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Capgemini reinforces its position among world leaders with a strong 2019 performance

- **Revenues of €14,125 million, up 7.0%**
- **FY growth of 5.3% at constant exchange rates and Q4 growth of 2.9%**
- **Bookings up 11% at constant exchange rates**
- **Operating margin rate* of 12.3%, up 20 basis points**
- **Net profit Group share up 17% to €856 million**
- **Organic free cash flow* up 16% to €1,288 million**
- **Proposed dividend of €1.90 per share, up 12%**
- **New share buyback program of 600 million euros**

Paris, February 13, 2020 – The Board of Directors of Capgemini SE, chaired by Paul Hermelin, convened in Paris on February 12, 2020 to review and authorize the issue of the accounts[1] of Capgemini Group for the year ended December 31, 2019.

Paul Hermelin, Chairman and Chief Executive Officer of Capgemini Group and Aiman Ezzat, who will become Chief Executive Officer of Capgemini Group following the Shareholders' Meeting of May 2020, comment: *"With the strong 2019 performance we continue the momentum started several years ago. Once again, we outpaced market growth, as we committed to do. Our operating margin is up for the 9th consecutive year and we have significantly exceeded our free cash flow target. This sound financial performance demonstrates the strength of our business model and our financial discipline.*

With this good set of results, we start 2020 on a solid footing. We can rely on a strong backlog, and on our ability to win major projects, as demonstrated in 2019. We can also count on the depth of our offer portfolio.

We are determined to expand in the "Intelligent Industry" market. We reaffirm our confidence in the final steps to complete the friendly offer to acquire Altran. This will enable us to take leadership in the digital transformation of industrial companies, a highly promising segment."

[*] The terms and Alternative Performance Measures marked with an (*) are defined and/or reconciled in the appendix to this press release.
[1] Audit procedures on the consolidated financial statements have been completed. The auditors are in the process of issuing their report.

2019 KEY FIGURES

(in millions of euros)	2018	2019 (IFRS 16[2])	*Change*
Revenues	**13,197**	**14,125**	**+7.0%** **+5.3%** at constant exchange rates*
Operating margin*	**1,597**	**1,741**	**+9%**
as a % of revenues	*12.1%*	*12.3%*	**+20 basis points**
Operating profit	**1,251**	**1,433**	
as a % of revenues	*9.5%*	*10.1%*	
Net profit (Group share)	**730**	**856**	**+17%**
Basic earnings per share (€)	4.37	5.15	+18%
Normalized earnings per share (€)*	6.06[3]	6.76[3]	+12%
Organic Free Cash Flow*	**1,160**	**1,288**	**+16%**[2]
Net cash / (Net debt)	(1,184)	(600)	+€584 million

In 2019, Capgemini continued to outpace the market and further improved its profitability and organic free cash flow* generation.

The Group generated **revenues** of €14,125 million in 2019, up 7.0% on 2018. Growth is 5.3% at constant exchange rates*, in line with the 2019 target of "around 5.5%" (adjusted target announced at the Q3 2019 publication). Organic growth* (i.e. excluding the impact of currency fluctuations and changes in Group scope) was 4.2%.

Digital and **Cloud** now account for over 50% of the Group's activities, with growth exceeding 20% at constant exchange rates in 2019.

Bookings were up sharply, rising 11% at constant exchange rates to €15,138 million. This reflects the Group's ability to win large digital transformation contracts and secure multi-year client commitments.

The **operating margin*** is €1,741 million, or 12.3% of revenues, an increase of 9% or 20 basis points year-on-year, in line with annual objectives. The portfolio of innovative offerings drove this value creation, as illustrated by the increase in gross margin of the same amount. In a mixed economic environment, the Group demonstrated its ability to continue combining growth and profitability. The United Kingdom & Ireland and France were the main contributors to this performance, as well as North America to a lesser extent.

Other operating income and expenses were down to a net expense of €308 million from €346 million in 2018. This was mainly due to the marked decrease in restructuring costs, as anticipated, from €122 million in 2018 to €82 million in 2019.

