

# Merrill Lynch TMT Conference

June 5, 2007

**Paul Hermelin**  
**CEO**



# Agenda

- 2007 update
- Kanbay integration



# Our 2007 Objectives

## Improve operational efficiency

- Focus on low performing units
- Further MAP roll-out
- Favor offshore margin accretion

## Develop NA

- New leaders development
- Grow Consulting Services
- Additional vertical offers
- Grow offshore leverage 1:3

## Leverage Kanbay Integration

- FSI (NA, UK, test Continental Europe)
- Non-FSI: regional adjustment
- India harmonization

## Prepare for step changes in

- Consulting
- BPO

- This will lead us to:**
- **9% growth & 7.0% operating margin in 2007**
  - **above market growth & 8.5% operating margin in 2008**

## Q1 was another strong quarter across the board

	Q1 07 / Q4 06	Q1 07 / Q1 06
Consulting / Technology Services	3.7%	12.3%
Kanbay	1.5%	26.9%
Local Professional Services	4.6%	8.1%
<b>CS / TS / LPS / Kanbay</b>	<b>3.7%</b>	<b>12.0%</b>
Outsourcing Services	4.8%	18.1%
<b>TOTAL GROUP</b>	<b>4.1%</b>	<b>14.2%</b>

At constant rates and perimeter, including Kanbay

# Agenda

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- **Kanbay integration**



# Capgemini and Kanbay bring together unique, but highly complementary capabilities



- **Clients:** Access to significant client base
- **Offers:** More focused on business offers
  - E.g., assessing banking multi-channel management
- **Geography:** Strongest in Europe
- **Delivery:** Local presence
- **Positioning:** Global presence
- **Access to talent in India:** Mumbai, Bangalore, Kolkata
- **Clients:** Ability to create long term relationships
- **Offers:** More focused on technology offers with domain strength
  - E.g., cards processing
- **Geography:** Strongest in North America
- **Delivery:** One-team global delivery model
- **Positioning:** Domain knowledge down to the keyboards
- **Access to talent in India:** Pune, Hyderabad, Chennai

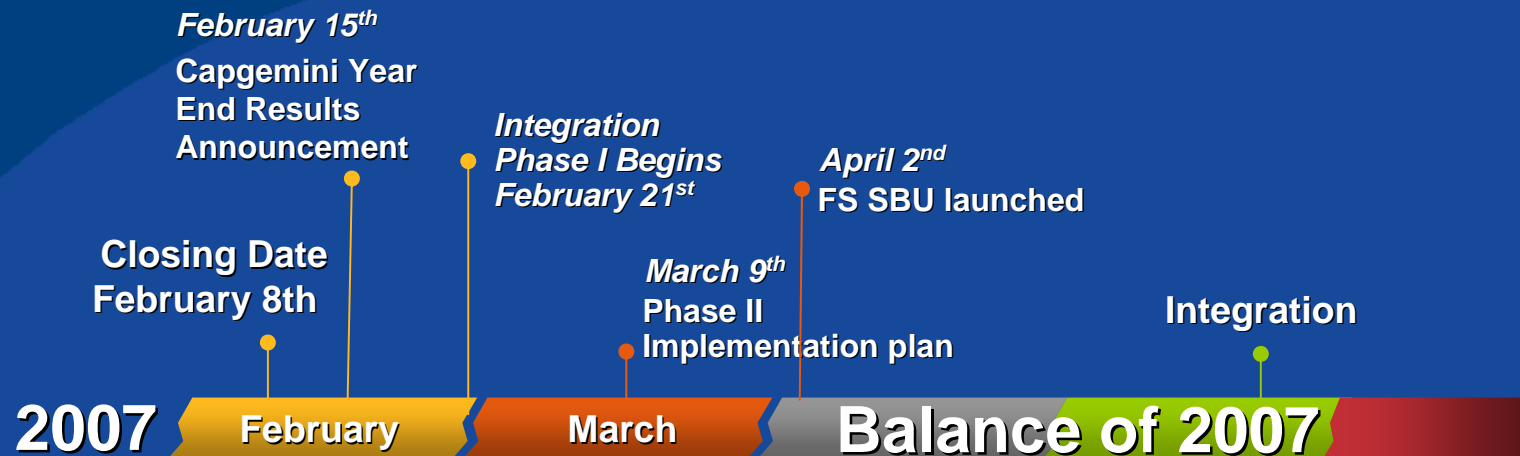
## Combined Capabilities

- Deliver end-to-end industry solutions (business and technical) capabilities to clients around the world, specifically in the Financial Services
- Provide our services seamlessly in one-team 'global' delivery model

