INTERIM FINANCIAL REPORT

CONSOLIDATED FINANCIAL STATEMENTS

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FINANCIAL HIGHLIGHTS

Consolidated financial statements

in millions of euros	First-half 2018	First-half 2019 **	First-half 2020 ***	First-half 2021	First-half 2022
Revenues	**6,467**	**7,007**	**7,581**	**8,711**	**10,688**
Operating expenses	(5,760)	(6,210)	(6,763)	(7,669)	(9,387)
Operating margin *	**707**	**797**	**818**	**1,042**	**1,301**
% of revenues	*10.9%*	*11.4%*	*10.8%*	*12.0%*	*12.2%*
Operating profit	**521**	**658**	**577**	**812**	**1,068**
% of revenues	*8.0%*	*9.4%*	*7.6%*	*9.3%*	*10.0%*
Profit for the period attributable to owners of the Company	**314**	**388**	**311**	**443**	**667**
% of revenues	*4.8%*	*5.5%*	*4.1%*	*5.2%*	*6.3%*
Earnings per share					
Average number of shares outstanding during the period	*167,323,709*	*165,843,357*	*167,646,025*	*168,453,627*	*170,561,706*
Basic earnings per share (in euros)	*1.88*	*2.34*	*1.86*	*2.63*	*3.91*
Normalized earnings per share * (in euros)	*2.64*	*2.90*	*2.80*	*3.58*	*4.87*
GOODWILL AT JUNE 30	**7,323**	**7,591**	**10,316**	**10,096**	**11,087**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY AT JUNE 30	**6,992**	**7,466**	**5,922**	**6,681**	**8,938**
(NET DEBT) / NET CASH AND CASH EQUIVALENTS * AT JUNE 30	**(2,192)**	**(1,621)**	**(6,008)**	**(4,826)**	**(4,094)**
ORGANIC FREE CASH FLOW * AT JUNE 30	**11**	**90**	**106**	**429**	**193**
Average number of employees	**201,318**	**213,470**	**239,086**	**276,700**	**339,635**
Number of employees at June 30	**205,574**	**216,801**	**265,073**	**289,501**	**352,148**

** Operating margin, normalized earnings per share, net debt / net cash and cash equivalents and organic free cash flow, alternative performance measures monitored by the Group, are defined in Note 3 - Alternative performance measures, to the condensed interim consolidated financial statements for the half-year ended June 30, 2022.*

*** Data from First-half 2019 reflects the application of IFRS 16, Leases, using the modified retrospective method.*

**** First-half 2020 data reflects the consolidation of Altran from April 1, 2020.*

STATUTORY AUDITORS' REPORT ON THE 2022 HALF-YEARLY FINANCIAL INFORMATION

Statutory auditors' report on the half-yearly financial information

(For the period from January 1, 2022 to June 30, 2022)

To the Shareholders
CAPGEMINI SE
11 rue de Tilsitt
75017 Paris

In compliance with the assignment entrusted to us by Annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Capgemini SE, for the period from January 1, 2022 to June 30, 2022;
- the verification of the information presented in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34- standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II - Specific verification

We have also verified the information presented in the half-year management report on the condensed half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

French original signed by

Neuilly-sur-Seine and Courbevoie, August 2, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit		Mazars	
Itto El Hariri	Romain Dumont	Dominique Muller	Anne-Laure Rousselou

INTERIM FINANCIAL REVIEW

Capgemini reported very strong H1 2022 results. Following record growth in Q1 2022, Capgemini accelerated further in the second quarter. This momentum was largely fueled by the Intelligent Industry and Customer First business areas, as well as activities driven by Cloud and Data. This illustrates the importance of digital transformation for Group customers and the structural increase in their investments in technology.

Given this strong growth momentum, the Group has raised its growth objective for 2022, while retaining its other financial objectives unchanged for the current year (see the “Outlook for fiscal year 2022” section below).

Capgemini continued to attract and develop its talent during the half-year - a real growth driver - exceeding 350,000 employees at June 30, 2022. In particular, the Group stepped up training measures in line with its objective to increase by 5% each year the average number of training hours received by each employee.

FINANCIAL PERFORMANCE

Capgemini generated **revenues** of €10,688 million in H1 2022, up +22.7% on a reported basis and +18.5% at constant exchange rates. Organic growth (i.e. excluding the impacts of currency fluctuations and changes in Group scope) is +17.2%.

Group growth accelerated in Q2 to reach +19.3% at constant exchange rates and +18.1% organically, confirming the strong momentum observed in the previous quarter.

Bookings totaled €11,607 million in the first half of 2022, up +22% year-on-year at constant exchange rates. The book-to-bill ratio is 1.09 for H1 and 1.11 for Q2, reflecting ongoing robust commercial momentum.

The **operating margin** is €1,301 million, or 12.2% of revenues, an increase of +25% or +0.2 points year-on-year. As expected, mix and pricing improvement offset the return of certain operating costs, such as travel expenses, and those of developing Group talent.

Other operating income and expenses represent a net expense of €233 million, virtually stable year-on-year. The decrease in restructuring costs was partially offset by amortization of intangible assets recognized in business combinations, as well as by the impact of the increase in the Capgemini share price until the end of 2021 on the long-term share-based compensation expense.

As a result, Capgemini’s **operating profit** is up +32% to €1,068 million, or 10.0% of revenues.

The **net financial expense** is €71 million, down €14 million on H1 2021.

The **income tax** expense is €327 million and includes exceptional tax expenses of €29 million, compared with €56 million last year. These tax expenses relate to (i) the transitional impact of the 2017 US tax reform and (ii) in 2021, the consequence of a 2021 change in a local tax regulation on legal restructurings carried out in 2016. Adjusted for these expenses, the effective tax rate is 29.9%, compared with 31.0% in H1 2021 and 29.2% in FY 2021.

Net profit (Group share) is up +50% year-on-year at €667 million for the first six months of 2022. **Basic earnings per share** rose by +49% year-on-year to €3.91, while **normalized earnings per share** increased +36% to €4.87. Normalized earnings per share adjusted for exceptional tax expenses rose +29% to €5.03.

The Group generated **organic free cash flow** of €193 million, down as expected from €429 million in the same period of 2021.

