

# Second Quarter 2005 Revenues

**Analysts Conference Call  
Paris, 28 July 2005**



**Paul Hermelin**  
Chief Executive Officer



# We are executing on our 2005 agenda

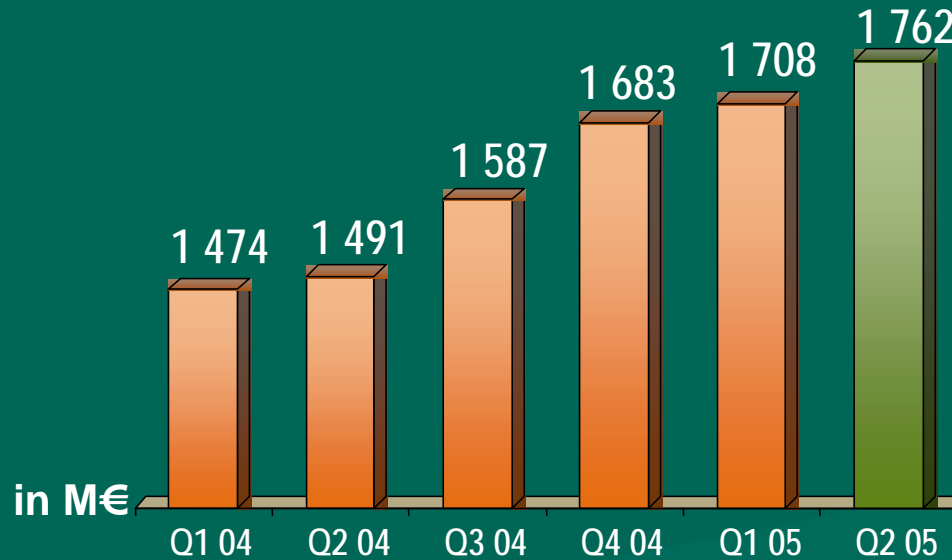
<b>1</b>	<b>Accelerate North American Turnaround</b>
<b>2</b>	<b>Drive Sustainable, Profitable Growth in Outsourcing</b>
<b>3</b>	<b>Consolidate P&amp;C European Recovery</b>

# Q2 2005 Financial Highlights

**Nicolas Dufourcq**  
Chief Financial Officer



# Revenue Evolution



	Q1 2004	Q2 2004	H1 2004	Q3 2004	Q4 2004	H2 2004	FY 2004	Q1 2005	Q2 2005	H1 2005
Amount in M€ (2004 restated for IFRS impact)	1,474	1,491	2,965	1,587	1,683	3,270	6,235	1,708	1,762	3,470

