



# **2020 Third Quarter Results**

OCTOBER 27, 2020

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Aiman  
**EZZAT**

Chief Executive Officer



# Capgemini Purpose

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Unleashing **human energy** through **technology**  
for an **inclusive** and **sustainable** future.

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# Significant improvement of our performance in Q3



## Revenue

**+18.4%**

cc YoY

€ 4,008m

## Bookings

**+17.4%**

cc YoY

€ 3,896m

## Digital & Cloud

**> +10%**

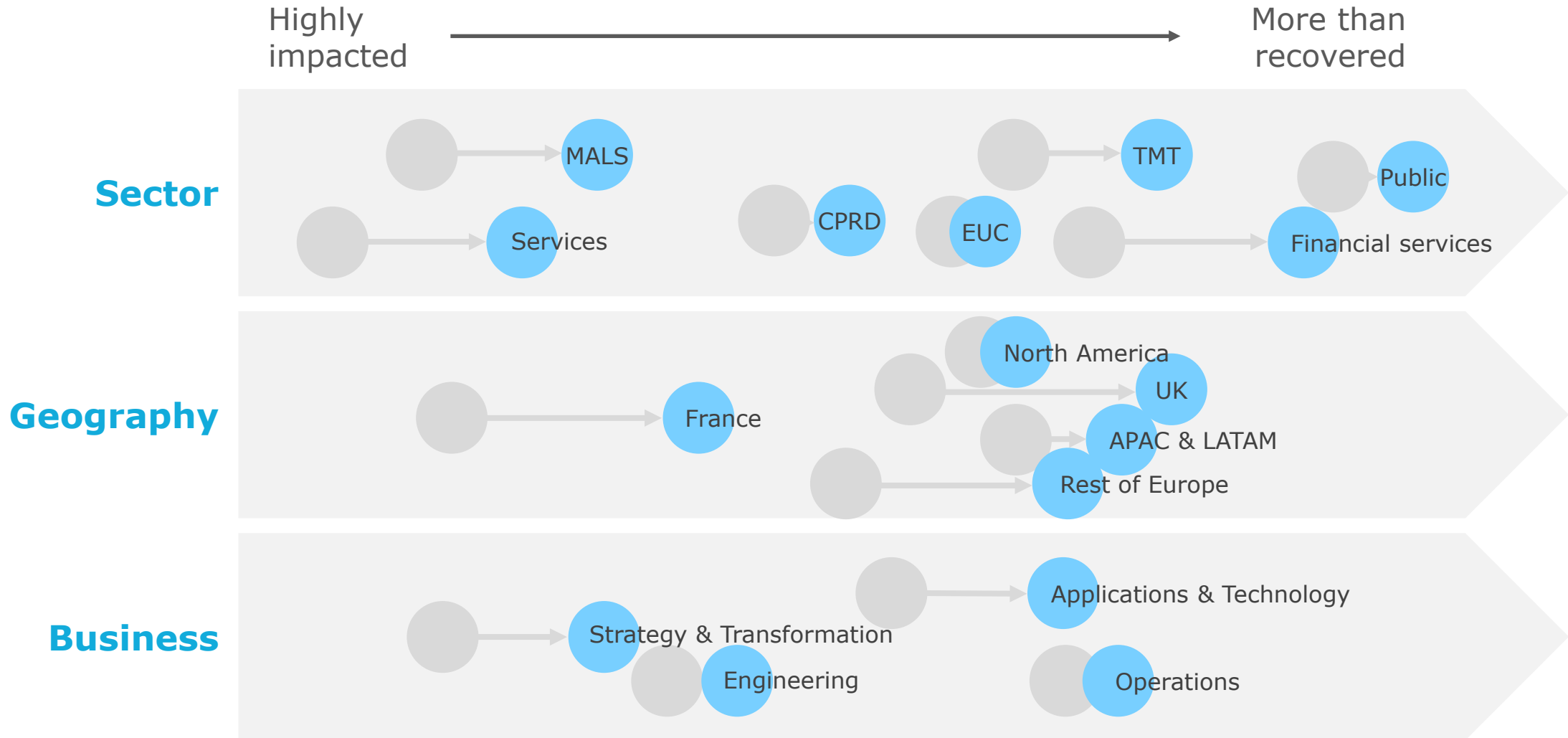
cc YoY

> 60% of Group activity\*

\* excluding Altran



# Clear recovery in Q3 growth across all dimensions



Q2 organic growth vs. Q1 organic growth

Q3 organic growth vs. Q1 organic growth



# Altran integration is moving fast forward

- ✓ **Integrated organization** in place in January 2021
- ✓ **30 deals won** and a rich pipeline of 350+ opportunities
- ✓ **Leadership** fully engaged and very strong expression of support from **employees**
- ✓ **Confirmed synergies**




