

# 2018

## Q3 Revenues

Paris – October 24<sup>th</sup>, 2018

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Paul  
**HERMELIN**





# Strong growth in Q3, as we strengthen our leadership in digital



**+8.7%**

cc YoY



**Revenues**

**€3,228m** in Q3



**+6.7%**

cc YoY



**Bookings**

**€2,808m** in Q3



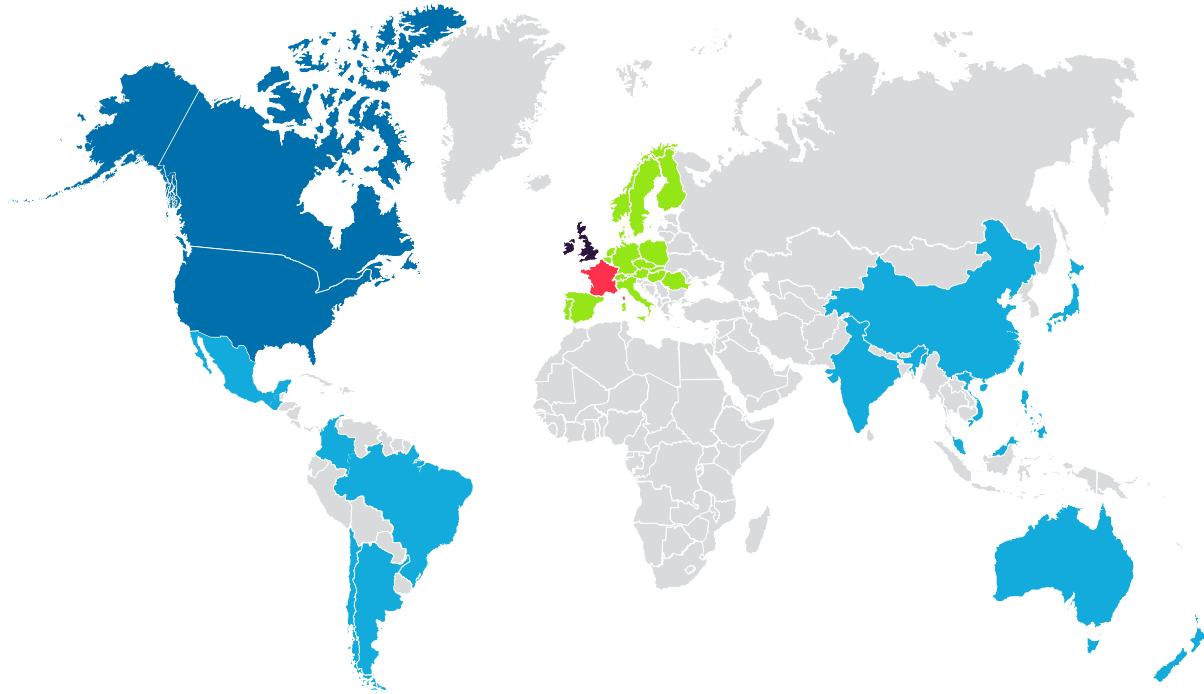
**>20%**

cc YoY



**Digital and Cloud**

# Market trends



- North America**
  - Strong demand in Cloud
  - Traction from FS and CPRD
  - Dynamic Technology & Engineering Services
- UK and Ireland**
  - Return to growth
  - Public sector and EUC
- France**
  - Strong progression
  - EUC, FS and CPRD
- Rest of Europe**
  - Dynamic on Manufacturing and CPRD
- Asia Pacific and Latin America**
  - Growth second quarter in a row



