



CGI

Quarterly Update Report Abstract

February 2017

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NelsonHall

13 pages





Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on CGI 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

- Strong start to FY17 with third consecutive quarter of CC growth since Logica, primarily organic, and continuing margin improvement
- Topline CC growth was concentrated in France, U.K. (led by public sector) and Canada, led by banking sector
- U.S. flattening out: CGI Federal showing improvement and ~6 weeks' contribution from Collaborative Consulting. Management highlights advantages, under new U.S. administration, of local proximity model
- ECSE, which now has new President, remains soft, in spite of growth in several countries
- Management claims digital IP now represents 21% of global revenue; and 23% of Q1 bookings
- Healthy B2B, mostly renewal activity
- Former COO George D. Schindler steps up as CEO as Michael E. Roache retires
- FY17 likely to see further acquisitions in the U.S. or U.K. of a similar scale to Collaborative Consulting.

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M&A and Investments

New Partnerships

Immediate Challenges

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Appendix B: Bookings

Scope of the Report

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

Report Length

13 pages

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