<b>Sequential Current Growth</b>
<b>Sequential Organic Growth</b>

1.2%
0.0%

6.4%	6.0%	10.3%
6.8%	7.7%	10.9%

1.5%	3.2%	6.1%
3.8%	2.2%	8.8%

<b>Year-on-Year Current Growth</b>
<b>Year-on-Year Organic Growth</b>

2004 restated for IFRS impact

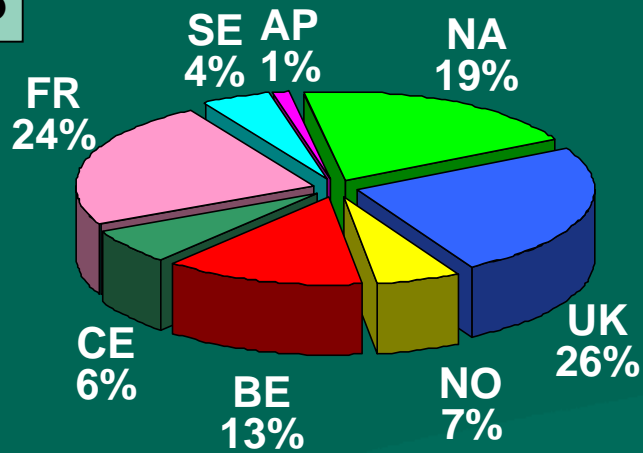
15.9%	18.2%	17.0%
19.5%	22.1%	20.7%

# Revenue Evolution by Geography Q2 2005

M€	Q2 2004	Q1 2005	Q2 2005	Current		Organic	
				Sequential	Year on Year	Sequential	Year on Year
North America	332	342	343	0.3%	3.3%	-1.9%	9.0%
Europe & Asia of which	1 159	1 366	1 419	3.9%	22.5%	3.2%	25.7%
France	366	405	422	4.2%	15.2%	4.2%	15.2%
UK & Ireland	273	423	441	4.4%	61.8%	2.2%	64.6%
Benelux	208	231	236	2.4%	13.3%	2.4%	13.3%
Central Europe	117	108	108	0.4%	-7.4%	0.4%	7.6%
Nordic	96	100	115	15.2%	19.9%	15.6%	30.8%
Iberia	56	56	54	-4.2%	-4.0%	-4.2%	-4.0%
Italy	23	24	25	1.5%	8.8%	1.5%	8.8%
Asia Pacific	20	19	18	-6.1%	-9.3%	-8.8%	-2.3%
<b>TOTAL</b>	<b>1 491</b>	<b>1 708</b>	<b>1 762</b>	<b>3.2%</b>	<b>18.2%</b>	<b>2.2%</b>	<b>22.1%</b>

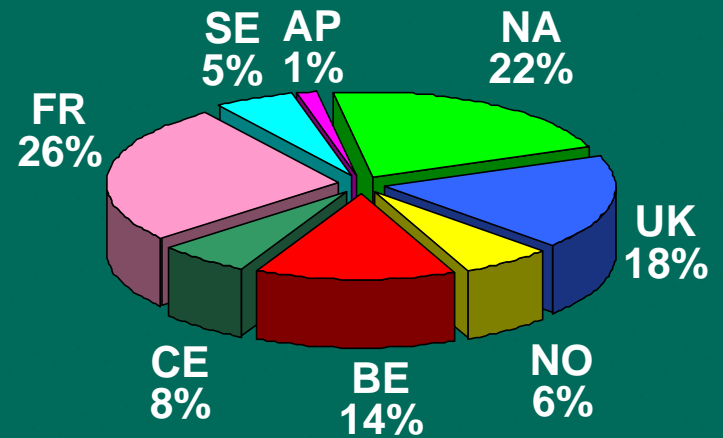
# Revenue by Geography

Q2 2005



At constant rate and perimeter  
2004 restated for IFRS impact

Q2 2004



# Revenue Evolution – Organic Growth

	Q2 05 / Q1 05	Q2 05 / Q204	H1 05 / H2 04	H1 05 / H1 04
Consulting Services	0.1%	-3.1%	1.9%	-3.2%
Technology Services	2.5%	9.6%	9.0%	6.7%
Professional Services	0.2%	8.4%	8.1%	8.2%
P&C	1.4%	6.3%	7.1%	4.7%
Outsourcing Services	3.7%	63.9%	11.9%	63.9%
<b>Total Group</b>	<b>2.2%</b>	<b>22.1%</b>	<b>8.8%</b>	<b>20.7%</b>

*Revenue linked with mega deals recorded in OS*



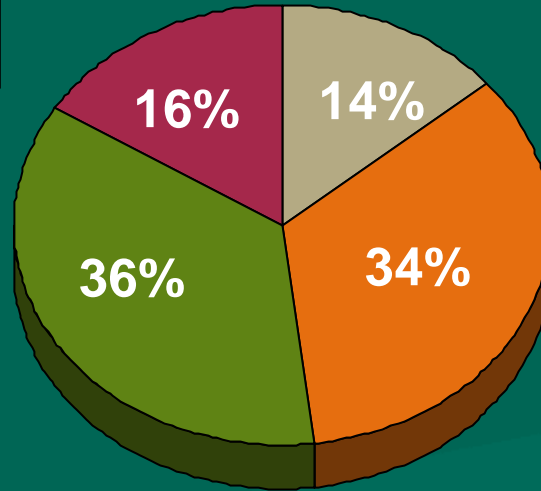
# Revenue Evolution – Organic Growth

	H1 05 / H2 04	H1 05 / H1 04
Consulting Services	0.7%	-2.2%
Technology Services	16.0%	20.3%
Professional Services	8.1%	8.2%
P&C	10.6%	12.0%
Outsourcing Services	8.1%	44.6%
<b>Total Group</b>	<b>8.8%</b>	<b>20.7%</b>