Operational & Cost synergies :  
**€ 70-100 m**  
(annual run rate)  
within 3 years  
of which 2/3 by mid-2021



Revenue synergies :  
**€ 200-350 m**  
(annual run rate)  
within 3 years



Launch of 3 joint **Intelligent Industry** offerings

-  **5G & Edge**  
for Telecom Companies and Industries
-  **Driving Automation Systems (ADAS) Validation**  
for the Automotive Industry
-  **Data-driven R&D**  
for Life Sciences and Consumer Products

# Creating value through new exciting deals in Intelligent Industry



Building **digital twins** of a network of European factories

The + of the **DEAL**

Won without an **RFP** thanks to Altran and Capgemini's unique positioning.

Upgrading a **industrial network** from Mexico to China

The + of the **DEAL**

**Vendor consolidation** deal won without an RFP.

Providing **cutting-edge engineering** to transform a facility

The + of the **DEAL**

With the Altran acquisition, we have the skills to bid and win this work without a **consortium**.



# Full-year 2020 outlook



**+12.5%**  
to  
**+14.0%**

**Revenue growth**  
at constant currency  
incl. scope impact est. +17.0pt

**0.6 to 0.9pts**  
contraction  
(vs. 12.3%)

**Operating Margin**

over  
**€ 900m**

**Organic FCF**

Carole  
**FERRAND**

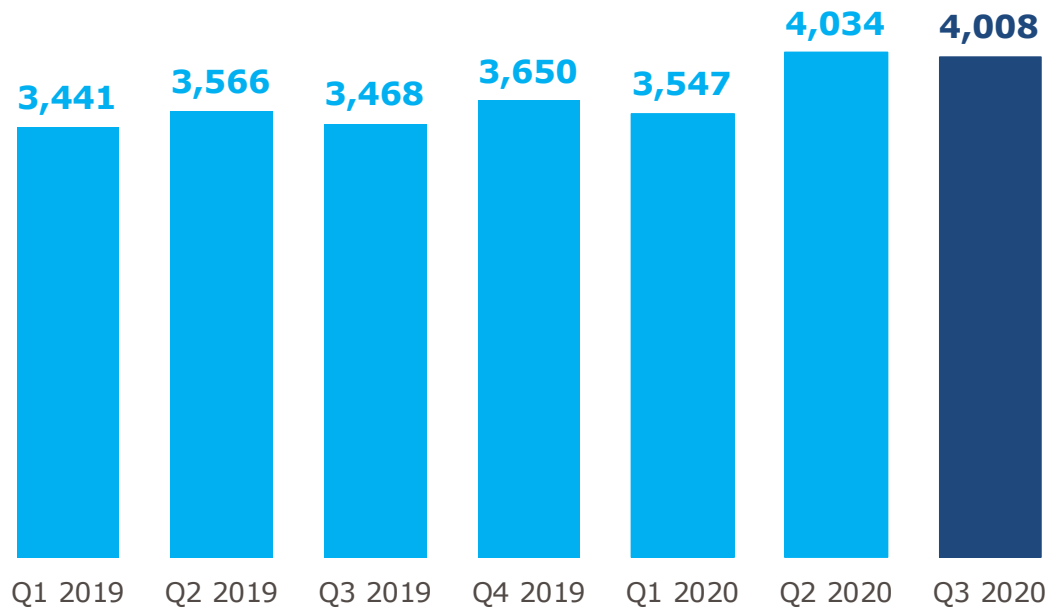
Chief Financial Officer





# Quarterly Revenue Growth

Revenues in EUR millions



Constant currency growth YOY (in %)



