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MANAGEMENT REPORT

PRESENTED BY THE BOARD OF DIRECTORS TO THE COMBINED SHAREHOLDERS' MEETING OF MAY 24, 2012

4. MANAGEMENT REPORT 69

4.1 General comments on the Group's activity over the past year 70

4.2 Comments on the Capgemini Group Consolidated Financial Statements and outlook for 2012 73

4.3 Comments on the Cap Gemini S.A. Financial Statements 75

4.4 Environmental and social impact of the Group's operations 84

4.5 Financing policy and market risks 85

4.6 Financial authorizations 86

4

4.1 General comments on the Group's activity over the past year

The return to growth perceptible from Spring 2010 in the Group's business sector continued throughout the year: the North American and Asian markets already headed in the right direction in 2010 continued their trajectory, the European market enjoyed a return to dynamic growth, with the notable exception of the Benelux countries. However, as in 2010, this recovery was not enjoyed evenly across the sectors: while financial services and the telecommunications and media sector showed sustained growth, the public sector remained depressed.

In this context, Capgemini Group reported revenues of €9,693 million, up 11.4% on published figures for last year and even 5.6% like-for-like (that is at constant Group structure and exchange rates) –the majority of the difference between these two rates being attributable to the full-year consolidation of the Brazilian company, CPM-Braxis, acquired at the end of 2010. This growth, which exceeds the objectives initially announced in February 2010 (of 4 to 5% like-for-like growth), confirms the Group's commercial momentum enjoyed across nearly all of its markets.

The operating margin rate for 2011 is 7.4%, significantly up on the 2010 rate (6.8%) and in line with the announced objective. Operating profit for fiscal year 2011 is €595 million, generating an operating profit margin of 6.1% compared to 5.6% in 2010.

The net financial expense is €105 million (compared to €87 million in 2010). The income tax expense is €101 million, after a net remeasurement of the US deferred tax balance of €75 million. Profit for the year attributable to owners of the Company is €404 million, up 44% on the 2010 figure of €280 million.[1]

The Group generated "organic free cash flow[1]" of €164 million during the year. After a first-half during which organic free cash flow was particularly low (structurally negative in the first-half, it was -€576 million compared to -€319 million in the first-half of 2010) mainly due to increased working capital requirements, the second-half saw a strong upturn in the generation of organic free cash flow to +€740 million. Accordingly, net cash and cash equivalents totaled €454 million at December 31, 2011 compared to €1,063 million one year previously, with the decrease primarily due to acquisitions performed during the year (Prosodie for €376 million and nine other transactions for an aggregate amount of €198 million).

1 "Organic free cash flow" is equal to cash flow from operations less acquisitions of property, plant and equipment and intangible assets (net of disposals) and adjusted for flows relating to the net interest cost (as presented in the Consolidated Statement of Cash Flows).

OPERATIONS BY MAJOR REGION

France retained its number one spot among the Group's regions in terms of revenues (€2,138 million, or 22.1% of the Group total), reporting an increase of 10.7% (and even 4.9% like-for-like). The difference between the two rates is primarily due to the integration of Prosodie in the Group scope of consolidation from July. Excluding such changes in Group structure, the Technology Services business was the most dynamic. Sogeti also reported above-average growth for the four businesses. The France operating margin is €187 million (8.7% of revenues, up 2.1 points on 2010).

The **United Kingdom** and Ireland reported revenues of €1,945 million in 2011 (20.1% of the Group total), up 1.7% (2% like-for-like). This limited growth was due once again this year to the relative weakness of the public sector market which, it should be remembered, accounts for three-quarters of our activity in this region. Thanks to the ramp-up of BPO, Outsourcing Services reported growth of 2.7%. The operating margin is €139 million (7.1% of revenues), down 0.8 points on 2010.

North America reported revenues of €1,805 million in 2011 (18.6% of the Group total), up 8.4% (11.5% like-for-like). As in 2010, project and consulting activities were extremely dynamic, reporting growth of 17%, while Outsourcing Services revenues increased only 1.8% in the absence of any major new contract wins. Overall, the profitability of the region improved significantly, with an operating margin of €159 million or 8.8% of revenues (5.2% in 2010), making this region the Group's most profitable in 2011

Benelux (the Group's fourth region, which at €1,266 million generates 13.1% of total consolidated revenues) suffered a drop in activity of 3.7% (and 4.4% like-for-like). This region remained depressed throughout the year, as the weakness of the public sector was not offset by the private sector which also lacked dynamism. The operating margin (€94 million, or 7.4% of revenues) is down 2.3 points. At the end of 2011, the Group decided a comprehensive reorganization of this region in a bid to return to a higher level of profitability.

The "**Italy/Spain/Portugal + Latin America**" region reported total revenues of €1,000 million (10.2% of total Group revenues), with this 67% surge largely driven by the consolidation of CPM Braxis in our accounts for a full year. On a like-for-like basis, revenue growth is still 8.5%. All countries in this region reported good growth; despite an extremely difficult economic environment, Spain reported growth in excess of 10% for its Consulting and Technology Services businesses, while the operating margin, at 3%, remained almost stable on last year (3.1%).

The **Nordic countries** (Sweden, Denmark, Norway and Finland) reported revenues of €635 million (6.6% of the Group total), up 17.1% on 2010 (12.1% like-for-like). These figures reflect the strong recovery enjoyed in the region in 2011, following

the downturn in 2010 (and after restatement of exchange rate impacts and the contributions of IBX and Skvader). This improvement is confirmed across all businesses. The good performance is reflected by an operating margin of €46 million (7.2% of revenues), up 0.6 points on 2010.

The **Germany/Central Europe** region (Switzerland, Austria and Eastern European countries) also enjoyed a return to growth after activity stabilizing in 2010: revenues totaled €626 million, up 17.3% on 2010 (6.1% like-for-like), and represented 6.5% of total Group revenues. Once again, all businesses participated in the recovery. However, at 6.9%, profitability is down 2.1 points, mainly due to losses on Technology Services projects.

The **Asia/Pacific** region (€278 million, 2.8% of Group revenues) is in a period of strong growth (+39.4% and 31.3% like-for-like, with the increase in the various regional currencies accounting for most of the difference between these two rates). The operating margin (€83 million) cannot be compared directly to revenues, as only sales to local clients are recognized in this region, with internal sub-contracting revenues for clients belonging to other Group regions generally recorded in the accounts of the region which invoices the client: however, part of the margin realized with certain clients of other regions is recorded in the accounts of the Asia/Pacific region, making a direct interpretation of profitability figures for the different regional components impossible.

OPERATIONS BY BUSINESS

Technology Services (41.5% of Group revenues) remains the Group's powerhouse, with like-for-like growth of 8.4%. This growth triggered renewed recruitment in the Group's historical countries, as well as an increase in the utilization rate to 80.7% at the year-end, up 1.7 points on the rate at the end of 2010, which already represented an increase of 2 points on 2009. Prices continued to suffer downward pressure, although trends improved at the end of the year with erosion restricted to 1% for onshore Technology Services in the fourth quarter. At 6.8%, the operating margin is up 0.1 points on 2010, with the strong growth recorded in North America offset by downturns in a number of regions and particularly Benelux, the United Kingdom and Central Europe.

