments,
- depreciation of the lease right-of-use asset and interest on the related lease liability in place of the operating lease expenses previously incurred.

The Group has elected to adopt the modified retrospective approach. The Group therefore recognized a lease right-of-use asset and a related lease liability for the same amount at January 1, 2019, equal to the present value of future lease payments over the enforceable contractual period, without restating comparative periods.

For certain major real estate leases, as permitted by the standard, the Group has elected to determine the value of the lease right-of-use asset at January 1, 2019 retrospectively, by recalculating the historical value of the asset at the lease commencement date and applying depreciation to December 31, 2018, to obtain the net carrying amount of the lease right-of-use asset at January 1, 2019.

Discount rates applied at the transition date are based on the Group's incremental borrowing rate, estimated by currency based on market data available at this date. These discount rates were determined taking account of average residual contract durations at the date of first-time application, i.e. January 1, 2019. The weighted average incremental borrowing rate at January 1, 2019 for all lease liabilities is 2.5%

The Group has also elected to apply the two capitalization exemptions proposed by the standard for leases with a term of 12 months or less and/or leases of assets with a value when new of below US\$5,000, other than IT equipment.

Additionally, the Group has elected not to separate lease and non-lease components for certain categories of underlying asset (notably the vehicle fleet) and to recognize the entire contract as a single lease component.

Finally, in accordance with the option proposed by the standard, finance leases already recognized in the balance sheet pursuant to IAS 17 at December 31, 2018, were reclassified in lease right-of-use assets and related lease liabilities at January 1, 2019.



The following table presents the impacts of the first-time application of IFRS 16 in the Consolidated Statement of Financial Position at January 1, 2019:

<i>(in millions of euros)</i>	December 31, 2018	First-time application of IFRS 16	January 1, 2019
Goodwill	7,431	-	7,431
Intangible assets	697	(7)	690
Property, plant and equipment	785	(70)	715
Lease right-of-use assets	-	785	785
Deferred taxes	1,128	4	1,132
Other non-current assets	303	-	303
<b>Total non-current assets</b>	<b>10,344</b>	<b>712</b>	<b>11,056</b>
Contract costs	92	-	92
Contract assets	1,123	-	1,123
Trade receivables	2,064	-	2,064
Current tax receivables	94	-	94
Other current receivables	592	(11)	581
Cash management assets	183	-	183
Cash and cash equivalents	2,006	-	2,006
<b>Total current assets</b>	<b>6,154</b>	<b>(11)</b>	<b>6,143</b>
<b>TOTAL ASSETS</b>	<b>16,498</b>	<b>701</b>	<b>17,199</b>

<i>(in millions of euros)</i>	December 31, 2018	First-time application of IFRS 16	January 1, 2019
Share capital	1,338	-	1,338
Additional paid-in capital	2,979	-	2,979
Retained earnings and other reserves	2,433	(16)	2,417
Profit for the year	730	-	730
<b>Equity (attributable to owners of the Company)</b>	<b>7,480</b>	<b>(16)</b>	<b>7,464</b>
Non-controlling interests	(1)	-	(1)
<b>Total equity</b>	<b>7,479</b>	<b>(16)</b>	<b>7,463</b>
Long-term borrowings	3,274	(41)	3,233
Deferred taxes	180	-	180
Provisions for pensions and other post-employment benefits	1,011	-	1,011
Non-current provisions	19	-	19
Non-current lease liabilities	-	576	576
Other non-current liabilities	305	(2)	303
<b>Total non-current liabilities</b>	<b>4,789</b>	<b>533</b>	<b>5,322</b>
Short-term borrowings and bank overdrafts	83	(39)	44
Accounts and notes payable	2,944	(28)	2,916
Contract liabilities	864	-	864
Current provisions	91	-	91
Current tax liabilities	141	-	141
Current lease liabilities	-	252	252
Other current liabilities	107	(1)	106
<b>Total current liabilities</b>	<b>4,230</b>	<b>184</b>	<b>4,414</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,498</b>	<b>701</b>	<b>17,199</b>



The first-time application of IFRS 16 therefore had the following impacts at January 1, 2019:

- recognition of lease right-of-use assets and the corresponding lease liabilities,
- reclassification of finance lease assets and liabilities existing at December 31, 2018,
- reclassification of any lease incentives as a deduction from the lease right-of-use asset,
- reclassification of provisions for onerous leases as a deduction from the lease right-of-use asset,
- reclassification of advance lease payments as an increase in the lease right-of-use asset.

Off-balance sheet commitments at December 31, 2018 reconcile with lease liabilities at the transition date as follows:

*(in millions of euros)*

<b>Commitments given on non-cancellable leases at December 31, 2018</b>	<b>836</b>
Exclusion of firm leases with a date of effect after January 1, 2019	(105)
Exclusion of non-lease components of certain contracts	(52)
Effect of optional periods not included in off-balance sheet commitments at December 31, 2018	116
Other	10
<b>Lease liabilities before discounting at January 1, 2019</b>	<b>805</b>
Effect of discounting	(57)
Reclassification of finance lease liabilities recognized at December 31, 2018	80
<b>Lease liabilities after discounting at January 1, 2019</b>	<b>828</b>

### c) IFRIC 23

IFRIC 23, *Uncertainty over income tax treatment*, applicable from January 1, 2019, clarifies the accounting treatment of income tax uncertainties.

