



2019 Q1 Revenues

April 25th, 2019



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Paul
HERMELIN

Chairman and CEO





Starting 2019 in line with our objectives



+6.7%

cc YoY

Revenues

€3,441m



+2.7%

cc YoY

Bookings

€3,367m



+20%

cc YoY

Digital and Cloud

Few highlights of the quarter



Innovation and Portfolio

- **+35%** revenues in **Cloud**
- **+60%** revenues in **Artificial intelligence**
- c. **100** use cases in **Perform AI**
- **+30%** revenues in **Strategy & Transformation**
- **500** elite **Cybersecurity** professionals from Leidos Cyber joined the Group
- Deployment of our **automation** solutions in **180+** clients projects

Recognized leader

- Recognized as a **Leader** by analysts
- **Open Data Initiative**
Member of the Partner Advisory Council of the SAP, Microsoft and Adobe initiative
- **#1** Capgemini **Research** Institute

Employer of choice

Wins this quarter demonstrate selling on 2 fronts



Advanced Digital & Cloud



Multi-Year Managed Contracts



Global alcoholic beverages and spirits firm



equinor

Major IT provider for government services in Europe



Global Insurance provider



Major automotive manufacturer



Office DEPOT®
OfficeMax®

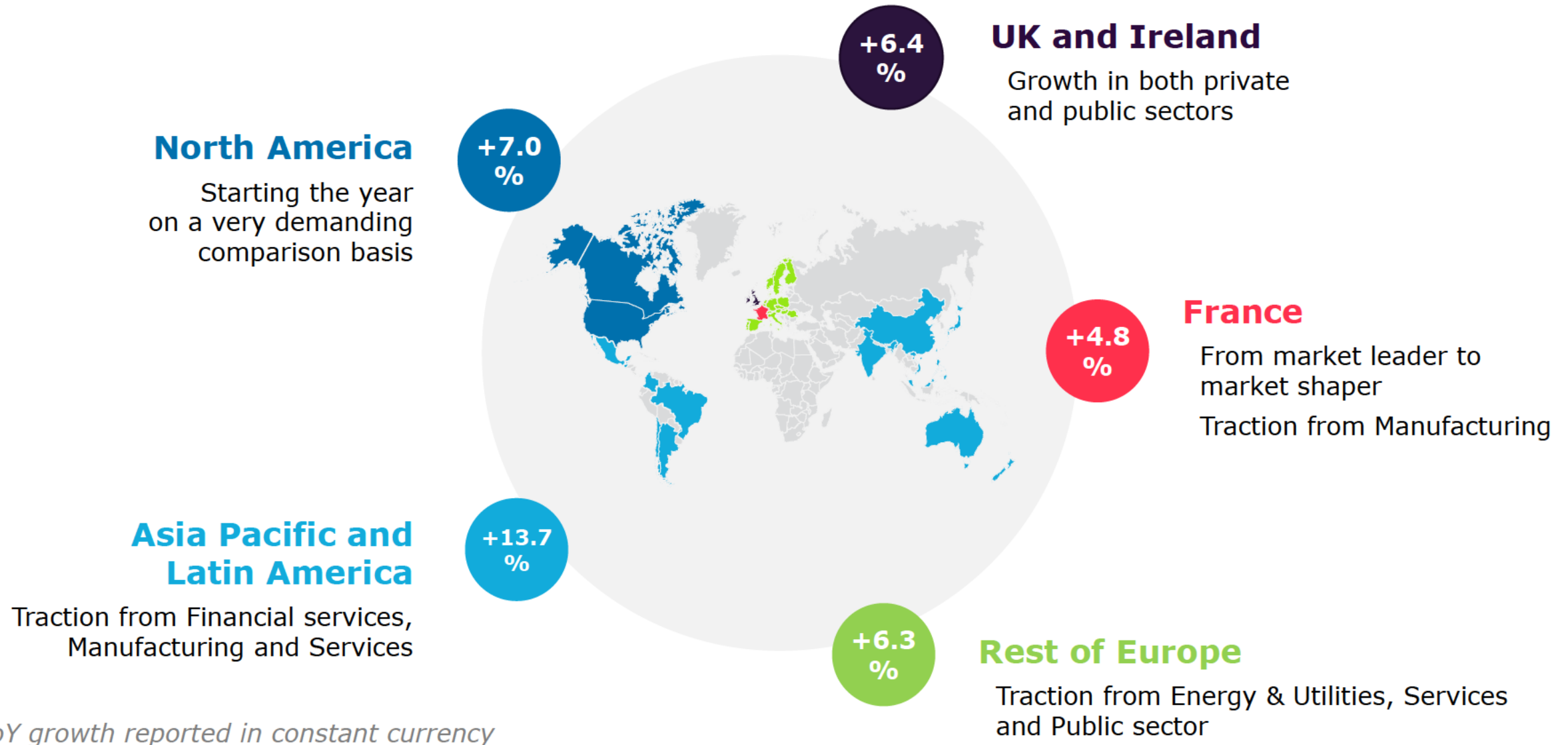


nationalgrid

Major US based Insurance firm



A balanced growth engine across geographies and sectors



We confirm our 2019 outlook



Constant currency
revenue growth

+5.5% to 8%



Operating margin

12.3% to 12.6%



Organic
free cash flow

over €1.1bn

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Carole
FERRAND

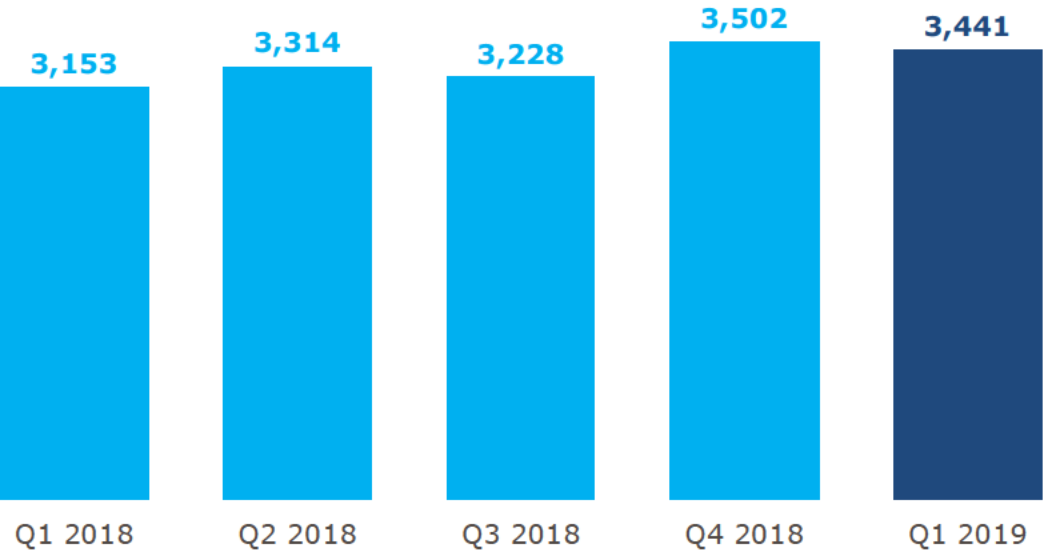
Chief Financial Officer



Quarterly Revenue Growth

Quarterly revenues

Revenues in EUR millions

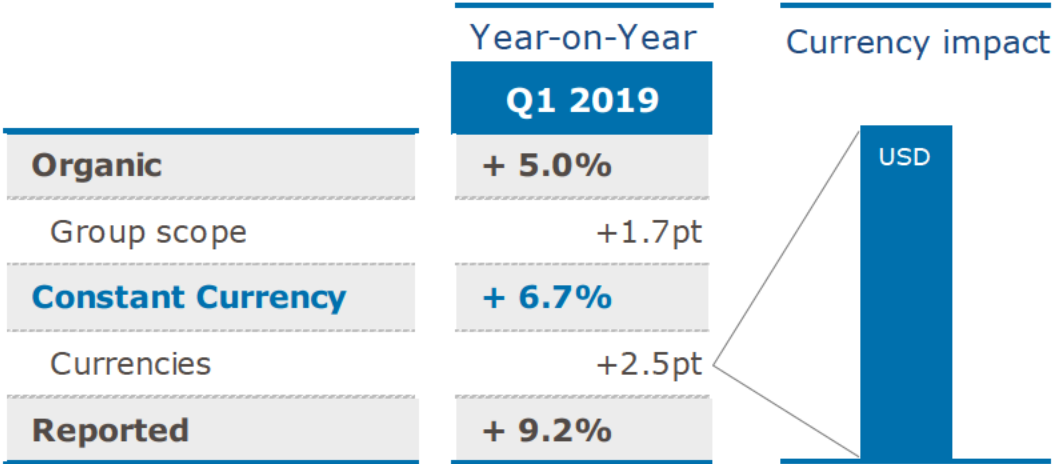


Constant currency growth YOY (in %)