# Revenues by sector

**Consumer Product, Retail & Distribution**

**Energy, Utilities & Chemicals**

**Public Sector**

**Financial Services**

**Manufacturing**

**Telecom, Media & Entertainment**

TOTAL

Q3 2018  
Revenues  
cc YoY

9M 2018  
Revenues  
cc YoY

**+16.8%**

**+18.6%**

**+9.8%**

**+5.1%**

**+9.2%**

**+5.1%**

**+8.5%**

**+9.1%**

**+7.9%**

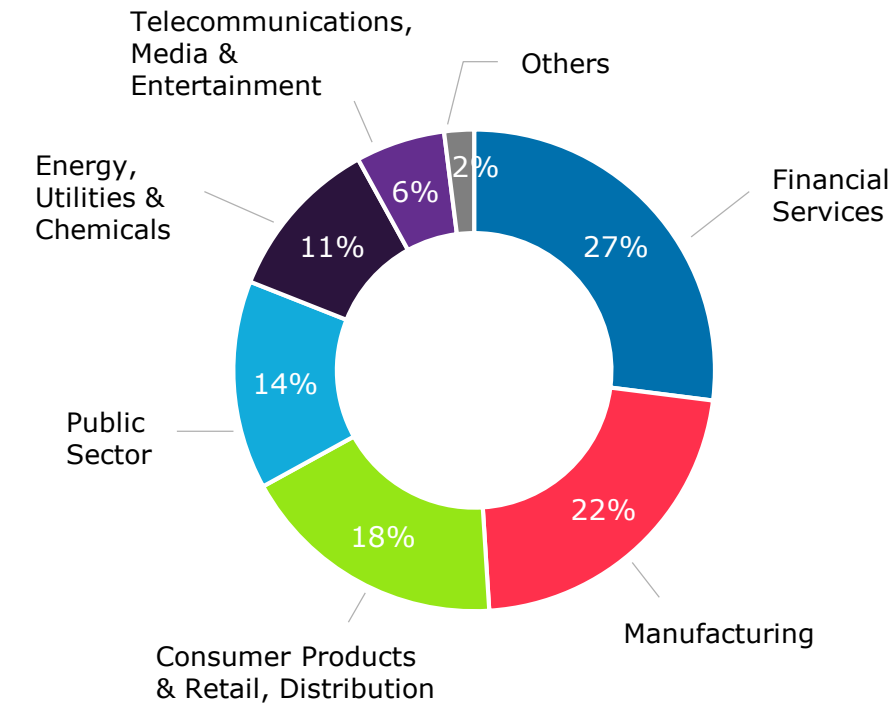
**+8.0%**

**+0.7%**

**-1.3%**

**+8.7%**

**+8.2%**



Q3 2018



# Some important deals of this quarter

 **Consumer Product, Retail & Distribution**

 **Energy, Utilities & Chemicals**

 **Public Sector**

 **Financial Services**

 **Manufacturing**

 **Telecom, Media & Entertainment**

**ProRail**

**Leader in the US dairy sector**

**Major European airport client**



**Major supermarket chain in France**



**Fortune 500 US Insurer**





# Our 2018 objectives

above  
7.5%

Constant currency  
**revenue growth**

12.0%  
to  
12.2%

Operating **margin**

above  
€1b

Organic free **cash flow**



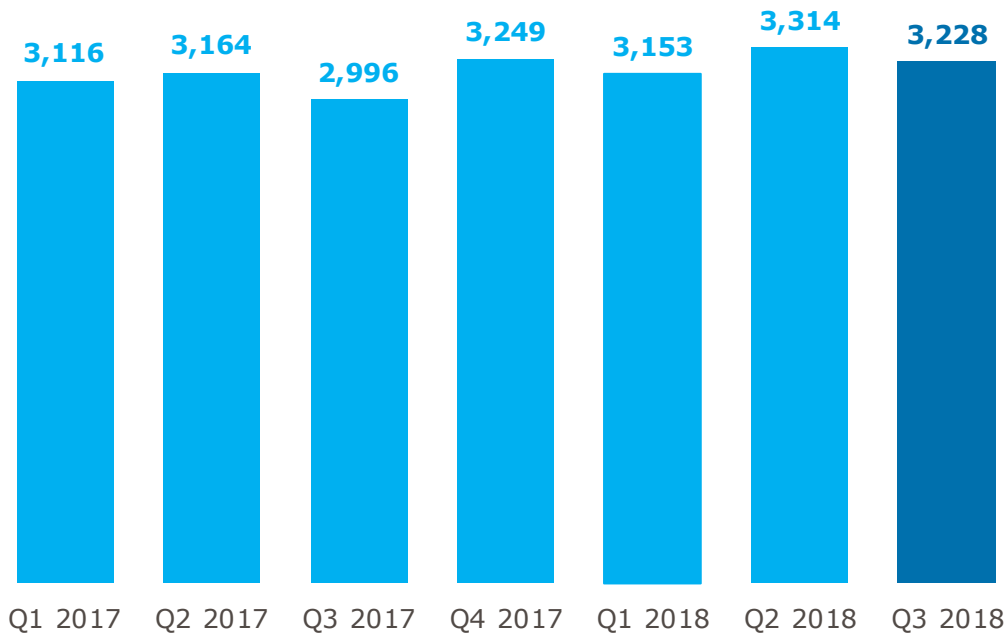