The adoption of this interpretation has neither impact on the measurement of the Group's income tax expense, nor in the Consolidated Statement of Financial Position.

## C) Use of estimates

The preparation of consolidated financial statements involves the use of estimates and assumptions which may have an impact on the reported values of assets and liabilities at the period end or on certain items of either net profit or the income and expenses recognized directly in equity for the year. Estimates are based on economic data and assumptions which are likely to vary over time, interpretations of local regulation when necessary. As such, these estimates are subject to a degree of uncertainty and mainly concern revenue recognition on a percentage-of-completion basis, provisions, recognition of deferred tax assets, measurement of the recoverable amount of intangible assets, provisions for pensions and other postemployment benefits, the fair value of derivatives and the calculation of the tax expense, notably in the context of the US tax reform.





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## **NOTE 2      ACCOUNTING POLICIES, IFRS 16, LEASES**

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The Group assess whether a contract is or contains a lease at inception of the contract.

Leases are recognized in the Consolidated Statement of Financial Position from the lease commencement date.

These contracts are recognized in “Lease liabilities” and “Lease right-of-use assets” in the Consolidated Statement of Financial Position.

The lease liability is initially measured at the present value of future lease payments, discounted over the enforceable contractual period using the Group’s incremental borrowing rate. This is estimated in each currency using available market data and taking account of the average lease term. Lease payments may include fixed payments and variable payments that depend on an index or a rate known at inception of the contract. The lease liability is generally calculated over the firm lease term unless the Group is reasonably certain to extend or terminate the lease. The lease liability is subsequently measured at amortized cost using the effective interest rate.

The initial value of the lease right-of-use asset comprises the amount of the initial measurement of the lease liability, initial direct costs and any obligation to restore the asset. For the vehicle fleet, the Group has elected not to separate non-lease components from lease components and to account for the entire contract as a single lease component. The lease right-of-use asset is depreciated over the period adopted for the calculation of the lease liability.

In the Consolidated Income Statement, depreciation is recorded in the operating margin and interest is recorded in net finance expenses.

The linked tax impact is recognized in deferred tax in accordance with applicable tax legislation in the countries where the leases are recognized.

Leases of assets with a low unit value, other than IT equipment and short-term leases are expensed directly in the operating margin.

### **DESCRIPTION OF LEASE ACTIVITIES**

#### **Real estate leases**

The Group leases land and buildings for its offices, as well as for its production sites. Terms and conditions are negotiated on an individual case basis and contain numerous different clauses. These leases are generally entered into for terms of 5 to 15 years and may contain extension options providing operational flexibility.

#### **Vehicle leases**

The Group leases vehicles for certain employees in France and internationally. These leases are generally entered into for terms of 3 to 5 years.

#### **IT and other leases**

Finally, the Group also leases some of its computer equipment (computers, servers, printers). Terms and conditions are negotiated on an individual case basis and contain numerous different clauses. These leases are generally entered into for terms of 3 to 5 years.



## LEASE RIGHT-OF-USE ASSETS

<i>(in millions of euros)</i>	Land, buildings and fixtures and fittings	Vehicles	Computer equipment and other	Total
<b>GROSS</b>				
<b>At January 1, 2019</b>	<b>811</b>	<b>104</b>	<b>86</b>	<b>1,001</b>
Translation adjustments	4	-	-	4
Acquisitions / Increase	160	18	14	192
Disposals / Decrease	(24)	(4)	(3)	(31)
<b>At June 30, 2019</b>	<b>951</b>	<b>118</b>	<b>97</b>	<b>1,166</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>				
<b>At January 1, 2019</b>	<b>213</b>	<b>-</b>	<b>3</b>	<b>216</b>
Translation adjustments	1	-	-	1
Depreciations and impairment losses	86	30	23	139
Reversals	(12)	(2)	(3)	(17)
<b>At June 30, 2019</b>	<b>288</b>	<b>28</b>	<b>23</b>	<b>339</b>
<b>NET</b>				
<b>At January 1, 2019</b>	<b>598</b>	<b>104</b>	<b>83</b>	<b>785</b>
<b>At June 30, 2019</b>	<b>663</b>	<b>90</b>	<b>74</b>	<b>827</b>

## LEASE RIGHT-OF-USE ASSETS BY GEOGRAPHIC AREA

<i>(in millions of euros)</i>	January 1, 2019 Net carrying amount	June 30, 2019 Net carrying amount
North America	97	87
France	177	254
United Kingdom & Ireland	65	59
Rest of Europe	329	297
Asia-Pacific and Latin America	117	130
<b>LEASE RIGHT-OF-USE ASSETS</b>	<b>785</b>	<b>827</b>



## LEASE LIABILITIES

The contractual cash flows presented below are the undiscounted value of future contractual repayments, broken down by average remaining maturity of Group lease contracts.