Outsourcing Services (37.5% of Group revenues) reported revenue growth of 3% like-for-like. This lower rate of growth reflects the lack of major contract wins during the period. Nonetheless, the operating margin (7.7%) is up 0.6 points on 2010.

Local Professional Services (Sogeti) is the third largest Group business, with revenues equal to 15.7% of total revenues, up 6.3% like-for-like. The utilization rate was held at a satisfactory level at the year-end (82.9%) and prices improved steadily throughout the period. The operating margin is 10.9%, up 1.7 points on 2010, thanks to the improvement observed across all countries with the exception of the Benelux region.

Consulting Services, which reported revenue growth of 1.2% like-for-like, now represents only 5.3% of Group revenues. Of our four businesses, Consulting Services suffered the most as a result of public sector budget cuts, however, the growth recorded in North America, Asia and the Nordic countries is considered highly satisfactory. The headcount was reduced 6.1% year-on-year, enabling a utilization rate of 67.5% in the fourth quarter. Furthermore, selling prices were held at a level more or less identical to 2010, these factors enabling Consulting Services to report a 1.1 point increase in the operating margin rate (12% in 2011, compared to 10.9% in 2010).

HEADCOUNT

At December 31, 2011, the total Group headcount was 119,707 compared to 108,698 one year earlier. This 11,009 increase in employee numbers (+10.1%) reflects:

- 35,871 additions, comprising:
  - 32,713 new hires (12,462 in India, 4,268 for Sogeti and 1,421 in Poland, etc.);
  - and 3,158 transfers during the year in connection with (i) acquisitions (for example the 847 Prosodie employees) and (ii) employee transfer clauses contained in certain Outsourcing Services contracts;
- and 24,862 departures comprising:
  - 20,693 resignations (18.1% of the average headcount for the fiscal year);
  - 50 transfers outside the Group following business divestments or at the end of certain Outsourcing Services contracts;
  - 4,119 layoffs and unsuccessful trial periods.

ORDER BOOK

New orders recorded totaled €9,903 million, down 8.4% (like-for-like) on last year. This decrease is mainly due to fewer new orders being recorded by the Outsourcing Services business than in 2010, when it benefited from the early renewal of several major contracts. The book-to-bill ratio of the three other businesses (Consulting, Local Professional Services and Technology Services) is 1.12.

OTHER SIGNIFICANT EVENTS IN 2011

On **January 26, 2011**, Capgemini signed a three-year contract with BC Hydro, the third largest electric utility in Canada. This contract, worth CAD 63 million (approximately €48 million) forms part of BC Hydro's Smart Metering & Infrastructure program.

On **February 4, 2011,** Capgemini completed the acquisition in Germany of CS Consulting, one of the leading providers of consulting services in the banking and insurance sector. CS Consulting specializes in the migration of core banking systems and the implementation of business intelligence solutions.

On **March 2, 2011,** Capgemini UK signed an outsourcing services contract with EDF Energy, one of the leading producers and distributors of electricity in the United Kingdom. This three-year contract, with a renewal option for a further two years, is worth an estimated GBP 100 million (€120 million) over the period 2011-2015.

On **April 5, 2011,** Capgemini announced the acquisition of two French companies, Artésys and Avantias. Artésys is a French leader in the design of infrastructure solutions, while Avantias specializes in the implementation of Enterprise Content Management (ECM) solutions. These two transactions strengthen the Group's positioning in two highly dynamic market segments in France and represent an integral part of its growth program. These two acquisitions, financed in full by Group net cash, represented a total consideration of €42.7 million for 100% of the share capital of each company.

On **May 5, 2011** Capgemini announced the acquisition of BI Consulting Group (BICG). This American IT service provider, based in Minneapolis, specializes in integration services for customers who purchase Oracle Business Intelligence (BI) and Enterprise Performance Management (EPM) solutions. BICG offers a comprehensive range of services, including implementation, support, training and software enhancement services. This acquisition is consistent with the objectives of Capgemini's external growth program and strengthens its positioning in the information management market. It was also financed by Group net cash.

On **June 24, 2011** Capgemini acquired Praxis Technology, a Beijing-based specialist provider of IT and consulting service to the *Utilities sector*[1] . Praxis Technology's offering includes business management consulting services, Enterprise Resource Planning (ERP) implementation services and application and software development services for leading Chinese utilities. The acquisition of Praxis Technology fits perfectly with the Group's strategic plan to intensively build its position in China and strengthens its position in the fast growing utility sector. The acquisition of 100% of the share capital of Praxis Technology was financed by Group net cash.

On **July 5, 2011,** Capgemini acquired 100% of the share capital of the Italian IT service provider, AIVE Group. This strategic acquisition enabled Capgemini to strengthen its application portfolio as well as its SaaS (Software as a Service) positioning and its market share in Italy. AIVE Group was acquired based on an enterprise value of €40.3 million and was financed by Capgemini Group net cash.

On **July 29, 2011,** as announced on June 14, Capgemini completed the acquisition of Prosodie, a multi-channel services operator. The transaction, for a total consideration of €376 million, was financed by Group net cash. This acquisition provided Capgemini with access to the high value-added transaction solutions market. Prosodie joined the New Business Model (NBM) service line, the aim of which is to develop services based on proprietary solutions invoiced on a pay-as-you-go basis.

On **September 21, 2011** Capgemini and EMC formed a global strategic alliance in cloud computing. This strategic alliance aims to create a diversified cloud-based IT-as-a-Service offering. This new offering will enable customer companies to reduce costs and gain efficiency and business agility. By joining with EMC, the global leader in information infrastructures, Capgemini aims to expand its cloud-based business service portfolio worldwide. The first offering rolled out was "Storage-as-a-Service".

On **November 18, 2011,** Capgemini launched a five-year €500 million bond issue paying gross annual interest of 5.25%. The transaction was settled on November 29, 2011. Placed with institutional investors following a series of meetings in the main European market places, the bond issue was three times over-subscribed.

On **November 30, 2011,** Capgemini extended its BPO contract with International Paper, a global leader in the paper and packaging sector. This contract, worth €42 million, covers the existing scope of Finance and Accounting (F&A) services already provided to International Paper and will bring the total collaboration period to 19 years –one of the longest relationships in the BPO sector.

1 Public services companies operating in the water, energy, transportation or waste sectors

4.2 Comments on the Capgemini Group Consolidated Financial Statements and outlook for 2012

CONSOLIDATED INCOME STATEMENT

Consolidated revenues total €9,693 million for the year ended December 31, 2011, up 11.4% on published figures for 2010 (5.6% like-for-like), while operating expenses total €8,980 million, up 10.7% on 2010.

An analysis of costs by nature reveals**:**

- an increase of €623 million (+12%) in personnel costs, nonetheless lower than the increase in the average headcount (114,354 employees in 2011 compared to 97,571 in 2010, +17.2%). This was the positive outcome of continued strong "offshore" recruitment, particularly in India: at December 31, 2011, the Asia/Pacific region comprised 39,097 employees (33% of the total headcount) compared to 33,655 (31%) one year previously, representing growth of 16%.
- a decrease of 0.5 points in the "purchases/sub-contracting" account (23% of revenues compared to 23.5% last year).
- a moderate increase (6%) in travel expenses: at €391 million, they represent 4% of revenues, down 0.2 points on last year.
- an increase of 15% in rent and local taxes (3.3% of revenues, up 0.1 points on 2010).