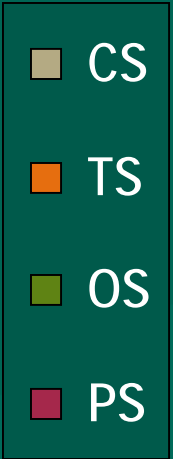
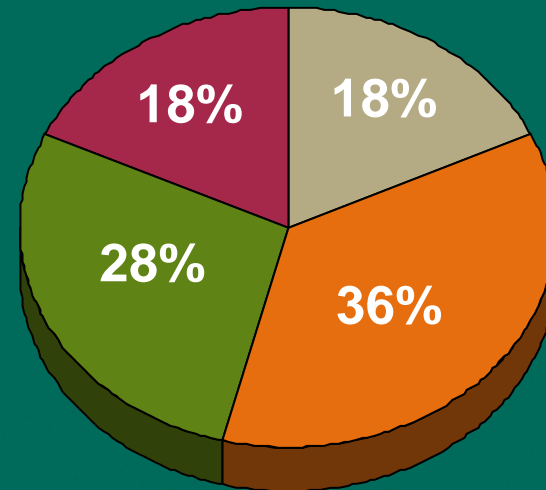
*Revenue CS/TS related to mega deals reclassified in CS/TS*