(in millions of euros)	Carrying amount	Contractual cash flows				
		Total	Less than 1 year	1 to 2 years	2 to 5 years	Beyond 5 years
At June 30, 2019						
Lease liabilities	870	939	248	193	337	161

## NOTE 3 CHANGES IN CONSOLIDATION SCOPE AND MAJOR EVENTS

### A) Changes in consolidation scope during the half-year

In February 2019, the Group completed the acquisition Leidos Cyber Group in the United States.

The fair value remeasurement of the assets and liabilities and the calculation and determination of goodwill pursuant to IFRS 3 are ongoing and will be finalized within 12 months of the acquisition date. The contribution of this acquisition to Group financial indicators in the first-half 2019 is not material.

### B) Proposed acquisition of the Altran Technologies group

On June 24, 2019, Capgemini SE and Altran Technologies S.A. ("Altran") jointly announced they had entered into an agreement for exclusive negotiations whereby Capgemini SE would acquire Altran, through a friendly public tender offer at €14.00 per Altran share, payable in cash. The agreement was unanimously approved by the Capgemini and Altran Boards of Directors. The agreement sets out the key terms and conditions of the proposed transaction, organizes the information or consultation process by Capgemini and Altran of their respective works councils and contains in particular an exclusivity commitment from Altran.

The launch of the public tender offer is expected to take place after the completion of the information or consultation process by Capgemini SE and Altran of their respective works councils, and after the satisfaction (or waiver) of customary conditions precedent relating in particular to the obtaining of regulatory approvals, notably the CFIUS approval in the United States and merger control clearances.

Closing of the combination should take place before the end of the year.

The total cash consideration will therefore amount to €3.6 billion, before taking into account Altran's net financial debt of approximately €1.4 billion. The Capgemini Group has secured a bridge financing of €5.4 billion, covering the purchase of securities in connection with the public tender offer as well as Altran's gross debt. This bridge loan has an initial term of one year, with two consecutive six-month extension options exercisable at Capgemini's initiative. The Group plans to refinance the bridge with available cash for €1 billion and the balance by debt issuance, primarily new bond issues.

Additionally, Capgemini has signed on June 24, 2019 a definitive agreement to acquire an 11.43% stake in Altran from shareholders led by Apax Partners <sup>(1)</sup>. The payment and delivery of this transaction took place on July 2, 2019.

(1): Altrafin Participations, Mr. Alexis Kniazeff and Mr. Hubert Martigny



## NOTE 4 ALTERNATIVE PERFORMANCE MEASURES

The alternative performance measures monitored by the Group are defined as follows:

- ▶ **organic growth**, or like-for-like growth, in revenues is the growth rate calculated at constant Group scope and exchange rates. The Group scope and exchange rates used are those for the reported period;
- ▶ **growth at constant exchange rates** in revenues is the growth rate calculated at exchange rates used for the reported period;
- ▶ **operating margin** is equal to revenues less operating expenses. It is calculated before "Other operating income and expense" which include amortization of intangible assets recognized in business combinations, the charge resulting from the deferred recognition of the fair value of shares granted to employees (including social security contributions and employer contributions), and non-recurring revenues and expenses, notably impairment of goodwill, negative goodwill, capital gains or losses on disposals of consolidated companies or businesses, restructuring costs incurred under a detailed formal plan approved by the Group's management, the cost of acquiring and integrating companies acquired by the Group, including earn-outs comprising conditions of presence, and the effects of curtailments, settlements and transfers of defined benefit pension plans;
- ▶ **normalized earnings per share** are calculated by dividing normalized profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares. Normalized net profit or loss is equal to profit for the period attributable to owners of the Company corrected for the impact of items recognized in "Other operating income and expense" (see Note 8 - Other operating income and expense), net of tax calculated using the effective tax rate:

<i>in millions of euros</i>	First-half 2018	First-half 2019
<b>Profit for the period attributable to owners of the Company</b>	<b>314</b>	<b>388</b>
Other operating income and expenses, net of tax calculated at the effective tax rate <sup>(1)</sup>	128	93
<b>Normalized profit for the period attributable to owners of the Company</b>	<b>442</b>	<b>481</b>
Weighted average number of ordinary shares outstanding	167,323,709	165,843,357
<b>NORMALIZED EARNINGS PER SHARE (in euros)</b>	<b>2.64</b>	<b>2.90</b>

(1) See Note 10 - Income Tax.

The Group recognized during the first-half of 2019 a tax charge of €30 million due to the transitional impact of the US tax reform which reduced the normalized earnings per share by € 0.18. Before taking into account this tax charge, the normalized earnings per share would have been €3.08 in the first-half of 2019.

<i>in millions of euros</i>	First-half 2018	First-half 2019
<b>NORMALIZED EARNINGS PER SHARE (in euros)</b>	<b>2.64</b>	<b>2.90</b>
Tax expense due to the transitional impact of the US tax reform	18	30
Weighted average number of ordinary shares	167,323,709	165,843,357
Impact of the tax expense due to the transitional impact of the US tax reform	<b>0.11</b>	<b>0.18</b>
<b>NORMALIZED EARNINGS PER SHARE - excl. the tax expense due to the transitional impact of the US tax reform (in euros)</b>	<b>2.75</b>	<b>3.08</b>

- ▶ **net debt** (or net cash and cash equivalents) comprises (i) cash and cash equivalents, as presented in the Consolidated Statement of Cash Flows (consisting of short-term investments and cash at bank) less bank overdrafts, (ii) cash management assets (assets presented separately in the Consolidated Statement of Financial Position due to their characteristics), less (iii) short- and long-term borrowings. Account is also taken of the impact of hedging instruments when these relate to borrowings and own shares. Lease liabilities (including finance lease liabilities) are excluded from net debt at January 1, 2019.