An analysis of costs by function reveals that:

- the cost of services rendered increased €794 million to €7,425 million, giving a gross margin of 23.4% (compared to 23.8% in 2010);
- selling costs increased 9.7% to €746 million, remaining stable in proportion to revenues at 7.7%;
- general and administrative expenses (€809 million) increased only 1% and therefore fell as a percentage of revenues (8.3% compared to 9.2% in 2010).

The operating margin is €713 million and represents 7.4% of revenues (compared to €587 million and 6.8% of revenues last year).

Other operating income and expenses represent an overall net expense of €118 million in 2011 compared to €98 million last year. This €20 million increase was mainly due to the increase in restructuring costs which rose from €71 million to €81 million.

Operating profit is €595 million and represents 6.1% of revenues, compared to €489 million and 5.6% of revenues last year.

The net financial expense is €105 million in 2011 (including purely notional expenses of €34 million), up €18 million on last year. This increase is mainly due to the inclusion of a full year of interest on CPM Braxis S.A. borrowings in the Group accounts (consolidated in October 2010).

The income tax expense is €101 million (compared to €124 million last year), including a current income tax expense of €129 million (€71 million in 2010) and deferred tax income of €28 million (expense of €53 million in 2010).

The deferred tax income recognized in 2011 includes in particular the utilization of US deferred tax assets in the amount of $72 million (€52 million) and the remeasurement of the same US deferred tax in the amount of $177 million (€127 million). This operation alone accounts for nearly the entire decrease in the effective tax rate which is 20.6% in 2011 (compared to 30.9% in 2010).

Profit for the year attributable to owners of the Company is €404 million in 2011, up 44% on the profit of €280 million realized in 2010. Earnings per share is €2.59 (also up 44%) based on 155,770,362 shares outstanding at December 31, 2011, compared to €1.80 in fiscal year 2010.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Equity attributable to owners of the Company totaled €4,256 million at December 31, 2011, down €58 million on December 31, 2010. This decrease was mainly due to:

- profit for the year of €404 million,
- the recognition in equity, in the amount of €224 million, of actuarial losses on provisions for pensions and other post-employment benefits, net of deferred tax and in the amount of €41 million, of fair value losses on cash flow hedges primarily in India, net of deferred tax,
- the payment to shareholders of the 2010 dividend (€1 per share) of €154 million in total
- the decrease in reserves (attributable to the owners of the Company) of €64 million in respect of CPM Braxis S.A. following the recognition of an additional put option granted to minority shareholders (€34 million), the unwinding of the discount on the first put option (€7 million) and the impact of the change in the Group's percentage holding (56.06% to 61.10%) as a result of the share capital increase subscribed by shareholders (€23 million),
- the increase in translation reserves of €10 million,
- the increase of €11 million in incentive instruments, employee shareholding and treasury shares.

Fixed assets increased €600 million on December 31, 2010, mainly due to:

- an increase of €567 million in goodwill as a result of acquisitions performed during the fiscal year: €547 million overall, including €366 million in respect of the acquisition of Prosodie and translation gains on existing goodwill balances denominated in US dollar and pound sterling (€25 million),
- a net decrease in other intangible assets (€15 million),
- a net increase of €48 million in property, plant and equipment, mainly consisting of assets acquired during the year (€190 million) and assets "brought into the scope of consolidation" (€17 million), partially offset in the amount of €133 million by the depreciation charge for the period.

Operating receivables (accounts and notes receivable) totaled €2,685 million at December 31, 2011, compared to €2,371 million at December 31, 2010, representing an increase of nearly 13%. Accounts receivable net of advances from clients and amounts billed in advance totaled €1,909 million at December 31, 2011, compared to €1,678 million at December 31, 2010 and represented 70 days annual revenue (compared to 66 days at December 31, 2010).

Non-current liabilities increased €378 million at December 31, 2011 (to €2,754 million from €2,376 million last year), chiefly due to:

- an increase of €33 million in long-term borrowings, mainly due to the reclassification of OCEANE 2005 bonds in short-term borrowings (€476 million) and a new bond issue performed in November 2011 (€495 million, net of issuance costs),
- an increase of €295 million in provisions for pensions and other post-employment benefits, following a net actuarial loss of €293 million in 2011, recognized mainly in the United Kingdom and Canada and due to the decrease in the discount rate applied to obligations at December 31, 2011, partially offset by the increase in the value of plan assets following the rally in the financial markets during the year,
- an increase of €43 million in other non-current liabilities, primarily due to the recognition of an additional put option granted to CPM Braxis minority shareholders in the amount of €34 million.

Current liabilities increased €692 million at December 31, 2011 (to €3,977 million from €3,285 million last year), chiefly due to:

- an increase of €492 million in short-term borrowings and overdrafts mainly due to the reclassification in current liabilities of the OCEANE 2005 bonds (€476 million),
- operating liabilities consisting mainly of accounts payables and related accounts, amounts due to members of personnel and accrued taxes (other than on income), which totaled €2,340 million at December 31, 2011, up €35 million on December 31, 2010,
- an increase of €57 million in other current liabilities mainly attributable to derivative instruments.

Consolidated net cash and cash equivalents totaled €454 million at December 31, 2011, compared to €1,063 million at December 31, 2010. This decrease of €609 million was mainly due to:

- cash generated by operating activities of €349 million, the cash flow from operations (€743 million) having been reduced by an increase in working capital requirements (€290 million) and income tax paid of €104 million. After interest paid (€30 million) and purchases of property, plant and equipment and intangible assets net of disposals (€155 million), “organic free cash flow” generated in 2011 totaled €164 million (compared to €359 million in 2010 and €396 million in 2009),
- cash outflows relating to acquisitions (net of cash and cash equivalents acquired) of €554 million and concerning the acquisition of Prosodie Group in the amount of €366 million; other acquisitions primarily concern CS Consulting, AIVE Group and Artésys in the amount of €111 million (net of cash and cash equivalents acquired),
- the payment to shareholders of a dividend of €154 million,
- a net increase in borrowings of €101 million,
- a payment of €34 million received from CPM Braxis minority shareholders following their subscription of the BRL 80 million share capital increase performed in December 2011.

OUTLOOK FOR 2012

Strengthened by investments in recent years, the Group is implementing strategic priorities that enable it to approach 2012 with a certain degree of confidence. The good demand levels witnessed at the end of last year have not weakened at the beginning of 2012 and activity trends remain positive in several major markets including North America. However, due to reduced visibility and the uncertain macro-economic environment, the Group currently expects to report limited organic growth in revenues (taking account in particular of the public sector cost cuts introduced in the majority of European countries) and an increase in the operating margin rate.

4.3 Comments on the Cap Gemini S.A. Financial Statements

INCOME STATEMENT

The Company reported operating income for the year ended December 31, 2011 of €241 million (including €227 million in royalties received from subsidiaries) compared to €202 million last year (including €201 million in royalties).

Operating profit increased to €190 million thanks to the rise in royalties received during the year, compared to €165 million in 2010.