# The integration process is fully on track

## Maintain highest levels of Customer Satisfaction while preserving and leveraging Kanbay deep domain expertise and growth momentum

- Provide the same high quality services our customers expect.  
“Business as usual”
- Enhance clients’ experience as we integrate our product offerings and technological capabilities
- Financial Services India Platform to be leveraged by Capgemini European clients



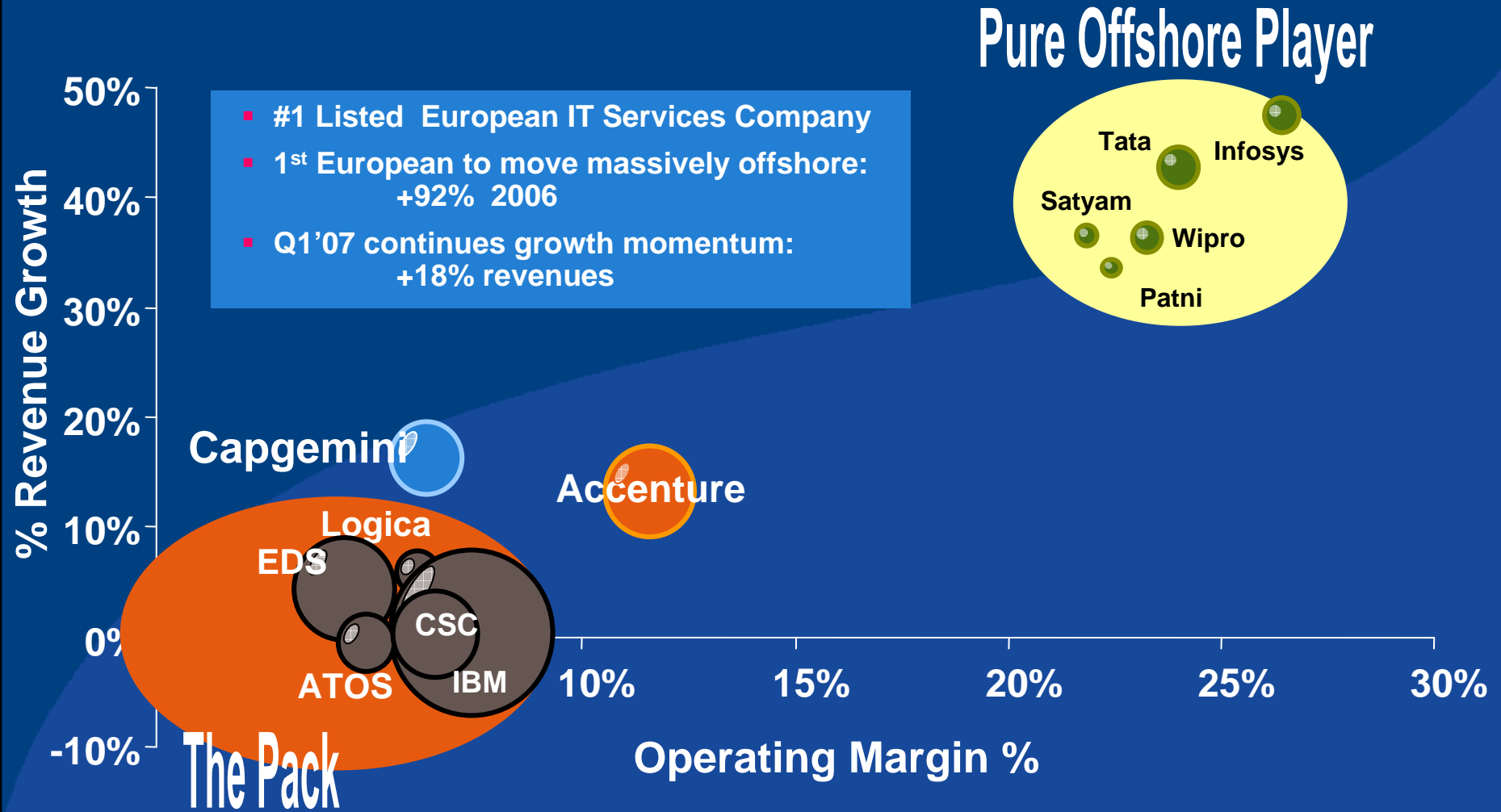
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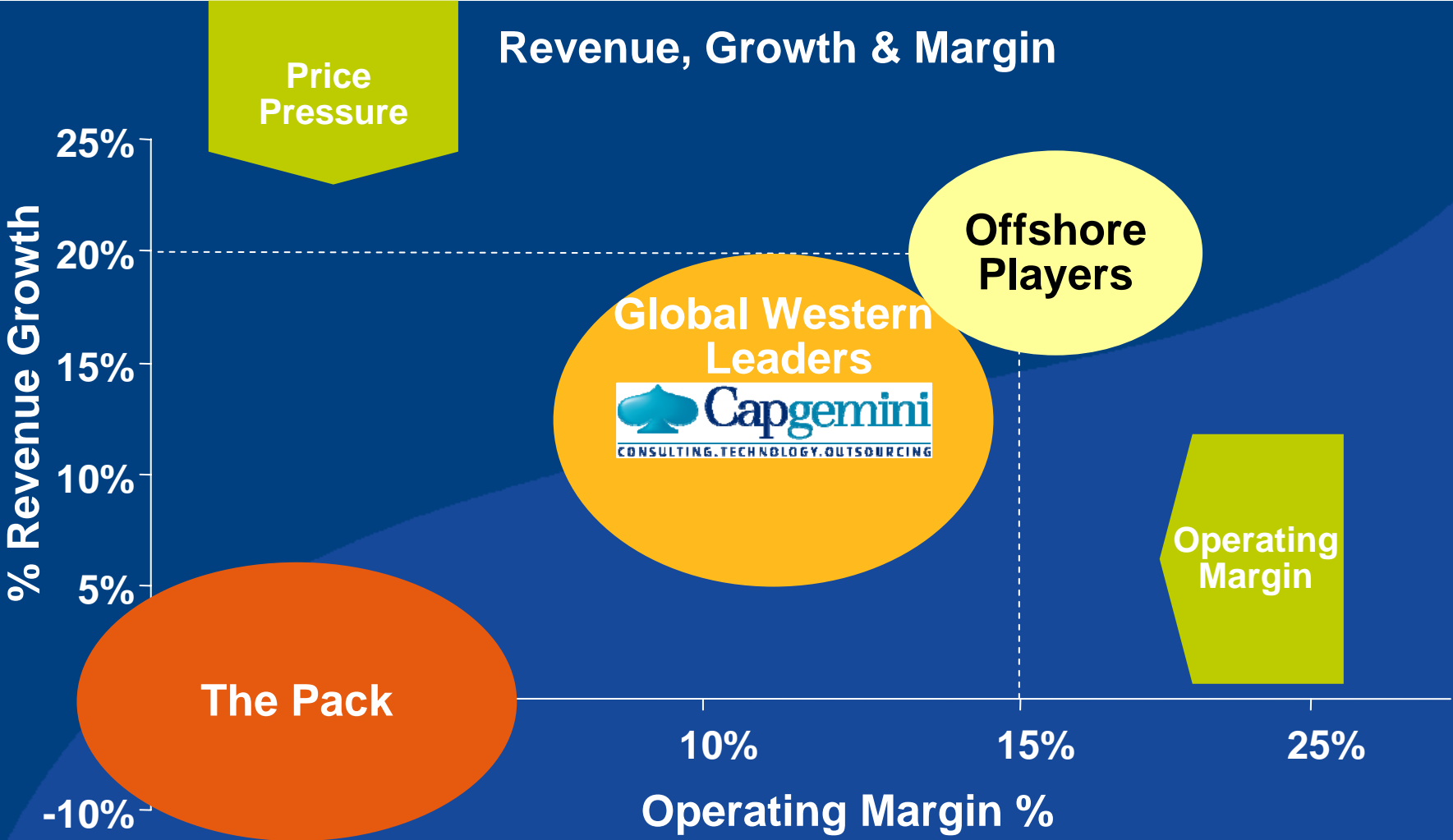