- **organic free cash flow** calculated based on items in the Statement of Cash Flows is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and repayments of lease liabilities and adjusted for flows relating to the net interest cost.

<i>in millions of euros</i>	<b>First-half 2018</b>	<b>First-half 2019</b>
<b>Cash flow from operations</b>	<b>110</b>	<b>337</b>
Acquisitions of property, plant and equipment and intangible assets	(112)	(120)
Proceeds from disposals of property, plant and equipment and intangible assets	3	2
<b>Acquisitions of property, plant, equipment and intangible assets (net of disposals)</b>	<b>(109)</b>	<b>(118)</b>
Interest paid	(12)	(19)
Interest received	22	32
<b>Net interest cost</b>	<b>10</b>	<b>13</b>
<b>Repayments of lease liabilities</b>		<b>(142)</b>
<b>ORGANIC FREE CASH FLOW</b>	<b>11</b>	<b>90</b>



## NOTE 5 OPERATING SEGMENTS

Group Management analyzes and measures activity performance in the geographic areas where the Group is present.

The geographic analysis enables management to monitor the performance:

- ▶ of commercial development: it focuses on trends in major contracts and clients in Group markets across all its businesses. This monitoring seeks to coordinate the service offering of the different businesses in the countries, given their considerable interaction and to measure the services rendered.
- ▶ at operational and financial level: management of treasury and support services, the operating investment and financing policies and the acquisition policy are decided and implemented by geographic area.

Accordingly, the Group presents segment reporting for the five geographic areas where it is located.

Costs relating to operations and incurred by Group holding companies on behalf of geographic areas are allocated to the relevant segments either directly or on the basis of an allocation key. Items not allocated correspond to headquarter expenses.

Inter-segment transactions are carried out on an arm's length basis.

The performance of operating segments is measured based on the operating margin\*. This indicator enables the measurement and comparison of the operating performance of operating segments, irrespective of whether their business results from internal or external growth.

The operating margin\* realized by the main offshore production centers (India, Poland and China) is reallocated to the geographic areas managing the contracts to enable a better understanding of the performance of these areas.

\* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 4 – Alternative performance measures.

The Group communicates segment information for five geographic areas: North America, France, United Kingdom and Ireland, the Rest of Europe, Asia-Pacific and Latin America.

Half-year ended June 30, 2019 (in millions of euros)	North America	France	United Kingdom and Ireland	Rest of Europe	Asia- Pacific and Latin America	HQ expenses	Eliminations	Total
<b>Revenues</b>								
▶ external	2,248	1,498	849	1,898	514	-	-	7,007
▶ inter-geographic area	60	128	93	160	793	-	(1,234)	-
<b>TOTAL REVENUES</b>	<b>2,308</b>	<b>1,626</b>	<b>942</b>	<b>2,058</b>	<b>1,307</b>	<b>-</b>	<b>(1,234)</b>	<b>7,007</b>
<b>OPERATING MARGIN *</b>	<b>290</b>	<b>144</b>	<b>135</b>	<b>215</b>	<b>59</b>	<b>(46)</b>	<b>-</b>	<b>797</b>
% of revenues	12.9	9.6	15.9	11.3	11.4	-	-	11.4
<b>OPERATING PROFIT</b>	<b>235</b>	<b>114</b>	<b>111</b>	<b>198</b>	<b>48</b>	<b>(48)</b>	<b>-</b>	<b>658</b>

\* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.

Half-year ended June 30, 2018 (in millions of euros)	North America	France	United Kingdom and Ireland	Rest of Europe	Asia- Pacific and Latin America	HQ expenses	Eliminations	Total
<b>Revenues</b>								
▶ external	2,029	1,401	781	1,797	459	-	-	6,467
▶ inter-geographic area	55	109	86	149	752	-	(1,151)	-
<b>TOTAL REVENUES</b>	<b>2,084</b>	<b>1,510</b>	<b>867</b>	<b>1,946</b>	<b>1,211</b>	<b>-</b>	<b>(1,151)</b>	<b>6,467</b>
<b>OPERATING MARGIN *</b>	<b>268</b>	<b>118</b>	<b>95</b>	<b>215</b>	<b>54</b>	<b>(43)</b>	<b>-</b>	<b>707</b>
% of revenues	13.2	8.4	12.2	12.0	11.7	-	-	10.9
<b>OPERATING PROFIT</b>	<b>196</b>	<b>64</b>	<b>74</b>	<b>193</b>	<b>37</b>	<b>(43)</b>	<b>-</b>	<b>521</b>

\* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.