The net financial expense is €2 million (compared to €41 million in 2010) and reflects:
- income of €98 million, mainly comprising dividends received from subsidiaries (€49 million), interest income on cash investments (€10 million), interest on loans granted to certain subsidiaries (€15 million) and finally provision reversals (€20 million),
- expenses of €100 million, mainly comprising the interest expense on the 2005 and 2009 convertible bond issues and the 2011 bond issue (€27 million), the amortization of the OCEANE 2005 bond redemption premium (€9 million) and charges to provisions for investments in subsidiaries (€38 million) and to a provision for impairment of marketable securities (treasury shares) (€16 million).

This €39 million improvement in the net financial expense year-on-year was mainly due to a decrease in charges to provisions for investments in subsidiaries (which are only €38 million in 2011 compared to €79 million in 2010).

After a net non-recurring expense of €14 million compared to €3 million in 2010 and an income tax expense of €3 million compared to income tax income of €16 million in 2010, the Company reported a net profit of €172 million, up €35 million (25%) on 2010 (€137 million).

BALANCE SHEET

Net investments rose from €8,523 million last year to €8,692 million at December 31, 2011. This €169 million increase is mainly attributable to:
- two advances on capitalization of €116 million (including €104 million to a French subsidiary pursuant to the CPM Braxis share capital increase and €12 million to a Singapore subsidiary),
- share capital increases performed by four European subsidiaries in the total amount of €52 million;
- a net increase in loans granted to certain subsidiaries of €14 million,
- charges to and reversals of provisions for investments in subsidiaries in the net amount of €18 million.

Shareholders' equity is €8,218 million, up €21 million on last year. This rise essentially corresponds to the difference between:
- profit for 2011 (€172 million),
- and the June 9, 2011 dividend payment of €1 per share on the 155,770,362 shares making up the Company's share capital at December 31, 2010, representing a total payment of €154 million (taking into account the 2 million treasury shares held by the Company at the dividend payment date).

Borrowings totaled €2,302 million at December 31, 2011, up €885 million compared to December 31, 2010. This increase was mainly due to:
- the €500 million euro bond issue performed in November 2011,
- the €263 million increase in bank overdrafts on the accounts included in the Group's cash pooling arrangement (Cash pooling international), for which the Company acts as the centralizing agent, offset in full by an opposite position of the same amount in the cash and cash equivalents of the company,
- the issue of commercial paper in the amount of €90 million,
- the increase in outstanding inter-company loans in the amount of €129 million.
- finally, the partial redemption in November 2011 of 2,350,000 OCEANE 2005 convertible bonds in the amount of €98 million.

Cash and cash equivalents net of borrowings totaled negative €690 million at the end of 2011, compared to negative €451 million at December 31, 2010. This downturn of €239 million was mainly due to:
- payments relating to share capital increases carried out by several subsidiaries in the amount of €168 million,
- a net increase in loans granted to certain subsidiaries in 2011 of €15 million,
- an increase in current account advances to Group subsidiaries in the amount of €165 million, mainly due to the acquisition of Prosodie;
- payment of the 2010 dividend for €154 million,
- the collection of brand royalties for €245 million.

In addition to the above, the following two items of information are required by law:
- External accounts payable of Cap Gemini S.A. total €1.433 million, 94% of which (€1.342 million) are not yet due. Group accounts payable total €4.359 million, nearly all of which (€4.345 million) are not yet due.
- Capgemini France S.A.S. acquired the French company, Camélia Participations S.A.S., which in turn owns Prosodie, a company specializing in the management of telecommunication, internet and payment transaction flows for major clients. Capgemini Outsourcing Services S.A.S. and Capgemini Technology Services S.A.S., both subsidiaries of Capgemini France S.A.S., acquired the French companies Artésys and Avantias, respectively.

APPROPRIATION OF EARNINGS

During its meeting of February 15, 2012, the Board of Directors decided to recommend to the next Ordinary Shareholders' Meeting, the following appropriation of net profit for the year:

Net profit for 2011	€171,563,263.44
Allocation to the legal reserve	€0
i.e. a balance of	€171,563,263.44
Retained earnings of previous years	€387,512,560.04
i.e. distributable earnings at December 31, 2011 of	**€559,075,823.48**
This amount will be allocated to:	
• payment of a dividend of €1 per share:	€155,770,362.00
• retained earnings for the balance:	€403,305,461.48
Giving a total of	**€559,075,823.48**

This dividend of €1 for each of the 155,770,362 shares bearing dividend rights on January 1, 2011, will be fully eligible for the 40% tax rebate referred to in Article 158.3.2 of the French Tax Code (Code Général des Impôts). Taking account of the recommendations of certain investors, and so as not to encourage security lending/borrowing transactions around the date of the Combined Shareholders' Meeting, the Board of Directors proposes an ex-dividend date of June 4, 2012 and a dividend payment date of June 7, 2012. If, at the time of payment of the dividend, the Company still holds some of its own shares, the dividend amount for these shares will be allocated to retained earnings. Furthermore, pursuant to Article 243 bis of the French Tax Code, dividends paid over the past three fiscal years were as follows:

- €155,770,362.00 for 2010 (€1 per share);
- €123,341,916.80 for 2009 (€0.80 per share);
- €145,844,938 for 2008 (€1 per share).

All of these dividends were fully eligible for the 40% tax rebate set out in Article 158.3.2 of the French Tax Code.

SHARE CAPITAL AND OWNERSHIP STRUCTURE

As no movements were recorded in the Company's share capital in 2011 (no stock options previously granted to Group employees were exercised), the share capital of the Company at December 31, 2011 is unchanged on December 31, 2010, that is €1,246,162,896 consisting of 155,770,362 shares of €8 par value each.

Pursuant to Article L. 233-13 of the French Commercial Code (Code de commerce), the Board of Directors informs shareholders that, based on notifications received to date, no shareholder held, directly or indirectly, more than 5% of the Company's share capital and voting rights at the year end.

During the fiscal year:

- Alliance Bernstein L.P. reported to the Company that it fell below the 5% share capital and voting rights threshold on April 5, 2011,
- Amundi Asset Management reported that it successively exceeded on June 7, 2011 and then fell below on June 28, 2011 the 5% share capital and voting rights threshold.

The breakdown of the Company's share capital as known at December 31, 2011 is provided on page 222 of this Reference Document

AUTHORIZATION TO BUY BACK THE COMPANY'S SHARES

Shareholders are reminded that last year, the Ordinary Shareholders' Meeting renewed the authorization granted to the Company to buy back its shares. This authorization was used in 2011 in connection with the liquidity agreement entered into on September 15, 2010. The purpose of this agreement is to improve the liquidity of the Cap Gemini share and stabilize the share price. In 2011, a total of 4,522,181 shares were purchased on behalf of Cap Gemini S.A., at an average price of €33.98 per share, representing 2.90% of the share capital at December 31, 2011. During the same period, 4,293,681 Cap Gemini shares were sold at an average price of €34.17 per share, representing 2.76% of the share capital at December 31, 2011. At the year-end, the liquidity account balance comprised 403,500 treasury shares (0.26% of the share capital) and approximately €2 million.
Furthermore, after transferring 200,250 shares to employees and corporate officers during the year under the Group free share grant program, the Company held 1,799,750 of its own shares as at December 31, 2011, representing 1.16 % of the share capital held following share buybacks performed between January 17 and 25, 2008 at an average share price of €34.48.