+7.2% +8.7% +8.7% +7.8% +6.7%

Constant currency growth

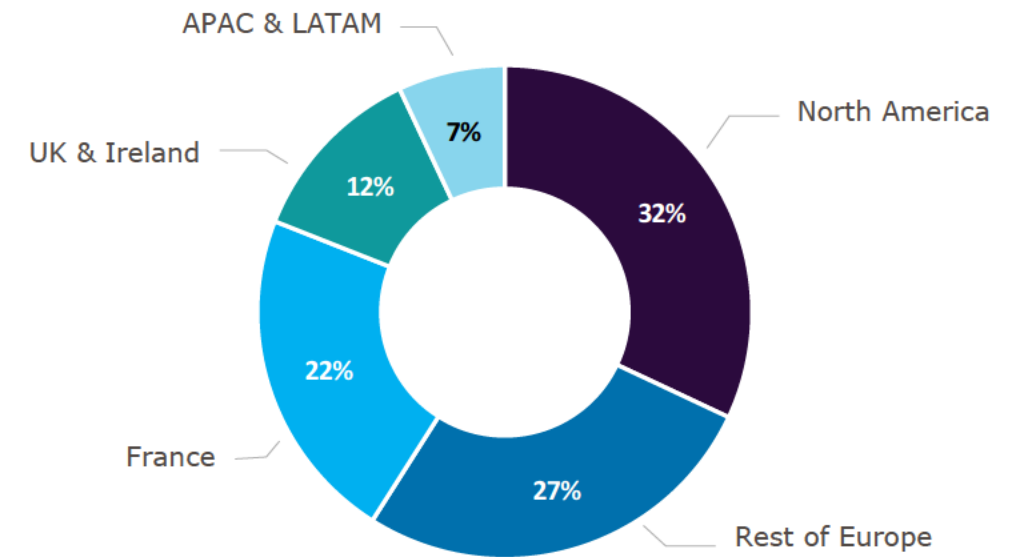
+6.7% YoY





Q1 2019 Revenues by Regions

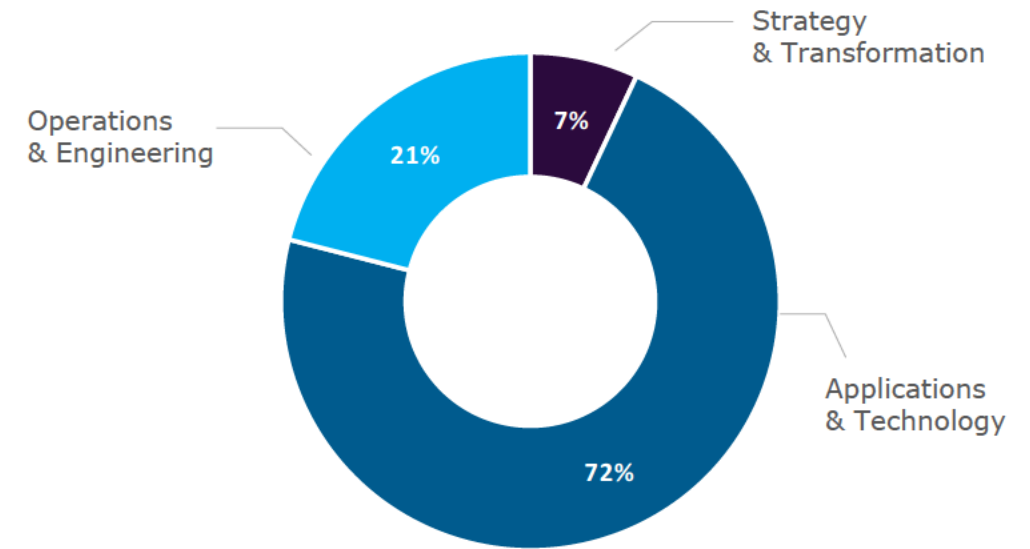
	Q1 2018	Q1 2019	Q1 2019	
	Revenues		Year-on-Year	
	(in €m)	(in €m)	Reported	Constant Currency
North America	960	1,107	+15.3%	+7.0%
UK & Ireland	386	416	+7.7%	+6.4%
France	698	732	+4.8%	+4.8%
Rest of Europe	888	938	+5.6%	+6.3%
APAC & LATAM	221	249	+12.8%	+13.7%
TOTAL	3,153	3,441	+9.2%	+6.7%