Return to shareholders increased under the combined effect of a higher dividend (€2.40 per share or €409 million) and share buybacks during the period (totaling €517 million on a performed basis).

Furthermore, the Group disbursed a net amount of €34 million on external growth transactions during the half-year.

HEADCOUNT

At June 30, 2022, the Group’s total headcount stood at 352,100, up 22% year-on-year, with a 27% increase in employees in offshore centers to 207,900 (59% of the total headcount).

OPERATIONS BY REGION

	Revenues	Year-on-year growth		Operating margin rate	
	H1 2022 *(in millions of euros)*	Reported	At constant exchange rates	H1 2021	H1 2022
North America	3,170	+27.9%	+16.8%	15.7%	15.5%
United Kingdom and Ireland	1,287	+26.4%	+22.7%	17.6%	18.4%
France	2,113	+12.9%	+12.8%	7.5%	10.7%
Rest of Europe	3,161	+16.7%	+16.9%	11.5%	9.8%
Asia-Pacific and Latin America	957	+51.2%	+41.5%	12.5%	9.7%
TOTAL	**10,688**	**+22.7%**	**+18.5%**	**12.0%**	**12.2%**

All Group regions posted strong double-digit constant currency growth rates in H1 2022, confirming the acceleration already observed in the first quarter. This growth was fueled by strong momentum in almost all the Group's sectors.

Revenues in **North America** (30% of Group revenues in H1 2022) grew by +16.8% at constant exchange rates, driven in particular by the Financial Services and Manufacturing sectors. The operating margin rate was 15.5% compared with 15.7% in the first half of 2021.

The **United Kingdom and Ireland** region (12% of Group revenues) reported remarkable growth of +22.7% at constant exchange rates, boosted by a strong Public sector but also by the Consumer Goods & Retail and Energy & Utilities sectors, which are very dynamic. The operating margin reached a record level of 18.4%, compared with 17.6% a year earlier.

France (20% of Group revenues) reported revenue growth of +12.8% at constant exchange rates, with a particularly strong performance in the Manufacturing and Consumer Goods & Retail sectors. The operating margin further improved to reach 10.7%, a marked 3.2 points year-on-year improvement.

The **Rest of Europe** region (29% of Group revenues) grew +16.9% at constant exchange rates, with the Manufacturing and Consumer Goods & Retail sectors as the top drivers. The operating margin recorded a decline at 9.8%, compared with 11.5% one year earlier.

Finally, revenues in the **Asia-Pacific and Latin America** region (9% of Group revenues) increased sharply by +41.5% at constant exchange rates. The contribution of Group acquisitions in 2021 combined with organic momentum which remains extremely robust in this region, notably in the Manufacturing and Financial Services sectors. The region reported an operating margin of 9.7%, from 12.5% in H1 2021.

OPERATIONS BY BUSINESS

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 businesses change, an increasing number of contracts require a range of business expertise for delivery, leading to a rise in inter-business flows.

	Total revenues	Year-on-year growth
	H1 2022 *(% of Group revenues)*	At constant exchange rates in Total revenues of the business
Strategy & Transformation	8%	+29.7%
Applications & Technology	63%	+21.1%
Operations & Engineering	29%	+13.4%

All Group business lines also reported double-digit constant currency growth rates in H1 2022.

Strategy & Transformation services (8% of Group revenues in H1 2022) and **Applications & Technology** services (63% of Group revenues and Capgemini's core business) continue to benefit from broad-based demand for digital transformation, posting growth in total revenues at constant exchange rates of +29.7% and +21.1%, respectively.

Operations & Engineering services (29% of Group revenues) grew +13.4% at constant exchange rates, reflecting strong growth in Engineering services and Cloud infrastructure services.

UKRAINE & RUSSIA

Since the end of 2021, Capgemini has proactively taken measures to ensure the safety of its teams and their families in Ukraine and has implemented continuity plans for its clients. Capgemini continues to monitor events very closely in order to support its employees in this difficult context.

The war in Ukraine did not have any material impact on the Group's performance. Indeed, with well under 1% of Group revenues and less than 1% of its workforce, the Group's total exposure to Ukraine and Russia is very limited.

In Russia, the Group confirms its intention to discontinue its presence - which is very limited in size and relates to very few international brands present in the country - while respecting the rights of its employees and in full compliance with the applicable legislation.

ANALYSIS OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2022

Consolidated Income Statement

Revenues for the first-half 2022 totaled €10,688 million, compared with €8,711 million for the first-half 2021, representing an increase of 22.7% on a reported basis and a 18.5% revenue increasing at constant exchange rates.

The **operating margin** for the first six months of 2022 was €1,301 million, compared with €1,042 million for the same period in 2021, representing a margin rate of 12.2% compared with 12.0%.

Operating profit is €1,068 million for the first-half 2022, compared with €812 million for the first-half 2021, after taking into account **other operating income and expense** representing a net expense of €233 million in the first-half 2022 compared with €230 million in the first-half 2021.

The **net financial expense** was €71 million in the first-half 2022, compared with €85 million for the same period in 2021.

The **income tax expense** for the first-half 2022 is €327 million, compared with €282 million for the first-half 2021. The effective tax rate is 29.9% for the first six months of 2022 compared with 31.0% in the first-half 2021, excluding the tax expense due to the transitional impact of the 2017 US tax reform and also for 2021, an income tax expense in application of a 2021 regulatory change on legal restructurings occurred in 2016.

Profit for the period attributable to owners of the Company is therefore €667 million for the first-half 2022, compared with €443 million for the first-half 2021. Normalized earnings per share are therefore €4.87 based on an average of 170,561,706 ordinary shares outstanding in the first-half 2022, compared with €3.58 based on an average of 168,453,627 ordinary shares outstanding in the first-half 2021.

Consolidated Statement of Financial Position

Equity attributable to owners of the Company totaled €8,938 million at June 30, 2022, up €471 million on December 31, 2021. This increase was mainly due to:

- the net profit for the period of €667 million;
- the positive impact of other comprehensive income of €652 million, mainly tied to the appreciation of the US dollar;
- the impact of incentive instruments and employee share ownership of €80 million,

partially offset by the payment to shareholders of dividends of €409 million and the elimination of treasury shares bought back during the period for €515 million.