Year ended December 31, 2018 (in millions of euros)	North America	France	United Kingdom and Ireland	Rest of Europe	Asia- Pacific and Latin America	HQ expenses	Eliminations	Total
<b>Revenues</b>								
▶ external	4,230	2,848	1,565	3,605	949	-	-	13,197
▶ inter-geographic area	123	221	181	312	1,504	-	(2,341)	-
<b>TOTAL REVENUES</b>	<b>4,353</b>	<b>3,069</b>	<b>1,746</b>	<b>3,917</b>	<b>2,453</b>	<b>-</b>	<b>(2,341)</b>	<b>13,197</b>
<b>OPERATING MARGIN *</b>	<b>576</b>	<b>317</b>	<b>198</b>	<b>468</b>	<b>122</b>	<b>(84)</b>	<b>-</b>	<b>1,597</b>
% of revenues	13.6	11.1	12.6	13.0	12.8	-	-	12.1
<b>OPERATING PROFIT</b>	<b>455</b>	<b>222</b>	<b>166</b>	<b>416</b>	<b>76</b>	<b>(84)</b>	<b>-</b>	<b>1,251</b>

\* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.

## NOTE 6 REVENUES

In the first-half 2019, revenues grew 8.4% year-on-year at current Group scope and exchange rates. Revenues grew 6.2% at constant exchange rates\*, while organic growth\* was 4.9%.

in millions of euros	First-half 2018	Change		First-half 2019
		on published figures	at constant exchange rates (*)	
North America	2,029	10.8%	3.8%	2,248
France	1,401	6.9%	6.9%	1,498
United Kingdom and Ireland	781	8.7%	8.0%	849
Rest of Europe	1,797	5.7%	6.2%	1,898
Asia-Pacific and Latin America	459	12.1%	12.2%	514
<b>TOTAL</b>	<b>6,467</b>	<b>8.4%</b>	<b>6.2%</b>	<b>7,007</b>

\* Organic growth and growth at constant exchange rates, alternative performance measures monitored by the Group, are defined in Note 4 - Alternative performance measures.



## NOTE 7 OPERATING EXPENSES BY NATURE

<i>in millions of euros</i>	2018		First-half 2018		First-half 2019	
	Amount	% of revenues	Amount	% of revenues	Amount	% of revenues
Personnel costs	8,147	61.7%	4,150	64.2%	4,437	63.3%
Travel expenses	535	4.0%	253	3.9%	274	3.9%
	<b>8,682</b>	<b>65.7%</b>	<b>4,403</b>	<b>68.1%</b>	<b>4,711</b>	<b>67.2%</b>
Purchases and sub-contracting expenses	2,237	17.0%	1,012	15.7%	1,146	16.4%
Rent and local taxes	366	2.8%	181	2.8%	91	1.3%
Other charges to depreciation, amortization and provisions and proceeds from asset disposals	315	2.4%	164	2.5%	262	3.7%
<b>OPERATING EXPENSES</b>	<b>11,600</b>	<b>87.9%</b>	<b>5,760</b>	<b>89.1%</b>	<b>6,210</b>	<b>88.6%</b>

From January 1, 2019:

- the line "Rent and local taxes" excludes operating leases expenses falling under the scope of IFRS 16, Leases and replaced by depreciation of the lease right-of-use asset and interest on the related lease liability (see Note 2 – Accounting policies, IFRS 16, Leases).
- the line "Other charges to depreciation, amortization and provisions and proceeds from asset disposals" includes the net charge to depreciation of lease right-of-use assets. This net depreciation totaled €139 million in the first-half 2019 (see Note 2 – Accounting policies, IFRS 16, Leases).

## NOTE 8 OTHER OPERATING INCOME AND EXPENSE

<i>in millions of euros</i>	2018	First-half 2018	First-half 2019
Amortization of intangible assets recognized in business combinations	(75)	(31)	(38)
Expenses relating to share grants	(91)	(47)	(55)
Restructuring costs	(122)	(64)	(26)
Integration costs for purchased companies	(25)	(12)	(16)
Acquisition costs	(13)	(10)	(2)
Other operating expenses	(29)	(22)	(3)
<b>Total operating expenses</b>	<b>(355)</b>	<b>(186)</b>	<b>(140)</b>
Other operating income	9	-	1
<b>Total operating income</b>	<b>9</b>	<b>-</b>	<b>1</b>
<b>OTHER OPERATING INCOME AND EXPENSE</b>	<b>(346)</b>	<b>(186)</b>	<b>(139)</b>





## NOTE 9 NET FINANCIAL EXPENSE

<i>in millions of euros</i>	2018	First-half 2018	First-half 2019
Income from cash and cash equivalents and cash management assets	49	22	32
Net interest on borrowings	(58)	(29)	(27)
<b>Net finance costs at the nominal interest rate</b>	<b>(9)</b>	<b>(7)</b>	<b>5</b>
Impact of amortized cost on borrowings	(3)	1	(4)
<b>Net finance costs at the effective interest rate</b>	<b>(12)</b>	<b>(6)</b>	<b>1</b>
Net interest cost on defined benefit pension plans	(27)	(13)	(13)
Net interest on lease liabilities	-	-	(11)
Exchange gains (losses) on financial transactions	(13)	15	(27)
Gains (losses) on derivative instruments	(19)	(32)	14
Other	(9)	(3)	(3)
<b>Other financial income and expense</b>	<b>(68)</b>	<b>(33)</b>	<b>(40)</b>
<i>o/w financial income</i>	39	50	23
<i>o/w financial expense</i>	(107)	(83)	(63)
<b>NET FINANCIAL EXPENSE</b>	<b>(80)</b>	<b>(39)</b>	<b>(39)</b>