## Constant currency growth

**Q3: +18.4% YoY**

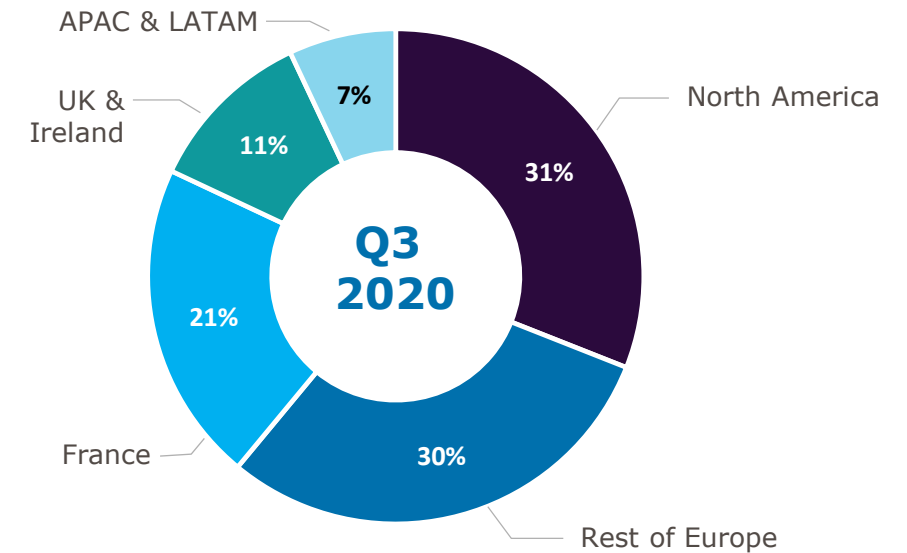
**9M: +11.3% YoY**

	Q1 2020	Q2 2020	Q3 2020	9M 2020
	Year-on-Year			
<b>Organic</b>	+ 2.0%	-7.7%	-3.6%	-3.5%
Group scope	+0.3pt	+21.1pt	+22.0pt	+14.8pt
<b>Constant Currency</b>	+ 2.3%	+13.4%	+18.4%	+11.3%
Currencies	+0.8pt	-0.3pt	-2.8pt	-0.7pt
<b>Reported</b>	+ 3.1%	+13.1%	+15.6%	+10.6%



# Q3 & 9M 2020 Revenues by Region

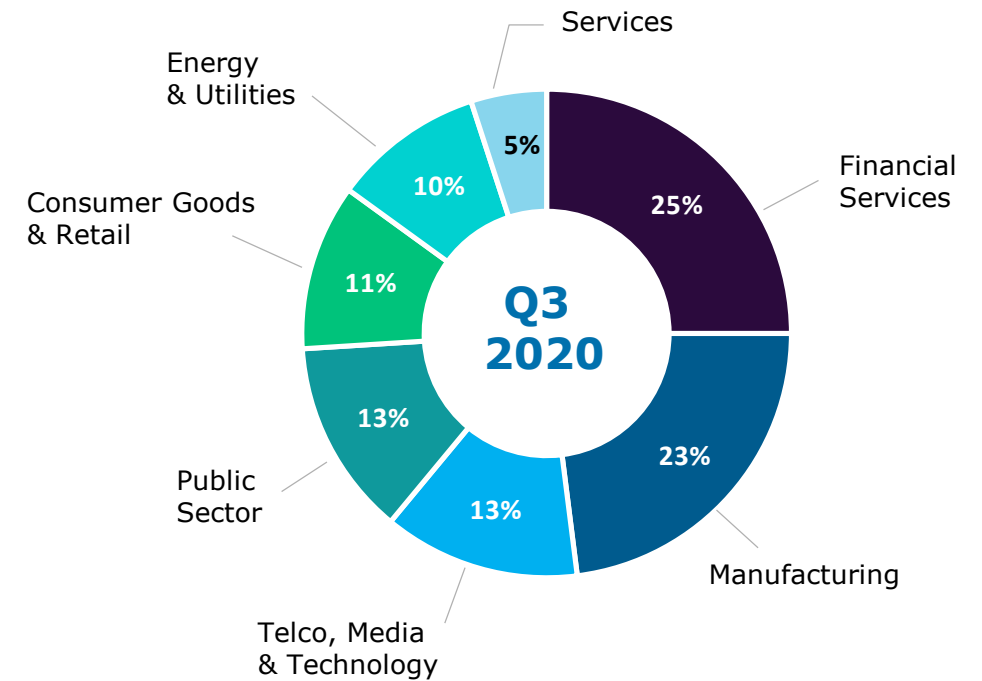
	Q3 2019	Q3 2020	Variation		9M 2020
	Revenues		Year-on-Year		Year-on-Year
	(in €m)	(in €m)	Reported	Constant Currency	Constant Currency
North America	1,164	1,218	+4.6%	+10.0%	+6.1%
UK & Ireland	407	443	+8.7%	+9.1%	+3.3%
France	702	842	+20.0%	+20.1%	+11.6%
Rest of Europe	913	1,212	+32.8%	+32.7%	+20.9%
APAC & LATAM	282	293	+3.8%	+14.0%	+12.3%
<b>TOTAL</b>	<b>3,468</b>	<b>4,008</b>	<b>+15.6%</b>	<b>+18.4%</b>	<b>+11.3%</b>





