Capgemini
CONSULTING.TECHNOLOGY.OUTSOURCING

Together. Free your energies

Cheuvreux Autumn Conference

September 29, 2009

Paul Hermelin, CEO

Solid H1 Achievements in a Tough Environment

- **H1 commitments delivered**
  - **Limited YoY revenue decrease, good margin protection**
  - **Positive momentum in Q2 with a 1.10 book-to-bill ratio in Projects and Consulting**
  - **Solid Outsourcing results: +2.6% revenue growth, margin progression +1.8 point**
- **Healthy financials**
  - **Strong cash collection**
  - **Successful financial operations demonstrating market confidence and management commitment**
- **Resilient assets proving their efficiency in the downturn**
  - **Robust client appetite for Outsourcing services**
  - **Benefits from significant footprint in the Public sector and Energy & Utilities**
  - **Solid offshore lever**
- **Rigor and agility through stringent resources management**

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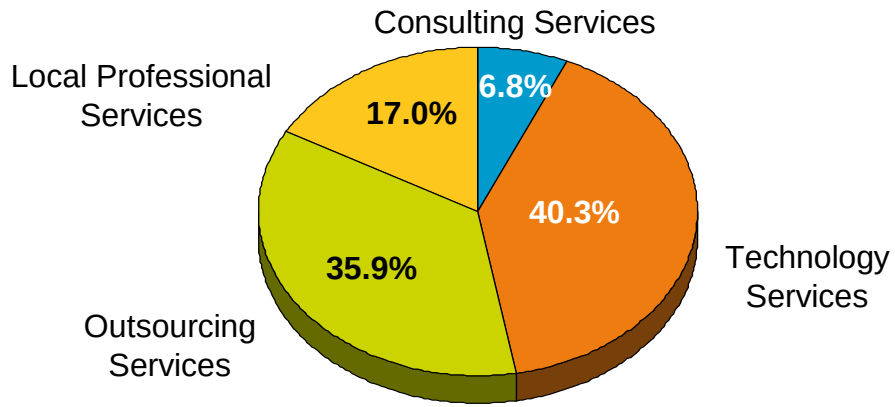
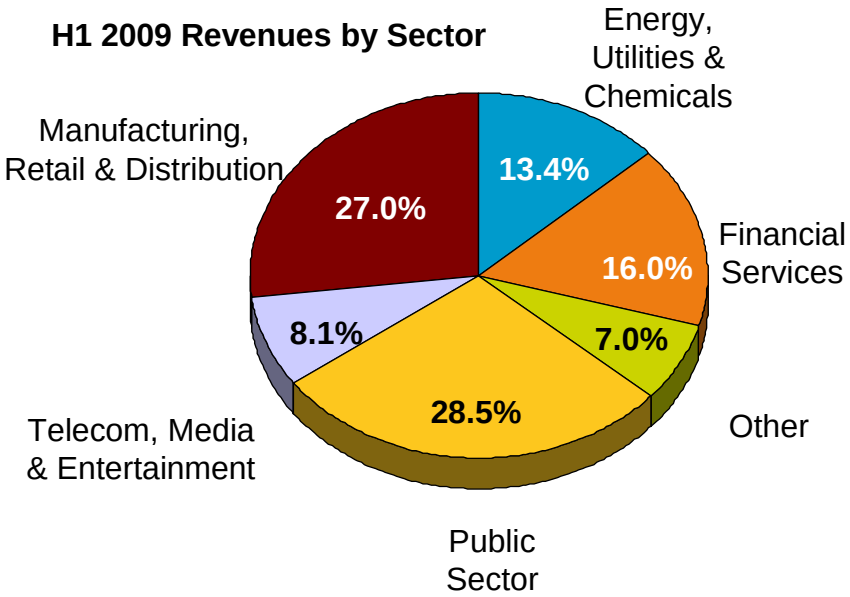
A Balanced Portfolio Softens Adverse Market Conditions

H1 2009 Revenues by Discipline



H1 2009 Revenues by Sector



Organic Growth by discipline

	H1 09 vs H1 08
Consulting	- 13.4 %
Technology Services	- 2.6 %
Sogeti	- 5.4 %
Outsourcing Services	+ 2.6 %
GROUP TOTAL	- 2.2 %