Q1 2019 Revenues by Business

	Q1 2018	Q1 2019	Q1 2019
	Total Revenues (in % of Group Revenues)		Year-on-Year Constant Currency
Strategy & Transformation	6%	7%	+29.7%
Applications & Technology	72%	72%	+7.1%
Operations & Engineering	22%	21%	+2.1%



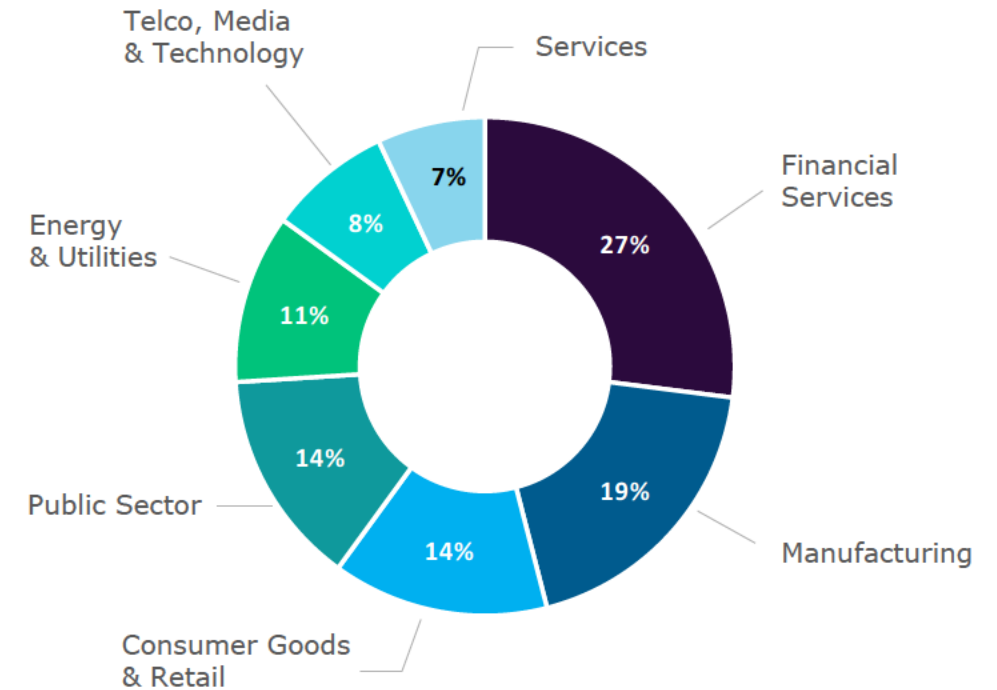
Note: from Jan 1st 2019, as previously announced:

- (i) business line taxonomy has been streamlined and homogenized (see the Appendix section)
- (ii) activity trends by business is calculated based on Total revenues, i.e. before elimination of inter-business billing (see Appendix section)