# Q3 & 9M 2020 Revenues by Sector

	Q3 2020	9M 2020
	Year-on-Year	Year-on-Year
	Constant Currency	Constant Currency
Financial Services	+7.4%	+2.5%
Energy & Utilities	+5.7%	+4.1%
Manufacturing	+38.5%	+25.9%
Consumer Goods & Retail	-2.4%	-2.0%
Public Sector	+14.8%	+10.7%
Telco, Media & Technology	+79.2%	+49.7%
Services	-1.3%	-1.4%
<b>TOTAL</b>	<b>+18.4%</b>	<b>+11.3%</b>

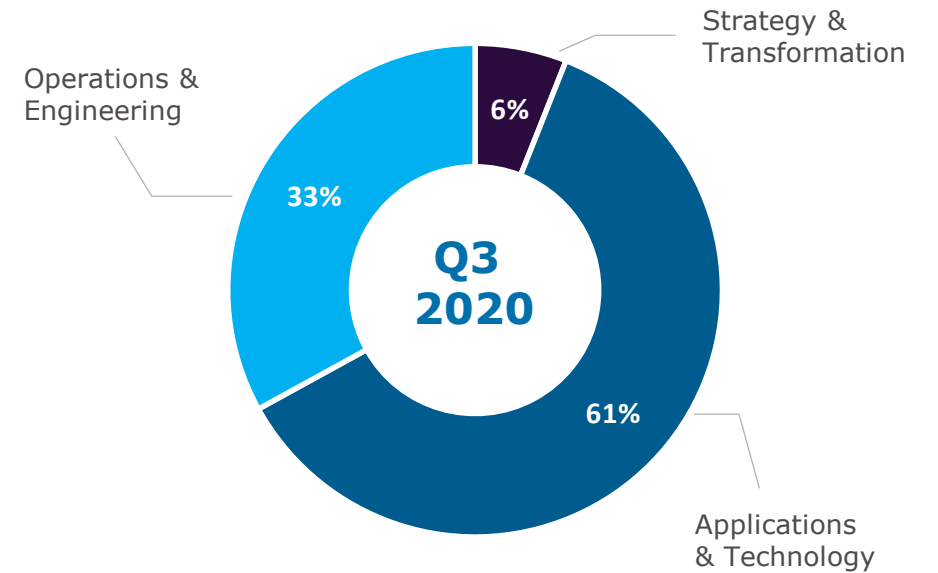




# Q3 & 9M 2020 Revenues by Business

## Total Revenues

	Q3 2020	9M 2020
	Year-on-Year	Year-on-Year
	Constant	Constant
	Currency	Currency
<b>Strategy &amp; Transformation</b>	+13.5%	+10.2%
<b>Applications &amp; Technology</b>	+0.3%	-0.7%
<b>Operations &amp; Engineering</b>	+70.4%	+48.4%