Overall, the Company therefore held 2,203,250 of its own shares at December 31, 2011, representing 1.41% of the share capital and a total value of €53,197,471, based on the closing price of the Cap Gemini share at this date of €24.145

As the authorization granted by the Ordinary Shareholders' Meeting last year is only valid for 18 months, we are asking shareholders to replace last year's authorization with a similar authorization to allow the Company to:

- manage the secondary market and encourage the liquidity of the Cap Gemini share within the scope of a liquidity agreement;

- grant shares to employees and corporate officers, on the terms and by the methods provided for by law, concerning the grant of performance shares or the set-up of a company savings plan or an international employee share ownership plan;
- grant shares to holders of securities conferring entitlement to the capital of the Company upon exercise of the rights attached thereto in accordance with the applicable regulations;
- purchase shares to be retained with a view to remitting them in the future in exchange or payment for potential external growth transactions;
- to propose at a later date to a Shareholders' Meeting the adoption of an extraordinary resolution cancelling some or all of the shares purchased.

To this end, the Board of Directors is seeking an authorization for the Company to buy back shares during the next eighteen months, representing up to 10% of its share capital and at a maximum price of €55 per share, these purchases taking place within the scope of:

- Articles L. 225-209 et seq. of the French Commercial Code (which also authorize the Board of Directors to cancel some or all of the shares purchased, representing up to 10% of its share capital by 24-month period);
- European Regulation No. 2273 of December 22, 2003 that came into effect on October 13, 2004.

STOCK OPTIONS

The last stock option plan authorized by the Extraordinary Shareholders' Meeting of May 12, 2005 (the 6th plan), expired on July 12, 2008. As the Board of Directors has not since sought the plan's renewal, no new stock options were therefore granted by the Board during fiscal year 2011.

The Board of Directors would remind shareholders that in the event of a notice of authorization of a takeover bid or exchange offer for some or all of the Company's shares published by the Eurolist market of Euronext Paris S.A., Group employees who still hold such stock options will be entitled, if they so wish, to exercise all of their remaining unexercised options immediately without waiting for the end of the lock-in period specified at the time of grant.

As already indicated above:

- no shares were subscribed in 2011;
- no further shares may be subscribed under the first five plans for which the subscription periods expired on November 1, 1995, April 1, 1999, April 1, 2002, December 1, 2006 and March 31, 2010, respectively.

INTERNATIONAL EMPLOYEE SHAREHOLDING SYSTEM

The Combined Shareholders' Meeting of May 26, 2011 authorized the Board of Directors to issue 6 million shares as part of a share capital increase reserved for employees and corporate officers of the Company and its French and foreign subsidiaries who are members of the Capgemini Group's Company Savings Plans (Plan d'Epargne d'Entreprise). An initial international employee shareholding operation in 2009 was subscribed to by nearly 14,000 Group employees in 19 countries, either directly or indirectly through a French collective employee shareholding vehicle (FCPE). In application of the provisions of Article L.225-102 of the French Commercial Code, the Board of Directors informs you that employees and corporate officers who subscribed to this operation under a Capgemini Group Savings Plan, together held 3.4% of the Company's share capital at December 31, 2011.

On February 15, 2012, the Board of Directors decided the principle of a further share capital increase reserved for employees, with similar characteristics to the operation performed in 2009.

ISSUE OF REDEEMABLE SHARE SUBSCRIPTION OR PURCHASE WARRANTS (BSAAR)

The Combined Shareholders' Meeting of May 26, 2011 authorized the Board of Directors, for a period of 18 months, to issue Redeemable Share Subscription or Purchase Warrants (BSAAR) to employees and corporate officers of the Group up to a maximum of one million shares (approximately 0.6% of the share capital at December 31, 2011), representing a maximum par value amount of €8 million. This authorization was not used during fiscal year 2011 and the Board of Directors has decided not to ask you to renew this authorization at the Combined Shareholders' Meeting.

PERFORMANCE SHARE GRANT

We would remind you that the Combined Shareholders' Meeting of May 26, 2011 authorized the Board of Directors to grant performance shares, during a period of 18 months, to employees of the Company and its French and foreign subsidiaries up to a maximum of one million shares. This authorization was not used in fiscal year 2011. The Board of Directors asks you today to approve a new 18-month authorization replacing the authorization still in effect and increasing the maximum amount of shares to be issued to 1.5% of the share capital at the date of the grant decision by the Board of Directors. This authorization will replace the delegation of powers currently in effect.

COMPENSATION OF THE TWO EXECUTIVE CORPORATE OFFICERS

(gross amounts)		Compensation in respect of 2010			Compensation in respect of 2011		
Serge Kampf: Chairman	**Total 2009 (Reminder)**	**Paid in 2010**	**Paid in 2011**	**Total 2010**	**Paid in 2011**	**Paid in 2012**	**Total 2011**
Gross fixed compensation	840,000	960,000	-	960,000	960,000	-	960,000
Variable compensation	399,000	-	-	-	-	-	-
Exceptional compensation	-	-	-	-	-	-	-
Attendance fees	-	-	-	-	-	-	-
Benefits in kind	-	-	-	-	-	-	-
Value of options granted	-	-	-	-	-	-	-
Value of performance shares	-	-	-	-	-	-	-
TOTAL	**1,239,000**	**960,000**	**-**	**960,000**	**960,000**	**-**	**960,000**

Paul Hermelin: Chief Executive Officer	**Total 2009 (Reminder)**	**Paid in 2010**	**Paid in 2011**	**Total 2010**	**Paid in 2011**	**Paid in 2012**	**Total 2011**
Gross fixed compensation	1,320,000	1,320,000	-	1,320,000	1,320,000	-	1,320,000
Variable compensation	624,500	-	834,680	834,680	-	864,000	864,000
Exceptional compensation	-	-	-	-	-	-	-
Attendance fees	-	-	-	-	-	-	-
Benefits in kind	3,600	3,600	-	3,600	3,600	-	3,600
Value of options granted	-	-	-	-	-	-	-
Value of performance shares	-	-	-	-	-	-	-
TOTAL	**1,948,100**	**1,323,600**	**834,680**	**2,158,280**	**1,323,600**	**864,000**	**2,187,600**

2011 compensation of the Chairman

Mr. Kampf has always considered that a fundamental management rule for a service company is the inclusion in a manager's compensation of a variable component, the final amount of which is directly tied to the attainment of a number of objectives –general and/or personal– set at the beginning of the year (a rule which the Group has applied consistently for more than 40 years for nearly all its managers). However, taking into consideration the pressure exercised on companies with a "dissociated" Chairman to remove any variable component from their compensation package, he therefore proposed to the Board of Directors that his 2010 compensation solely comprise a fixed amount, which after discussion with the Board was set at €960,000, representing a decrease of 31.4% on his 2009 theoretical compensation. Again at his proposal, this fixed compensation was maintained at the same amount for 2011.

The Board also took due note of Mr. Kampf's decision to waive his right to collect attendance fees as a Director of Cap Gemini S.A. in respect of 2011, as he did for the last two years.