Carole  
**FERRAND**





# Revenues Quarterly Evolution

Revenues in EUR millions



## Constant currency growth

**Q3: +8.7%** YoY

**9M: +8.2%** YoY

	Q3 2018	9M 2018	Currency impact
	Year-on-Year		
<b>Organic</b>	<b>+ 6.3%</b>	<b>+ 6.4%</b>	
Group scope	+2.4pt	+1.8pt	
<b>Constant currency</b>	<b>+ 8.7%</b>	<b>+ 8.2%</b>	
currencies	-1.0pt	-3.7pt	
<b>Reported</b>	<b>+ 7.7%</b>	<b>+ 4.5%</b>	

Constant currency growth YOY (in %)

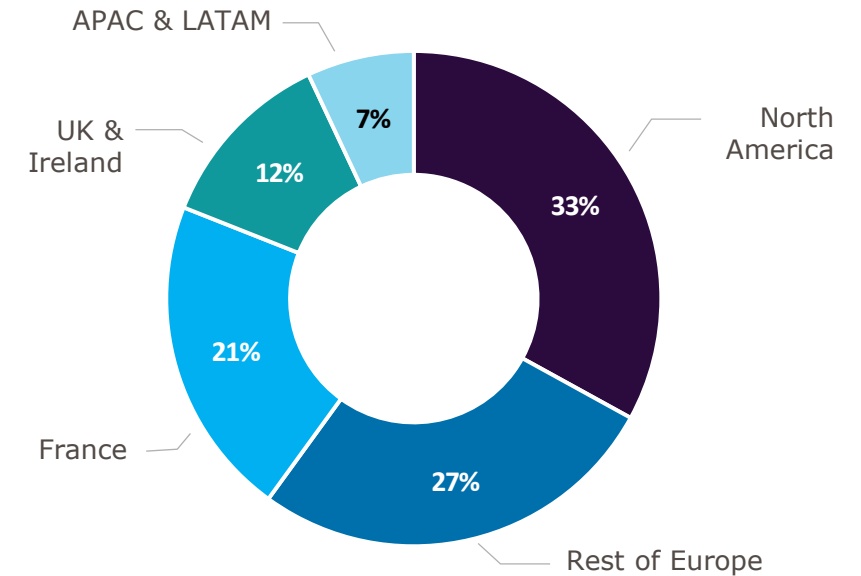


Note: 2017 revenues are restated for IFRS 15, 2017 constant currency growth rates are as published



# Q3 and 9M 2018 Revenues by Regions

	Q3 2017	Q3 2018	Q3 2018		9M 2018
	Revenues		Year-on-Year		Year-on-Year
	(in €m)	(in €m)	Reported	Constant Currency	Constant Currency
North America	953	1,076	+12.9%	+12.9%	+15.6%
UK & Ireland	371	387	+4.7%	+4.0%	-2.6%
France	620	664	+6.9%	+6.9%	+6.3%
Rest of Europe	813	864	+6.2%	+7.7%	+7.8%
APAC & LATAM	239	237	-1.1%	+7.5%	+4.8%
<b>TOTAL</b>	<b>2,996</b>	<b>3,228</b>	<b>+7.7%</b>	<b>+8.7%</b>	<b>+8.2%</b>

