

CGI GROUP INC  
Form 6-K  
April 30, 2014

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 April 2014

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 April 30, 2014.

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, and 333-177013.

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PRESS RELEASE

Stock Market Symbols

GIB.A (TSX)

GIB (NYSE)

[www.cgi.com/newsroom](http://www.cgi.com/newsroom)

CGI posts strong Q2 results

Revenue grows 7% and EPS doubles year-over-year

Q2-F2014 year-over-year highlights

Revenue of \$2.7 billion, up 7.0%;

Bookings of \$2.9 billion, or 105.4% of revenue;

Backlog of \$19.5 billion, up \$1.5 billion;

Adjusted EBIT of \$341.5 million, up 30.5%;

Adjusted EBIT margin of 12.6%, up 220 basis points;

Net earnings of \$230.9 million, or diluted EPS of \$0.73;

Net earnings of \$229.6 million or diluted EPS of \$0.72 excluding specific items;

Cash provided by operating activities of \$350.7 million;

Repurchased 346,700 shares during the quarter;

Return on invested capital of 13.4%.

Note: All figures in Canadian dollars. Q2-F2014 MD&A, interim condensed consolidated financial statements and accompanying notes can be found at [www.cgi.com/investors](http://www.cgi.com/investors) and have been filed with both SEDAR in Canada and EDGAR in the U.S.

Montréal, Quebec, April 30, 2014 – CGI (TSX: GIB.A) (NYSE: GIB) reported fiscal 2014 second quarter revenue of \$2.7 billion, compared with \$2.5 billion in the year ago period, representing growth of 7.0%.

During the quarter, the Company booked \$2.9 billion in contract awards, of which 40% was new business, for a book-to-bill ratio of 105.4%. This brings the global trailing twelve months bookings to \$10.9 billion or 105.3% of revenue. At the end of March 2014, the Company's backlog of signed orders stood at \$19.5 billion, up \$1.5 billion compared with the same period last year.

Adjusted EBIT was \$341.5 million, for a margin of 12.6%. This represents an improvement of 30.5% compared with \$261.6 million, or 10.4% of revenue in the year ago period.

Net earnings in the quarter were \$230.9 million or 73 cents per diluted share. This compares to \$114.2 million or 36 cents per diluted share in Q2-F2013.

Excluding specific items, net earnings were \$229.6 million or 72 cents per diluted share. This compares with \$175.9 million or \$0.56 per diluted share in Q2-F2013, representing an improvement of 28.6%.

The company generated \$350.7 million in cash from operating activities during the quarter, and \$400.5 million when excluding the \$49.8 million of integration-related payments. Over the last twelve months, excluding the integration-related cash disbursements, CGI has generated \$949.1 million in cash or \$2.98 per diluted share.

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

|                                                         | Q2-F2014    | Q2-F2013    |
|---------------------------------------------------------|-------------|-------------|
| Revenue                                                 | 2,704.3     | 2,526.2     |
| Adjusted EBIT                                           | 341.5       | 261.6       |
| Margin                                                  | 12.6%       | 10.4%       |
| Net earnings, excluding specific items*                 | 229.6       | 175.9       |
| Margin                                                  | 8.5 %       | 7.0%        |
| Earnings per share (diluted), excluding specific items* | 0.72        | 0.56        |
| Net earnings                                            | 230.9       | 114.2       |
| Margin                                                  | 8.5%        | 4.5%        |
| Earnings per share (diluted)                            | 0.73        | 0.36        |
| Weighted average number of outstanding shares (diluted) | 316,695,250 | 315,760,249 |
| Net finance costs                                       | 25.0        | 30.3        |
| Net debt                                                | 2,678.2     | 2,914.3     |
| Net debt to capitalization ratio                        | 35.6%       | 43.0%       |
| Cash provided by operating activities                   | 350.7       | 147.2       |
| Days of sales outstanding (DSO)                         | 47          | 46          |
| Return on invested capital                              | 13.4%       | 11.1%       |
| Bookings                                                | 2,850.3     | 2,210.2     |
| Backlog                                                 | 19,476      | 18,019      |

\*Specific items include: \$26 million in integration-related expenses (\$81.4 million in Q2-F2013), a tax benefit of \$11.9 million and the resolution of acquisition-related provisions in the amount of \$11.7 million.

“Our strong performance in the quarter is a clear reflection of our ongoing ability to execute our business model on a global basis,” said Michael E. Roach, President and CEO. “Our ability to generate increased cash from operations is becoming more visible as we complete the \$525 million investment in our integration program. Looking ahead, our focus will be on intensifying the expansion and conversion of our pipeline of opportunities into bookings and high quality revenue, reflecting our diversified market coverage.”

During the quarter the Company repurchased 346,700 shares for \$11.5 million, at an average price of \$33.08. Net debt was \$2.7 billion at the end of March 2014, representing a net debt to capitalization ratio of 35.6% compared to 43.0% at the end of March 2013. At the end of Q2-F2014, the Company had approximately \$1.5 billion in available cash and unused credit facilities.

#### Q2-F2014 results conference call

Management will host a conference call this morning at 9:00 a.m. Eastern time to discuss results. Participants may access the call by dialing 866-225-2055 or via [www.cgi.com/en/investors](http://www.cgi.com/en/investors). For those unable to participate on the live call, a podcast and copy of the slides will be archived for download at [www.cgi.com/en/investors](http://www.cgi.com/en/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 68,000 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 a wide range of proprietary solutions. With annual revenue in excess of C\$10 billion and an order backlog exceeding C\$19 billion, CGI shares are listed on the TSX (GIB.A) and the NYSE (GIB). Website: [www.cgi.com](http://www.cgi.com).

Non-GAAP financial metrics used in this release: Adjusted EBIT, net earnings excluding integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions, diluted earnings per share excluding integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions, net debt, net debt to capitalization ratio, DSO and ROIC.

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, 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](http://www.sec.gov)), and in the Company's Annual Information Form filed with the Canadian securities authorities (filed on SEDAR at [www.sedar.com](http://www.sedar.com)), 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

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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: April 30, 2014

By

/s/ Benoit Dubé

Name: Benoit Dubé

Title: Executive Vice-President and  
Chief Legal Officer