# IT Services today: a tale of two worlds

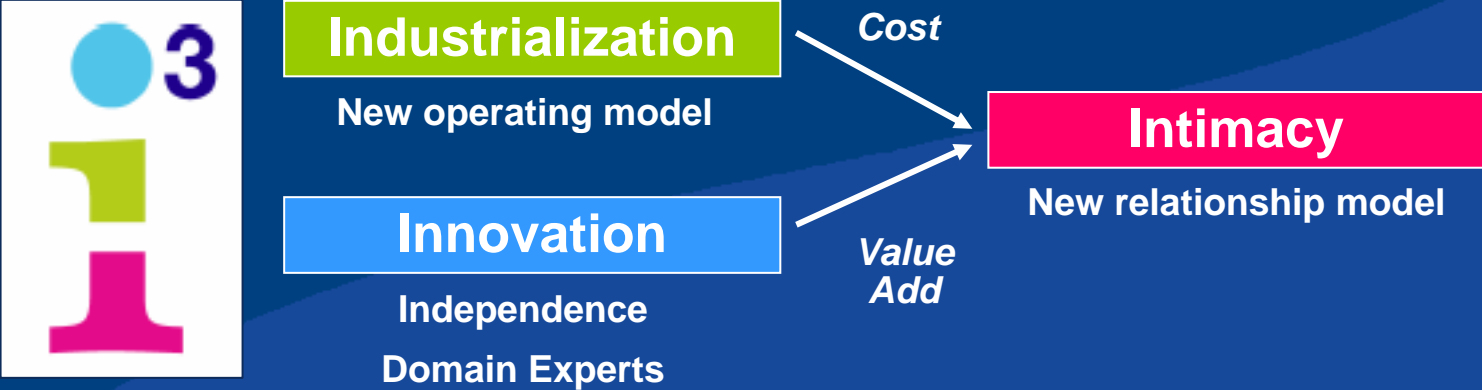


# The landscape is due to change

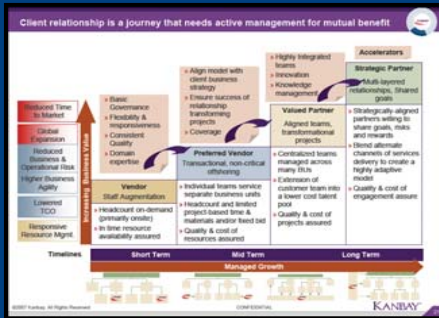
## Revenue, Growth & Margin



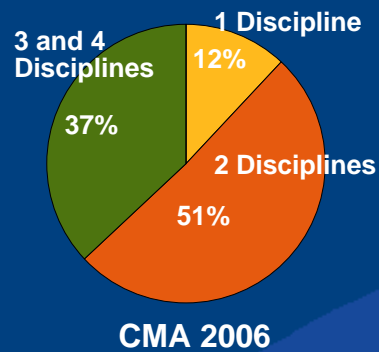
# An in-depth transformation is needed



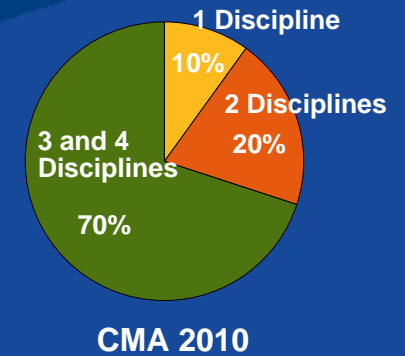
# Intimacy: from Vendor to Partner to our largest Clients



- 30 Group or Country Managed Accounts
  - From 10 to 20 Strategic relationships by 2009
  - And 10 more at that level by 2010