2011 compensation of the Chief Executive Officer

After noting that Mr. Hermelin's variable compensation is based 50% (V1 component) on a comparison of actual and budgeted Group consolidated results and 50% (V2 component) on the attainment of a certain number of personal objectives set at the beginning of the fiscal year, the Board of Directors:

- verified that for Mr. Hermelin, as for the other key managers of the Group, V1 is equal to 91.3% to of its theoretical value
- validated the Selection & Compensation Committee's appraisal of the degree of attainment of each of the six personal objectives set for fiscal year 2011, resulting in a total mark awarded of 105 (out of a theoretical total of 100).

Mr. Hermelin's compensation for fiscal year 2011 therefore breaks down as follows:

- fixed compensation of €1,320,000 (60% of the theoretical total), which it should be noted is unchanged for the last five years,
- V1 compensation equal to 91.3% of €440,000, or €402,000,
- V2 compensation equal to 105% of €440,000, or €462,000, representing a total of €2,184,000, up 1.4% on his 2010 compensation (€2,154,680).

In addition, the Board took due note of Mr. Hermelin's decision to waive his right to collect attendance fees as a Director of Cap Gemini S.A. in respect of 2011, as he did for 2010.

2012 compensation

The Board accepted –following the acceptance by the Selection & Compensation Committee– the proposal of Messrs. Kampf and Hermelin to maintain their respective compensation levels unchanged in 2012 (with new personal objectives being set for Mr. Hermelin for the calculation of the V2 variable component of his 2012 compensation).

Additional comments regarding the compensation of these two executive corporate officers

It should be noted that:

- as has always been the case in Capgemini Group, Messrs. Serge Kampf and Paul Hermelin did not receive any benefits in kind (medical assistance, housing, private use of company cars, cell phone, free use of products or services, etc.) during 2011, nor did they benefit from any specific provision related to indemnities for termination for any reason whatsoever (removal from office, resignation, retirement, etc.), with the sole exception of contributions paid by the Company for Mr. Paul Hermelin's unemployment insurance underwritten by the "Garantie Sociale des Chefs d'Entreprise" (these contributions totaling €3,600 are presented in the table on page 85 in "Benefits in kind");
- in 2011, for the 23rd consecutive year, Mr. Serge Kampf decided not to ask the Company to reimburse the expenses he incurred in the performance of his duties (business travel, entertainment, etc.), with the exception of TGV train travel between Paris and Grenoble, the historical headquarters of Cap Gemini, where he has kept his main office and where part of the Group's corporate affairs are still conducted;
- Mr. Serge Kampf has never been awarded (and has never requested) any stock options or performance shares;
- Mr. Paul Hermelin was not granted any performance shares by the Board of Directors in 2011;
- At the end of the 2-year vesting period in March 2011, a total of 25,000 shares out of the 50,000 shares subject to performance and presence conditions initially allocated in March 2009 under the first performance share plan, definitively vested to Mr. Paul Hermelin. Application of the performance calculation led to the definitive vesting of only 50% of the initial theoretical amount. In addition, Mr. Hermelin is required to hold these shares until the later of the end of the two-year legal lock-in period and the expiry of his term as corporate officer.

Employment contract of executive corporate officers

After noting that Mr. Paul Hermelin's employment contract was suspended in its entirety on May 24, 1996 (date from which Mr. Hermelin exercised his first term of office as a member of the Management Board), the Board of Directors also noted that it decided in 2009, upon a recommendation by the Selection & Compensation Committee, to maintain jointly his term as corporate officer and his employment contract. This decision was based on the desire to maintain for this executive corporate officer his entitlement to pension benefits, given his seniority in the Group (19 years at March 1, 2012) and the services he has rendered to the Company. The Board wishes to emphasize that this decision was in no way motivated by a desire to maintain for his benefit any entitlement to a severance pay provision stipulated in his employment contract (his contract does not contain any such provision) and that the Chief Executive Officer does not enjoy any specific compensation clause in the event of his early departure at the initiative of the Board. In keeping with this measure, Mr. Hermelin has made a commitment to the Board of Directors to waive his employment contract when he reaches the age at which he may legally exercise his right to retire.

As for Mr. Kampf, founder and executive corporate officer of the Group for nearly 45 years, he has never held nor been proposed an employment contract.

Executive corporate officers: employment contracts and deferred compensation	Employment contract	Supplementary pension scheme (see below)	Indemnities and benefits following appointment, termination or change in function	Indemnities in respect of non-compete clause
Serge Kampf - Chairman Term of office renewed on May 27, 2010 and ending at the 2014 Combined Shareholders' Meeting called to approve the 2013 accounts	No	Yes	No	No
Paul Hermelin - Chief Executive Officer Term of office renewed on May 27, 2010 and ending at the 2014 Combined Shareholders' Meeting called to approve the 2013 accounts	Yes (March 1993)	Yes	No	No

Other compensation

In 2006, Cap Gemini set up a supplementary collective defined benefit pension scheme for certain senior executives regarded as having made a significant and lasting contribution to the Group's development, which was reviewed to ensure it complied with AFEP-MEDEF's subsequent recommendations. In effect, the beneficiaries of this scheme are persons deemed to have made a major contribution to the Group's business over at least ten years and having ended their career within the Company. In addition, this scheme stipulates certain limits ensuring that the amount of the supplementary pension may not exceed 40% of the beneficiary's reference earnings and the beneficiary's cumulative pension benefits from all mandatory and top-up schemes may not exceed 50% of his/ her reference earnings. Reference earnings are calculated by taking average compensation over the final employment years capped at 60 times the annual ceiling set by the French Social Security. Therefore, in order to receive the maximum pension amount, beneficiaries must have between 25 and 30 years' service depending on the circumstances. An external firm was asked to review this scheme and confirmed that it complied with the recommendations published by AFEP-MEDEF on October 6, 2009 concerning the compensation of executive corporate officers of publicly listed companies. It should be noted that based on the number of years' service upon retirement of the two corporate officers, the projected replacement rate will be between 39% and 40% of the reference earnings and the estimated cost of one year of service for all Executive Corporate Officers may be estimated at €1.2 million for 2011.

Attendance fees and other compensation received by corporate officers

Readers are reminded that Messrs. Kampf and Hermelin voluntary waived their right to collect attendance fees as Directors of Cap Gemini S.A. in respect of 2011 (in the same way as for 2010 and 2009).

The eleven non-executive corporate officers received no additional compensation other than the attendance fees indicated below:

(in euros)	Amount awarded in respect of 2010	Amount awarded in respect of 2011
Serge KAMPF	0	0
Daniel BERNARD	63,500	57,000
Yann DELABRIERE	61,000	66,000
Laurence DORS	21,000	45,000
Paul HERMELIN	0	0
Michel JALABERT	68,500	72,000
Phil LASKAWY*	44,500	48,000
Bernard LIAUTAUD *	70,000	60,000
Thierry de MONTBRIAL	61,500	51,000
Ruud van OMMEREN*	65,000	69,000
Terry OZAN*	51,500	51,000
Pierre PRINGUET	57,500	57,000
Bruno ROGER	60,500	57,000
TOTAL	**624,500**	**633,000**

* As required by law, the Company deducted withholding tax on the amounts paid to these four non-resident beneficiaries.