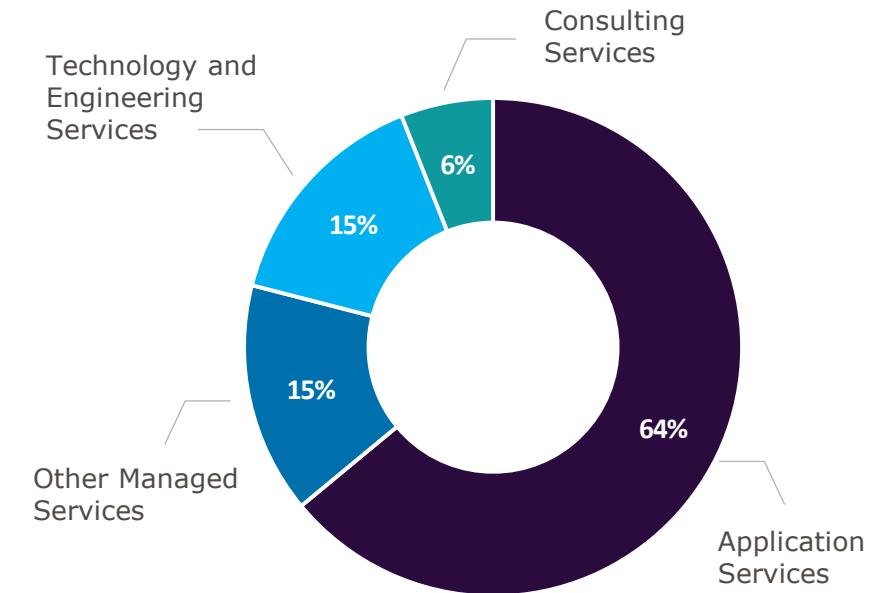


Note: 2017 figures are restated for IFRS 15



# Q3 and 9M 2018 Revenues by Business

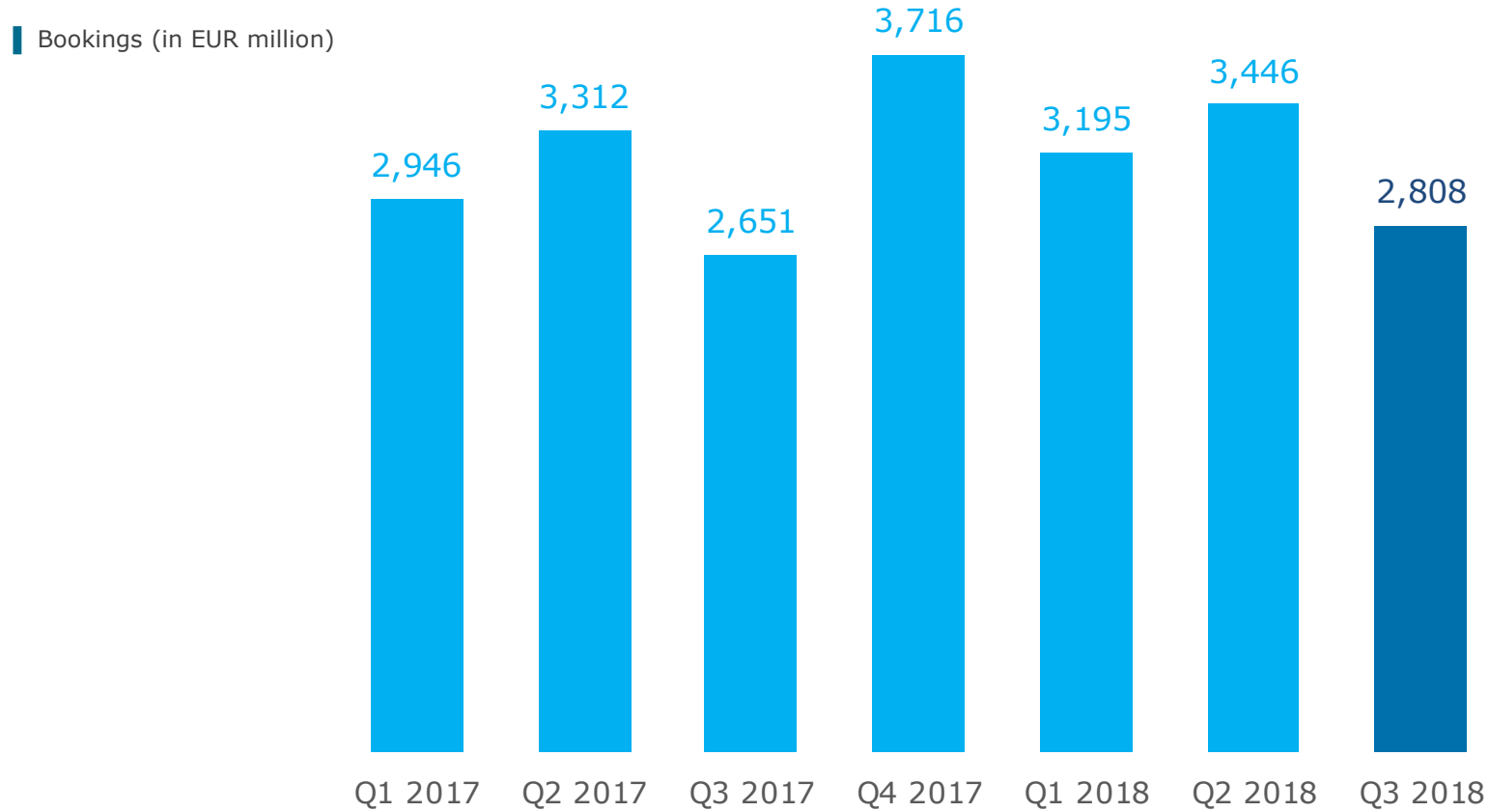
	Q3 2017		Q3 2018		9M 2018
	Revenues		Year-on-Year		
	(in €m)	(in €m)	Reported	Constant Currency	Constant Currency
<b>Consulting Services</b>	134	194	+45.1%	+47.2%	+36.5%
<b>Technology &amp; Engineering Services</b>	445	474	+6.3%	+6.4%	+5.5%