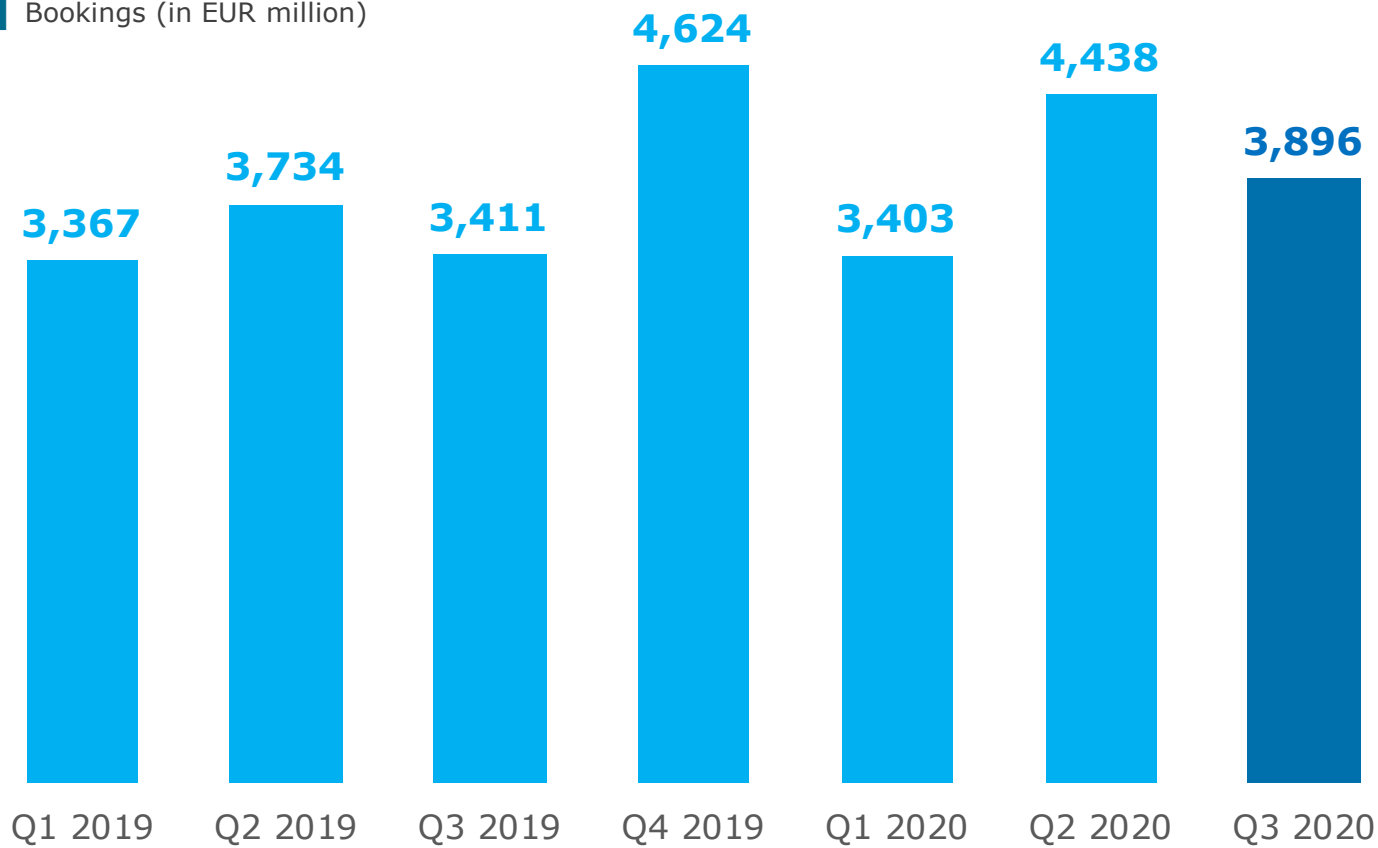


Reminder: from Jan 1<sup>st</sup>, 2019, activity trends by business are calculated based on Total Revenues, i.e. before elimination of inter-business billing (see Appendix section)



# Bookings Evolution

Bookings (in EUR million)



