

**Media relations:**

Florence Lièvre  
Tel. +33 1 47 54 50 71  
florence.lievre@capgemini.com

**Investor relations:**

Vincent Biraud  
Tel. +33 1 47 54 50 87  
vincent.biraud@capgemini.com

## Growth accelerates in Q3 2017, notably in North America

**Paris, October 25, 2017** – Capgemini Group reported consolidated revenues of €3,046 million in the third quarter of 2017, up 3.4% year-on-year at constant exchange rates<sup>1</sup>.

For Paul Hermelin, Chairman and Chief Executive Officer of Capgemini Group: “Group growth accelerated in the third quarter. In North America, we reaped the benefits of our investments with a 6.9% growth at constant exchange rates. The strong momentum of our activities in the Manufacturing and Retail & Consumer Goods sectors drives our performance in this region.

Our Digital and Cloud activities continue to grow at a rapid pace (+23% at constant exchange rates in Q3). The acquisition of the US e-commerce expert, Lyons Consulting Group, further strengthened our position in this segment as a global leader in digital commerce.

Finally, our ongoing ability to accompany our clients’ transformations has been a key growth driver for the Group since its creation 50 years ago, as demonstrated by the worldwide agreement signed over the summer with McDonald’s. We’ve become their global IT strategic provider notably for the digitalization of their customer experience.

With these third-quarter results, we confirm our targets for revenue growth, operating margin and free cash flow for 2017.”

Revenues	(in millions of euros)		Change	
	2016	2017	As reported	At constant exchange rates *
<b>Q3</b>	3,019	<b>3,046</b>	+0.9%	+3.4%
<b>9 months</b>	9,276	<b>9,459</b>	+2.0%	+3.2%

<sup>1</sup> As announced on the publication of the outlook for 2017, growth at constant exchange rates and organic growth are presented after restating 2016 and 2017 revenues for the Brazilian equipment resale activity that is being discontinued.

\* The terms and non-GAAP measures marked with an (\*) are defined and/or reconciled in the appendix to this press release.

The Group generated revenues of €3,046 million in Q3 2017, up 0.9% on Q3 2016 reported revenues and 3.4% at constant exchange rates. Organic growth\* (i.e. excluding the impact of currency fluctuations and changes in Group scope) was 3.1%. Digital & Cloud revenues grew 23% at constant exchange rates. The multi-year contract signed with McDonald's to support its digital transformation is a good example of this growth momentum.

In the first nine months, revenues grew 3.2% at constant exchange rates and 2.9% on an organic basis with Digital & Cloud accounting for 36% of Group revenues.

## OPERATIONS BY BUSINESS

**Consulting Services** (4% of Group revenues) grew 16.0% at constant exchange rates in Q3, notably thanks to the investments made in Digital in North America and a sharp increase in the Rest of Europe. **Technology & Engineering Services** (15% of Group revenues) reported 3.8% revenue growth at constant exchange rates, spurred by North America and France. **Application Services** (63% of Group revenues) increased 5.7% at constant exchange rates and remain the driving force behind Group growth. Strong demand for innovative offerings continues to fuel Application Services momentum, with growth rates of around 10% in France, Central Europe, Scandinavia, Italy and Asia. **Other Managed Services** (18% of Group revenues) reported a 6.3% decrease in revenues: the decline in Infrastructure Services in the United Kingdom – anticipated since the beginning of the year – and in Latin America was only partially offset by growth in Business Services.

## OPERATIONS BY MAJOR REGION

In Q3, the growth momentum accelerated in **North America** (31% of Group revenues) reflecting the impact of the investments made over the past year. Growth reached 6.9% at constant exchange rates, driven by the Manufacturing and Retail & Consumer Goods sectors. The positive growth recorded this quarter in the Energy & Utilities sector also contributed to the good performance. The **United Kingdom & Ireland** (13% of Group revenues) reported revenues down 10.8%, reflecting a decline in the public sector in line with our forecast and a stable private sector (65% of region revenues). In **France** (21% of Group revenues), Q3 revenue growth of 4.7% was mainly driven by the Financial Services and Retail & Consumer Goods sectors. The **Rest of Europe** (27% of Group revenues) reported Q3 revenue growth of 6.8% at constant exchange rates. Revenue growth is around 10% in Germany, Italy and Scandinavia, with the Manufacturing and Financial Services sectors as key drivers and held stable in Benelux. Finally, the **Asia-Pacific and Latin America** region (8% of Group revenues) reported revenue growth of 2.0% at constant exchange rates. Latin America contracted significantly, while Asia-Pacific grew close to 10%.

## HEADCOUNT

At September 30, 2017, the Group's total headcount is 198,600, an increase of 5.9% year-on-year, with nearly 113,000 employees in offshore centers (57% of the total headcount).

## BOOKINGS

Bookings totaled €2,700 million in Q3 2017, a 1% decline at constant exchange rates year-on-year.

## OUTLOOK

For 2017, the Group forecasts **revenue growth at constant exchange rates of 3.0%**, an **operating margin of 11.7% to 11.9%** and **organic free cash flow generation in excess of €950 million**.