<b>Application Services</b>	1,876	2,056	+9.6%	+10.7%	+10.5%
<b>Other Managed Services</b>	541	504	-6.9%	-5.8%	-4.9%
<b>TOTAL</b>	<b>2,996</b>	<b>3,228</b>	<b>+7.7%</b>	<b>+8.7%</b>	<b>+8.2%</b>



Note: 2017 figures are restated for IFRS 15



# Bookings Evolution



**9M 2018**  
Published: +4.0%  
Constant currency: +9.9%

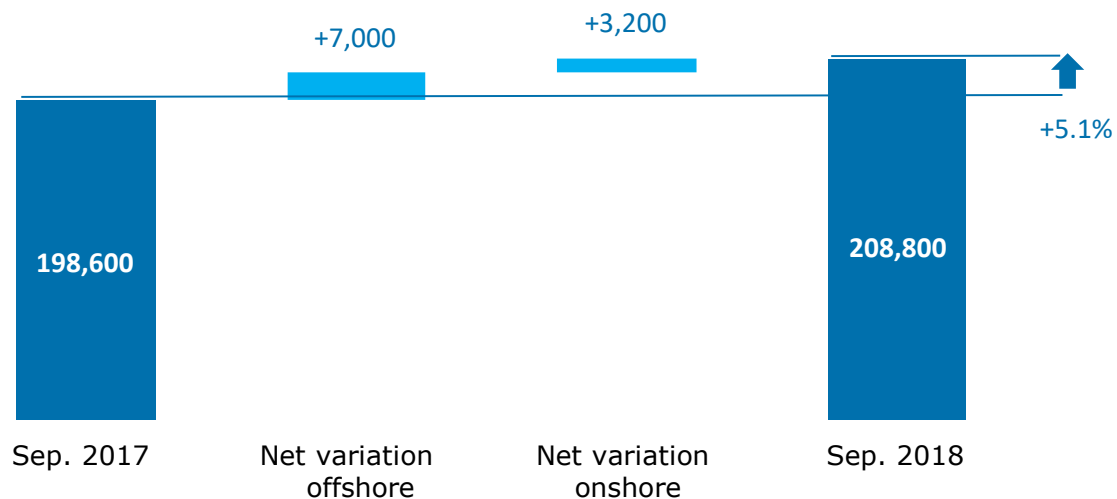
Note: 2017 bookings are restated for IFRS 15, 2017 constant currency growth rates are as published