# Revenue by Discipline

Q2 2005



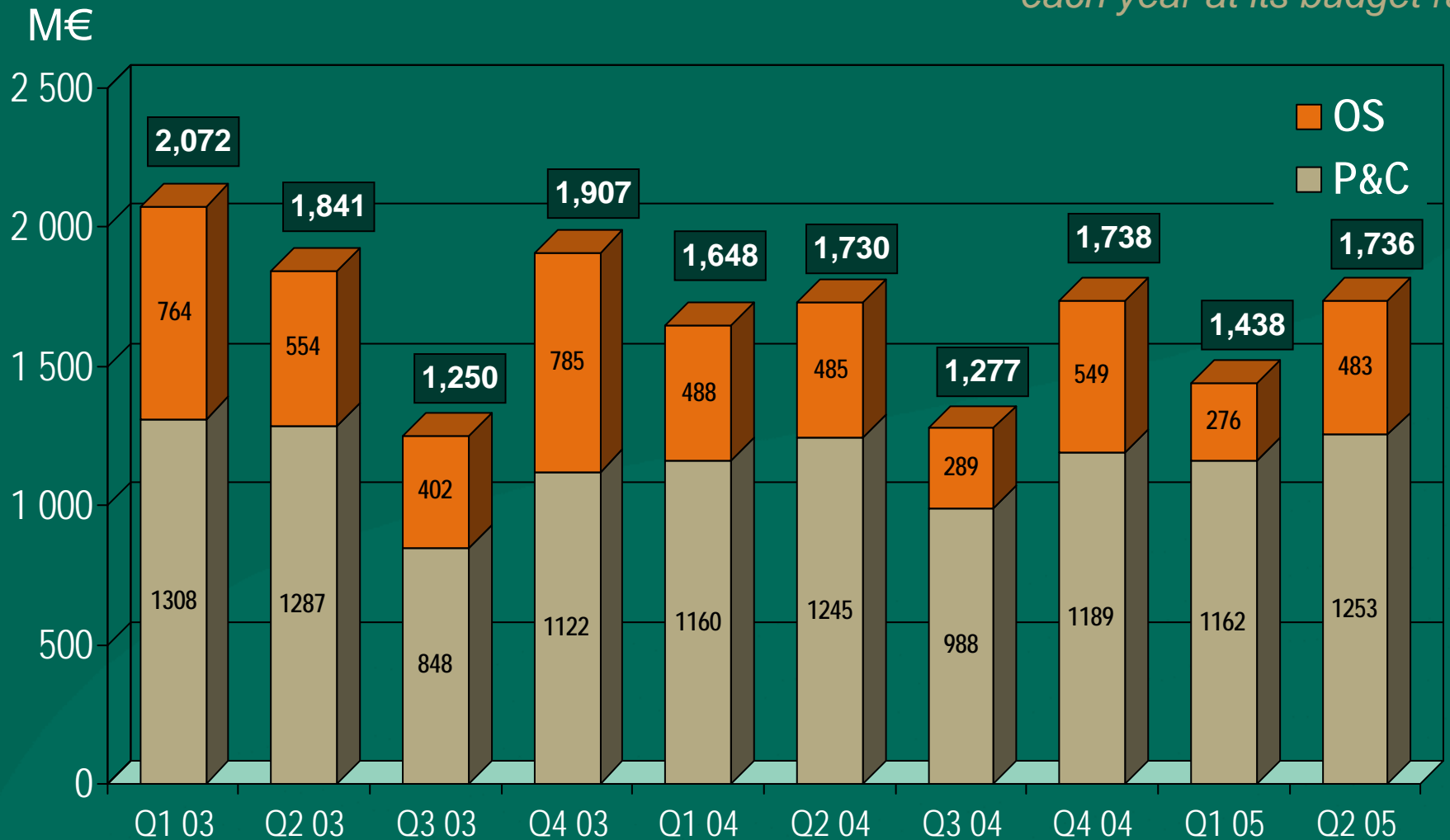
Q2 2004



At constant rate and perimeter  
2004 restated for IFRS impact

# Bookings Evolution excluding mega deals

*each year at its budget rate*



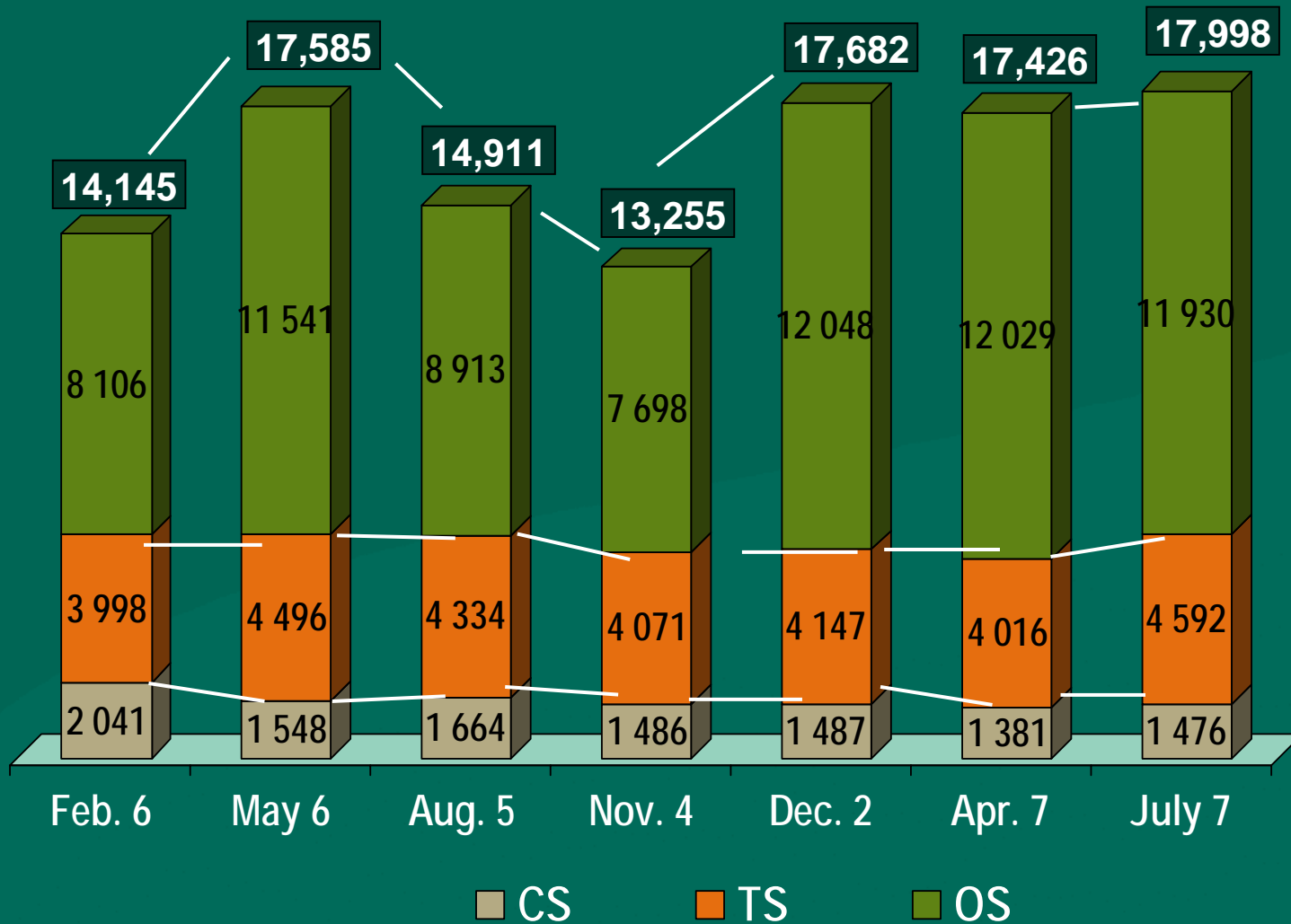
# Bookings Evolution by Geography

Excluding mega deals

	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Sequential	Year on Year
North America	372	355	318	526	241	278	15.2%	- 21.6%
Rest of the World	1276	1375	959	1212	1197	1458	21.8%	6.0%
Total	1648	1730	1277	1738	1438	1736	20.7%	0.3%