Operating profit totaled €1,433 million, or 10.1% of revenues, compared with €1,251 million, or 9.5% of revenues, in 2018.

The **net financial expense** is €79 million, virtually unchanged on last year's expense of €80 million. The **income tax expense** increased from €447 million in 2018 to €502 million this year and includes €60 million due to the transitional impact of the US tax reform, compared with €53 million last year. Adjusted for this expense, the effective tax rate decreased from 33.7% in 2018 to 32.6%.

Net profit (Group share) grew by a strong 17% to €856 million in 2019. **Basic earnings per share** was €5.15 for 2019. **Normalized earnings per share*** was €6.40, or €6.76 adjusted for the transitional tax expense in the U.S. (i.e. up 12% year-on-year).

Organic free cash flow* was up sharply at €1,288 million, far exceeding the €1,100 million target set at the beginning of the year. This was mainly due to a higher operating margin and, to a lesser extent, lower restructuring costs. The Group also benefited from a €30 million improvement in working capital requirements in 2019.

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[2] The impacts of the application of IFRS 16 at January 1, 2019 and the resulting change in the organic free cash flow and net debt definitions are presented in the appendix to this press release. The 16% increase year-on-year of the organic free cash-flow is computed on a comparable basis and amounts to 11% on a reported basis.

[3] Excluding recognition of the income tax expense due to the transitional impact of the US tax reform of €53 million in 2018 and €60 million in 2019.

Capgemini disbursed €578 million net for acquisitions in 2019 (including €411 million, excluding costs, for the block of 11.43% of Altran shares), and paid €282 million in dividends. The Group also allocated €150 million to share buybacks under the multi-year program. The 6th employee share ownership plan led to a gross capital increase of €254 million.

The Board of Directors has decided to recommend at the Shareholders' Meeting of May 20, 2020, the payment of a dividend of €1.90 per share, an increase of 12% on the dividend paid in 2019. The corresponding payout ratio is 35% of net profit[3] (Group share), in line with the Group's distribution policy.

OPERATIONS BY REGION

North America revenues (32% of Group revenues) grew 2.6% at constant exchange rates, on a challenging comparison basis as the region grew 14.4% in 2018. The Services and Energy & Utilities sectors were the most dynamic. The operating margin improved 30 basis points year-on-year to 13.9%.

The **United Kingdom & Ireland** region (12% of Group revenues) recorded robust growth of 4.7% at constant exchange rates for the year, despite the slowdown recorded as anticipated in the final months of the year. The Manufacturing, Energy & Utilities and Consumer Goods & Retail sectors were the main growth drivers, while the Public sector remained almost stable. The operating margin rate jumped to 15.2%, from 12.6% in 2018.

In **France** (21% of Group revenues), revenues rose year-on-year by a strong 5.9%. Demand was fueled in particular by the Manufacturing, Services and Public sectors. The operating margin rate improved further to 12.1% of revenues, an annual increase of 100 basis points.

Growth momentum remained robust in the **Rest of Europe** (27% of Group revenues), with a 6.2% increase in revenues at constant exchange rates. The Energy & Utilities, Consumer Goods & Retail and Manufacturing sectors were the strongest. Operating margin for the region eroded from 13.0% in 2018 to 11.8%.

Finally, the **Asia-Pacific and Latin America** region (8% of Group revenues) was particularly dynamic. Revenues grew 12.8% at constant exchange rates, with all the main sectors contributing to this performance. The operating margin rate nonetheless declined to 11.2%, from 12.8% in 2018.

OPERATIONS BY BUSINESS

Strategy & Transformation consulting services (7% of Group total revenues*), now grouped under *Capgemini Invent*, recorded a 15.1% increase at constant exchange rates in their total revenues. Growth was driven mainly by the Manufacturing, Energy & Utilities and TMT (Telco, Media & Technology) sectors.

Applications & Technology services (71% of Group total revenues), the Group's core business, reported total revenue growth of 4.8% at constant exchange rates. The Services, Energy & Utilities and Manufacturing sectors were the most dynamic in the past year.