Non-current assets totaled €15,505 million at June 30, 2022, up €471 million on December 31, 2021, mainly due to the impact of the appreciation of the US dollar on goodwill denominated in this currency.

Non-current liabilities totaled €8,944 million at June 30, 2022 down €93 million on December 31, 2021.

Trade receivables and contract assets totaled €5,213 million at June 30, 2022, compared with €4,606 million at December 31, 2021. Trade receivables and contract assets excluding contract costs and net of contract liabilities totaled €3,735 million at June 30, 2022, compared with €3,084 million at December 31, 2021.

Accounts and notes payable mainly consist of trade payables and related accounts, personnel costs and accrued taxes other than income tax and total €4,231 million at June 30, 2022, compared with €4,361 million at December 31, 2021.

Consolidated net debt totaled €4,094 million at June 30, 2022 compared with €3,224 million at December 31, 2021. This €870 million increase in net debt on December 31, 2021 chiefly reflects:
- the payment to shareholders of dividends of €409 million,
- net cash outflows of €515 million in respect of transactions in treasury shares,
- cash outflows on business combinations, net of cash and cash equivalents acquired, of €34 million,

partially offset by organic free cash flow generation in the first-half 2022 of €193 million.

Related parties

No material transactions with related parties took place in the first-half 2022.

MAIN RISKS AND UNCERTAINTIES FOR THE SECOND-HALF OF 2022

The nature and degree of risks to which the Group is exposed have not changed from those presented on pages 110 to 127 of the 2021 Universal Registration Document.

OUTLOOK FOR FISCAL YEAR 2022

Given the strong demand momentum, the Group is raising its growth objective for 2022 and is now aiming for:
- Revenue growth of +14% to +15% at constant currency, instead of +8% to +10% previously. The inorganic contribution to this objective is virtually unchanged and should be around 1.5 points.

The Group's other objectives for 2022 are unchanged:
- Operating margin of 12.9% to 13.1%.
- Organic free cash flow above €1,700 million.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2022

CONSOLIDATED INCOME STATEMENT

		2021		First-half 2021		First-half 2022	
in millions of euros	**Notes**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Revenues	4 - 5	**18,160**	**100**	**8,711**	**100**	**10,688**	**100**
Cost of services rendered		(13,368)	(73.6)	(6,417)	(73.7)	(7,895)	(73.8)
Selling expenses		(1,196)	(6.6)	(584)	(6.7)	(727)	(6.8)
General and administrative expenses		(1,256)	(6.9)	(668)	(7.6)	(765)	(7.2)
Operating expenses	6	**(15,820)**	**(87.1)**	**(7,669)**	**(88.0)**	**(9,387)**	**(87.8)**
Operating margin *		**2,340**	**12.9**	**1,042**	**12.0**	**1,301**	**12.2**
Other operating income and expense	7	(501)	(2.8)	(230)	(2.7)	(233)	(2.2)
Operating profit		**1,839**	**10.1**	**812**	**9.3**	**1,068**	**10.0**
Net finance costs	8	(117)	(0.6)	(59)	(0.7)	(46)	(0.4)
Other financial income and expense	8	(42)	(0.2)	(26)	(0.3)	(25)	(0.2)
Net financial expense		**(159)**	**(0.8)**	**(85)**	**(1.0)**	**(71)**	**(0.6)**
Income tax expense	9	**(526)**	**(2.9)**	**(282)**	**(3.1)**	**(327)**	**(3.1)**
Share of profit of associates		**5**	**-**	**(1)**	**-**	**(2)**	**-**
PROFIT FOR THE PERIOD		**1,159**	**6.4**	**444**	**5.2**	**668**	**6.3**
Attributable to:							
Owners of the Company		*1,157*	*6.4*	*443*	*5.2*	*667*	*6.3*
Non-controlling interests		*2*	*-*	*1*	*-*	*1*	*-*

EARNINGS PER SHARE	2021	First-half 2021	First-half 2022
Average number of shares outstanding during the period	168,574,058	168,453,627	170,561,706
Basic earnings per share (in euros)	**6.87**	**2.63**	**3.91**
Diluted average number of shares outstanding	173,899,033	173,684,216	176,218,421
Diluted earnings per share *(in euros)*	**6.66**	**2.55**	**3.78**

** Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in millions of euros	2021	First-half 2021	First-half 2022
Actuarial gains and losses on defined benefit pension plans, net of tax (1)	342	198	247
Remeasurement of cash flow and net investment hedging instruments, net of tax (2)	160	42	(18)
Translation adjustments (2)	524	210	423
Other, net of tax (1)	1	-	-
OTHER ITEMS OF COMPREHENSIVE INCOME	**1,027**	**450**	**652**
Profit for the period	1,159	444	668
Total comprehensive income for the period	2,186	894	1,320
Attributable to:			
Owners of the Company	*2,184*	*893*	*1,319*
Non-controlling interests	*2*	*1*	*1*

(1) Other items of comprehensive income that will not be reclassified subsequently to profit or loss.
(2) Other items of comprehensive income that may be reclassified subsequently to profit or loss.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in millions of euros	Notes	June 30, 2021	December 31, 2021	June 30, 2022
Goodwill	10	10,096	10,633	11,087
Intangible assets		1,042	1,003	969
Property, plant and equipment		801	880	913
Lease right-of-use assets		809	823	771
Deferred tax assets		873	881	834
Other non-current assets	14	602	814	931
Total non-current assets		**14,223**	**15,034**	**15,505**
Contract costs	11	119	117	121
Contract assets	11	1,657	1,380	2,246
Trade receivables	11	2,449	3,109	2,846
Current tax receivables		264	141	285
Other current assets	14	608	738	845
Cash management assets	12	322	385	415
Cash and cash equivalents	12	2,623	3,129	2,403
Total current assets		**8,042**	**8,999**	**9,161**
TOTAL ASSETS		**22,265**	**24,033**	**24,666**

in millions of euros	Notes	June 30, 2021	December 31, 2021	June 30, 2022
Share capital		1,350	1,379	1,379
Additional paid-in capital		3,050	3,609	3,609
Retained earnings and other reserves		1,838	2,322	3,283
Profit for the period		443	1,157	667
Equity (attributable to owners of the Company)		**6,681**	**8,467**	**8,938**
Non-controlling interests		11	12	15
Total equity		**6,692**	**8,479**	**8,953**
Long-term borrowings	12	6,639	6,654	6,649
Deferred tax liabilities		255	294	347
Provisions for pensions and other post-employment benefits	13	744	655	513
Non-current provisions		372	341	338
Non-current lease liabilities		609	627	577
Other non-current liabilities	14	443	466	520
Total non-current liabilities		**9,062**	**9,037**	**8,944**
Short-term borrowings and bank overdrafts	12	1,131	87	200
Accounts and notes payable		3,567	4,361	4,231
Contract liabilities	11	1,040	1,405	1,357
Current provisions		129	140	123
Current tax liabilities		228	75	310
Current lease liabilities		280	274	265
Other current liabilities	14	136	175	283
Total current liabilities		**6,511**	**6,517**	**6,769**
TOTAL EQUITY AND LIABILITIES		**22,265**	**24,033**	**24,666**

