Q1 2020 Revenues

April 28th, 2020
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Covid 19: a strong answer to an unprecedented crisis

Health & security of our teams

➢ Immediate measures taken and group crisis management set up as of February
➢ 24/7 monitoring of the situation
➢ Support to extension of health coverage in India

Work from home

➢ In three weeks, close to 95% of the company working from home – 96% in Europe, 98% in the US -
➢ Strong support of our IT infrastructure
➢ Managers leading remotely

Agility of our business

➢ Distributed delivery for seamless continuity
➢ Relationships with the clients proving strong; proactiveness with new prospects
➢ Preparation of restart

“Covid 19 has shown us who our partners are and who our vendors are and Capgemini is truly a partner”

US client
A solid Q1 proving agility and resilience

Constant currency revenue growth
+2.3%
In line with 2019 Q4 results as planned

Bookings
+0.8%
Despite Covid 19’s impact as of mid-March

Digital and cloud revenue
+20%
Continued growth
Despite Covid-19, we are winning significant deals and multi-year contracts

- Consumer Products
- TMT & Services
- Energy and Utilities
- Financial Services
- Manufacturing

- Matalan
- Univision
- Hexion
- Nordea
- Bluescope Steel
- European Telco Company
- Natural gas distribution company
- Major International Bank
- Global Medical Technology Company
- Global home furnishing company
- Global Personal Care products company
- Cathay Pacific
- Neste
- Philippine Telco Company
- Liberty Seguros
- Top Asset Manager USA
- American electric vehicle automotive company
Altran, an historical step for Capgemini

A powerful combination

• Unmatched scale and scope
  • €17 billion in combined revenues in 2019
  • 270,000 experts in almost 50 countries
  • Cutting-edge expertise in new technologies (5G, IoT, AI …)

• Valued strategic partner to leading clients

• Boosted leadership in industrial and technology sectors

• Expanded reach to client CxOs and business leaders

Intelligent Industry

Source. Combined view, 2019 FY results
Carole FERRAND
Chief Financial Officer
Quarterly Revenue Growth

Quarterly revenues

<table>
<thead>
<tr>
<th>Revenues in EUR millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
</tr>
<tr>
<td>Q2 2019</td>
</tr>
<tr>
<td>Q3 2019</td>
</tr>
<tr>
<td>Q4 2019</td>
</tr>
<tr>
<td>Q1 2020</td>
</tr>
</tbody>
</table>

Constant currency growth

Q1: +2.3% YoY

<table>
<thead>
<tr>
<th>Year-on-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic</td>
</tr>
<tr>
<td>Group scope</td>
</tr>
<tr>
<td>Constant Currency</td>
</tr>
<tr>
<td>Currencies</td>
</tr>
<tr>
<td>Reported</td>
</tr>
</tbody>
</table>

Constant currency growth YOY (in %)

+6.7%  +5.7%  +5.9%  +2.9%  +2.3%
Q1 2020 Revenues by Regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 2019 (in €m)</th>
<th>Q1 2020 (in €m)</th>
<th>Year-on-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reported</td>
<td>Constant Currency</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>1,107</td>
<td>1,133</td>
<td>+2.3% -0.6%</td>
</tr>
<tr>
<td>UK &amp; Ireland</td>
<td>416</td>
<td>410</td>
<td>-1.4% -2.6%</td>
</tr>
<tr>
<td>France</td>
<td>732</td>
<td>755</td>
<td>+3.3% +3.3%</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>938</td>
<td>980</td>
<td>+4.5% +5.1%</td>
</tr>
<tr>
<td>APAC &amp; LATAM</td>
<td>249</td>
<td>269</td>
<td>+8.1% +11.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,441</td>
<td>3,547</td>
<td>+3.1% +2.3%</td>
</tr>
</tbody>
</table>

Q1 2020 Revenues | April 28th, 2020

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# Q1 2020 Revenues by Business

<table>
<thead>
<tr>
<th>Strategy &amp; Transformation</th>
<th>Applications &amp; Technology</th>
<th>Operations &amp; Engineering</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1 2019</strong></td>
<td><strong>Q1 2020</strong></td>
<td><strong>Q1 2020</strong></td>
</tr>
<tr>
<td>Total Revenues (in % of Group Revenues)</td>
<td>Year-on-Year Constant Currency</td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td>7%</td>
<td>+9.6%</td>
</tr>
<tr>
<td>71%</td>
<td>71%</td>
<td>+2.1%</td>
</tr>
<tr>
<td>22%</td>
<td>22%</td>
<td>+3.5%</td>
</tr>
</tbody>
</table>