Margin by discipline

	H1 09	H1 09 vs H1 08
Consulting	10.5 %	- 2.8 pts
Technology Services	6.1 %	- 3.1 pts
Sogeti	9.1 %	- 2.4 pts
Outsourcing Services	6.5 %	+ 1.8 pt
GROUP TOTAL	6.6 %	- 1.0 pt

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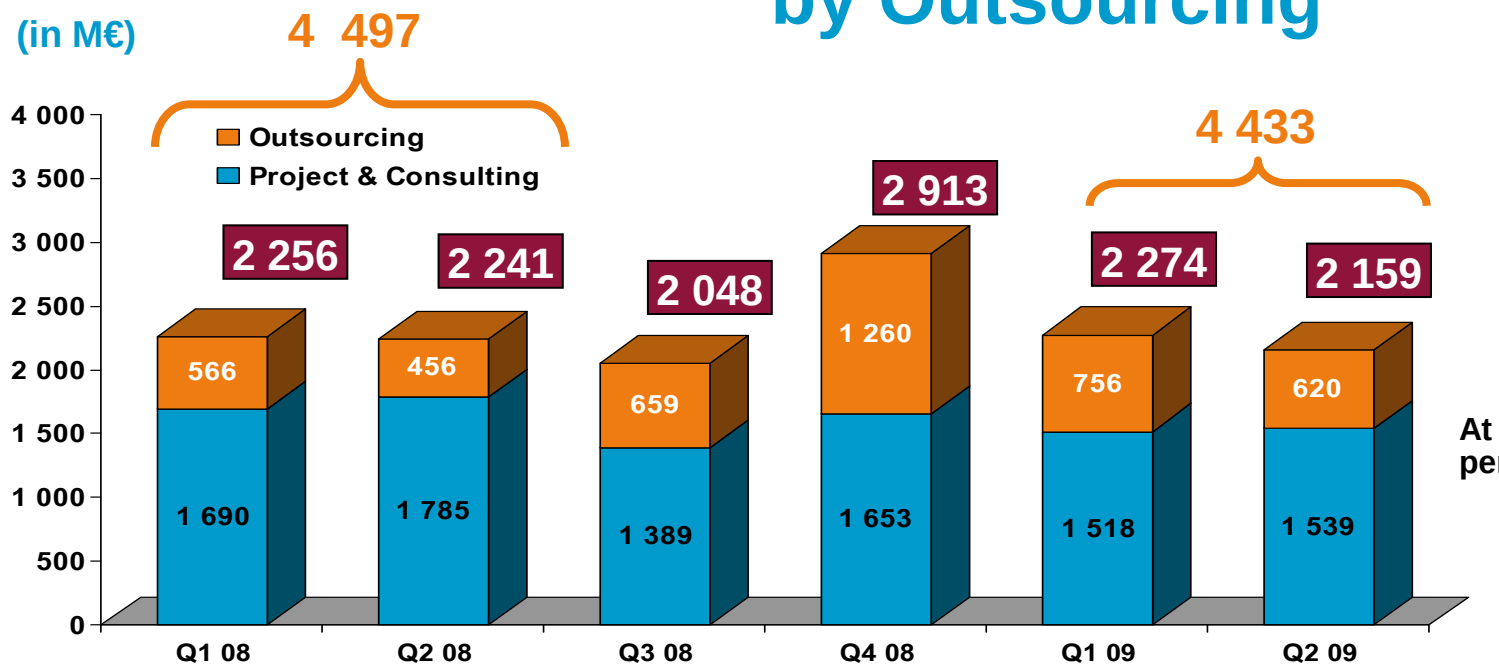
H1 Bookings Stable Year-on-Year but Driven by Outsourcing



At constant rates & perimeter

Change in bookings by sector

	Evolution H1 09 vs H1 08
Public Sector	+ 35 %
Financial Services	- 11 %
Telecom, Media & Entert.	+ 19 %
Manufacturing, Retail, Distrib.	- 20 %
Energy & Utilities	stable

	Book to Bill Ratio
North America	1.09
Rest of the world	1.06
TOTAL	1.07

At budget rates

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Tackling Evolving Client Demand with Key Go-to-market Initiatives

Symptomatic Demand in a Downturn Cycle

- Costs saving programs
- Transformation projects often sliced into stages
- Longer negotiation cycles
- Continuous demand for offshore in outsourcing