CONSOLIDATED STATEMENT OF CASH FLOWS

in millions of euros	Notes	2021	First-half 2021	First-half 2022
Profit for the period		**1,159**	**444**	**668**
Depreciation, amortization and impairment of fixed assets and lease right-of-use assets		672	328	356
Change in provisions		(146)	(93)	(18)
Losses/(Gains) on disposals of assets and other		33	8	13
Expenses relating to share grants		125	58	80
Net finance costs	8	117	59	46
Unrealized (gains) losses on changes in fair value and other financial items		6	15	28
Income tax expense/(income)	9	526	282	327
Cash flows from operations before net finance costs and income tax (A)		**2,492**	**1,101**	**1,500**
Income tax paid (B)		**(440)**	**(201)**	**(104)**
Change in trade receivables, contract assets net of liabilities and contract costs		(197)	(235)	(570)
Change in accounts and notes payable		351	116	62
Change in other receivables/payables		375	(16)	(319)
Change in operating working capital (C)		**529**	**(135)**	**(827)**
NET CASH FROM (USED IN) OPERATING ACTIVITIES (D=A+B+C)		**2,581**	**765**	**569**
Acquisitions of property, plant and equipment and intangible assets		(266)	(85)	(146)
Proceeds from disposals of property, plant and equipment and intangible assets		4	2	1
Acquisitions of property, plant and equipment and intangible assets, net of disposals		**(262)**	**(83)**	**(145)**
Cash (outflows) inflows on business combinations net of cash and cash equivalents acquired	2	(369)	(70)	(34)
Cash (outflows) inflows in respect of cash management assets		(25)	21	(24)
Other cash (outflows) inflows, net		(22)	(16)	(78)
Cash outflows from investing activities		**(416)**	**(65)**	**(136)**
NET CASH FROM (USED IN) INVESTING ACTIVITIES (E)		**(678)**	**(148)**	**(281)**
Proceeds from issues of share capital		587	-	-
Dividends paid		(329)	(329)	(409)
Net payments relating to transactions in Capgemini SE shares		(197)	2	(515)
Proceeds from borrowings		137	84	266
Repayments of borrowings		(1,498)	(390)	(170)
Repayments of lease liabilities		(320)	(161)	(157)
Interest paid		(153)	(105)	(92)
Interest received		27	13	18
NET CASH FROM (USED IN) FINANCING ACTIVITIES (F)		**(1,746)**	**(886)**	**(1,059)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (G=D+E+F)		**157**	**(269)**	**(771)**
Effect of exchange rate movements on cash and cash equivalents (H)		134	48	25
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD (I)	**12**	**2,828**	**2,828**	**3,119**
CASH AND CASH EQUIVALENTS AT END OF PERIOD (G+H+I)	**12**	**3,119**	**2,607**	**2,373**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in millions of euros	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Income and expense recognized in equity: Translation adjustments	Income and expense recognized in equity: Other	Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
At December 31, 2021	**172,391,524**	**1,379**	**3,609**	**(79)**	**4,233**	**(120)**	**(555)**	**8,467**	**12**	**8,479**
Impact of the first-time application of the IFRS Interpretation Committee (IFRIC) decision published in April 2021 on SaaS type contracts	-	-	-	-	(2)	-	-	(2)	-	(2)
At January 1, 2022	**172,391,524**	**1,379**	**3,609**	**(79)**	**4,231**	**(120)**	**(555)**	**8,465**	**12**	**8,477**
Dividends paid out for 2021	-	-	-	-	(409)	-	-	(409)	-	(409)
Incentive instruments and employee share ownership	-	-	-	-	80	-	-	80	-	80
Elimination of treasury shares	-	-	-	(516)	1	-	-	(515)	-	(515)
Transactions with non-controlling interests and others	-	-	-	-	(2)	-	-	(2)	2	-
Transactions with shareholders and others	**-**	**-**	**-**	**(516)**	**(330)**	**-**	**-**	**(846)**	**2**	**(844)**
Income and expense recognized in equity	**-**	**-**	**-**	**-**	**-**	**423**	**229**	**652**	**-**	**652**
Profit for the period	**-**	**-**	**-**	**-**	**667**	**-**	**-**	**667**	**1**	**668**
At June 30, 2022	**172,391,524**	**1,379**	**3,609**	**(595)**	**4,568**	**303**	**(326)**	**8,938**	**15**	**8,953**

in millions of euros	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Income and expense recognized in equity: Translation adjustments	Income and expense recognized in equity: Other	Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
At December 31, 2020	**168,784,837**	**1,350**	**3,050**	**(39)**	**3,444**	**(644)**	**(1,058)**	**6,103**	**12**	**6,115**
Dividends paid out for 2020	-	-	-	-	(329)	-	-	(329)	-	(329)
Incentive instruments and employee share ownership	-	-	-	-	58	-	-	58	-	58
Elimination of treasury shares	-	-	-	1	1	-	-	2	-	2
Finalization of the allocation of the Altran Technologies purchase price	-	-	-	-	(46)	-	-	(46)	(2)	(48)
Transactions with shareholders and others	**-**	**-**	**-**	**1**	**(316)**	**-**	**-**	**(315)**	**(2)**	**(317)**
Income and expense recognized in equity	**-**	**-**	**-**	**-**	**-**	**210**	**240**	**450**	**-**	**450**
Profit for the period	**-**	**-**	**-**	**-**	**443**	**-**	**-**	**443**	**1**	**444**
At June 30, 2021	**168,784,837**	**1,350**	**3,050**	**(38)**	**3,571**	**(434)**	**(818)**	**6,681**	**11**	**6,692**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2022

NOTE 1 ACCOUNTING BASIS

The condensed interim consolidated financial statements for the half-year ended June 30, 2022 and the notes thereto were drawn up under the responsibility of the Board of Directors and reviewed by the Board of Directors' meeting of July 28, 2022.