Q1 2019 Revenues by Sector

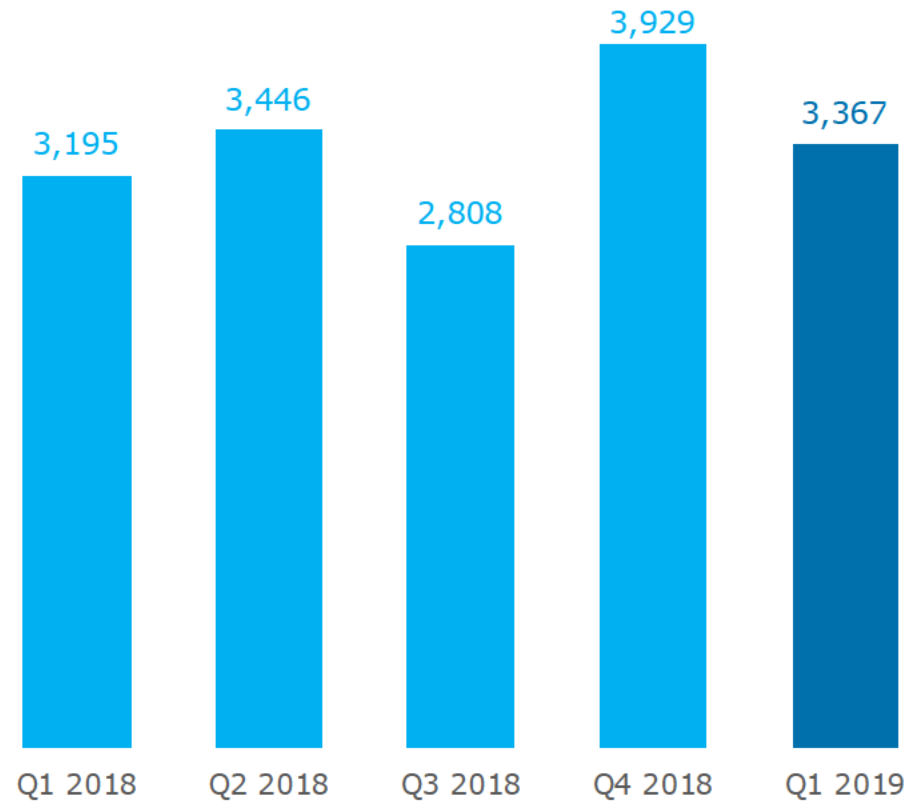
	Q1 2019 Year-on-Year Constant Currency
Financial Services	+6.3%
Energy & Utilities	+10.7%
Manufacturing	+6.0%
Consumer Goods & Retail	+3.9%
Public Sector	+4.6%
Telco, Media & Technology	+9.1%
Services	+11.7%
TOTAL	+6.7%



Bookings Evolution



■ Bookings (in EUR million)



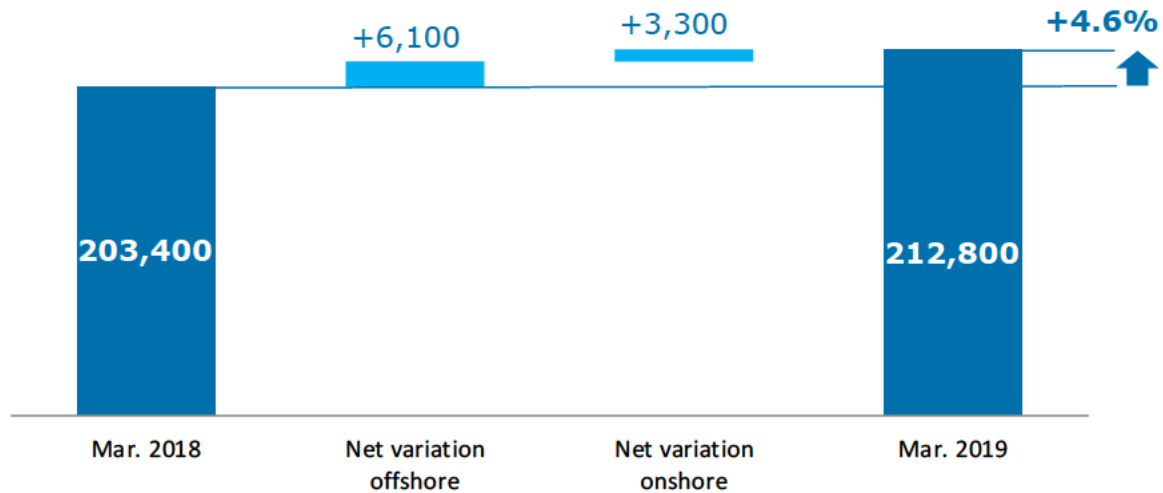
■ Constant currency growth YOY (in %)



Headcount Evolution

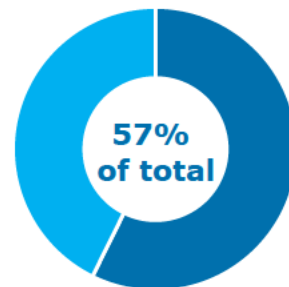


Headcount Evolution March 2018 to March 2019



Workforce in global
production centers:

+5.3%
YoY



Attrition Q1 2019 vs. Q1 2018

Attrition	FY 2018 old	Q1 2019 old	Q1 2019 new
Strategy & Transformation	N/A	16.3%	16.3%
Application & Technology	N/A	22.9%	19.1%
Operations & Engineering	N/A	20.6%	19.3%
TOTAL	22.0%	22.1%	19.1%

Note: Methodology for tracking attrition has been updated as of January 1st, 2019, to homogenize the treatment of absconded and some cases of separations across geographies.