The Board of Directors decided to continue paying the two non-voting directors for 2011 (as in previous years) the same attendance fees as the directors. They therefore received the following compensation in respect of the last two years:

(in euros)	2010	2011
Pierre HESSLER	38,000	46,000
Geoff UNWIN **	36,000	43,000
TOTAL	**74,000**	**89,000**

** As required by law, the Company deducted withholding tax on the amounts paid to this non-resident beneficiary.

Attendance fees paid to directors and non-voting directors for 2011 therefore amount to €633,000 + €89,000 = €722,000€ (or €654,250 after deduction of withholding tax on the amounts paid to non-resident beneficiaries).

The rules governing the allocation of these attendance fees are presented in Chapter 5.3 – Compensation of directors, non-voting directors and executive corporate officers – of the Special Report of the Chairman of the Board of Directors.

Stock subscription options, stock purchase options and performance shares

The following tables present a breakdown of stock options and performance shares granted to the two executive corporate officers and historical information on stock options granted:

Performance shares granted during the year to the two executive corporate officers by Cap Gemini S.A. and/or any other Group company	Plan date and number	Theoretical maximum number of shares granted during the year	Value of shares calculated using the method adopted in the consolidated financial statements	Potential vesting date	Potential availability date
Serge KAMPF	n/a	n/a	n/a	n/a	n/a
Paul HERMELIN	n/a	n/a	n/a	n/a	n/a

Stock options vested during the year to the two executive corporate officers	Plan date and number	Number of options exercised during the year	Strike price	Exercise period
Serge KAMPF	n/a	n/a	n/a	n/a
Paul HERMELIN	n/a	n/a	n/a	n/a

Performance shares vested to the two executive corporate officers	Plan date and number	Number of shares vested during the year	Vesting conditions	Year of grant
Serge KAMPF	n/a	n/a	n/a	n/a
Paul HERMELIN	1st Plan	25,000	Performance and presence	2009

Historical information concerning stock options granted to corporate officers

Date of Shareholders' Meeting	05/12/2005	05/12/2005	05/12/2005	05/12/2005
Grant date	10/01/2006	04/01/2007	10/01/2007	06/01/2008
Plan number	6th plan	6th plan	6th plan	6th plan
Total number of shares granted	2,067,000	400,000	1,932,500	219,000
o/w granted to Serge Kampf	*(nil)*	*(nil)*	*(nil)*	*(nil)*
o/w granted to Paul Hermelin (*)	*50,000*	*0*	*0*	*0*
o/w granted to the ten employees receiving the greatest number of shares	*200,000*	*86,000*	*114,000*	*60,000*
Start of exercise period	10/01/2007	04/01/2008	10/01/2008	06/01/2009
Expiry date	09/30/2011	04/01/2012	10/01/2012	06/01/2013
Subscription price (in euros)	43	55	44	40.5
Exercise conditions	10% after 1 year, 30% after 2 years, 60% after 3 years and 100% after 4 years			

(*) Complete historical information on stock options granted and still available for exercise is provided on pages 185 to 187 and 230 of the Reference Document.

Stock options granted by Cap Gemini S.A. to the ten employees (non-corporate officers) having received the greatest number of shares and the number of shares vested to the ten employees (non-corporate officers) having thus subscribed for the greatest number of shares are as follows:

Stock options granted to/exercised by the ten employees (non-corporate officers) having received the greatest number of shares	**Total number of stock options granted / exercised**	**Weighted average price**	**Plan number**
Options granted during the year by Cap Gemini S.A. to the ten employees of all eligible companies having received the greatest number of shares	n/a	n/a	n/a
Options exercised (held previously on Cap Gemini S.A.) by the ten Group employees having exercised the greatest number of shares	n/a	n/a	n/a

Performance shares granted by Cap Gemini S.A. to the ten employees (non-corporate officers) having received the greatest number of shares and the number of performance shares vested to the ten employees (non-corporate officers) holding the greatest number of vested shares are as follows:

Performance shares granted/vested to the ten employees (non-corporate officers) having received the greatest number of shares	**Total number of shares vested / granted**	**Plan number**
Performance shares granted during the year by Cap Gemini S.A. to the ten employees of all eligible companies having received the greatest number of shares	n/a	n/a
Shares available (held previously on Cap Gemini S.A.) to the ten Group employees holding the greatest number of vested shares	57,500	1st Plan

DIRECTORSHIPS AND OTHER FUNCTIONS HELD BY CORPORATE OFFICERS

The list of directorships and other functions held by each of the corporate officers in other companies is provided on pages 225 to 228 of the Reference Document.

APPOINTMENT OF A DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS PURSUANT TO ARTICLE 11-5 OF THE BYLAWS

Last year, the Combined Shareholders' Meeting amended Article 11 of the Company's Bylaws, to allow for the appointment of an employee shareholder director and to set out the conditions for this appointment. Accordingly, two candidates for the position of director are presented to the Combined Shareholders' Meeting:

- one of these candidates was nominated by the members of the Supervisory Boards of each of the Fonds Commun de Placement d'Entreprise (French collective employee shareholding vehicles, or "FCPE") through which employees hold their Cap Gemini shares: **Lucia Sinapi-Thomas**,
- the other candidate was nominated by a vote of employee shareholders who hold their Cap Gemini shares directly and residents of countries not permitting shares to be held through an FCPE. **Carla Heimbigner.**

In so far as Lucia Sinapi-Thomas was nominated by the Fonds Communs de Placement d'Entreprise, which together hold 2.85% of the Cap Gemini share capital and represent 11,800 employees, while Carla Heimbigner was nominated by employee shareholders holding directly their shares and representing 0.5% of the Cap Gemini share capital and 1,145 employees, it appeared both natural and logical to the Board of Directors –as permitted by Article 11-5 of the Company's Bylaws– to indicate its preference for Lucia Sinapi-Thomas' candidature, by approving the resolution concerning her.

RENEWAL OF THE TERMS OF OFFICE OF THE TWO NON-VOTING DIRECTORS

The terms of office of the two non-voting directors (Pierre Hessler and Geoff Unwin) were renewed for a period of two years at the Combined Shareholders'' Meeting of May 27, 2010: these two terms of office therefore expire today and the Board of Directors proposes their renewal for a further period of two years.

AMENDMENT OF ARTICLE 19 OF THE BYLAWS TO ALLOW SHAREHOLDERS TO VOTE USING THE INTERNET

The so-called New Economic Regulations Law (NRE) of May 15, 2001 and the Decree of May 3, 2002 authorized shareholders to vote by email prior to Shareholders' Meetings (voting by correspondence was renamed "remote voting"), as well as to vote during Meetings using all means of telecommunication or teletransmission. However, remote voting by email and voting during Shareholders' Meetings requires prior amendment of the Company's Bylaws. So that the Board of Directors may in the future decide the use of these shareholder voting methods when convening a Shareholders' Meeting, should it so wish, we propose the adoption of a resolution amending Article 19 of the Company's Bylaws accordingly. The form of this Article has been redrafted slightly to facilitate its reading.