- **Refresh our core discipline offers**
  - Revitalized Capgemini Consulting portfolio with focus on restructuring, effectiveness
  - Combined BPO-Consulting packaged offer
  - ERP+ global offer providing our clients better integration between their SAP and Microsoft environments
  - Application & Development Management
  - Global Infrastructure Management service line push
- **Leverage offshore to answer price pressure**

New Markets

- **Expand sector based solutions**
  - Public sector: Tax, eGovernment, eBorders
  - Energy & Utilities: Smart Grid, Smart Metering
  - Telecom: Communications Transformation Platform (CTP)
- **Develop new offers on high-growth market nuggets**
  - Business Intelligence
  - Testing
  - Infrastructure Consultancy
  - Cloud, SaaS

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Strenghtened Client Intimacy, Continued Efforts on Business Development

Strong Achievements on Strategic Accounts

- **Cross discipline focus management and intimacy leverage through country level business development committees**
- **Positive results on Country Managed Accounts**
  - Double-digit growths on bookings and revenues YoY
  - Strong cross discipline presence push: 80% of accounts with 3 or more disciplines involved in H109

Continued Initiatives to Boost Sales

- **Sales force reallocation end of H1 to address new key offers and target sectors**
- **Account Executives excellence program development**
- **Optimization of sales strategy per sector at country level and sector expertise leverage across geographies**
  - North America: focus on Public sector benefiting from our expertise in Europe
  - China: focus on Energy and Utilities and Financial sector, as well as development of Application Management

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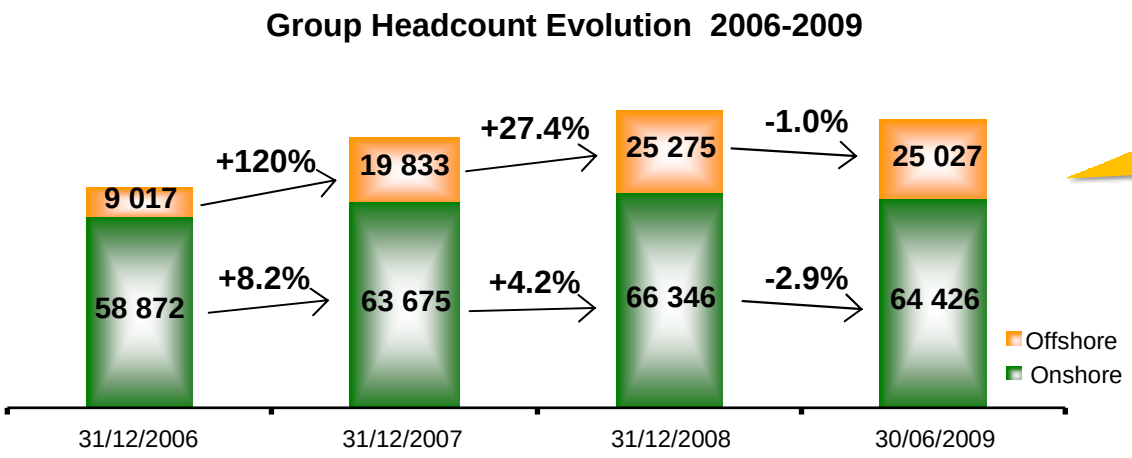
Offshore Remaining a Key Stabilizer



Offshore ratio 28.0%

India	19,950
Poland	3,240
Latin America	1,032
China	598
Morocco	207
Vietnam	100

Starting H2

- **A slight decrease of offshore headcount in H1 fully linked to reduced business volumes in the Financial sector**
- **Some political constraints limiting offshore demand expansion locally**
- **But still appetite for Rightshore solutions confirming the model**
  - **Early signs of booking recovery in the Financial sector in Q2**
  - **Large demand in Infrastructure Management across sectors**