Finally, **Operations & Engineering** services (22% of Group total revenues) grew 4.9% at constant exchange rates. These business lines benefit from the Group's growing success in multi-year contracts, especially for Cloud infrastructure services. With the Group's focus on the Intelligent industry, Digital Engineering & Manufacturing Services (DEMS) are continuing to develop at a brisk pace.

Q4 TRENDS

As anticipated and announced on the publication of 2019 Q3 revenues, Group growth was less robust in Q4 with revenues of €3,650 million. Year-on-year revenue growth was 2.9% at constant exchange rates and 2.2% at constant Group scope and exchange rates.

In line with Group expectations, activity contracted in the United Kingdom & Ireland region (-3.1%) in a wait-and-see market, fueled by the December general elections and the impending Brexit date. Revenues slipped slightly in North America (-0.4% at constant exchange rates). The Asia-Pacific and Latin America region continued to grow at double digits in the last few months of the year (+10.3%). Growth remained robust in the Rest of Europe region at 6.3%, while France stayed strong with revenue increasing 4.5%.

By business, Strategy & Transformation consulting services continued their strong momentum, with total revenue growth of 8.0% at constant exchange rates. Applications & Technology services slowed, with total revenue growth limited to 1.7%. This reflects among other factors a contraction in the Financial Services sector. Finally, Operations & Engineering services total revenues grew 4.9% at constant exchange rates.

Q4 bookings rose 16% at constant exchange rates to €4,624 million.

CORPORATE SOCIAL RESPONSIBILITY

2019 was a landmark year for Capgemini's Corporate Social Responsibility "Architects of Positive Futures". The Group continues to make strong progress on reducing its carbon footprint - ending 2019 with CO2e emissions per employee, 29.3 % lower than 2015 and significantly ahead of the 20% target set for 2020. Commitment to Diversity and Inclusion was reinforced, with 50% of the board now female directors and 33% of the workforce now women. Capgemini's Digital inclusion target was also exceeded with over 1,560 graduates (compared to the planned 600) from its Digital Academies. There are now 13 Digital Academies across 7 countries after just 2 years of implementation.

This performance has been acknowledged internationally: Capgemini joined the CDP's (Carbon Disclosure Project) prestigious 'A List' for its commitment toward the Net-Zero Economy and obtained Global EDGE certification for its active engagement in favour of Diversity and Inclusion. Capgemini was also named one of the 2019 World's Most Ethical Companies® by the Ethisphere Institute for the 7th consecutive year.

HEADCOUNT

At December 31, 2019, Capgemini's total headcount stood at 219,300, up 3.8% year-on-year, with 125,500 employees in offshore centers (57% of the total Group headcount).

BALANCE SHEET

In 2019, Capgemini strengthened its financial structure with a €944 million increase in shareholders' equity and a €584 million reduction in net debt.

At December 31, 2019 the Group had €2,450 million in cash and cash equivalents (net of bank overdrafts), compared with €2,004 million a year earlier. After accounting for borrowings (excluding lease liabilities) of €3,270 million, cash management assets and derivative instruments, Group net debt* is €600 million at the end of 2019, compared with €1,104 million at January 1, 2019 and €1,184 million at December 31, 2018 (i.e. before the application of IFRS 16[2] from January 1, 2019).

The Altran Technologies shares held by the Group represent the 11.43% stake in Altran acquired in July 2019 and are currently recognized as a financial asset in the Group's balance sheet for an amount of €413 million (taxes included).

NEW MULTI-YEAR SHARE BUYBACK PROGRAM

As part of the active management of the share capital, the Board of Directors approved a new multi-year share buyback program of €600 million. Taking into account the balance of €250 million of the current multi-year program, the Group now has a total share buyback capacity of €850 million.

In this context, the Group will buy back €200 million of Capgemini shares over the next few months.