TRANSACTIONS CARRIED OUT IN 2011 BY MEMBERS OF THE BOARD OF DIRECTORS AND OTHER SENIOR MANAGERS INVOLVING CAP GEMINI SHARES

Transactions carried out in 2011 and 2012 by directors and senior managers involving the Company's shares, based on AMF disclosures and Article 223-26 of the AMF's General Regulations, may be summarized as follows: Mr. Serge Kampf (Chairman of the Board of Directors) sold:

- 50,000 shares at a unit price of €42.16 and 50,000 shares at a unit price of €42.77 on February 17, 2011,
- 37,752 shares at a unit price of €39.15 on June 24, 2011,
- 14,500 shares at a unit price of €39.10 on June 28, 2011,
- 10,825 shares at a unit price of €33.10 on February 23, 2012,
- and 157,587 shares at a unit price of €33.10 on February 29, 2012.

4

4.4 Environmental and social impact of the Group's operations

A specific chapter of the Reference Document (entitled "Corporate Social Responsibility and Sustainability", pages 33 *and seq.*), explains Group policy with regard to the environment, human resources (changes in headcount, career development, role of the Capgemini University) and its relations with external business partners (customers, suppliers and the general public at large).

4.5 Financing policy and market risks

FINANCING POLICY AND FINANCIAL RATING

Financing policy

Capgemini's financing policy is intended to provide the Group with adequate financial flexibility and is based on the following main criteria:

- a moderate use of debt leveraging: over the last ten years Capgemini Group has strived to maintain at all times a limited level of net debt (and even a positive net cash position) including in the manner in which it finances its external growth.
- diversified financing sources adapted to the Group's financial profile: Capgemini seeks to maintain a balance between bank financing (including the syndicated credit line, use of leasing to finance property and IT equipment) and market financing (issue of OCEANE bonds convertible and/or exchangeable for new or existing shares for €437 million in June 2005 and €575 million in April 2009; euro bond issue performed in November 2011 for €500 million (see Note 17 to the consolidated financial statements).
- a good level of liquidity and durable financial resources, which means:
  - maintaining a high level of available funds (€2,297 million at December 31, 2011), supplemented by a €500 million multi-currency syndicated line of credit secured on January 13, 2011 and maturing on January 13, 2016 and backed by a €550 million commercial paper program;
  - financial liabilities (excluding accounts payable) with only a limited portion falling due within 12 months: 16% after the redemption on January 2, 2012 of the remaining OCEANE bonds issued in 2005 in the amount of €400 million.

Financial rating

The Group's ability to access financial and banking markets and the cost of accessing such markets depends in least in part on the credit rating attributed by the rating agency Standard & Poor's: on January 21, 2008, the latter attributed Cap Gemini the long-term credit rating of BBB- (stable outlook), which has not since changed.

MARKET RISKS

Currency risk, interest rate risk, equity risk, liquidity risk and credit risk are set out in Notes 9, 17 and 19 to the consolidated financial statements of the Capgemini Group in this Reference Document.

4

4.6 Financial authorizations

AUTHORIZATION TO CANCEL SHARES PURCHASED UNDER THE BUYBACK PROGRAM

As stated above, the Board of Directors is seeking shareholders' authorization to cancel some or all of the shares purchased pursuant to Articles L. 225-209 et seq. of the French Commercial Code (the authorization to buy back shares is described in section 4.3 page 76 of this report), for up to 10% of its share capital by 24-month period.

DELEGATIONS OF AUTHORITY TO INCREASE THE SHARE CAPITAL

Pursuant to the delegations of authority given to the Board of Directors by the Extraordinary Shareholders' Meeting of May 27, 2010, the Board was granted a 26-month authorization (expiring therefore July 27, 2012) to:

- increase the share capital by capitalizing reserves;
- issue ordinary shares and/or securities granting access to the Company's share capital or granting a right to allocation of debt instruments, with pre-emptive subscription rights;
- issue ordinary shares and/or securities granting access to the Company's share capital or granting a right to allocation of debt instruments, without pre-emptive subscription rights, in the form of a public offering or a private placement;
- increase the amount of the issues if the requests for shares exceed the number of shares on offer, up to 15% of the initial issue and at the same price as for the initial issue ("Greenshoe" options);
- issue shares and/or securities granting access to the Company's share capital or granting a right to allocation of debt instruments, as payment for shares tendered to a public exchange offer made by the Company or contributions in kind to the Company of shares or securities granting access to the Company's share capital.

The overall limits on the amounts of the issues that could be decided pursuant to the delegations of authority given to the Board were set at:

- a maximum par value amount of €1.5 billion for share capital increases paid up by capitalizing reserves;
- a maximum par value amount of €500 million for share capital increases with pre-emptive subscription rights, and a maximum of €3.5 billion in total issuance amounts;
- a maximum par value amount of €185 million for share capital increases without pre-emptive subscription rights, and a maximum of €1.25 billion in total issuance amounts;
- a maximum aggregate par value amount of €500 million and an aggregate issuance amount of €3.5 billion for securities granting access to the Company's share capital or granting a right to allocation of debt instruments.

Your Board of Directors did not use any of these delegations of authority in 2011. The Board of Directors asks shareholders to renew all of these authorizations, unchanged and for a period of 26 months, to replace the current delegations of authority which remain in effect until July 27, 2012.

Finally, in accordance with the AMF recommendation of July 6, 2009 –and desirous to always respect both the principles of transparency and good governance and shareholder rights– we present for your vote specific resolutions for each type of operation and, in particular:

- two separate resolutions authorizing issues, without pre-emptive subscription rights, in the form of a public offering in the first case and a private placement in the second;
- two separate resolutions authorizing issues, without pre-emptive subscription rights, as payment for shares tendered to the Company under a public exchange offering launched by the Company (up to a maximum par value amount of €185 million, representing approximately 15% of the share capital) in the first case, and in consideration for contributions in kind made to the Company (up to a maximum of 10% of the share capital) in the second.

The share capital issues that may be carried out pursuant to these delegations of authority which you are asked to approve today, would be offset against the following ceilings:

- a maximum aggregate par value amount of €185 million, or approximately 15% of the share capital, and an aggregate issuance amount of €1.25 billion for all issues performed without pre-emptive subscription rights, that is (i) issues performed by way of a public offering or private placement at a price at least equal to the weighted average price of the Company's shares during the three trading days preceding the date on which the price is set, potentially reduced by a discount of up to 5%, and (ii) issues as payment for contributions in kind made to the Company or shares tendered to any public exchange offering launched by the Company;
- a maximum aggregate par value amount of €500 million (unchanged on the previous delegation) and an aggregate issuance amount of €3.5 billion (unchanged) for all issues of ordinary shares and/or securities granting access to the Company's share capital or granting a right to allocation of debt instruments, with or without pre-emptive subscription rights

Over-allotment options ("Greenshoe" options) will of course be included in these ceilings.

In the event of a share capital issue in the form of a public offering with cancellation of pre-emptive subscription rights, the Board of Directors has the power to provide for a priority right for shareholders, during the period and by the methods it deems fit.

Should the Board of Directors use one or other of these delegations of authority, the Statutory Auditors will issue a special report for the attention of the Shareholders' Meeting.

A table summarizing the delegations of authority and powers granted by the Combined Shareholders' Meeting to the Board of Directors with regard to share issues is provided on pages 218 to 220 of the Reference Document.

This Report, drafted and presented to the Ordinary Shareholders' Meeting of May 24, 2012 on behalf of the Board of Directors by its Chairman, Mr. Serge Kampf, was the subject of specific verifications by the Statutory Auditors which issued a report on the results thereof (see their report in Chapter 6.1 page 114).