A) IFRS standards base

The condensed interim consolidated financial statements for the first-half 2022 have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), and endorsed by the European Union. They therefore do not include all the information required under IFRS for full financial statements. These condensed interim consolidated financial statements nonetheless present a selection of notes explaining the major events and transactions of the period in order to understand the changes in the Group's financial position and performance since the last annual consolidated financial statements.
These condensed interim consolidated financial statements for the half-year ended June 30, 2022 should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2021.

The Group also takes account of the positions adopted by Numeum (merger of Syntec Numérique and TECH IN France), an organization representing major consulting and computer services companies in France, regarding the application of certain IFRS.

B) New standards and interpretations applicable in 2022

a) New standards, amendments and interpretations of mandatory effect at January 1, 2022

The accounting policies applied by the Capgemini Group are unchanged on those applied for the preparation of the December 31, 2021 consolidated financial statements.
The standards, amendments, and interpretations which entered into mandatory effect on January 1, 2022 did not have a material impact on the Group financial statements.

In the condensed interim consolidated financial statements for the first-half 2022, the Group finalized and applied the IFRS Interpretation Committee (IFRIC) decision published in April 2021, Configuration or Customisation Costs in a Cloud Computing Arrangement, relating to IAS 38, Intangible Assets, on the recognition of configuration or customization costs for software used internally and made available in the Cloud in a Software as a Service (SaaS) arrangement. The Group therefore recognized an amount net of deferred tax of €2 million in equity at January 1, 2022, in respect of the retrospective adjustment relating to this new interpretation. As the impact on the Group's financial indicators is not material, comparable periods were not adjusted retrospectively.

b) Other new standards not yet in effect at January 1, 2022 or adopted early

The Group did not adopt early any new standards not yet in effect at January 1, 2022.

C) Use of estimates

The preparation of consolidated financial statements involves the use of estimates and assumptions which may have an impact on the reported values of assets and liabilities at the period end or on certain items of either net profit or the income and expenses recognized directly in equity for the year. Estimates are based on economic data and assumptions which are likely to vary over time and interpretations of local regulation when necessary. They have notably been made in an ongoing uncertain economic, geopolitical and health context. These estimates are subject to a degree of uncertainty and mainly concern revenue recognition on a percentage-of-completion basis, provisions, measurement of the amount of intangible assets and deferred tax assets, provisions for pensions and other post-employment benefits, the fair value of derivatives and the calculation of the tax expense.

NOTE 2 CHANGES IN CONSOLIDATION SCOPE

On May 16, 2022, the Group announced it had finalized an agreement to acquire Chappuis Halder & Cie, a strategy and management consulting group specializing in the financial services industry.
On June 7, 2022, the Group announced the acquisition of Rufus Leonard, a London based brand design and experience agency. The contribution of these transactions to Group financial indicators in the first-half 2022 is not material. The purchase price allocations are provisional at June 30, 2022 and will be finalized during the 12 months following the take over.

NOTE 3 ALTERNATIVE PERFORMANCE MEASURES

The alternative performance measures monitored by the Group are defined as follows:

- **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 reported period.

- **Growth at constant exchange rates** in revenues is the growth rate calculated at exchange rates used for the reported period.

- **Operating margin** is equal to revenues less operating expenses. It is calculated before "Other operating income and expense" 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 year attributable to owners of the Company corrected for the impact of items recognized in "Other operating income and expense" (see Note 7– Other operating income and expense), net of tax calculated using the effective tax rate:

in millions of euros	First-half 2021	First-half 2022
Profit for the period attributable to owners of the Company	**443**	**667**
Other operating income and expenses, net of tax calculated at the effective tax rate(1)	159	163
Normalized profit for the period attributable to owners of the Company	**602**	**830**
Weighted average number of ordinary shares outstanding	168,453,627	170,561,706
NORMALIZED EARNINGS PER SHARE (in euros)	**3.58**	**4.87**

(1) See Note 9 - Income Tax.

The normalized earnings per share would have been €5.03 in the first-half 2022 compared with €3.91 in the first-half 2021, excluding:

- the tax charge of the transitional impact of the 2017 US tax reform and also,
- for 2021, in application of a 2021 regulatory change, an income tax expense on the write-off of deferred tax assets on amortizable goodwill, recognized in 2016 on legal restructurings.

in millions of euros	First-half 2021	First-half 2022
NORMALIZED EARNINGS PER SHARE (in euros)	3.58	4.87
Tax expense due to the transitional impact of the 2017 US tax reform	17	29
Tax expense, in application of regulatory change, from the write-off of deferred tax assets on amortizable goodwill, recognized in 2016 on legal restructurings	39	-
Weighted average number of ordinary shares outstanding	168,453,627	170,561,706
Impact of the tax expense due to the transitional impact of the 2017 US tax reform	0.10	0.16
Impact of the tax expense, in application of regulatory change, from the write-off of deferred tax assets on amortizable goodwill, recognized in 2016 on legal restructurings	0.23	-
NORMALIZED EARNINGS PER SHARE - excl. the tax expense due to the transitional impact of the 2017 US tax reform and, in application of regulatory change, the write-off of deferred tax assets on amortizable goodwill, recognized In 2016 on legal restructurings	3.91	5.03

- **Net debt** (or net cash and cash equivalents) 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, (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 the impact of hedging instruments when these relate to borrowings and own shares.