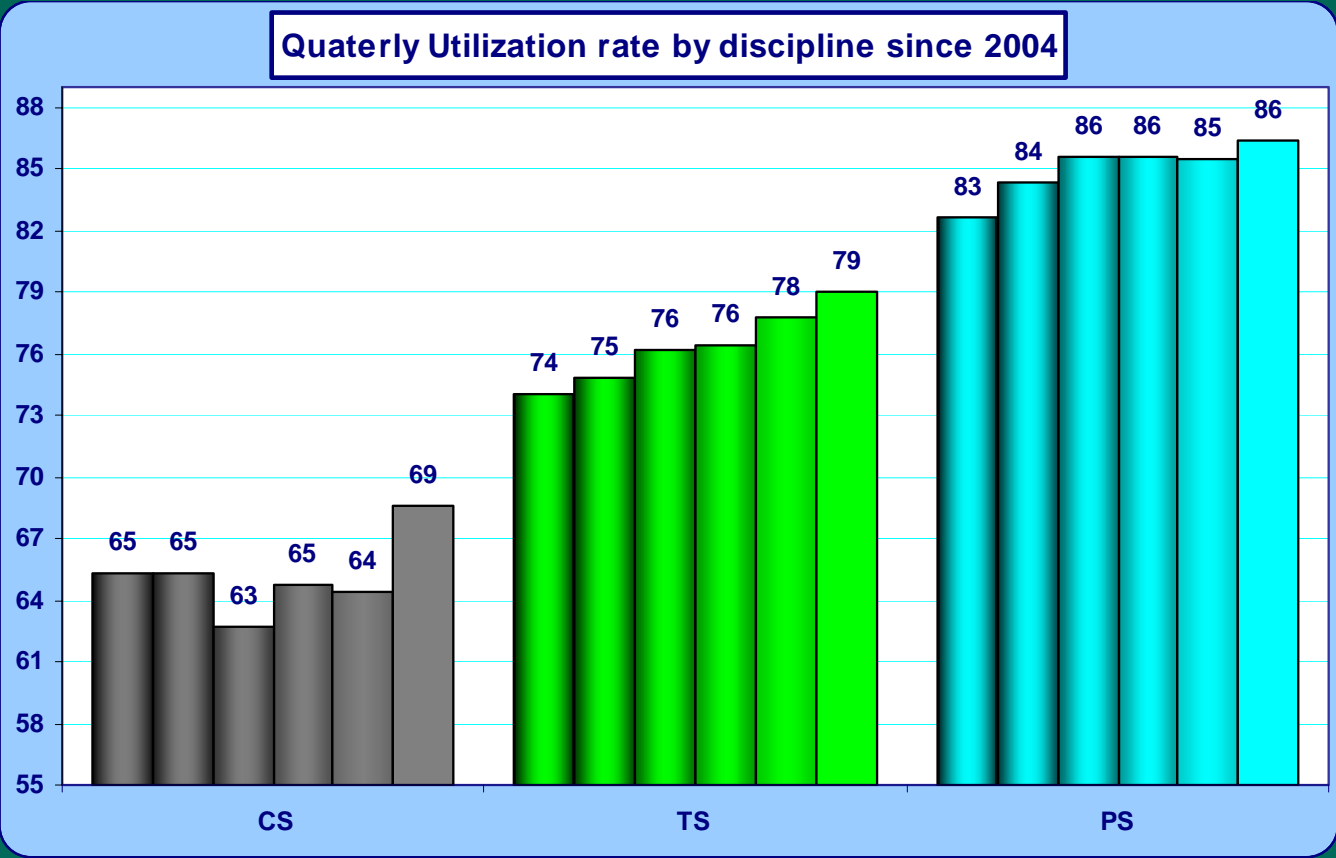
*Figures in M€*

# Unweighted funnel evolution by discipline

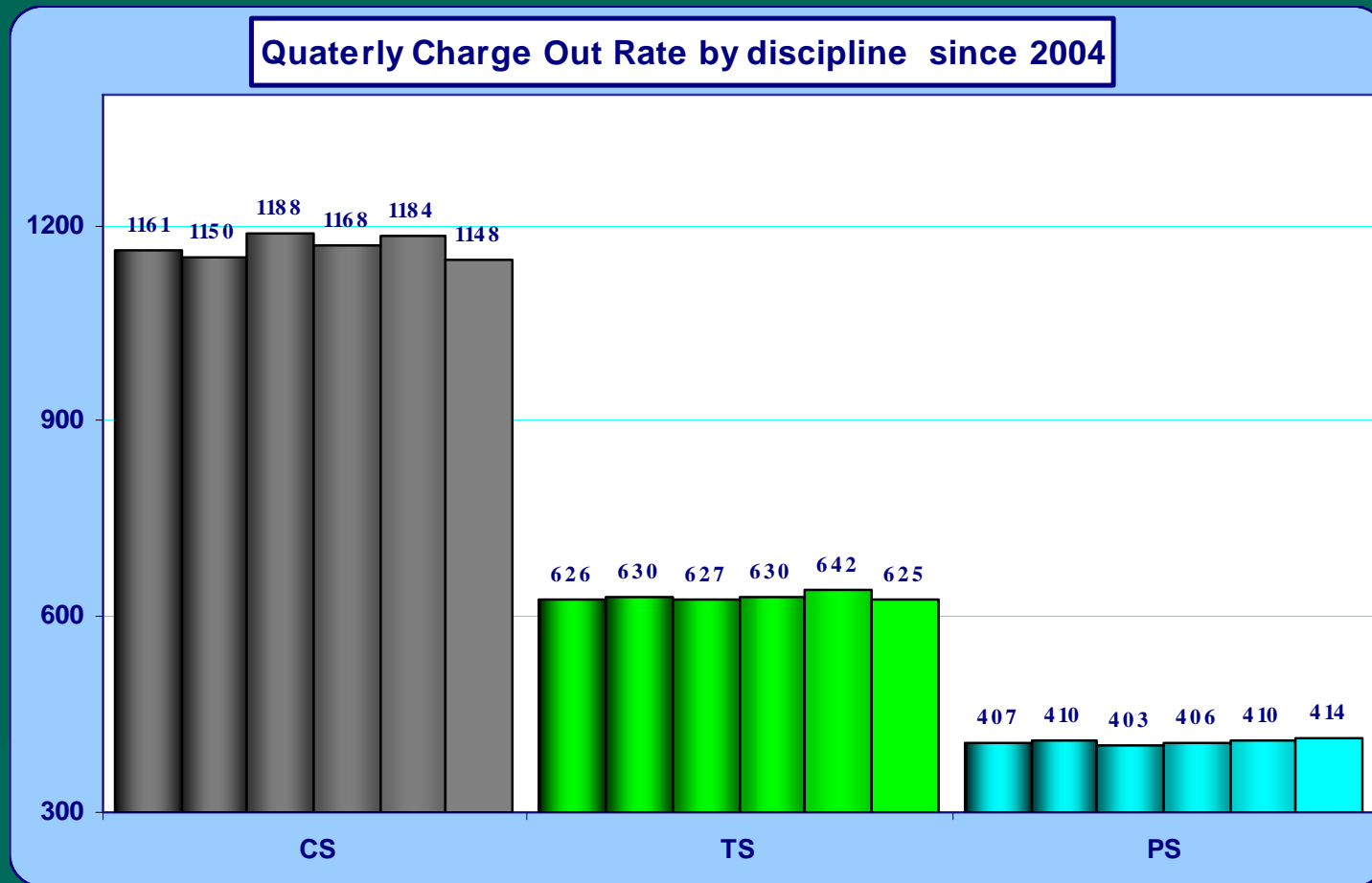


*Current rates and perimeter*

# Quarterly Utilization rate by discipline since 2004



# Quarterly Charge Out Rate by discipline since 2004



**Pierre Danon**  
Chief Operating Officer





# Booster Plan: Summary & objectives

- Sogeti: No change, let it win
- NA OS: TXU at break even during H2
- NA P&C: Full swing transformation