In addition:

- The impact of currency movements on revenues on a full-year basis is now expected to be around -1.6 points, following the strengthening of the Euro against the Group's main currencies;
- As announced in February 2017, the Group has decided to discontinue its equipment resale activity in Brazil, which represented approximately €60 million in 2016; to ensure comparable analysis of quarterly

trends, organic growth and growth at constant exchange rates are presented after restating 2016 and 2017 revenues for this activity;

- The impact of acquisitions on revenue growth is estimated at this stage to be a few tens of basis points.

## CONFERENCE CALL

Paul Hermelin, Chairman and Chief Executive Officer and Aiman Ezzat, Chief Financial Officer, will present this press release during a conference call in English to be held **today at 8 a.m. Paris time (CET)**. You can follow this conference call live via webcast at the following [link](#). A replay will also be available for a period of one year.

All documents relating to this publication will be placed online on the Capgemini investor website at <https://www.capgemini.com/results>.

## SCHEDULE

February 15, 2018	Publication of 2017 annual results
May 2, 2018	Publication of Q1 2018 revenues

## DISCLAIMER

This press release may contain forward-looking statements. Such statements may include projections, estimates, assumptions, statements regarding plans, objectives, intentions and/or expectations with respect to future financial results, events, operations and services and product development, as well as statements, regarding future performance or events. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans", "projects", "may", "would" "should" or the negatives of these terms and similar expressions. Although Capgemini's management currently believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking statements are subject to various risks and uncertainties (including, without limitation, risks identified in Capgemini's Registration Document available on Capgemini's website), because they relate to future events and depend on future circumstances that may or may not occur and may be different from those anticipated, many of which are difficult to predict and generally beyond the control of Capgemini. Actual results and developments may differ materially from those expressed in, implied by or projected by forward-looking statements. Forward-looking statements are not intended to and do not give any assurances or comfort as to future events or results. Other than as required by applicable law, Capgemini does not undertake any obligation to update or revise any forward-looking statement.

This press release does not contain or constitute an offer of securities for sale or an invitation or inducement to invest in securities in France, the United States or any other jurisdiction.

## 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 200,000 team members in over 40 countries. The Group reported 2016 global revenues of EUR 12.5 billion.

Visit us at [www.capgemini.com](http://www.capgemini.com). *People matter, results count.*

\* \*  
\*

## APPENDIX

### DEFINITIONS

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

As announced on the publication of the outlook for 2017, organic growth and growth at constant exchange rates are presented after restating 2016 and 2017 revenues for the Brazilian equipment resale activity that is discontinued, to enable comparable presentation of quarterly trends:

Reconciliation of growth rates	Q3 2017	9 months 2017
<b>Organic growth</b>	<b>+3.1%</b>	<b>+2.9%</b>
Changes in Group scope	+0.3pt	+0.3pt
<b>Growth at constant exchange rates</b>	<b>+3.4%</b>	<b>+3.2%</b>
Exchange rate fluctuations	-2.4pt	-1.0pt
<b>Current growth</b>	<b>+1.0%</b>	<b>+2.2%</b>
Discontinued operations	-0.1pt	-0.2pt
<b>Reported growth</b>	<b>+0.9%</b>	<b>+2.0%</b>

Q3 currency impacts primarily concern the depreciation of the pound sterling and the U.S. dollar against the euro. The impact of discontinued operations reflects changes in the Brazilian equipment resale business, which generated revenues of €5 million in Q3 2016.

### RESULTS BY REGION

	Revenues (in millions of euros)							Change (Q3 2017 / Q3 2016)	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	At constant exchange rates	As reported rates
North America	938	953	939	970	972	984	962	+6.9%	+2.4%
United Kingdom & Ireland	525	523	463	482	435	459	391	-10.8%	-15.5%
France	633	640	599	695	666	666	627	+4.7%	+4.7%
Rest of Europe	780	811	772	851	841	871	823	+6.8%	+6.6%
Asia-Pacific and Latin America	216	238	246	265	257	261	243	+2.0%	-1.2%
<b>TOTAL</b>	<b>3,092</b>	<b>3,165</b>	<b>3,019</b>	<b>3,263</b>	<b>3,171</b>	<b>3,241</b>	<b>3,046</b>	<b>+3.4%</b>	<b>+0.9%</b>

	Revenues (in millions of euros)		Change	
	9 months 2016	9 months 2017	At constant exchange rates	As reported
North America	2,830	2,918	+2.6%	+3.1%
United Kingdom & Ireland	1,511	1,285	-7.5%	-14.9%
France	1,872	1,960	+4.7%	+4.7%
Rest of Europe	2,363	2,536	+7.6%	+7.3%
Asia-Pacific and Latin America	700	760	+7.9%	+8.6%
<b>TOTAL</b>	<b>9,276</b>	<b>9,459</b>	<b>+3.2%</b>	<b>+2.0%</b>

## RESULTS BY BUSINESS

	% revenues		Change
	Q3 2016	Q3 2017	At constant exchange rates
Consulting Services	4%	4%	+16.0%
Technology & Engineering	15%	15%	+3.8%
Application Services	61%	63%	+5.7%
Other Managed Services	20%	18%	-6.3%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>+3.4%</b>

## UTILIZATION RATES

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Consulting Services	70%	71%	68%	70%	71%	72%	69%
Technology & Engineering	82%	83%	83%	83%	82%	84%	85%
Application Services	81%	81%	82%	81%	81%	81%	82%