- **Organic free cash flow** calculated based on items in the Statement of Cash Flows is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and repayments of lease liabilities and adjusted for flows relating to the net interest cost.

in millions of euros	First-half 2021	First-half 2022
Net cash from operating activities	**765**	**569**
Acquisitions of property, plant and equipment and intangible assets	(85)	(146)
Proceeds from disposals of property, plant and equipment and intangible assets	2	1
Acquisitions of property, plant and equipment and intangible assets (net of disposals)	**(83)**	**(145)**
Interest paid	(105)	(92)
Interest received	13	18
Net interest cost	**(92)**	**(74)**
Repayments of lease liabilities	**(161)**	**(157)**
ORGANIC FREE CASH FLOW	429	193

NOTE 4 OPERATING SEGMENTS

Group Management analyzes and measures activity performance in the geographic areas where the Group is present.
The geographic analysis enables management to monitor the performance:

- of commercial development: it focuses on trends in major contracts and clients in Group markets across all its businesses. This monitoring seeks to coordinate the service offering of the different businesses in the countries, given their considerable interaction and to measure the services rendered.
- at operational and financial level: management of treasury and support services, the operating investment and financing policies and the acquisition policy are decided and implemented by geographic area.

Accordingly, the Group presents segment reporting for the geographic areas where it is located.

The Group segments are defined as geographic areas (e.g. France) or groups of geographic areas (Rest of Europe). Geographic areas are grouped together based on an analysis of the nature of contracts, the typology of customer portfolios and the uniformity of operating margins*.

Costs relating to operations and incurred by Group holding companies on behalf of geographic areas are allocated to the relevant segments either directly or on the basis of an allocation key. Items not allocated correspond to headquarter expenses.
Inter-segment transactions are carried out on an arm's length basis.

The performance of operating segments is measured based on the operating margin*. This indicator enables the measurement and comparison of the operating performance of operating segments, irrespective of whether their business results from internal or external growth.

The operating margin* realized by the main offshore delivery centers (India and Poland) is reallocated to the geographic areas managing the contracts to enable a better understanding of the performance of these areas.

** Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.*

The Group communicates segment information for the following geographic areas: North America, France, United Kingdom and Ireland, the Rest of Europe, Asia-Pacific and Latin America.

First-half 2022 *(in millions of euros)*	North America	France	United Kingdom and Ireland	Rest of Europe	Asia-Pacific and Latin America (1)	Headquarter expenses	Eliminations	Total
Revenues								
► external	3,170	2,113	1,287	3,161	957	-	-	10,688
► inter-geographic area	115	231	139	280	1,250	-	(2,015)	-
TOTAL REVENUES	**3,285**	**2,344**	**1,426**	**3,441**	**2,207**	**-**	**(2,015)**	**10,688**
OPERATING MARGIN (2)	**490**	**226**	**237**	**311**	**93**	**(56)**	**-**	**1,301**
% of revenues	*15.5*	*10.7*	*18.4*	*9.8*	*9.7*	*-*	*-*	*12.2*
OPERATING PROFIT	**430**	**179**	**219**	**250**	**46**	**(56)**	**-**	**1,068**

(1) The Asia-Pacific and Latin America area includes the following countries in particular: India, other Asian countries, Australia, Brazil and Mexico.
(2) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.

First-half 2021 *(in millions of euros)*	North America	France	United Kingdom and Ireland	Rest of Europe	Asia-Pacific and Latin America (1)	Headquarter expenses	Eliminations	Total
Revenues								
► external	2,478	1,872	1,018	2,710	633	-	-	8,711
► inter-geographic area	88	182	120	201	883	-	(1,474)	-
TOTAL REVENUES	**2,566**	**2,054**	**1,138**	**2,911**	**1,516**	**-**	**(1,474)**	**8,711**
OPERATING MARGIN (2)	**389**	**141**	**179**	**312**	**78**	**(57)**	**-**	**1,042**
% of revenues	*15.7*	*7.5*	*17.6*	*11.5*	*12.5*	*-*	*-*	*12.0*
OPERATING PROFIT	**330**	**66**	**162**	**260**	**51**	**(57)**	**-**	**812**

(1) The Asia-Pacific and Latin America area includes the following countries in particular: India, other Asian countries, Australia, Brazil and Mexico.
(2) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.

2021 *(in millions of euros)*	North America	France	United Kingdom and Ireland	Rest of Europe	Asia-Pacific and Latin America (1)	Headquarter expenses	Eliminations	Total
Revenues								
► external	5,251	3,799	2,127	5,563	1,420	-	-	18,160
► inter-geographic area	181	366	256	480	1,986	-	(3,269)	-
TOTAL REVENUES	**5,432**	**4,165**	**2,383**	**6,043**	**3,406**	**-**	**(3,269)**	**18,160**
OPERATING MARGIN (2)	**835**	**389**	**383**	**684**	**164**	**(115)**	**-**	**2,340**
% of revenues	*15.9*	*10.2*	*18.0*	*12.3*	*11.5*	*-*	*-*	*12.9*
OPERATING PROFIT	**701**	**247**	**341**	**578**	**87**	**(115)**	**-**	**1,839**

(1) The Asia-Pacific and Latin America area includes the following countries in particular: India, other Asian countries, Australia, Brazil and Mexico.

(2) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.

NOTE 5 REVENUES

In the first-half 2022, revenues increased by 22.7% on a reported basis. Revenues increased by 18.5% at constant exchange rates*, while organic growth* was 17.2%.

in millions of euros	First-half 2021	Change: Reported	Change: At constant exchange rates (*)	First-half 2022
North America	2,478	*27.9%*	*16.8%*	3,170
France	1,872	*12.9%*	*12.8%*	2,113
United Kingdom and Ireland	1,018	*26.4%*	*22.7%*	1,287
Rest of Europe	2,710	*16.7%*	*16.9%*	3,161
Asia-Pacific and Latin America	633	*51.2%*	*41.5%*	957
TOTAL	**8,711**	***22.7%***	***18.5%***	**10,688**

** Organic growth and growth at constant exchange rates, alternative performance measures monitored by the Group, are defined in Note 3 – Alternative performance measures.*

NOTE 6 OPERATING EXPENSES BY NATURE

in millions of euros	2021 Amount	2021 % of revenues	First-half 2021 Amount	First-half 2021 % of revenues	First-half 2022 Amount	First-half 2022 % of revenues
Personnel expenses	12,192	67.1%	6,034	69.3%	7,420	69.4%
Travel expenses	123	0.7%	47	0.5%	109	1.0%
Purchases and sub-contracting expenses	2,718	15.0%	1,187	13.6%	1,444	13.5%
Rent and local taxes	154	0.8%	85	1.0%	98	0.9%
Charges to depreciation, amortization, impairment and provisions and proceeds from asset disposals	633	3.5%	316	3.6%	316	3.0%
OPERATING EXPENSES	**15,820**	**87.1%**	**7,669**	**88.0%**	**9,387**	**87.8%**