Net interest on borrowings (€27 million) and the impact of amortized cost on borrowings (€4 million) total €31 million and mainly comprise:

- ▶ coupons on the 2015 bond issues of €18 million, plus an amortized cost accounting impact of €1 million,
- ▶ coupon on the 2016 bond issue of €1 million, with a negligible amortized cost accounting impact,
- ▶ coupons on the 2018 bond issues of €8 million, plus an amortized cost accounting impact of €3 million.

Exchange losses on financial transactions and gains on derivative instruments primarily concern inter-company loans denominated in foreign currencies and their related hedging arrangements.

From January 1, 2019, the net financial expense includes interest on lease liabilities in accordance with IFRS 16, *Leases*. This interest totaled €11 million in first-half 2019 (see Note 2 – Accounting policies, IFRS 16, *Leases*).



## NOTE 10 INCOME TAX EXPENSE

The effective tax rate for the half-year is calculated by applying the estimated effective tax rate for the fiscal year to pre-tax net profits for the half-year to June 30.

The effective income tax rate for the first-half 2019 is 37.4% based on pre-tax net profit of €619 million, compared with 38.2% at December 31, 2018 and 35.2% at June 30, 2018.

The effective income tax rate used to calculate normalized earnings per share is 32.6% as it is adjusted for the tax expense of €30 million due to the transitional impact of the US tax reform, compared with 31,4% at June 30, 2018.

## NOTE 11 GOODWILL

The €160 million increase in goodwill is mainly due to the 2019 first-half acquisition in the amount of €145 million (see Note 3 - Changes in consolidation scope and major events) and translation adjustments of €29 million recognized on goodwill primarily denominated in US dollars.

## NOTE 12 TRADE RECEIVABLES, CONTRACT ASSETS AND CONTRACT COSTS

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
Trade receivables	1,831	2,082	1,927
Provisions for doubtful accounts	(19)	(18)	(20)
Contract assets	1,335	1,123	1,519
<b>Trade receivables and contract assets, excluding contract costs</b>	<b>3,147</b>	<b>3,187</b>	<b>3,426</b>
Contract costs	94	92	86
<b>TRADE RECEIVABLES AND CONTRACT ASSETS</b>	<b>3,241</b>	<b>3,279</b>	<b>3,512</b>

Total trade receivables and contract assets net of contract liabilities can be analyzed as follows in number of days' annual revenue:

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
Trade receivables and contract assets excluding contract costs	3,147	3,187	3,426
Contract liabilities	(644)	(864)	(727)
<b>TRADE RECEIVABLE AND CONTRACT ASSETS NET OF CONTRACT LIABILITIES</b>	<b>2,503</b>	<b>2,323</b>	<b>2,699</b>
In number of days' annual revenue	70	63	69

As of June 30, 2019, receivables totaling €107 million were assigned with transfer of risk as defined by IFRS 9 to financial institutions (compared with €100 million at June 30, 2018 and €103 million at December 31, 2018) and were therefore derecognized in the Statement of Financial Position at June 30, 2019.



## NOTE 13 NET DEBT / NET CASH AND CASH EQUIVALENTS

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	January 1, 2019 (1)	June 30, 2019
Short-term investments	1,053	1,476	1,476	1,271
Cash at bank	698	530	530	398
Bank overdrafts	(1)	(2)	(2)	(6)
<b>Cash and cash equivalents</b>	<b>1,750</b>	<b>2,004</b>	<b>2,004</b>	<b>1,663</b>
<b>Cash management assets</b>	<b>221</b>	<b>183</b>	<b>183</b>	<b>204</b>
Bonds	(3,229)	(3,233)	(3,233)	(3,237)
Obligations under finance leases	(37)	(41)	-	-
Draw-downs on bank and similar facilities and other borrowings	(1)	-	-	-
<b>Long-term borrowings</b>	<b>(3,267)</b>	<b>(3,274)</b>	<b>(3,233)</b>	<b>(3,237)</b>
Bonds	(542)	(26)	(26)	(44)
Obligations under finance leases	(40)	(39)	-	-
Draw-downs on bank and similar facilities and other borrowings	(288)	(16)	(16)	(210)
<b>Short-term borrowings</b>	<b>(870)</b>	<b>(81)</b>	<b>(42)</b>	<b>(254)</b>
<b>Borrowings</b>	<b>(4,137)</b>	<b>(3,355)</b>	<b>(3,275)</b>	<b>(3,491)</b>
Derivative instruments	(26)	(16)	(16)	3
<b>(NET DEBT) / NET CASH AND CASH EQUIVALENTS *</b>	<b>(2,192)</b>	<b>(1,184)</b>	<b>(1,104)</b>	<b>(1,621)</b>

(1) The Consolidated Statement of Financial Position at January 1, 2019 has been restated for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).