OUTLOOK

For 2020, the Group targets revenue growth of around 4% at constant exchange rates, improved profitability with an operating margin of 12.4% to 12.6% and organic free cash flow of around €1.2 billion.

This outlook does not factor in the impact of the Altran acquisition.

ACQUISITION OF ALTRAN TECHNOLOGIES

On June 24, 2019, Capgemini and Altran Technologies (Euronext Paris: ALT), the world's leading provider of engineering and R&D services, announced Capgemini's proposed acquisition of Altran as part of a friendly tender offer. This offer aims to create a global Intelligent Industry leader, specializing in the digital transformation for industrial companies.

The French financial markets authority (*Autorité des marchés financiers* - AMF) issued its clearance to the tender offer on October 14, 2019 and the offer period opened from October 16, 2019 to January 22, 2020.

After the 2019 year-end, Capgemini increased the offer price on January 14, 2020 from €14.00 to €14.50 per share. On January 27, 2020, Capgemini announced that following settlement-delivery on February 4, 2020, the Group will hold 137,674,545 Altran shares representing 53.57% of the share capital and at least 53.41% of voting rights, thereby exceeding the offer success threshold set at 50.1% of the share capital and voting rights (on a fully diluted basis). After taking into account treasury shares, Capgemini holds 54.52% of Altran's share capital and 54.37% of Altran's voting rights[4].

The offer was therefore automatically reopened under the same terms, from January 28 to February 10, 2020 (inclusive). According to the schedule published by Euronext, the results of the reopened offer period are expected on February 14, 2020 and the corresponding settlement-delivery date is February 21, 2020.

Capgemini also confirmed that it will comply with all the undertakings related to this offer[5], including: (i) Capgemini will neither file a new offer nor implement a merger based on a per Altran share higher than the offer price for at least 18 months[6] and (ii) Capgemini will not take control of Altran, pending the decision of the Paris Court of Appeal on the claim filed by a shareholder, expected on March 19, 2020. The consolidation of Altran's financial results in the Capgemini group accounts can only take place after the date of effective control.

CONFERENCE CALL

Paul Hermelin, Chairman and Chief Executive Officer, Aiman Ezzat, Chief Operating Officer, Carole Ferrand, Chief Financial Officer and Rosemary Stark, Chief Sales Officer, will present this press release during a conference call in English to be held **today at 8.00 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://investors.capgemini.com/en/financial-results/.

CALENDAR

April 28, 2020	Publication of Q1 2020 revenues
May 20, 2020	Combined Shareholders' Meeting
July 28, 2020	Publication of H1 2020 results

The following dividend payment schedule will be presented to the Shareholders' Meeting for approval:

June 3, 2020	Ex-dividend date on Euronext Paris
June 5, 2020	Payment of the dividend

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

[4] On the basis of Altran share capital made of 257,021,105 shares, representing 257,748,693 voting rights.
[5] See AMF notice 219C2818 dated December 18, 2019, setting out the commitments made by Capgemini to the AMF; see also Capgemini's press release dated January 14, 2020.
[6] Effective January 14, 2020, the date of Capgemini's press release.

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.

IMPORTANT INFORMATION

This press release is disseminated for information purposes only and does not constitute an offer to purchase, or a solicitation of an offer to sell, any securities of Altran Technologies.

Investors and shareholders are strongly advised to read the documentation relating to the tender offer, which contains the terms and conditions of the tender offer, as well as, as the case may be, any amendments and supplements to those documents as they will contain important information about Capgemini, Altran Technologies and the tender offer.

This press release must not be published, broadcast or distributed, directly or indirectly, in any country in which the distribution of this information is subject to legal restrictions. The tender offer is not open to the public in jurisdictions in which its launch is subject to legal restrictions.

The publication, broadcasting or distribution of this press release in certain countries may be subject to legal or regulatory restrictions. Therefore, persons located in countries where this press release is published, broadcasted or distributed must inform themselves about and comply with such restrictions. Capgemini and Altran Technologies disclaim any responsibility for any violation of such restrictions.

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 almost 220,000 team members in more than 40 countries. The Group reported 2019 global revenues of EUR 14.1 billion.