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

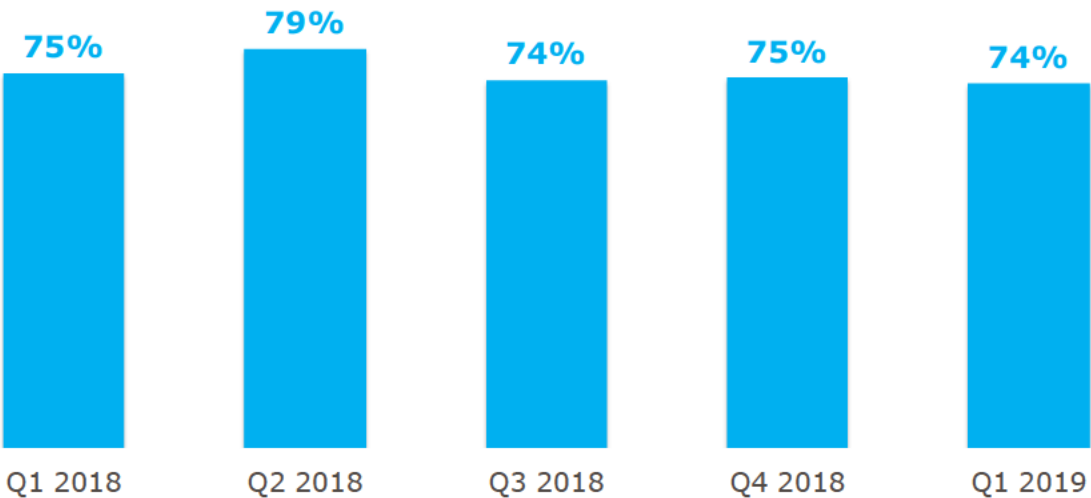
	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Revenues (in €m)*	3,116	3,164	2,996	3,249	3,153	3,314	3,228	3,502	3,441
Year-on-Year reported growth	+2.6%	+2.4%	+0.9%	+2.2%	+1.2%	+4.7%	+7.7%	+7.8%	+9.2%
Year-on-Year organic growth	+2.6%	+2.9%	+3.1%	+5.6%	+6.1%	+6.7%	+6.3%	+5.7%	+5.0%