NOTE 7 OTHER OPERATING INCOME AND EXPENSE

in millions of euros	2021	First-half 2021	First-half 2022
Amortization of intangible assets recognized in business combinations	(122)	(59)	(68)
Expenses relating to share grants	(163)	(73)	(86)
Restructuring costs	(101)	(40)	(24)
Integration costs for companies acquired	(105)	(57)	(38)
Acquisition costs	(15)	(7)	(5)
Other operating expenses	(31)	(10)	(24)
Total operating expenses	**(537)**	**(246)**	**(245)**
Other operating income	36	16	12
Total operating income	**36**	**16**	**12**
OTHER OPERATING INCOME AND EXPENSE	**(501)**	**(230)**	**(233)**

The war in Ukraine did not have any material impact on the Group's performance. All protection, safety, business continuity measures and the cessation of activities in Russia in accordance with employee rights and in full compliance with applicable legislation, generated non-recurring costs that are not material at Group level.

Integration costs for companies acquired mainly concern the integration of Altran.

The "Other operating income" recorded gains in respect of the reduction in the pension and post-employment benefit obligation following the transfer of employees dedicated to client contracts.

NOTE 8 NET FINANCIAL EXPENSE

in millions of euros	2021	First-half 2021	First-half 2022
Income from cash, cash equivalents and cash management assets	24	11	18
Net interest on borrowings	(126)	(63)	(58)
Net finance costs at the nominal interest rate	**(102)**	**(52)**	**(40)**
Impact of amortized cost on borrowings	(15)	(7)	(6)
Net finance costs at the effective interest rate	**(117)**	**(59)**	**(46)**
Net interest cost on defined benefit pension plans	(18)	(10)	(5)
Interest on lease liabilities	(19)	(11)	(7)
Exchange gains (losses) on financial transactions	(5)	1	67
(Losses) gains on derivative instruments	3	(1)	(76)
Other	(3)	(5)	(4)
Other financial income and expense	**(42)**	**(26)**	**(25)**
NET FINANCIAL EXPENSE	**(159)**	**(85)**	**(71)**

Net interest on borrowings (€58 million) and the impact of amortized cost on borrowings (€6 million) total €64 million and mainly comprise:

- the coupon on the 2015 bond issue of €12 million, with a negligible amortized cost accounting impact,
- coupons on the 2018 bond issues of €7 million, plus an amortized cost accounting impact of €3 million,
- coupons on the 2020 bond issues of €38 million, plus an amortized cost accounting impact of €3 million.

Exchange gains on financial transactions and losses on derivative instruments primarily concern inter-company loans denominated in foreign currencies and the impacts of the related hedging arrangements.

NOTE 9 INCOME TAX EXPENSE

The effective tax rate for the half-year is calculated by applying the estimated effective tax rate for the fiscal year to pre-tax net profits for the half-year to June 30.

The effective income tax rate for the first-half 2022 is 32.8% based on pre-tax net profit of €997 million, compared with 31.3% at December 31, 2021 and 38.7% at June 30, 2021.

The effective income tax rate used to calculate normalized earnings per share at June 30, 2022 is 29.9%, compared to 31.0% at June 30, 2021. It is adjusted for a tax expense of €29 million due to the transitional impact of the 2017 US tax reform.

NOTE 10 GOODWILL

The Group has not identified any indications of impairment calling into question the recoverable amount of the Cash Generating Units (CGU) at June 30, 2022.

NOTE 11 TRADE RECEIVABLES, CONTRACT ASSETS AND CONTRACT COSTS

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
Trade receivables	2,479	3,133	2,868
Provisions for doubtful accounts	(30)	(24)	(22)
Contract assets	1,657	1,380	2,246
Trade receivables and contract assets, excluding contract costs	**4,106**	**4,489**	**5,092**
Contract costs	119	117	121
TRADE RECEIVABLES, CONTRACT ASSETS AND CONTRACT COSTS	**4,225**	**4,606**	**5,213**

Total trade receivables and contract assets net of contract liabilities can be analyzed as follows in number of days' annual revenue:

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
Trade receivables and contract assets, excluding contract costs	4,106	4,489	5,092
Contract liabilities	(1,040)	(1,405)	(1,357)
TRADE RECEIVABLES AND CONTRACT ASSETS NET OF CONTRACT LIABILITIES	**3,066**	**3,084**	**3,735**
In number of days' annual revenue	63	61	63

At June 30, 2022, receivables totaling €158 million were assigned with transfer of risk as defined by IFRS 9 to financial institutions, compared with €6 million at December 31, 2021 and €16 million at June 30, 2021. These receivables were therefore derecognized in the Statement of Financial Position at June 30, 2022.

NOTE 12 NET DEBT / NET CASH AND CASH EQUIVALENTS

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
Short-term investments	1,313	1,651	1,263
Cash at bank	1,310	1,478	1,140
Bank overdrafts	(16)	(10)	(30)
Cash and cash equivalents	**2,607**	**3,119**	**2,373**
Cash management assets	**322**	**385**	**415**
Bonds	(6,627)	(6,637)	(6,643)
Drawdowns on bank and similar facilities and other borrowings	(12)	(17)	(6)
Long-term borrowings	**(6,639)**	**(6,654)**	**(6,649)**
Bonds	(1,049)	(71)	(44)
Drawdowns on bank and similar facilities and other borrowings	(66)	(6)	(126)
Short-term borrowings	**(1,115)**	**(77)**	**(170)**
Borrowings	**(7,754)**	**(6,731)**	**(6,819)**
Derivative instruments	(1)	3	(63)
NET DEBT *	**(4,826)**	**(3,224)**	**(4,094)**

** Net debt / net cash and cash equivalents, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.*

During the first-half 2022, this €870 million increase in net debt on December 31, 2021 chiefly reflects:

- the payment to shareholders of dividends of €409 million;
- net cash outflows of €515 million in respect of transactions in treasury shares,
- cash outflows on business combinations, net of cash and cash equivalents acquired, of €34 million,

partially offset by organic free cash flow* generation in the first-half 2022 of €193 million.