Visit us at www.capgemini.com. *People matter, results count*.

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APPENDIX[7]

BUSINESS CLASSIFICATION

As previously announced, the classification of the Group's business lines was simplified and standardized from January 1, 2019:

- **Strategy & Transformation** includes all strategy and transformation consulting services and corresponds to the *Capgemini Invent* scope;

[7] Note that in the appendix, certain totals may not equal the sum of amounts due to rounding adjustments.

- **Applications & Technology** brings together "Application Services" and related activities and notably local technology services previously included in "Technology & Engineering Services";
- **Operations & Engineering** encompasses all other Group businesses. These currently comprise: Business Services (including Business Process Outsourcing), all Infrastructure Services (including those previously in "Technology & Engineering Services") and Digital Engineering and Digital Manufacturing services (previously in "Technology & Engineering Services").

APPLICATION OF IFRS 16 AND ADAPTATION OF PERFORMANCE MEASURES

The Group set-out the expected impacts of the application of IFRS 16 from January 1, 2019, when presenting its objectives for 2019 on February 14, 2019. It is recalled that:

- the impact of application of IFRS 16 on the Group Income Statement is generally neutral for the main performance measures, whose definitions remain unchanged;
- organic free cash flow now includes repayments of lease liabilities (including for finance leases, previously excluded as recognized in repayments of borrowings, of €52 million in 2018);
- Group net debt now excludes all lease liabilities (including those relating to finance leases of €80 million at the end of 2018).

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 reported period. Exchange rates for the reported period are also used to calculate **growth at constant exchange rates**.

Reconciliation of growth rates	Q4 2019	2019
Organic growth	**+2.2%**	**+4.2%**
Changes in Group scope	+0.7pt	+1.1pt
Growth at constant exchange rates	**+2.9%**	**+5.3%**
Exchange rate fluctuations	+1.3pt	+1.7pt
Reported growth	**+4.2%**	**+7.0%**

Currency impacts are mainly linked to the appreciation of the US dollar against the euro.

When determining activity trends by business and in accordance with internal operating performance measures, growth at constant exchange rates is calculated based on **total revenue**, 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.

Operating margin is one of the Group's key performance indicators. It is defined as the difference between revenues and operating costs. 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 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 net profit is equal to profit for the year (Group share) adjusted for the impact of items recognized in "Other operating income and expense", net of tax calculated using the effective tax rate. **Normalized earnings per share** is computed like basic earnings per share, i.e. excluding dilution.

Organic free cash flow is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and repayments of lease liabilities, adjusted for cash out relating to the net interest cost. Finance lease payments were included in repayments of borrowings until December 31, 2018. From January 1, 2019, with the adoption of IFRS 16, these payments are now included in the new definition of organic free cash flow as repayments of lease liabilities.

RESULTS BY REGION

	Revenues	Year-on-year growth		Operating margin rate	
	2019 *(in millions of euros)*	Reported	At constant exchange rates	2018	2019
North America	4,567	+8.0%	+2.6%	13.6%	13.9%
United Kingdom and Ireland	1,653	+5.6%	+4.7%	12.6%	15.2%
France	3,017	+5.9%	+5.9%	11.1%	12.1%
Rest of Europe	3,809	+5.7%	+6.2%	13.0%	11.8%
Asia Pacific and Latin America	1,079	+13.6%	+12.8%	12.8%	11.2%
TOTAL	**14,125**	**+7.0%**	**+5.3%**	**12.1%**	**12.3%**

RESULTS BY BUSINESS

	Total revenues*	Year-on-year growth
	2019 *(% of Group revenues)*	At constant exchange rates in total revenues* of the business
Strategy & Transformation	7%	+15.1%
Applications & Technology	71%	+4.8%
Operations & Engineering	22%	+4.9%