\* (Net debt)/Net cash and cash equivalents, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.

The €517 million increase in net debt during the first six months of 2019 on January 1, 2019 chiefly reflects:

- ▶ the payment to shareholders of a dividend of €281 million,
- ▶ cash outflows on business combinations, net of cash and cash equivalents acquired, of €152 million,
- ▶ net cash outflows of €132 million in respect of transactions in Capgemini SE shares.

partially offset by the organic free cash flow\* generation of €90 million.

Financial asset and liability fair value measurement methods and classifications are unchanged on December 31, 2018.

\* Organic free cash flow, an alternative performance measure monitored by the Group, is defined in Note 4 - Alternative performance measures.



## NOTE 14 PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
<b>NET OBLIGATION AT BEGINNING OF PERIOD</b>	<b>1,196</b>	<b>1,196</b>	<b>1,011</b>
<b>Expense for the period recognized in the Income Statement</b>	<b>54</b>	<b>79</b>	<b>40</b>
Service cost	37	59	28
Curtailments, settlements and plan transfers	4	(7)	(1)
Interest cost	13	27	13
<b>Impact on income and expense recognized in equity</b>	<b>(212)</b>	<b>(132)</b>	<b>115</b>
<b>Other</b>	<b>(64)</b>	<b>(132)</b>	<b>(34)</b>
Benefits and contributions	(54)	(112)	(44)
Translation adjustments	(5)	(11)	10
Business combinations	-	2	-
Other movements	(5)	(11)	-
<b>NET OBLIGATION AT END OF PERIOD</b>	<b>974</b>	<b>1,011</b>	<b>1,132</b>

The impact on income and expense recognized in equity at June 30, 2019 comes mainly from the change in the discount rate curves for Canada and the United Kingdom.



## NOTE 15 OTHER NON-CURRENT AND CURRENT ASSETS AND LIABILITIES

"Other non-current assets", "Other current assets", "Other non-current liabilities" and "Other current liabilities" presented in the Consolidated Statement of Financial Position break down as follows.

### OTHER NON-CURRENT AND CURRENT ASSETS

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
Derivative instruments	67	94	133
Shares in associates	4	45	44
Social security and tax-related receivables, other than income tax	186	246	204
Prepaid expenses <sup>(1)</sup>	272	226	227
Long-term deposits, receivables and other investments	120	120	117
Non-current tax receivables	98	79	78
Other	112	85	76
<b>OTHER NON-CURRENT AND CURRENT ASSETS</b>	<b>859</b>	<b>895</b>	<b>879</b>

(1) The line "Prepaid expenses" has been restated at January 1, 2019 for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).

### OTHER NON-CURRENT AND CURRENT LIABILITIES

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
Special employee profit-sharing reserve	34	40	53
Derivative instruments	67	36	14
Liabilities related to acquisitions of consolidated companies	179	218	189
Non-current tax payables	43	29	29
Other <sup>(1)</sup>	88	89	65
<b>OTHER NON-CURRENT AND CURRENT LIABILITIES</b>	<b>411</b>	<b>412</b>	<b>350</b>

(1) The line "Other" has been restated at January 1, 2019 for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).



## NOTE 16 NUMBER OF EMPLOYEES

### AVERAGE NUMBER OF EMPLOYEES BY GEOGRAPHIC AREA

	First-half 2018		2018		First-half 2019	
	Employees	%	Employees	%	Employees	%
North America	17,545	9	17,702	8	17,828	8
France	25,410	13	25,630	13	26,376	12
United Kingdom and Ireland	8,301	4	8,443	4	8,736	4
Rest of Europe	35,445	17	36,078	17	37,847	18
Asia-Pacific and Latin America	114,472	57	116,903	58	122,528	58
Not allocated	145	-	148	-	155	-
<b>AVERAGE NUMBER OF EMPLOYEES</b>	<b>201,318</b>	<b>100</b>	<b>204,904</b>	<b>100</b>	<b>213,470</b>	<b>100</b>

### NUMBER OF EMPLOYEES AT THE PERIOD END BY GEOGRAPHIC AREA

	June 30, 2018		December 31, 2018		June 30, 2019	
	Employees	%	Employees	%	Employees	%
North America	18,197	9	17,684	9	17,829	8
France	25,497	13	26,318	12	26,429	12
United Kingdom and Ireland	8,377	4	8,635	4	8,847	4
Rest of Europe	35,955	17	37,306	17	38,407	18
Asia-Pacific and Latin America	117,404	57	121,218	58	125,135	58
Not allocated	144	-	152	-	154	-
<b>AVERAGE NUMBER OF EMPLOYEES</b>	<b>205,574</b>	<b>100</b>	<b>211,313</b>	<b>100</b>	<b>216,801</b>	<b>100</b>



## NOTE 17 OFF-BALANCE SHEET COMMITMENTS

### COMMITMENTS GIVEN

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
On client contracts	1,926	1,817	1,813
On non-cancelable leases <sup>(1)</sup>	767	836	107
Other commitments given	16	15	13
<b>COMMITMENTS GIVEN</b>	<b>2,709</b>	<b>2,668</b>	<b>1,933</b>