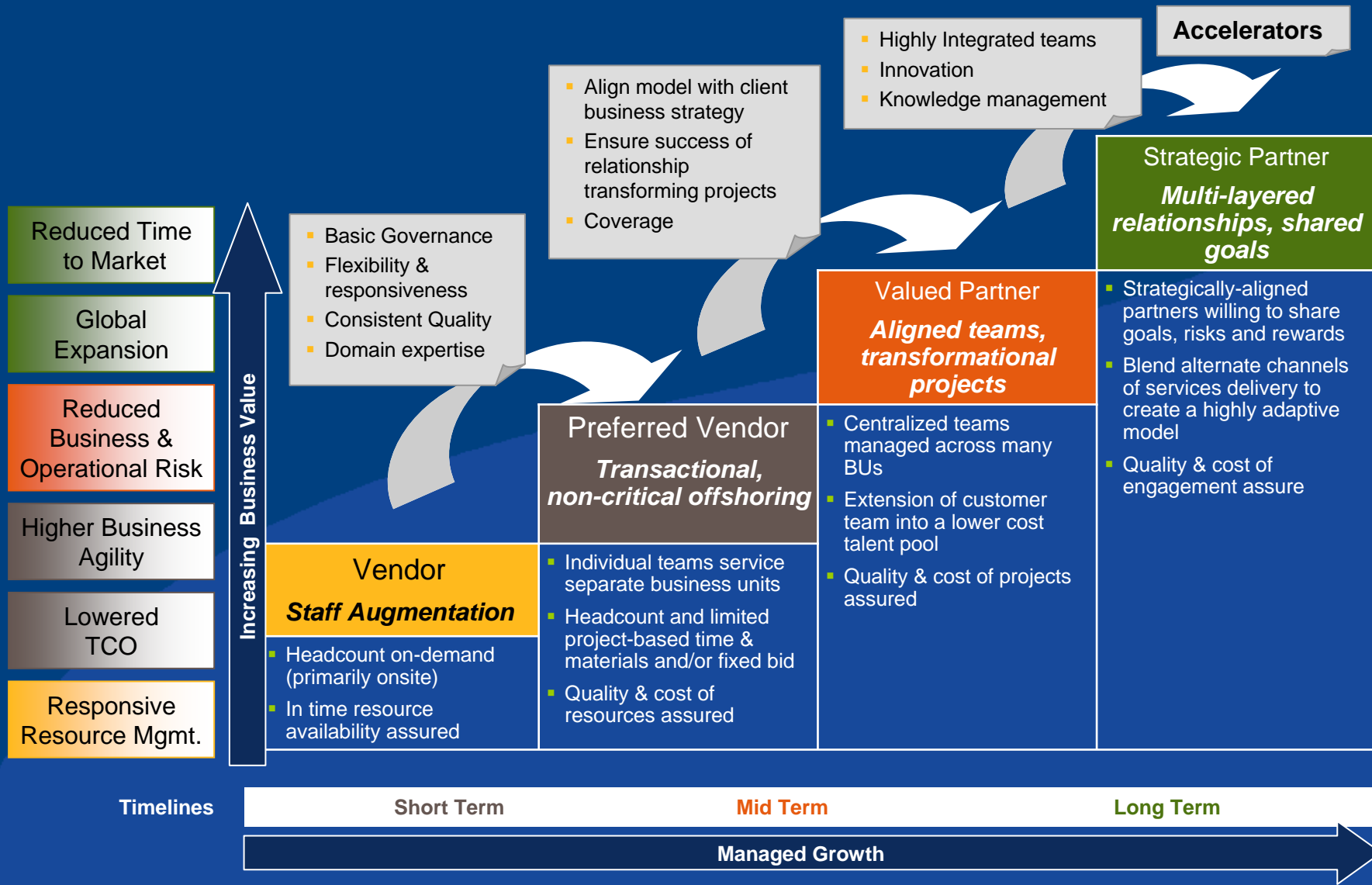


- Bring the full strength of our Group to our clients

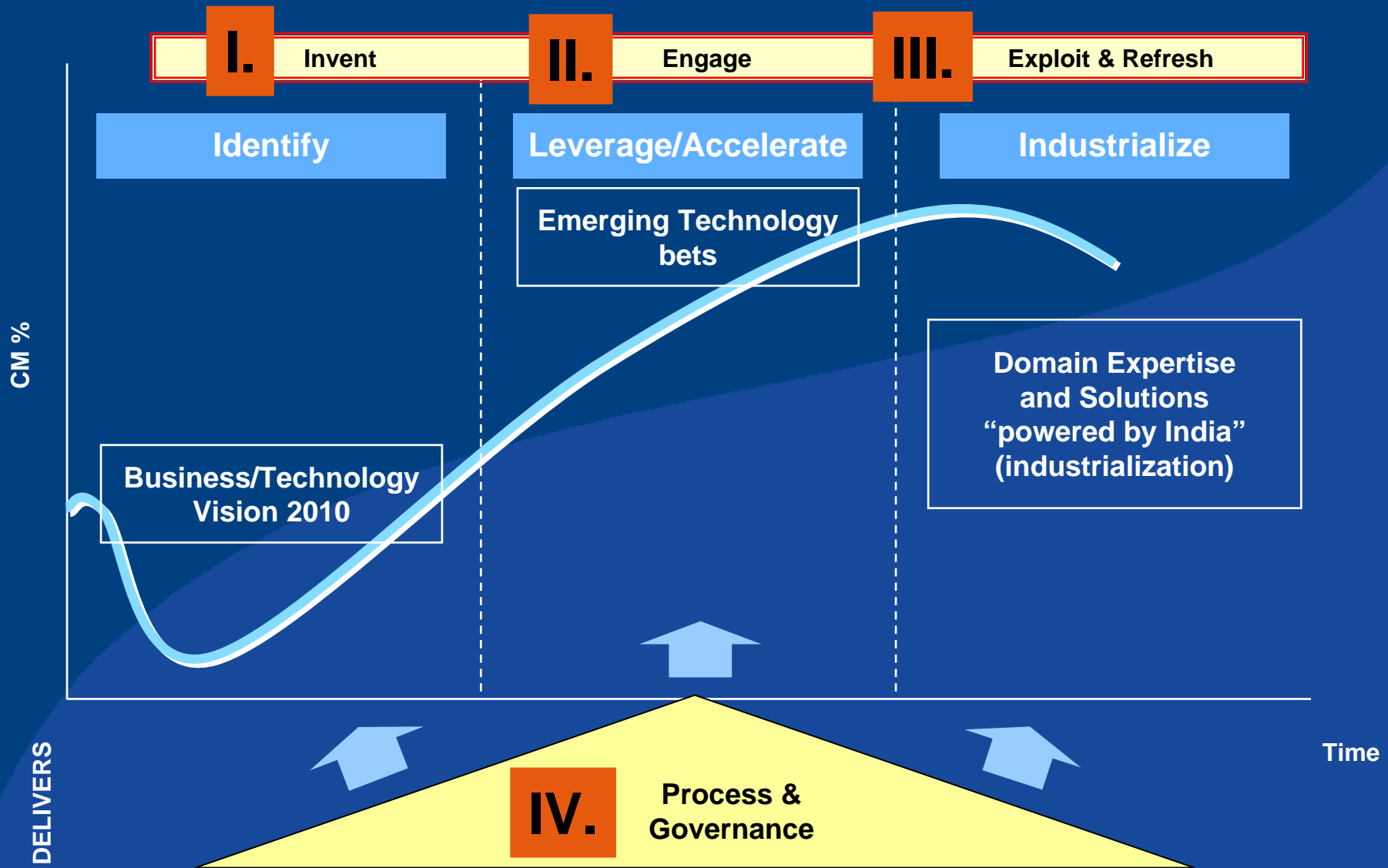


- 50% above average growth in the Group

# Allow to build lasting relationships through collaboration

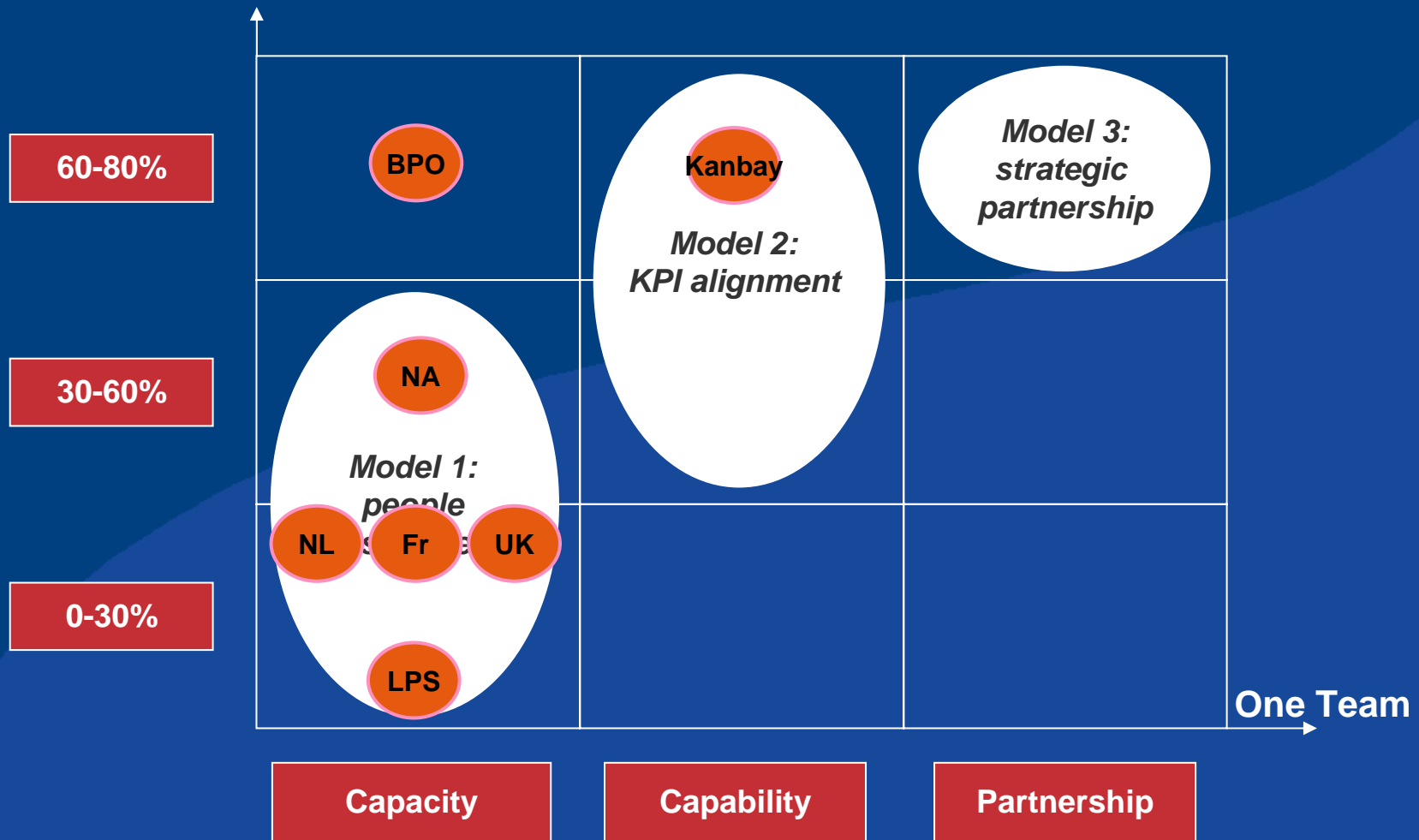


# Innovation: key to add value

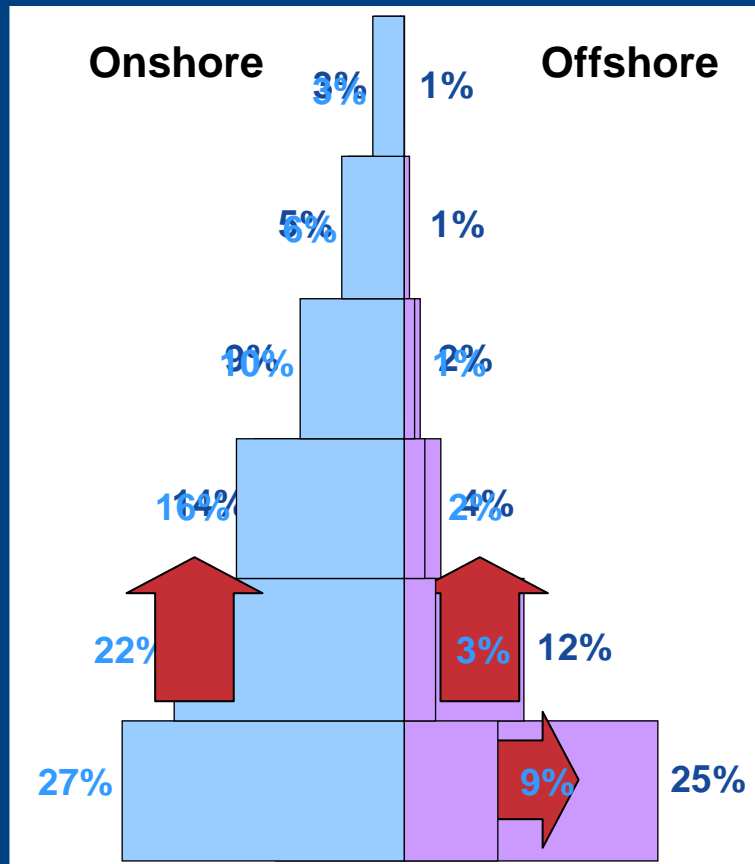