## Constant currency growth

**Q3: +17.4% YoY**

**9M: +12.6% YoY**

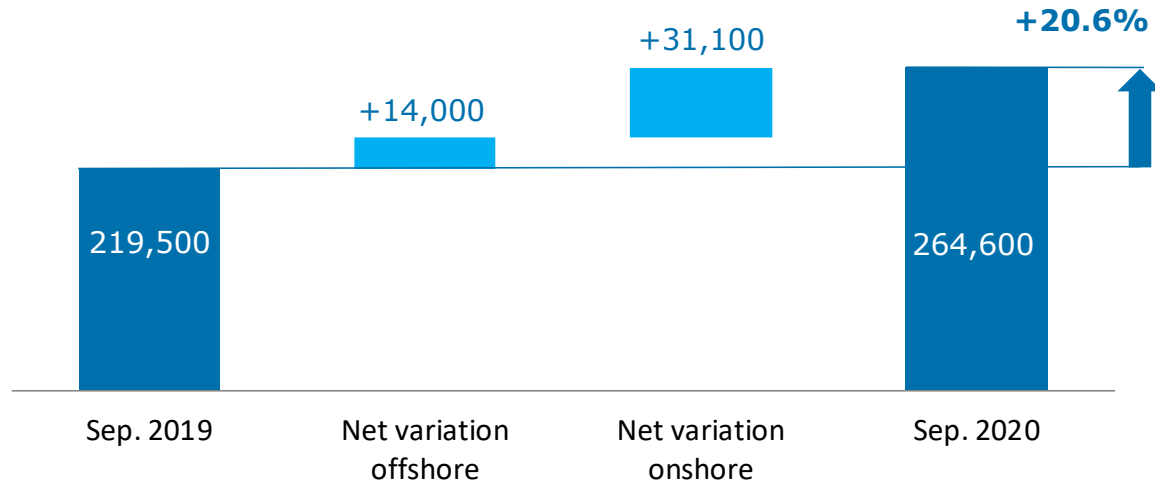
Constant currency growth YOY (in %)

**+2.7%**   **+6.7%**   **+19.6%**   **+16.4%**   **+0.8%**   **+18.8%**   **+17.4%**

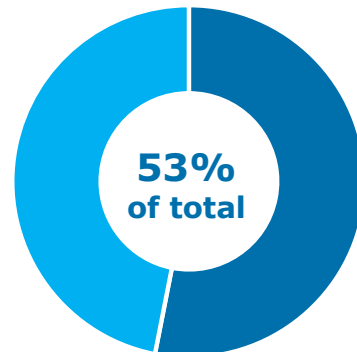


# Headcount Evolution

## Headcount Evolution Sept. 2019 to Sept. 2020



**Workforce in global production centers: +11.1% YoY**



## Attrition Sept. 2020 vs. Sept. 2019

Attrition	Sept. 2019 LTM	Sept. 2020 LTM	Variation
Strategy & Transformation	19.2%	14.3%	-4.9pt
Applications & Technology	22.2%	14.4%	-7.8pt
Operations & Engineering	20.3%	14.3%	-6.0pt
<b>TOTAL</b>	<b>21.5%</b>	<b>14.3%</b>	<b>-7.2pt</b>



# Q&A



Aiman **EZZAT**  
Chief Executive Officer



Carole **FERRAND**  
Chief Financial Officer

# 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.
- **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
- **Covid-19:** The impact of the health crisis on the Group's consolidated financial statements is not isolated. The definition of the above alternative performance measures is therefore unchanged and, in accordance with past practice, these financial statements include in other operating income and expenses a non-material amount of incremental and non-recurring costs related to this crisis.