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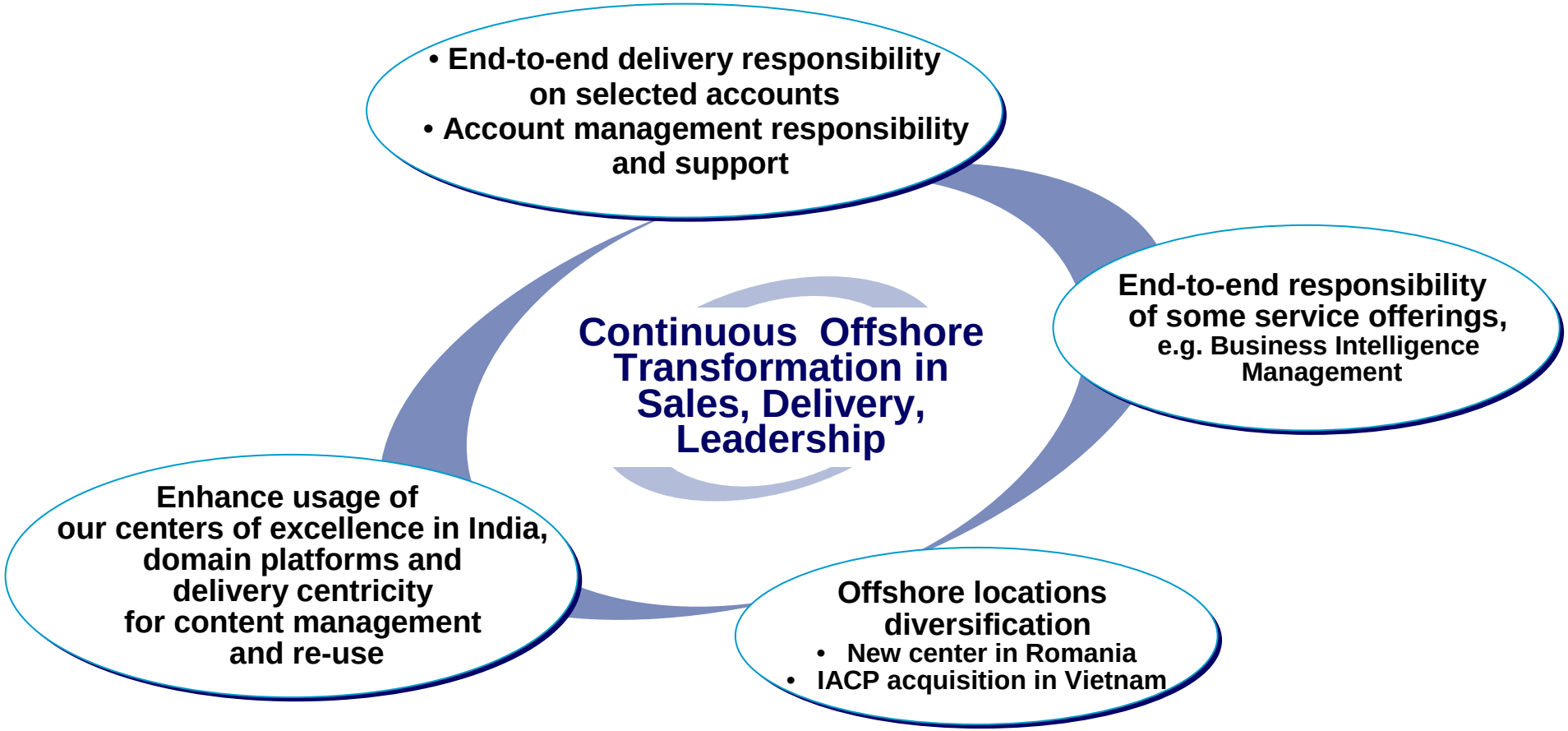
Offshore is not Just About Numbers



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Driving our Development through Excellence in People Management

Skills Adaptation to New Technologies and Market Needs

- **Constant adaptation of our competencies (recruited & developed)**
  - 2,525 recruits to support Outsourcing growth
  - Very selective recruits in TS, CC and Sogeti
  - Over 6,400 people trained to TechnoVision over the last year
- **High-speed training adaptation and implementation capability**
  - All training materials adjusted to new Technology & Market needs
  - +27.8% YOY (15,000+ participants) despite crisis thanks to e-learning
- **TS pyramid management with continued development of complementary competencies between on-offshore resources**

Best Talents Management

- **Absolute selective recruitments ("only the best")**
- **A globalised HR management striving to identify and manage top performers**
  - Fast-track career path for top talents
  - Attractive reward systems for star performer
- **Increased collaboration**
  - 'TeamOne' community gathering 120 top managers
  - Incentive systems favoring cross discipline cooperation
  - Boosted cross discipline, national and internal mobility

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Outlook for FY 2009

H2 year-on-year organic revenue decrease of 4% to 6% (full year -3% to -4%)

Full year operating margin of around 7% of revenues

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