# Industrialization will drive us towards the right model

Offshore leverage



# And requires a deep transformation of our organization



**Onshore transformation**

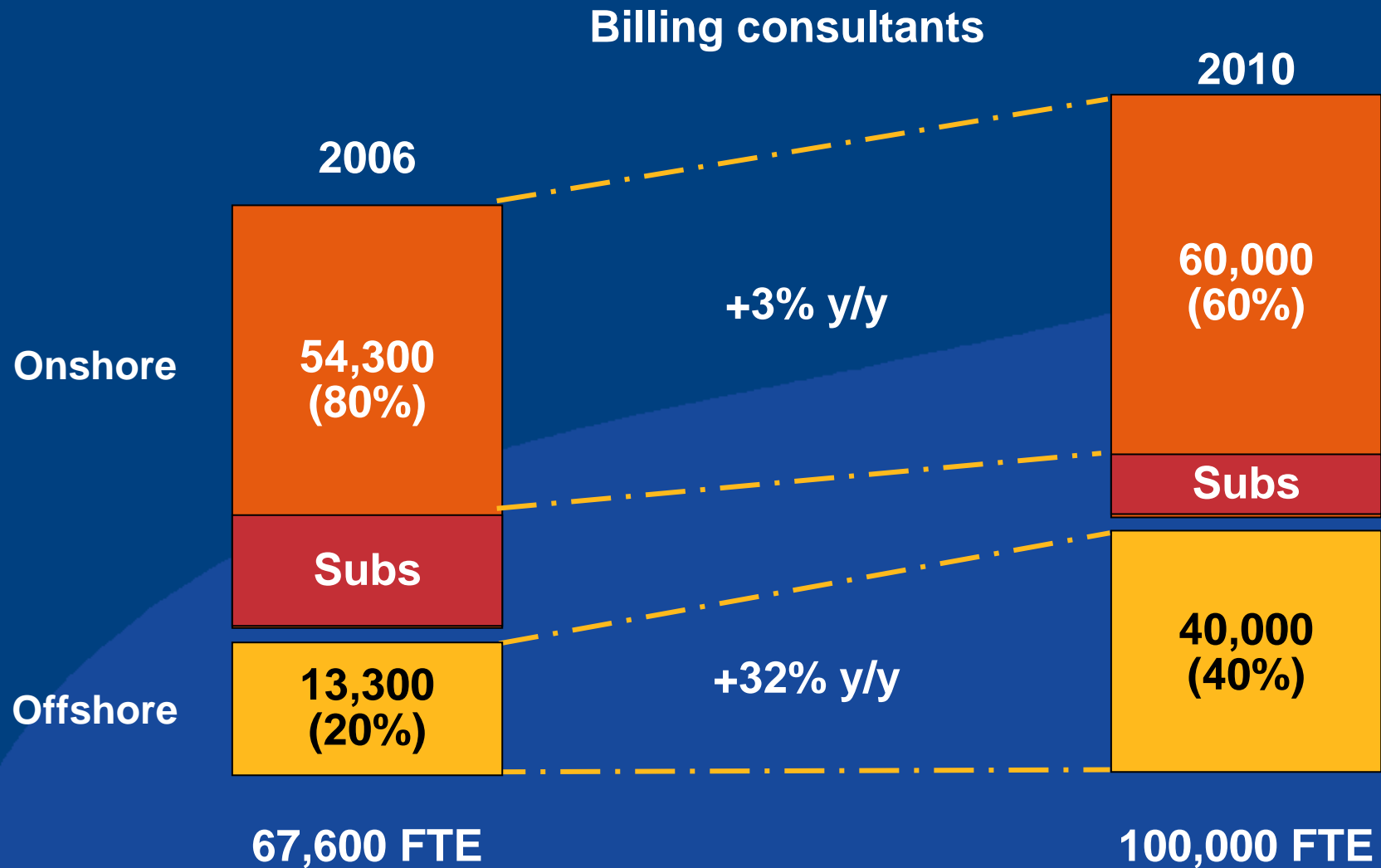
- Transfer of “bench” and contractors offshore
- Sector expertise, engagement management, architecture, functional design
- Innovation

**Offshore transformation**

- Stronger client and project management capabilities
- Moving from a capacity to a capability management logic



But can be done smoothly assuming benign market conditions



# Conclusion: a strong ambition and the means to it

- Be part of Top 5 Global Leaders

- 2 North America
- 1(?), 2(?) India

+



- Transformation plan



### Industrialization

New operating model

### Innovation

Independence  
Domain Experts

Cost

Value  
Add

### Intimacy

New relationship model

*Roll-out plan : H2'07 through '09 ; From pilots to deployment*

**Best, Sustainable Performance Throughout the Cycle**

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