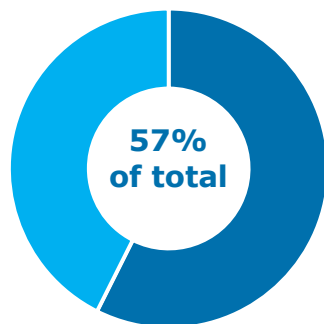
# Headcount Evolution

## Headcount Evolution September 2017 to September 2018



**Workforce in global production centers:**

**+5.1%  
YoY**



## Attrition 12-month ending Sept

Attrition	2017	2018	Variation
Consulting Services	19.8%	18.5%	-1.3pt
Technology and Engineering Services	19.5%	20.7%	+1.2pt
Application Services	17.9%	20.5%	+2.6pt
Other Managed Services	21.1%	23.1%	+2.0pt
<b>TOTAL</b>	<b>18.6%</b>	<b>20.8%</b>	<b>+2.1pt</b>



# Appendix



# Alternate performance measures

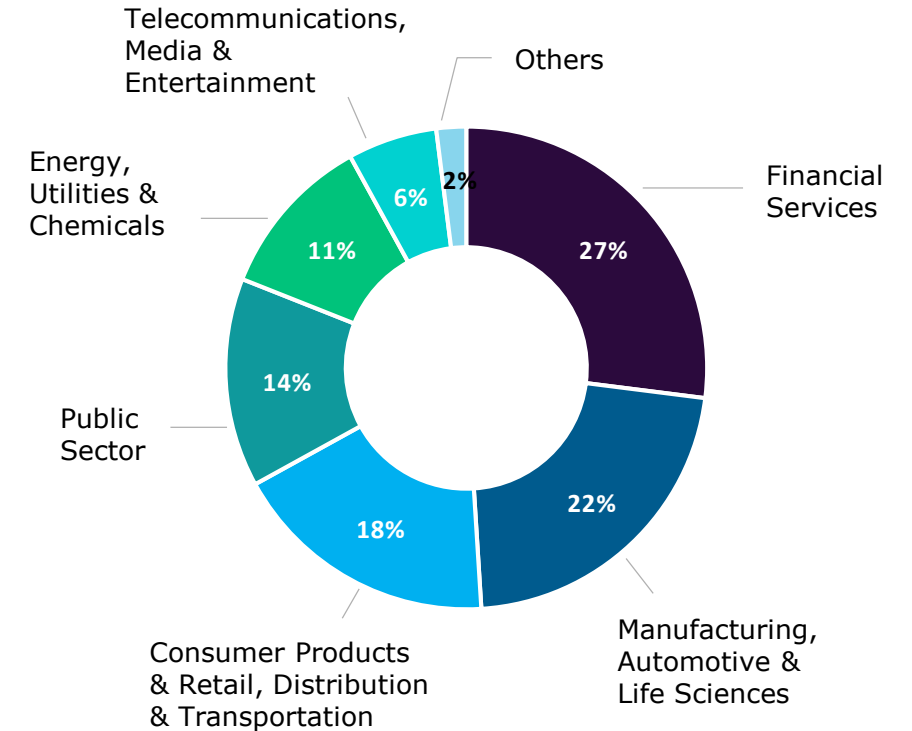
- **Organic growth**, or like-for-like growth, in revenues is the growth rate calculated at constant Group scope and exchange rates. The Group scope and exchange rates used are those for the published period. Exchange rates for the published period are also used to calculate **growth at constant exchange rates**.
- **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) 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;