SUMMARY INCOME STATEMENT AND OPERATING MARGIN

(in millions of euros)	2018	2019 (IFRS 16)	*Change*
Revenues	**13,197**	**14,125**	**+7.0%**
Operating expenses	(11,600)	(12,384)	
Operating margin	**1,597**	**1,741**	**+9%**
as a % of revenues	*12.1%*	12.3%	+20bp
Other operating income and expense	(346)	(308)	
Operating profit	**1,251**	**1,433**	**+15%**
as a % of revenues	*9.5%*	10.1%	+60bp
Net financial expense	(80)	(79)	
Income tax income/(expense)	(447)	(502)	
(-) Non-controlling interests	6	4	
Profit for the year, Group share	**730**	**856**	**+17%**

NORMALIZED AND DILUTED EARNINGS PER SHARE

	2018	2019 (IFRS 16)	*Change*
Average number of shares outstanding	167,088,363	166,171,198	
BASIC EARNINGS PER SHARE (in euros)	**4.37**	**5.15**	**+18%**
Diluted average number of shares outstanding	171,697,335	171,047,762	
DILUTED EARNINGS PER SHARE (in euros)	**4.25**	**5.00**	**+18%**

(in millions of euros)	2018	2019 (IFRS 16)	*Change*
Profit for the year, Group share	**730**	**856**	**+17%**
Effective tax rate, excluding the transitional tax expense	33.7%	32.6%	
(-) Other operating income and expenses, net of tax	229	207	
Normalized profit for the year	**959**	**1,063**	**+11%**
Average number of shares outstanding	167,088,363	166,171,198	
NORMALIZED EARNINGS PER SHARE *(in euros)*	**5.74**	**6.40**	**+11%**

The Group recognized an income tax expense in respect of the transitional impact of the US tax reform of €60 million in 2019. This reduced basic and normalized earnings per share by €0.36 and diluted earnings per share by €0.35.

Adjusted for this income tax expense, normalized earnings per share is €6.76 in 2019:

(in millions of euros)	**2018**	**2019** (IFRS 16)	***Change***
Normalized earnings per share *(in euros)*	**5.74**	**6.40**	**+11%**
Transitional tax expense	53	60	
Average number of shares outstanding	167,088,363	166,171,198	
Impact of the transitional tax expense *(in euros)*	**0.32**	**0.36**	
Normalized earnings per share – excluding the transitional tax expense *(in euros)*	**6.06**	**6.76**	**+12%**

CHANGE IN CASH AND CASH EQUIVALENTS AND ORGANIC FREE CASH FLOW

(in millions of euros)	**2018**	**2019** (IFRS 16)
Net cash from operating activities	**1,396**	**1,794**
Acquisitions of property, plant and equipment and intangible assets, net of disposals	(229)	(219)
Net interest cost	(7)	(15)
Repayments of lease liabilities	n/a	(272)
ORGANIC FREE CASH FLOW	**1,160**	**1,288**
Other cash flows from (used in) investing and financing activities	(1,103)	(830)
Increase (decrease) in cash and cash equivalents	**57**	**458**
Effect of exchange rate fluctuations	(41)	(12)
Opening cash and cash equivalents, net of bank overdrafts	**1,988**	**2,004**
Closing cash and cash equivalents, net of bank overdrafts	**2,004**	**2,450**

NET DEBT

(in millions of euros)	**12/31/2018**	**1/1/2019** (IFRS 16)	**12/31/2019** (IFRS 16)
Cash and cash equivalents	2,006	2,006	2,461
Bank overdrafts	(2)	(2)	(11)
Cash and cash equivalents	**2,004**	**2,004**	**2,450**
Cash management assets	**183**	**183**	**213**
Long-term borrowings	(3,274)	(3,233)	(2,564)
Short-term borrowings and bank overdrafts	(83)	(44)	(717)
(-) Bank overdrafts	2	2	11
Borrowings, excluding bank overdrafts	**(3,355)**	**(3,275)**	**(3,270)**
Derivative instruments	**(16)**	**(16)**	**7**
NET CASH AND CASH EQUIVALENTS / (NET DEBT)	**(1,184)**	**(1,104)**	**(600)**