- **Strategy & Transformation**: 7% (7% +9.6%)
- **Applications & Technology**: 71% (71% +2.1%)
- **Operations & Engineering**: 22% (22% +3.5%)
## Q1 2020 Revenues by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Year-on-Year</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>-1.1%</td>
<td></td>
</tr>
<tr>
<td>Energy &amp; Utilities</td>
<td>+1.9%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>+6.2%</td>
<td></td>
</tr>
<tr>
<td>Consumer Goods &amp; Retail</td>
<td>+2.3%</td>
<td></td>
</tr>
<tr>
<td>Public Sector</td>
<td>+5.1%</td>
<td></td>
</tr>
<tr>
<td>Telco, Media &amp; Technology</td>
<td>-2.1%</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>+6.1%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>+2.3%</strong></td>
<td></td>
</tr>
</tbody>
</table>
Bookings Evolution

Bookings (in EUR million)

Q1 2019: 3,367
Q2 2019: 3,734
Q3 2019: 3,411
Q4 2019: 4,624
Q1 2020: 3,403

Constant currency growth YOY (in %)

+2.7%  +6.7%  +19.6%  +16.4%  +0.8%
Headcount Evolution

- Headcount:
  - Mar. 2019: 212,800
  - Net variation offshore: +2,900
  - Net variation onshore: +3,400
  - Mar. 2020: 219,100

- Attrition:
  - Q1 2019: 16.3%
  - Q1 2020: 16.5%
  - Variation: +0.2pt
  - Strategy & Transformation:
    - Q1 2019: 19.1%
    - Q1 2020: 15.8%
    - Variation: -3.3pt
  - Applications & Technology:
    - Q1 2019: 19.1%
    - Q1 2020: 16.6%
    - Variation: -2.7pt
  - Operations & Engineering:
    - Q1 2019: 19.3%
    - Q1 2020: 16.6%
    - Variation: -2.7pt
  - TOTAL:
    - Q1 2019: 19.1%
    - Q1 2020: 16.1%
    - Variation: -3.0pt

- Workforce in global production centers: +2.4% YoY
Quickly adapted to new reality

**People**
- Employee safety as primary focus
- 2019 bonuses paid and salary increases maintained
- Focusing on fast reskilling and new offer development

**Clients**
- High level of client satisfaction
- Delivery quality sustained
- Productivity increased in some settings

**Offerings**
- New opportunities from COVID-19
- Signing deals carry on during confinement
- Digital & Cloud “prove resilient”

Actively Managing all Cost Levers
Facing a challenging environment in the short term

Sector Trends

- Positive
  - Life Sciences & Healthcare
  - Online services
  - Public Sector
  - Telecommunications

- Mild / Medium
  - Consumer Packaged Goods
  - Energy
  - Financial Services
  - Manufacturing
  - Utilities
  - Food retail

- Highly Negative
  - Aerospace & Automotive
  - Non Food Retail
  - Travel & Transportation

Trends quite consistent across geographies
Armed with an agile and resilient model to navigate the crisis

- Strategic and intimate client relationship
- Resilient business mix
- Agile operating model
- Strong financial discipline
Prepared for the rebound

Preparing for end of Lockdown
- People safety to remain a priority
- Protocols and processes defined to exit lockdown
- Safety equipment and logistics planned

Eyeing Market Share gains
- Proven ability to deliver remotely in a secure and productive way
- Focused on client priorities around cost reductions and recovering/accelerating topline
- Proactive around opportunities for market share gains through vendor consolidation

Expanded offering Portfolio
- New offerings related to COVID-19, structured around a ‘Respond – Restore – Relaunch’ approach
- Cost cutting focused offerings with flexible approaches
- Offerings focused on leveraging increased / extended remote work

Proactive on Model evolution
- Take into account the new remote working paradigm
- Evolution of sales, delivery and people management, office use...
- Higher agility in ways of working while providing client with delivery quality, productivity and security
Altran integration on track and synergies confirmed

