

CGI GROUP INC
Form 6-K
November 12, 2015

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2015

Commission File Number 1-14858

CGI Group Inc.
(Translation of Registrant's Name Into English)

1350 René-Lévesque Boulevard West
15th Floor
Montreal, Quebec
Canada H3G 1T4
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

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Yes No

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-____.

Enclosure: Press Release concerning results dated November 11, 2015.

This Form 6-K shall be deemed incorporated by reference in the Registrant’s Registration Statement on Form S-8, Reg. Nos. 333-13350, 333-66044, 333-74932 , 333-112021, 333-146175, 333-177013, and 333-197742.

PRESS RELEASE

Stock Market Symbols

GIB.A (TSX)

GIB (NYSE)

www.cgi.com/newsroom

CGI posts strong Q4 and fiscal 2015 results

Q4-F2015 year-over-year highlights

Revenue of \$2.6 billion, up 4.1%;

Adjusted EBIT of \$379.0 million, or 14.7% of revenue;

Net earnings of \$260.4 million prior to specific items* or 10.1% of revenue, up 11.3%;

Diluted EPS of 82 cents prior to specific items*, up 12.3%;

Net earnings of \$232.9 million or 9.0% of revenue, up 9.0%;

Diluted EPS of 73 cents, up 9.0%;

Cash provided by operating activities of \$451.3 million or 17.5% of revenue, up 9.5%;

Bookings of \$2.9 billion, or 110% of revenue;

Backlog of \$20.7 billion, up \$2.5 billion;

Net debt of \$1.8 billion, down \$333.7 million;

Five million shares repurchased for \$238.5 million;

Return on equity of 17.7%.

*Specific items in Q4-F2015 include: \$27.6 million in restructuring costs net of tax.

Note: All figures in Canadian dollars. Fiscal 2015 MD&A, audited consolidated financial statements and accompanying notes can be found at www.cgi.com/investors and have been filed with both SEDAR in Canada and EDGAR in the U.S.

To access the financial results - [click here \(PDF\)](#)

To access the MD&A - [click here \(PDF\)](#)

Montréal, Quebec, November 11, 2015 - CGI (TSX: GIB.A) (NYSE: GIB) reported fiscal 2015 fourth quarter revenue of \$2.6 billion, up 4.1%, compared with Q4-F2014.

Adjusted EBIT was \$379.0 million, for a margin of 14.7%, compared with \$370.2 million in the year ago period.

Net earnings, prior to specific items, were \$260.4 million or 10.1% of revenue, compared with \$234.0 million or 9.4% of revenue in Q4-F2014. Earnings per share as a result were 82 cents, an increase of 12.3% from 73 cents last year. On a GAAP basis, net earnings were \$232.9 million or 73 cents per diluted share, compared to 67 cents in the year ago period.

Cash generated from operating activities was \$451.3 million or 17.5% of revenue, an increase of 9.5% from Q4-F2014. During the quarter, the Company made net repayments of \$120.8 million in long term debt and repurchased 5.1 million shares at an average price of \$47.23, for a total investment of \$238.5 million.

The Company booked \$2.9 billion in contract awards or 110% of revenue, representing an increase of 39.4% from the year ago period. Over the last twelve months, \$11.6 billion in new bookings were awarded or 113% of

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revenue. At the end of September, the Company's backlog stood at \$20.7 billion, an increase of \$2.5 billion from Q4-F2014.

In millions of Canadian dollars except earnings per share and where noted

| | Q4-F2015 | Q4-F2014 |
|---|-------------|-------------|
| Revenue | 2,585.3 | 2,483.7 |
| Adjusted EBIT | 379.0 | 370.2 |
| Margin | 14.7% | 14.9% |
| Net earnings prior to specific items* | 260.4 | 234.0 |
| Margin | 10.1% | 9.4% |
| Earnings per share (diluted) prior to specific items* | 0.82 | 0.73 |
| Net earnings | 232.9 | 213.7 |
| Margin | 9.0% | 8.6% |
| Earnings per share (diluted) | 0.73 | 0.67 |
| Weighted average number of outstanding shares (diluted) | 318,572,873 | 319,540,764 |
| Net finance costs | 24.0 | 22.8 |
| Net debt | 1,779.6 | 2,113.3 |
| Net debt to capitalization ratio | 21.7% | 27.6% |
| Cash provided by operating activities | 451.3 | 412.0 |
| Days sales outstanding (DSO) | 44 | 43 |
| Return on invested capital (ROIC) | 14.5% | 14.5% |
| Return on Equity (ROE) | 17.7% | 18.8% |
| Bookings | 2,856 | 2,049 |
| Backlog | 20,711 | 18,237 |

*Specific items in Q4-F2015 include: \$27.6 million in restructuring costs net of tax. Specific items in Q4-F2014 include: \$49.2 million in integration-related costs net of tax, offset by the positive resolution of acquisition-related provisions in the amount of \$28.9 million net of tax.

Fiscal 2015 results

CGI reported revenue of \$10.3 billion for the fiscal year ended September 30, 2015.

Adjusted EBIT was \$1.5 billion for a margin of 14.2%, compared with \$1.4 billion and a margin of 12.9% in F2014.

"I am very pleased with the strong performance delivered in the fourth quarter and throughout fiscal 2015," said Michael E. Roach, President and Chief Executive Officer. "The operations generated record net earnings of \$1.0 billion, cash of \$1.3 billion and earnings per share grew by 13% to \$3.04. This consistent financial strength positions us to continue investing in our Build and Buy strategy, forming the foundation for profitable growth through fiscal 2016 and beyond."