# Q3 and 9M 2018 Revenues by Sector

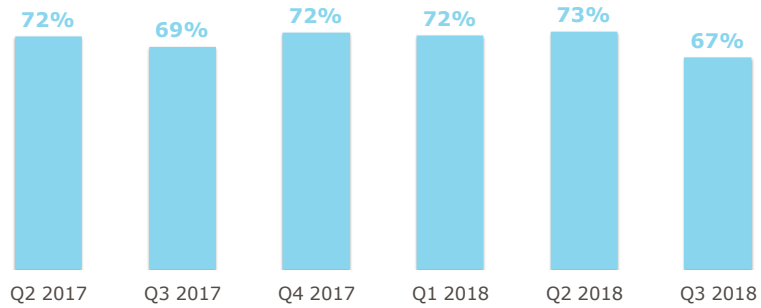
	<b>Q3 2018</b> Year-on-Year Constant Currency	<b>9M 2018</b> Year-on-Year Constant Currency
<b>Financial Services</b>	+8.5%	+9.1%
<b>Energy, Utilities &amp; Chemicals</b>	+9.8%	+5.1%
<b>Manufacturing</b>	+7.9%	+8.0%
<b>Consumer Product, Retail, Dist. &amp; Transportation</b>	+16.8%	+18.6%
<b>Public Sector</b>	+9.2%	+5.1%
<b>Telecom, Media &amp; Entertainment</b>	+0.7%	-1.3%
<b>TOTAL</b>	<b>+8.7%</b>	<b>+8.2%</b>



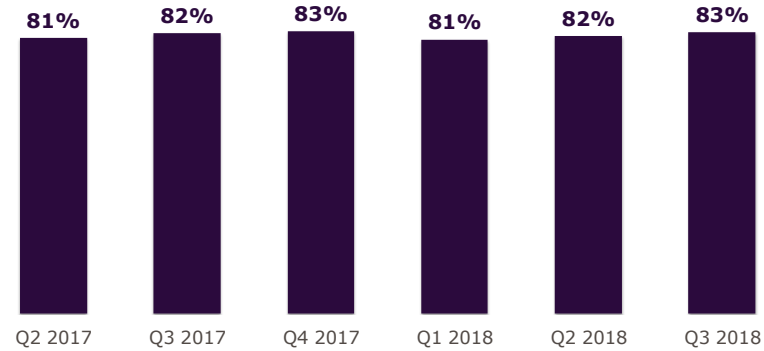


# Utilization Rates

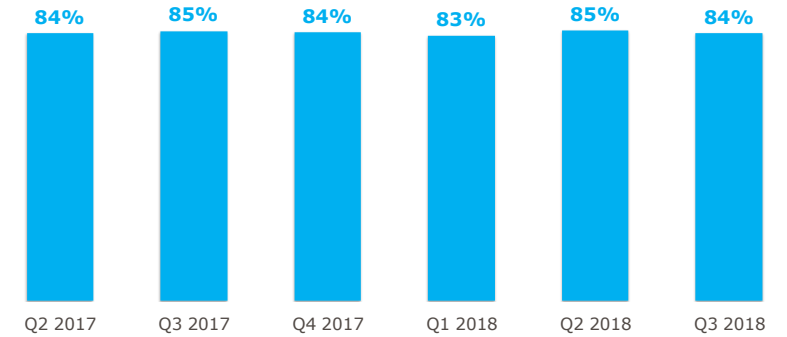
## Consulting Services



## Application Services



## Technology & Engineering Services



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**People matter, results count.**

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