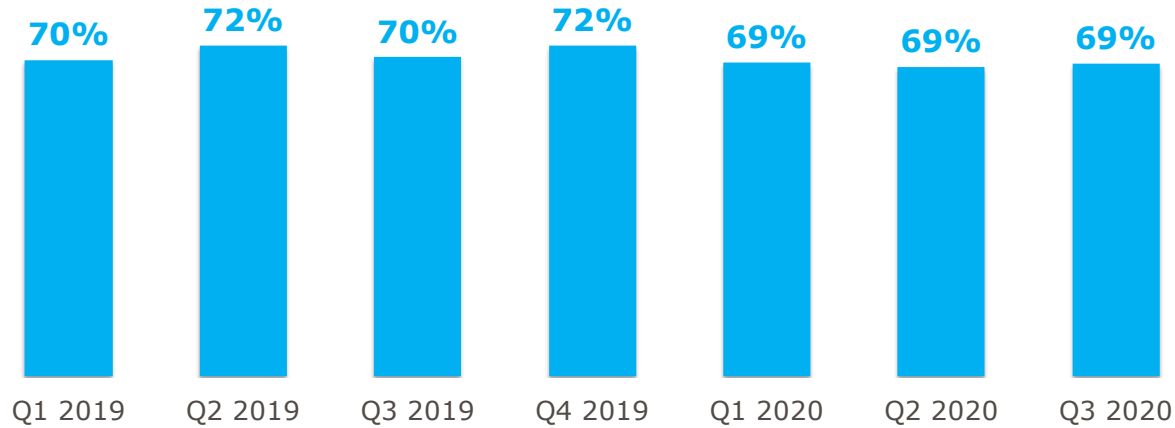
# Revenue Quarterly Evolution

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
<b>Revenues (in €m)</b>	<b>3,441</b>	<b>3,566</b>	<b>3,468</b>	<b>3,650</b>	<b>3,547</b>	<b>4,034</b>	<b>4,008</b>
<b>Year-on-Year reported growth</b>	+9.2%	+7.6%	+7.4%	+4.2%	+3.1%	+13.1%	+15.6%
<b>Year-on-Year organic growth</b>	+5.0%	+4.7%	+5.0%	+2.2%	+2.0%	-7.7%	-3.6%

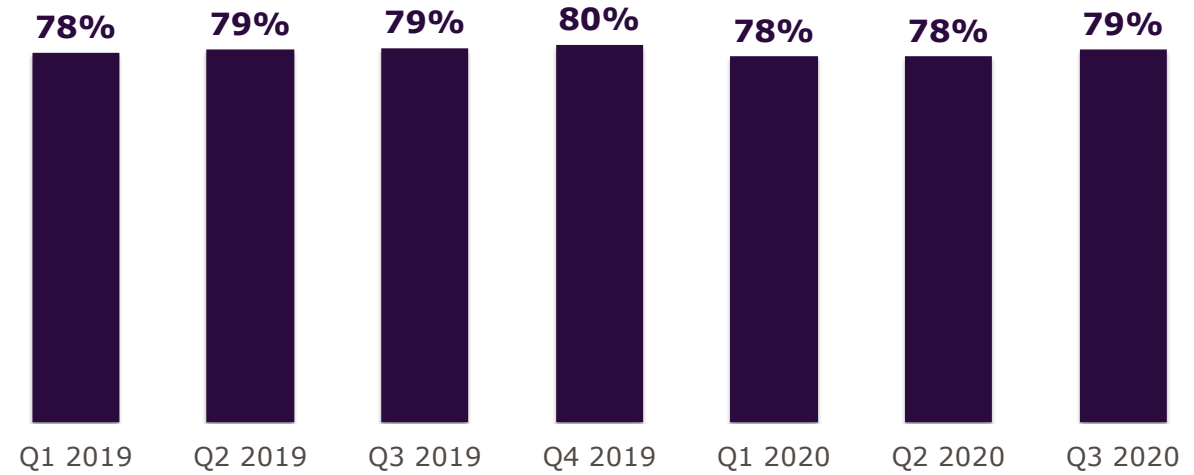


# Utilization Rates Evolution

## Strategy & Transformation



## Applications & Technology





## About Capgemini

Capgemini is a global leader in consulting, digital transformation, technology, and engineering services. The Group 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. A responsible and multicultural company of 265,000 people in nearly 50 countries, Capgemini's purpose is to unleash human energy through technology for an inclusive and sustainable future. With Altran, the Group reported 2019 combined global revenues of €17 billion.

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## Biraud, Vincent

Head of Investor Relations  
[vincent.biraud@capgemini.com](mailto:vincent.biraud@capgemini.com)  
+33 1 4754 5087

## Massoni, Patrick

Senior Investor Relations Manager  
[patrick.massoni@capgemini.com](mailto:patrick.massoni@capgemini.com)  
+33 1 4754 5141