* 2017 figures are restated for IFRS 15

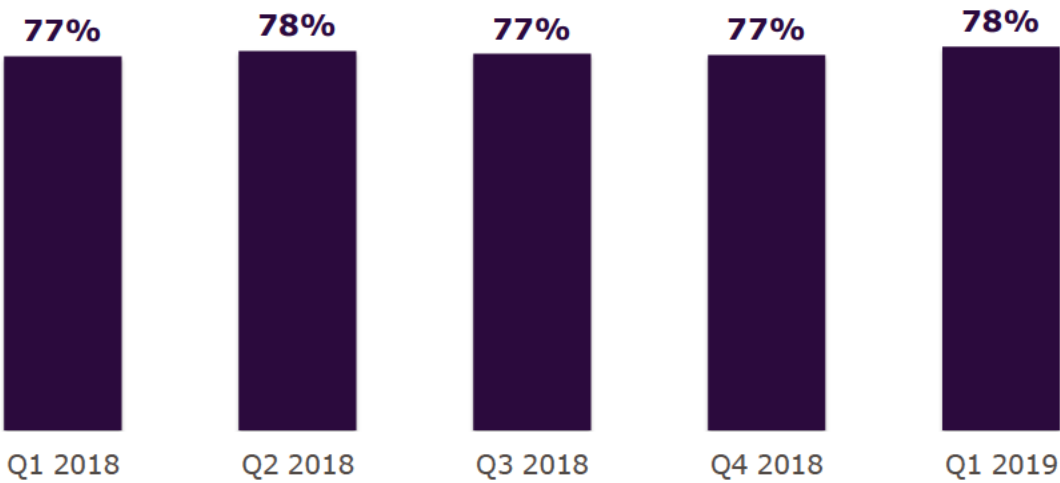
Utilization Rates



Strategy & Transformation



Applications & Technology



Reminder: Key IFRS 16 impacts on Financial Statements

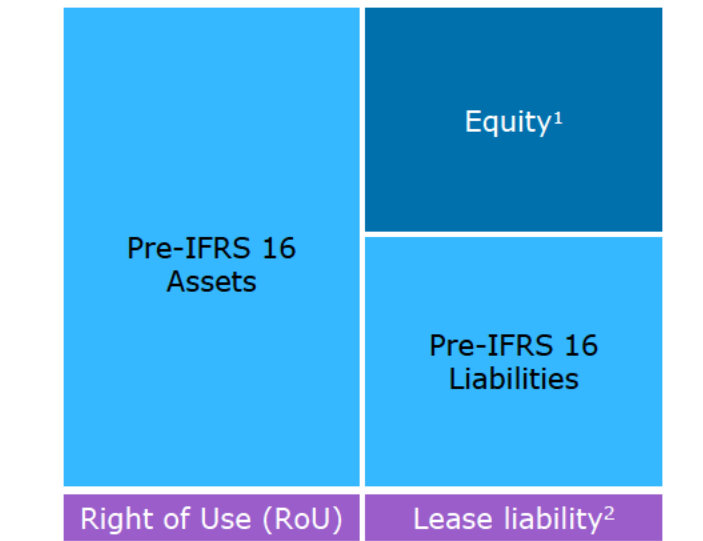


IFRS 16

International Financial Reporting Standard on accounting for leases:

- All leases (formerly operating leases and finance leases) to be accounted the same way
- All lessee to recognize an asset for the Right of Use of the leased item and a liability for the present value of its future lease payments

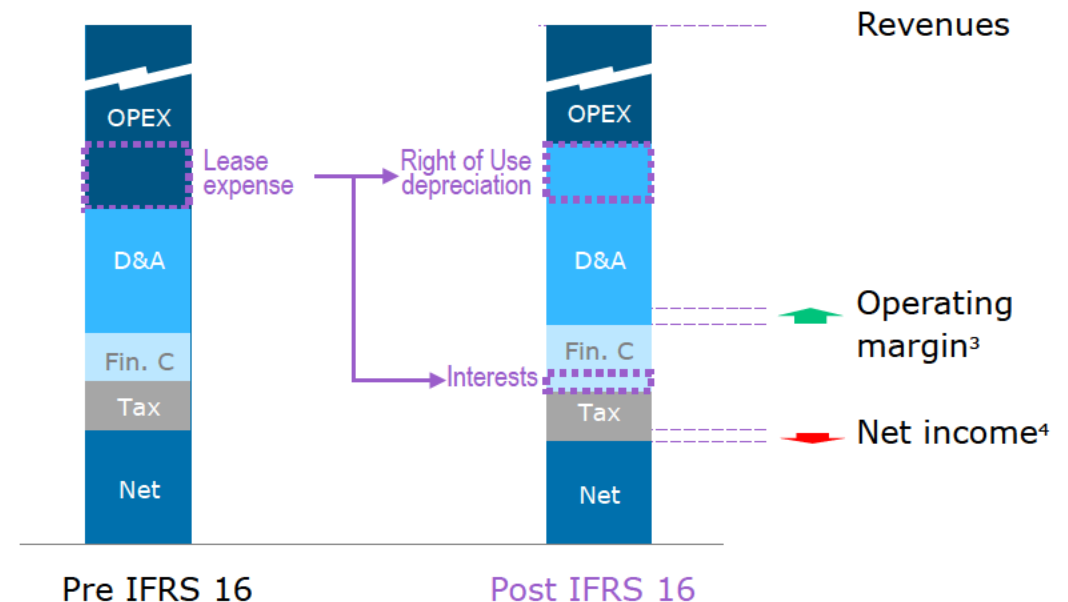
Key impacts on Balance Sheet



¹ slightly negative impact on IFRS 16 adoption date

² estimated between €670m and €770m (lifting total lease liabilities to between €750 and €850 million when accounting for the €80 million already recognized in respect of finance leases)

Key impacts on P&L



Pre IFRS 16

Post IFRS 16

³ slightly positive impact as it excludes interest expenses (c. +5bp on a 2018 basis).