Financial asset and liability fair value measurement methods and classifications are unchanged from December 31, 2021.

** Organic free cash flow, an alternative performance measure monitored by the Group, is defined in Note 3 - Alternative performance measures.*

NOTE 13 PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
NET OBLIGATION AT BEGINNING OF PERIOD	**1,072**	**1,072**	**550**
Expense for the period recognized in the Income Statement	**44**	**84**	**32**
Cost of services rendered	48	83	36
Plan curtailments and settlements	(14)	(17)	(9)
Interest cost	10	18	5
Impact on income and expense recognized in equity	**(263)**	**(438)**	**(320)**
Benefits and contributions	**(132)**	**(199)**	**(26)**
Translation adjustments	**25**	**36**	**15**
Other movements	**(2)**	**(5)**	**1**
NET OBLIGATION AT END OF PERIOD	**744**	**550**	**252**
o/w Provisions	**744**	**655**	**513**
o/w Other non-current assets	**-**	**105**	**261**

The decrease in the net obligation for pensions and other post-employment benefits is mainly due to the increase in discount rates, particularly in the United Kingdom, Canada and France in the first-half 2022, in a context of higher long-term risk free rates in these countries.

NOTE 14 OTHER NON-CURRENT AND CURRENT ASSETS AND LIABILITIES

"Other non-current assets", "Other current assets", "Other non-current liabilities" and "Other current liabilities" presented in the Consolidated Statement of Financial Position break down as follows:

OTHER NON-CURRENT AND CURRENT ASSETS

(in millions of euros)	June 30, 2021	December 31, 2021	June 30, 2022
Derivative instruments	66	177	251
Shares in associates	107	117	115
Social security and tax-related receivables, other than income tax	183	312	282
Prepaid expenses	308	257	346
Long-term deposits, receivables and other investments	165	161	167
Non-current tax receivables	248	259	210
Non-consolidated securities	28	43	47
Defined benefit pension plan surplus	-	105	261
Other	105	121	97
OTHER NON-CURRENT AND CURRENT ASSETS	**1,210**	**1,552**	**1,776**

The change in “Other non-current and current assets” during the period came mainly from:
- the change in the fair value of hedging derivatives contracted as part of the centralized management of currency risk;
- the increase in certain prepaid expenses related to IT expenses and client projects;
- the change in the defined benefit pension plan surplus in the United Kingdom due to the increase in discount rates in the first-half 2022 in this country.

OTHER NON-CURRENT AND CURRENT LIABILITIES

(in millions of euros)	June 30, 2021	December 31, 2021	June 30, 2022
Special employee profit-sharing reserve	43	46	44
Derivative instruments	30	85	279
Liabilities related to acquisitions of consolidated companies	125	124	103
Non-current tax payables	258	262	269
Other	123	124	108
OTHER NON-CURRENT AND CURRENT LIABILITIES	**579**	**641**	**803**

The change in “Other non-current and current liabilities” during the period came mainly from the change in the fair value of hedging derivatives contracted as part of the centralized management of currency risk.

Liabilities related to acquisitions of consolidated companies mainly comprise earn-outs granted at the time of certain acquisitions.

NOTE 15 NUMBER OF EMPLOYEES

AVERAGE NUMBER OF EMPLOYEES BY GEOGRAPHIC AREA

	First-half 2021		2021		First-half 2022	
	Number of employees	%	Number of employees	%	Number of employees	%
North America	18,243	7%	18,627	6%	20,379	6%
France	36,075	13%	36,332	13%	38,357	11%
United Kingdom and Ireland	10,772	4%	11,242	4%	12,721	4%
Rest of Europe	57,796	21%	59,188	20%	64,957	19%
Africa and Middle East	4,039	1%	4,229	1%	5,018	1%
Asia-Pacific and Latin America	149,775	54%	163,072	56%	198,203	59%
AVERAGE NUMBER OF EMPLOYEES	**276,700**	**100%**	**292,690**	**100%**	**339,635**	**100%**

NUMBER OF EMPLOYEES AT JUNE 30 BY GEOGRAPHIC AREA

	First-half 2021		2021		First-half 2022	
	Number of employees	%	Number of employees	%	Number of employees	%
North America	18,278	6%	19,588	6%	20,767	6%
France	36,118	12%	37,283	12%	38,425	11%
United Kingdom and Ireland	11,061	4%	12,172	4%	13,139	4%
Rest of Europe	58,824	21%	62,593	19%	67,311	19%
Africa and Middle East	4,239	1%	4,640	1%	5,412	1%
Asia-Pacific and Latin America	160,981	56%	188,408	58%	207,094	59%
NUMBER OF EMPLOYEES AT PERIOD-END	**289,501**	**100%**	**324,684**	**100%**	**352,148**	**100%**

NOTE 16 OFF-BALANCE SHEET COMMITMENTS

COMMITMENTS GIVEN

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
On client contracts	1,920	1,884	2,006
On non-cancelable leases	102	113	141
Other commitments given	120	70	84
COMMITMENTS GIVEN	**2,142**	**2,067**	**2,231**

COMMITMENTS RECEIVED

in millions of euros	June 30, 2021	December 31, 2021	June 30, 2022
On client contracts	1	-	-
Other commitments received	18	30	49
COMMITMENTS RECEIVED	**19**	**30**	**49**

CONTINGENT LIABILITIES

In the normal course of their activities, certain Group companies underwent tax audits, leading in some cases to revised assessments in the first-half 2022 and in previous fiscal years.
Proposed adjustments were challenged and litigation and pre-litigation proceedings were in progress at June 30, 2022. This is particularly the case in India, where Group subsidiaries have received several revised assessments or proposed revised assessments for income tax in recent years, particularly concerning transfer pricing issues.
Most often, no amounts have been booked for these disputes in the consolidated financial statements in so far as the Group considers it can justify its positions and that the likelihood of winning is high.

NOTE 17 SUBSEQUENT EVENTS

None.

DECLARATION BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

“I hereby declare that, to the best of my knowledge, the condensed interim consolidated financial statements for the half-year ended June 30, 2022 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation and that the interim financial review on page 5 gives a fair description of the material events that occurred in the first six months of the fiscal year and their impact on the financial statements, the main related party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the year".

Aiman Ezzat

Chief Executive Officer