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**Capgemini continues to deliver on its strategic priorities
Strong increase in profit in H1 2014: +36%**

Paris, July 31, 2014 – Capgemini Group reports H1 2014 consolidated revenues of € 104 million, up 1.4% vs. H1 2013 at current group structure and exchange rates and 2.6% on a like-for-like basis (i.e. at constant Group structure and exchange rates). In Q2 revenues increased by 3.0% compared with 2.3% in Q1. The H1 operating margin reached 7.9%, up 0.6 points vs. the margin delivered in the same period in 2013. Profit for H1 attributable to shareholders surged 36% to €240 million, compared with €176 million in H1 2013. The Group is well on track on the execution of its strategic priorities: innovation, notably by accompanying its clients in the adoption of the cloud and the new technologies, and competitiveness with the enhancement of its offshore platforms and the industrialization of its production.

(in million of Euros)	H1 2013	H1 2014	Change
Revenues	5,033	5,104	+1.4%*
Operating margin¹	367	402	
<i>as % of revenues</i>	7.3%	7.9%	+0.6pt
Operating profit	302	354	
<i>as % of revenues</i>	6.0%	6.9%	+0.9pt
Profit attributable to shareholders	176	240	+36%
<i>as % of revenues</i>	3.5%	4.7%	
Net cash and cash equivalents at the end of the period	272	205	
Organic free cash flow²	(313)	(148)	

* +2.6% on like-for-like basis

¹ Operating margin is one of the Group's key performance indicators. It is defined as the difference between revenues and operating costs. It is calculated before amortization of intangible assets recognized in business combinations, the charges associated with shares or options allocated to employees, as well as other non-recurring income and expenses such as goodwill impairment, capital gains or losses on disposals, restructuring costs, the cost of acquiring and integrating acquired companies, as well as the impacts of the curtailment and/or settlement of defined benefit pension plans.

² Organic free cash flow is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and adjusted for flows relating to the net interest cost.

Like-for-like growth in revenues breaks down as follows:

- By business*, **Consulting Services** (4% of Group revenues) contracted by 4.7%. **Local Professional Services** (Sogeti) (15% of Group revenues) grew slightly by 0.6% (+1.1% in Q2). **Application Services** (56% of Group revenues) grew 2.2% in H1 (+2.5% in Q2) supported by a good momentum in SMAC and application maintenance. **Other Managed Services** (24% of Group revenues) showed the best increase with 6.5% in H1 (+7.2% in Q2) fueled by growth in BPO and Infrastructure Services.
- by region, the emerging countries of Asia Pacific and Latin America reported strong growth (+9.1%). Activity in North America remains strong with a revenue growth of 6.1% in H1 (+7.9% in Q2). With an increase of revenues of 3.3%, the United Kingdom and Ireland region is showing the dynamism of the commercial sector. Activity in France continued to expand by 1.5% in H1 (+1.9% in Q2) in spite of a slow environment. Benelux reported a 2.1% fall in revenues in H1, with the decrease limited to 1.2% in Q2; aiming for a stable activity in the second-half. The rest of Europe is flat (-0.1%) with still a difficult environment in Spain.

Bookings totaled €5 653 million in H1 2014, a growth 20% compared to the same period in 2013 and an overall book to bill of 1.11.

The **operating margin** of the Group for H1 2014 reached €402 million, or 7.9% of revenues, up 0.6 points on H1 2013.

Profit for the period attributable to shareholders is €240 million, compared with €176 million for H1 2013, an increase of 36%.

Organic free cash flow is -€148 million for H1 2014 compared with -€313 million for H1 2013. Net cash and cash equivalents total €205 million on June 30, 2014.

At the end of H1 2014, the **total headcount** of the Group was 138,809 including 1,842 employees from the acquisition of Euriware, which was completed on May 7, 2014. Offshore employees totaled 62,909, up 16% on June 30, 2013 (including 51,877 in India) and represented 45% of the Group headcount, up 3 points on June 30, 2013.

H1 strong performance supports the Group's annual guidance, it confirms its objectives for 2014 of an organic revenue growth of 2% to 4% and an operating margin rate between 8.8% and 9.0%. Organic free cash flow is expected to exceed €500 million.