⁴ slightly negative impact in the short-term (c. -€5m on a 2018 basis), as interest expenses are front loaded when cash rentals are constant, but neutral over lease duration



Reminder: IFRS 16 Changes to Alternate Performance Measures

Definition FY2018

Cash flows from operations before net finance costs and income tax
Other cash flows from operations
Rental payment
Income tax paid
Change in restructuring debt
Changes in operating working capital
Operating cash flows
Capital expenditure (net of proceeds)
Interest paid & received
ORGANIC FREE CASH FLOW
Cash outflows on business combinations net of cash & cash equivalents acquired
Increase in share capital
Dividends paid
Net payments relating to treasury shares transactions
Borrowings proceeds & repayment
Financial debt
Financial lease
Translation, perimeter changes & other
Change in cash and cash equivalents

Cash & cash equivalents
Cash management assets
Borrowings
Financial debt
Financial lease
Derivative instruments
NET CASH / (NET DEBT)

Definition starting FY2019

Cash flows from operations before net finance costs and income tax
Other cash flow from operations
Income tax paid
Change in restructuring debt
Changes in operating working capital
Operating cash flows
Capital expenditure (net of proceeds)
Interest paid & received
Lease liability repayment
ORGANIC FREE CASH FLOW
Cash outflows on business combinations net of cash & cash equivalents acquired
Increase in share capital
Dividends paid
Net payments relating to treasury shares transactions
Borrowings proceeds & repayment
financial debt
Translation, perimeter changes & other
Change in cash and cash equivalents

Cash & cash equivalents
Cash management assets
Borrowings
financial debt
Derivative instruments
Net cash / (Net debt)
Lease liability

c. €50m

c. €80m

Organic FCF

estimated impact
c. - €50m
on FY 2018

Starting FY2019
ALL LEASES
are treated as
OPERATIONAL

Net cash

estimated impact
c. + €80m
on FY 2018

Reminder: 2019 format for the reporting by Business



2018
Capital
Markets
Day

“The Group will adopt for FY 2019 a **new reporting format for its businesses**”

In order to match the Group’s unified go-to-market, the new disclosure consists of **constant currency growth of each business Total revenues**. Operating margin is no longer reported as it is no longer available in this perspective.

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).

In addition, the taxonomy of the business lines has been streamlined and homogenized as follows

Strategy & Transformation includes all strategy and transformation consulting services and corresponds to the Capgemini Invent scope;

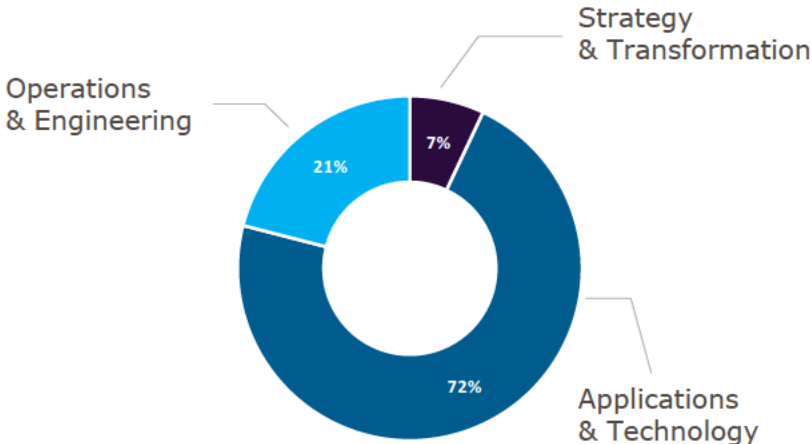
Applications & Technology brings together “Application Services” and related activities and notably local technology services previously included in “Technology & Engineering Services”;

Operations & Engineering encompasses all other Group businesses. These currently comprise: Business Services (including Business Process Outsourcing), all Infrastructure Services (including those previously in “Technology & Engineering Services”) and Digital Engineering and Digital Manufacturing services (previously in “Technology & Engineering Services”).

NEW REPORTING FORMAT

(numbers are unaudited and are given as an indication)

	FY 2018 total revenues
	Year-on-Year Constant Currency
Strategy & Transformation	+40.9%
Applications & technology	+9.0%
Operations & Engineering	+1.0%
TOTAL	+8.1%





About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of over 200,000 team members in over 40 countries. The Group reported 2018 global revenues of EUR 13.2 billion.

Learn more about us at

www.capgemini.com



People matter, results count.

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Biraud, Vincent

Head of Investor Relations
vincent.biraud@capgemini.com
+33 1 4754 5087

Massoni, Patrick

Senior Investor Relations Manager
patrick.massoni@capgemini.com
+33 1 4754 5141

Schmitt, Marine

Senior Investor Relations Manager
marine.schmitt@capgemini.com
+33 1 4754 5082