



Capgemini

Quarterly Update
Report Abstract

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12 pages





Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on Capgemini provides a snapshot of developments at the company in the last quarter. It accompanies NelsonHall's more comprehensive Key Vendor Assessment program.

Both programs are designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers monitoring the capabilities of existing suppliers of IT and BPO services and identifying vendor suitability for these services
- Consultants advising clients on vendor selection
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the BPO/IT services sector.



Highlights

2018 Performance: meets revenue and margin targets; North America, digital boosted by LiquidHub

CY 2018 revenues were up 6.2% organic. Digital and Cloud revenues were up 20% and account for 45% of group revenue.

The group achieved its priorities, including over 6% CC growth in all sectors excluding telecoms and all regions excluding the U.K.

Most service lines performing well, though Other Managed Services comprises two weaker businesses.

Bullish re 2019

2018 bookings were up 9% in CC to a B2B of 1.01.

Claims the new emphasis on a unified GTM approach has helped in building a pipeline which is up 11% y/y and includes some large multi-tower opportunities.

Mid-term growth ambitions include 5-7% organic growth and an operating margin of 12.5-13%.

Guidance for 2019 includes:

- CC revenue growth of 5.5-8.0% (including 1-2% inorganic)
- Adjusted operating margin expansion of 20 bps
- Organic FCF of >€1.1bn.

Capgemini Invent

Launched as a new global service line in September. Scaling in Europe with two tuck-ins. Backelite folded into Idean.

Looking to scale cyber security capabilities in U.S.

Scope of the Report

The report provides a quarterly update on Capgemini, looking at financial performance and key developments during the period.

It accompanies NelsonHall's Key Vendor Assessment program which looks at Capgemini's IT and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue breakdowns
- Analysis of the company's offerings and key service components
- Analysis of the profile of the company's client base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.

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Report Length

12 pages

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