For Paul Hermelin, Chairman and CEO of the Capgemini Group: *"In spite of slow economic growth in our key markets in Continental Europe, we continue to execute our strategy and meet our commitments; reporting growth in H1 in line with our objectives, driven by the momentum of our operations in North America and emerging countries, and a strong improvement in profits. Our strategy to combine competitiveness and innovation is bearing fruit."*

The Board of Directors has also decided, pursuant to resolutions 30 and 31 voted in the last Shareholders General Assembly, to launch a new capital increase reserved for employees for a maximum of 5 million shares, along with the end of the 2009 share ownership plan; the transaction should be completed before the end of 2014. It also authorized a new share buyback program of €80 million in order to neutralize the future dilution generated by the various equity-based instruments granted to employees.

*Note on the definition of the businesses:

The growing demand of customers, to integrate within a single contract maintenance services and application development, has led the Group to revise the presentation of segment information by business. The distinction between Technology Services, including application development, and Outsourcing which includes the maintenance activity, has therefore become artificial.

Accordingly, effective from January 1, 2014, segment reporting by business is presented as follows:

- Consulting Services, which help to enhance the performance of organizations based on in-depth knowledge of client industries and processes (unchanged),
- Local Professional Services, which provide assistance and support to internal IT teams within client companies (unchanged),
- Application Services, which devise, develop, implement and maintain IT applications covering the Group's system integration and application maintenance activities.
- Other Managed Services, which integrate, manage and/or develop either fully or partially, client's IT Infrastructure systems (or that of a group of clients), transaction services, on demand services and/or business activities (Business Process Outsourcing, BPO).

Appendix

Results by region

	% Revenues H1 2014	Growth vs. H1 2013		Operating margin	
		Published	Like-for-like	H1 2013	H1 2014
North America	20.3%	0.3%	6.1%	12.3%	11.9%
United Kingdom and Ireland	21.2%	7.0%	3.3%	8.1%	9.9%
France	22.4%	4.7%	1.5%	7.2%	6.7%
Benelux	10.3%	-2.1%	-2.1%	8.2%	8.9%
Rest of Europe	18.1%	-2.1%	-0.1%	6.2%	7.9%
Asia Pacific and Latin America	7.7%	-5.7%	9.1%	2.6%	2.7%
TOTAL	100.0%	1.4%	2.6%	7.3%	7.9%

Results by business

	% revenues H1 2014	Growth ⁽¹⁾ vs. H1 2013	Operating margin	
			H1 2013	H1 2014
Consulting	4.4%	-4.7%	7.7%	7.0%
Local Professional Services (Sogeti)	15.2%	0.6%	9.1%	8.2%
Application Services	56.4%	2.2%	8.4%	9.3%
Other Managed Services	24.0%	6.5%	6.0%	7.3%

⁽¹⁾ like-for-like

Key events of H1 2014

- Launch of “Digital Customer Experience”, a new global service line to help organizations digitalize their customer experience
- Strategic partnership with VMWare to jointly develop new business cloud orchestration solutions
- Over €40M contract with Lloyd’s Register to deliver new and enhanced infrastructure and application services
- Acquisition of the French IT Services firm Euriware
- Partnership signed with Areva covering a large outsourcing and systems integration contract for €1 billion over 10 years
- BPO contract with Honeywell for the management of financial and accounting services
- Expansion of our partnership with Cloudera to help organizations accelerate their Big Data initiatives
- Application Services contract with Office Depot

Historical results by business

Revenue in €M	2012	2013	H1 2013	H1 2014
Consulting	500	456	237	226
Local Professional Services (Sogeti)	1,528	1,498	755	775
Application Services	5,908	5,825	2,923	2,879
Other Managed Services	2,328	2,313	1,118	1,224
Total	10,264	10,092	5,033	5,104

Operating Margin in % of revenue	2012	2013	H1 2013	H1 2014
Consulting	11.2%	7.8%	7.7%	7.0%
Local Professional Services (Sogeti)	10.7%	10.6%	9.1%	8.2%
Application Services	8.6%	9.7%	8.4%	9.3%
Other Managed Services	7.0%	7.1%	6.0%	7.3%