**Phase 1**
- Q2 - Q3
  - Secure initial onboarding of Altran / Focus on Joint Opportunities
  - Design integrated model

**Phase 2**
- Q4
  - Detailed implementation plan

**Phase 3**
- 2021
  - Roll-out and stabilize integrated model

**Achieve Synergies**

Annual cost synergies of €70-100m and revenue synergies €200-350m confirmed
Altran value creation started

**Leadership**
- 6 virtual Leadership meetings held and operational reviews performed
- Top talent review, engagement planning and retention actions launched

**Go-to-Market**
- Communication to clients
- Onboarding of sales teams
- 80+ potential joint opportunities currently pursued

**Portfolio**
- Discovery and cross sharing of offerings portfolio
- Development of joint offerings to be released in coming months

**Cultural fit**
- Excellent cultural and operational similarities enabling a smooth integration
Our COVID-19 social commitment

Here below are a few examples of ongoing initiatives led by Capgemini teams, including Altran:

- Support the deployment of COVIDOM application (platform used by medical professionals for diagnostic and home monitoring of COVID-19 sick people)
- Developed an app where former medical professionals can register to provide support fighting Covid-19
- Provide relief materials to hospitals (including 40 ventilators, 20 thermal scanners, 20,000 masks, PPE kits...) in collaboration with India government
- Cambridge Consultants, part of the Altran Group, and a select group of our peers were asked by the UK Government to assist in the rapid development and manufacture of ventilators to meet increased hospital requirements
- As part of its partnership with Sanofi, Altran is currently involved in four COVID-19 clinical studies launched and led by Sanofi in Europe and the U.S. on promising molecules

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**Social Response Unit**

A unique structure designed to launch, drive and replicate solidarity initiatives across the Group
Appendix
Alternate performance measures

- **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 published period. Exchange rates for the published period are also used to calculate **growth at constant exchange rates**.

- When determining activity trends by business and in accordance with internal operating performance measures, growth at constant exchange rates is calculated based on **Total revenues**, i.e. before elimination of inter-business billing. The Group considers this to be more representative of activity levels by business. As its business evolves, an increasing number of contracts require the combination of different business lines' expertise, leading to an increase in inter-business flows (approximately 7% of total revenues today).

- **Operating margin** is one of the Group's key performance indicators. It is equal to revenues less operating expenses. It is calculated before "Other operating income and expenses" 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, net of tax calculated using the effective tax rate.

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

- **Net debt** 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, and also including (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 (iv) the impact of hedging instruments when these relate to borrowings and own shares.
## Revenue Quarterly Evolution

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</tr>
</thead>
<tbody>
<tr>
<td>Year-on-Year reported growth</td>
<td>+1.2%</td>
<td>+4.7%</td>
<td>+7.7%</td>
<td>+7.8%</td>
<td>+9.2%</td>
<td>+7.6%</td>
<td>+7.4%</td>
<td>+4.2%</td>
<td>+3.1%</td>
</tr>
<tr>
<td>Year-on-Year organic growth</td>
<td>+6.1%</td>
<td>+6.7%</td>
<td>+6.3%</td>
<td>+5.7%</td>
<td>+5.0%</td>
<td>+4.7%</td>
<td>+5.0%</td>
<td>+2.2%</td>
<td>+2.0%</td>
</tr>
</tbody>
</table>
Utilization Rates

### Strategy & Transformation

- Q1 2019: 70%
- Q2 2019: 72%
- Q3 2019: 70%
- Q4 2019: 72%
- Q1 2020: 69%

### Applications & Technology

- Q1 2019: 78%
- Q2 2019: 79%
- Q3 2019: 79%
- Q4 2019: 80%
- Q1 2020: 78%
Debt Maturity

- **Bond Debt (in EUR million)**

- **Previously issued notes**
- **Notes issued in April 2020**
- **Notes to be redeemed with the proceeds of the April 2020 notes issuance**
- **Altran term loan**

### Debt Maturity Details:

- **2020 (Jul.):** 676
- **2021 (Oct.):** 500
- **2022 (Apr.):** 500
- **2023 (Jul.):** 1,000
- **2024 (Oct.):** 600
- **2025 (Apr.):** 1,600
- **2026 (Apr.):** 800
- **2027 (Apr.):** 500
- **2028 (Apr.):** 1,000
- **2029 (Apr.):** 1,000
- **2030:**
- **2031:**
- **2032 (Apr.):** 1,200
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