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Net earnings, prior to specific items, increased by 12.5% to \$1.0 billion or \$3.13 in earnings per diluted share, compared with \$2.80 per diluted share in F2014. On a GAAP basis, net earnings increased by 13.7% to \$977.6 million or \$3.04 in earnings per diluted share, compared with \$2.69 per diluted share in the year ago period.

The Company generated \$1.3 billion in cash from operations in F2015, or \$4.01 per diluted share. Excluding integration-related disbursements of \$74.3 million made during the year, the operations generated \$1.4 billion in cash, representing \$4.24 per diluted share.

As part of its Normal Course Issuer Bid, the Company purchased 6.9 million shares for \$332.5 million, at an average price of \$48.01.

Net debt has been reduced by \$333.7 million to \$1.8 billion. This represents a net debt to capitalization ratio of 21.7%, compared to 27.6% at the end of fiscal 2014.

In millions of Canadian dollars except earnings per share and where noted

| | F2015 | F2014 |
|---|-------------|-------------|
| Revenue | 10,287.1 | 10,499.7 |
| Adjusted EBIT | 1,457.3 | 1,356.9 |
| Margin | 14.2% | 12.9% |
| Net earnings prior to specific items* | 1,005.1 | 893.5 |
| Margin | 9.8% | 8.5% |
| Earnings per share (diluted) prior to specific items* | 3.13 | 2.80 |
| Net earnings | 977.6 | 859.4 |
| Margin | 9.5% | 8.2% |
| Earnings per share (diluted) | 3.04 | 2.69 |
| Weighted average number of outstanding shares (diluted) | 321,422,444 | 318,927,737 |
| Net finance costs | 92.9 | 99.3 |
| Net debt | 1,779.6 | 2,113.3 |
| Net debt to capitalization ratio | 21.7% | 27.6% |
| Cash provided by operating activities | 1,289.3 | 1,174.8 |
| Days sales outstanding (DSO) | 44 | 43 |
| Return on invested capital (ROIC) | 14.5% | 14.5% |
| Return on equity (ROE) | 17.7% | 18.8% |
| Bookings | 11,640 | 10,169 |
| Backlog | 20,711 | 18,237 |

*Specific items in F2015 include: \$27.6 million in restructuring costs net of tax. Specific items in F2014 include: \$97.9 million of integration-related costs net of tax, offset by the positive resolution of acquisition-related provisions in the amount of \$52.0 million net of tax and favourable tax adjustments of \$11.9 million.

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Q4 and Full-Year F2015 Results Conference Call

Management will host a conference call to discuss results at 9 a.m. EST this morning. Participants may access the call by dialing (866) 225-2055 or via cgi.com/investors. Supporting slides for the call will also be available. For those unable to participate on the live call, a replay and downloadable podcast will remain available on cgi.com/investors.

About CGI

Founded in 1976, CGI Group Inc. is the fifth largest independent information technology and business process services firm in the world. Approximately 65,000 professionals serve thousands of global clients from offices and delivery centers across the Americas, Europe and Asia Pacific, leveraging a comprehensive portfolio of services including high-end business and IT consulting, systems integration, application development and maintenance, infrastructure management as well as 150 IP-based services and solutions. With annual revenue in excess of C\$10 billion and an order backlog exceeding C\$20 billion, CGI shares are listed on the TSX (GIB.A) and the NYSE (GIB). Website: www.cgi.com.

Non-GAAP financial metrics used in this release: Adjusted EBIT, net debt, net debt to capitalization ratio, bookings, book-to-bill ratio, backlog, DSO, ROIC, ROE and net earnings and diluted EPS prior to specific items. CGI reports its financial results in accordance with IFRS. However, management believes that these non-GAAP measures provide useful information to investors regarding the Company's financial condition and results of operations as they provide additional measures of its performance. Additional details for these non-GAAP measures can be found on page 2 and 3 of our MD&A which is posted on CGI's website, and filed with SEDAR and EDGAR.

Forward-Looking Statements

All statements in this press release that do not directly and exclusively relate to historical facts constitute "forward-looking statements" within the meaning of that term in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended, and are "forward-looking information" within the meaning of Canadian securities laws. These statements and this information represent CGI's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors, of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements or forward-looking information. These factors include but are not restricted to: the timing and size of new contracts; acquisitions and other corporate developments; the ability to attract and retain qualified members; market competition in the rapidly evolving IT industry; general economic and business conditions; foreign exchange and other risks identified in the press release, in CGI's annual and quarterly Management's Discussion and Analysis ("MD&A"), in CGI's Annual Report, and in the Company's Annual Information Form filed with the Canadian securities authorities (filed on SEDAR at www.sedar.com), in CGI's Annual Report on Form 40-F filed with the U.S. Securities and Exchange Commission (filed on EDGAR at www.sec.gov), as well as assumptions regarding the foregoing. The words "believe", "estimate", "expect", "intend", "anticipate", "foresee", "plan", and similar expressions and variations thereof, identify certain of such forward-looking statements or forward-looking information, which speak only as of the date on which they are made. In particular, statements relating to future performance are forward-looking statements and forward-looking information. CGI disclaims any intention or obligation to publicly update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements or on this forward-looking information.

For more information:

Lorne Gorber

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CGI Group Inc.
(Registrant)

Date: November 11, 2015 By

/s/ Benoit Dubé

Name: Benoit Dubé

Title: Executive Vice-President and Chief
Legal Officer