

CGI GROUP INC  
Form 6-K  
April 28, 2011

Table of Contents

**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 2011  
Commission File Number 1-14858  
CGI Group Inc.**

*(Translation of Registrant's Name Into English)*

1130 Sherbrooke Street West

7th Floor

Montréal, Québec

Canada H3A 2M8

*(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.

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 28, 2011.

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 and 333-146175.

**TABLE OF CONTENTS**

SIGNATURES

---

**Table of Contents**

**PRESS RELEASE**

**Stock Market Symbols**  
**GIB.A (TSX)**  
**GIB (NYSE)**

**CGI Reports Strong Revenue and Earnings Growth in Fiscal Q2-2011**

**Q2-F2011 year-over-year highlights:**

Revenue of \$1,133.1 million, up 27.9% at constant currency;

Adjusted EBIT of \$156.3 million, up 26.1%;

Net earnings of \$117.0 million, up 43.4%;

Net earnings margin of 10.3%, up 130 bps;

Diluted EPS of 42 cents, up 50.0%;

Cash from operating activities of \$193.1 million, up 54.5%;

Backlog of \$12.6 billion;

Return on equity of 18.9%, up 340 bps.

**Note: All figures are in Canadian dollars. Q2-F2011 MD&A, 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.**

**All non-GAAP measures are outlined on page 3.**

**Montreal, Quebec, April 28, 2011** CGI Group Inc. (TSX: GIB.A) (NYSE: GIB) reported fiscal 2011 second quarter revenue of \$1.13 billion, an increase of 24.5% compared with the same period last year. Revenue on a constant currency basis was up 27.9% after adjusting for foreign exchange fluctuations that unfavorably impacted revenue in the quarter by \$31.3 million, or 3.4% compared with the same period last year.

Adjusted EBIT was \$156.3 million compared with \$124.0 million in the same quarter last year, an improvement of 26.1%. This represents an adjusted EBIT margin of 13.8% up from 13.6% in the second quarter of 2010.

Net earnings were \$117.0 million or 10.3% of revenue compared with \$81.6 million in the same quarter last year, representing an increase of 43.4% year-over-year.

Diluted earnings per share were 42 cents, up 50.0% compared with 28 cents in the same period last year.

On a comparable basis, excluding \$7.5 million in positive tax adjustments, net earnings would have been \$110.0 million or 9.7% of revenue in Q2-F2011, compared with \$81.6 million, or 9.0% of revenue in the same period last year. Diluted earnings per share would have been 40 cents, up 42.9% compared with 28 cents in the second quarter of 2010.

The Company generated \$193.1 million in cash from operating activities during the quarter representing 17.0% of revenue. Over the last twelve months, the Company generated \$549.6 million or \$1.95 in cash per diluted share.

---

**Table of Contents**

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

	<b>Q2-F2011</b>	Q2-F2010
Revenue	<b>1,133.1</b>	910.4
Adjusted EBIT	<b>156.3</b>	124.0
Margin	<b>13.8%</b>	13.6%
Earnings before income taxes	<b>153.0</b>	120.9
Margin	<b>13.5%</b>	13.3%
Net earnings	<b>117.0</b>	81.6
Margin	<b>10.3%</b>	9.0%
Earnings per share (diluted)	<b>0.42</b>	0.28
Weighted average number of outstanding shares (diluted)	<b>276,258,156</b>	295,089,439
Interest on long-term debt	<b>5.2</b>	3.8
Net debt to capitalization ratio	<b>28.7%</b>	
Cash provided by operating activities	<b>193.1</b>	125.0
Days of sales outstanding (DSO)	<b>43</b>	35
Return on equity	<b>18.9%</b>	15.5%
Return on invested capital	<b>16.0%</b>	16.0%
Bookings	<b>771</b>	1,131
Backlog	<b>12,553</b>	11,420

During the quarter, the Company booked \$771 million in new contract wins, extensions and renewals, bringing the total bookings over the last twelve months to \$3.9 billion. At the end of March 2011, the Company's backlog of signed orders stood at \$12.6 billion, up \$1.4 billion compared with the same period last year after being adjusted for the unfavorable currency impact. This represents approximately 3 times revenue on a trailing twelve month basis.

We had an excellent quarter as our team continues to execute our build and buy profitable growth strategy across all our operating segments, said Michael E. Roach, President and Chief Executive Officer. Our operational and financial discipline is reflected in our strong cash generating ability which allowed for continued debt reduction and the repurchase of more than 5 million shares of CGI.

Following the Q4-F2010 acquisition of Stanley, the Company's net debt at the end of March, 2011 was \$923.1 million for a net debt to capitalization of 28.7%. At the end of Q2-F2011, the Company had \$691 million in available capital.

**Normal Course Issuer Bid**

On January 26, 2011 the Company's Board of Directors authorized and subsequently received approval from the Toronto Stock Exchange for the renewal of the Normal Course Issuer Bid to purchase up to 10% of the Company's public float of Class A subordinate shares, or approximately 23 million shares over the next year.

The Company purchased 5.3 million CGI shares during the quarter for \$103.3 million at an average price of \$19.54. During the first half of fiscal 2011, 10.3 million shares have been purchased at an average price of \$17.96 for a total investment of \$184.3 million.

**Second Quarter F2011 Results Conference Call**

Management will host a conference call to discuss results at 9:00 a.m. Eastern time this morning. Participants may access the call by dialing (866) 223-7781 or on the Web at [www.cgi.com/investors](http://www.cgi.com/investors). Supporting slides for the call will also be available. For those

**Table of Contents**

unable to participate on the live call, a podcast and copy of the slides will be archived for download at [www.cgi.com/investors](http://www.cgi.com/investors).

**About CGI**

Founded in 1976, CGI Group Inc. is one of the largest independent information technology and business process services firms in the world. CGI and its affiliated companies employ approximately 31,000 professionals. CGI provides end-to-end IT and business process services to clients worldwide from offices and centres of excellence in the United States, Canada, Europe and Asia Pacific. As at March 31, CGI's annualized revenue was approximately C\$4.5 billion and its order backlog was approximately C\$12.6 billion. CGI shares are listed on the TSX (GIB.A) and the NYSE (GIB) and are included in both the Dow Jones Sustainability Index and the FTSE4Good Index. Website: [www.cgi.com](http://www.cgi.com).

**Non-GAAP financial metrics used in this release: Constant currency growth, adjusted EBIT, net debt to capitalization, DSO, ROE and ROIC**

CGI reports its financial results in accordance with GAAP. 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. Explanations as well as reconciliations of these non-GAAP measures to their closest GAAP measures are provided on page 2 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 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)), 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 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. You will find more information about the risks that could cause our actual results to differ significantly from our current expectations in the Risks and Uncertainties section.

**Table of Contents**

**For more information:**

Lorne Gorber

Senior Vice-President

Global Communications and Investor Relations

514 841-3355

[lorne.gorber@cgi.com](mailto:lorne.gorber@cgi.com)

**Table of Contents**

**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 28, 2011

By /s/ Benoit Dubé  
Name: Benoit Dubé  
Title: Executive Vice-President and  
Chief Legal Officer