(1) Following the application of the IFRS 16, Leases, at January 1, 2019, the amounts presented as commitments given mainly concern the non-lease components of Group's real estate leases as at June 30, 2019

### COMMITMENTS RECEIVED

<i>in millions of euros</i>	June 30, 2018	December 31, 2018	June 30, 2019
On client contracts	-	10	2
Other commitments received	55	34	27
<b>COMMITMENTS RECEIVED</b>	<b>55</b>	<b>44</b>	<b>29</b>

### COMMITMENTS RELATING TO GROUP FINANCING

The off-balance-sheet commitments mentioned in the 2018 consolidated financial statements are unchanged. Under the bridge loan secured as part of the Altran acquisition, as detailed in Note 3 – Changes in consolidation scope and major events, Capgemini SE undertook to comply with the following financial ratios (defined in IFRS):

- a consolidated net debt\* to consolidated equity ratio of less than 1 at all times;
- an interest coverage ratio (the extent to which consolidated net finance costs are covered by consolidated operating margin\*) of equal to or greater than 3 at December 31 and June 30 of each year (based on the 12 months then ended).

At June 30, 2019 the Group complied with these financial ratios.

This credit facility agreement also includes covenants restricting Capgemini SE's ability to carry out certain transactions. These covenants also apply to Group subsidiaries. They include restrictions primarily relating to pledging assets as collateral, asset sales, mergers and similar transactions. Capgemini SE also committed to obligations that are standard for this type of financing, including an agreement to maintain pari passu status.

\* The alternative performance measures monitored by the Group (operating margin and net debt) are defined in Note 4 - Alternative performance measures and broken down in Note 13 - Net debt/Net cash and cash equivalents. "

### CONTINGENT LIABILITIES

During the first-half 2019 and in previous fiscal years, certain Group companies underwent tax audits leading in some cases to tax reassessments. A number of proposed adjustments have been challenged and litigation and pre-litigation proceedings were in progress at June 30, 2019. In general, no amounts have been booked for these disputes in the consolidated financial statements in so far as Capgemini can justify its positions and considers the likelihood of winning the disputes to be high. This is particularly the case for Capgemini SE for which tax authority considers that its reinsurance subsidiary located in Luxembourg, takes advantage of a preferential tax regime and thereby its profits should be taxed at Capgemini SE level.



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## **NOTE 18    SUBSEQUENT EVENTS**

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On June 11, 2019, Capgemini and ISAI issued a joint announcement presenting the launch of an investment fund to be managed by ISAI, that will take minority stakes in young technology companies which have developed innovative solutions, future leaders of the software industry (IaaS, SaaS, PaaS) and sustainable IT. In accordance with this announcement, Capgemini Ventures SAS subscribed an amount of €49.6 million in the investment fund ISAI Cap Venture. 5% of share capital was paid up on July 1<sup>st</sup>, 2019.

On July 2, 2019, following settlement and delivery of the off-market acquisition of a block of shares from shareholders led by Apax Partners and in accordance with the announcement of June 24, 2019 (see Note 3 – Changes in consolidation scope and major events), the Group acquired 29,378,319 Altran shares representing 11.43% of Altran's share capital at a price of €14.00 per share for a total cash outflow of €413 million (included financial transaction fees). In accordance with applicable regulations, these shares will count towards the acceptance threshold for the public tender offer for all Altran shares that Capgemini is contemplating, to be set at 50.10% of share capital and voting rights (on a fully diluted basis).





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## IMPORTANT INFORMATION

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The reference to the public tender offer in the present interim financial report is disseminated for information purposes only and does not constitute an offer to purchase, or a solicitation of an offer to sell, any securities of Altran Technologies.

The documentation relating to the tender offer which, if filed, will state the terms and conditions of the tender offer, will be submitted to the review of the Autorité des marchés financiers. Investors and shareholders are strongly advised to read the documentation relating to the tender offer when it becomes available, if the offer is filed, as well as any amendments and supplements to those documents as they will contain important information about Capgemini, Altran Technologies and the proposed transaction.

The transaction is notably subject to execution of definitive documentation and obtaining of required regulatory authorizations and other customary conditions. The tender offer would only be filed with the Autorité des marchés financiers after such conditions have been fulfilled.

The paragraphs on the Altran public tender offer must not be published, broadcast or distributed, directly or indirectly, in any country in which the distribution of this information is subject to legal restrictions. The tender offer will not be open to the public in jurisdictions in which its launch is subject to legal restrictions. The publication, broadcasting or distribution of the paragraphs on the Altran public tender offer in certain countries may be subject to legal or regulatory restrictions. Therefore, persons located in countries where the paragraphs on the Altran public tender offer are published, broadcasted or distributed must inform themselves about and comply with such restrictions. Capgemini and Altran Technologies disclaim any responsibility for any violation of such restrictions.



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## DECLARATION BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

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"I hereby declare that, to the best of my knowledge, the condensed interim consolidated financial statements for the half-year ended June 30, 2019 have been prepared in accordance with 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 interim financial review gives a fair description of the material events that occurred in the first six months of the fiscal year and their impact on the financial statements, the main related party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the year ".

Paul Hermelin

Chairman and Chief Executive Officer