- Resize
- Change the Business Model
- Refocus
- Change the Management Style
- Change the Management team



- No Massive disruption (People and revenue) in H2
- Spitting distance from break even in H2
- Firmly in the black in 2006

# Booster Update: Restructuring Status

## STATUS

- SFC cut by 30 % from 2004 to 2006
- Restructuring Costs 2005 / 2006
- Pyramid leverage from 13/1 to above 20/1



# Booster Plan: Transformation Status

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- Geographic model in place, central resources managed down to 3% in 2006
- National dimension managed
- CS and TS business models identified and clarified
- Attrition did not bump up, still has to decrease
- New mindset real and starting to bear fruits

# Booster Plan: transition to operational excellence

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- Utilization up to 79 %
- Overruns down to 2.5 %
- Non billable travel expenses from \$2.5 M to less than \$ 2.0 M
- Offshore penetration progressing (goal is 30 % in 2006)

# Booster Plan: Status vs Objectives

## ■ Bookings:

- Strong end of quarter 2
- Win rate up 3%
- Q4, Q1, Q2 in sequential stability, H1 still 19 % down YoY
- Book to bill 1.07
- Funnel for H2: being stimulated by Sales Campaigns

## ■ Revenue:

- H1 flat YoY at \$ 350M
- H2 potential erosion will be contained

## ■ Profit:

- H1 will show material progress in P&C despite some one offs (Healthcare)
- H2 will show more progress towards breakeven in P&C, and NA OS firmly in the black
- 2006 (H1) will be firmly in the black in P&C

**Paul Hermelin**  
Chief Executive Officer



# H2 2005: A new step in performance improvement

**1**

**Accelerate North American Turnaround**

**2**

**Drive Sustainable, Profitable Growth in Outsourcing**

**3**

**Consolidate P&C European Recovery**

**+**

**4**

**Change gears in rightshore**



[www.capgemini.com](http://www.capgemini.com)

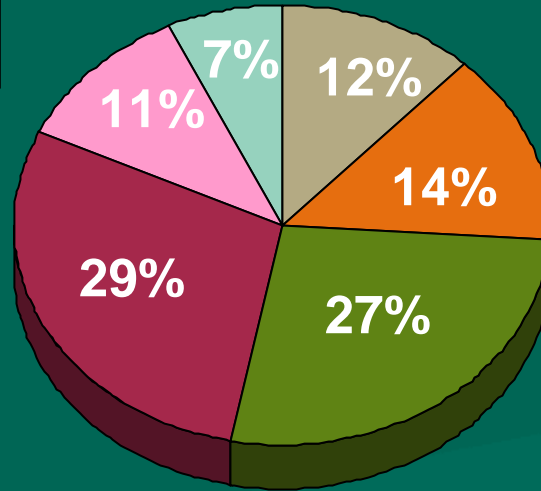


# BACK UP

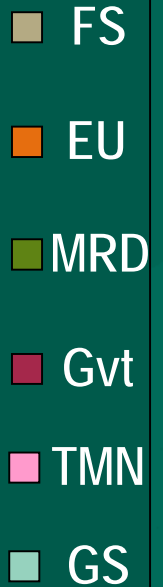
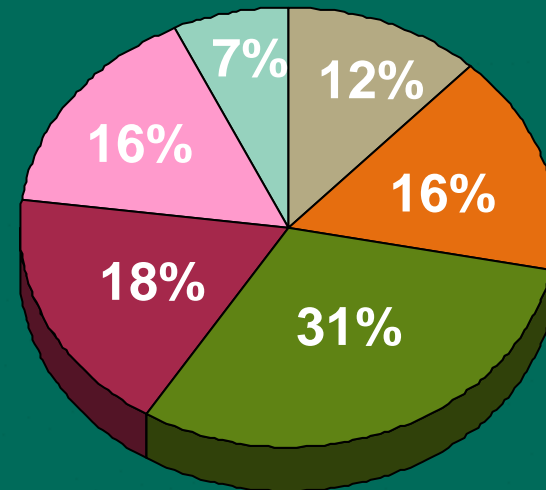


# Revenue by Sector

Q2 2005



Q2 2004



At constant rate and perimeter  
2004 restated for IFRS impact  
Excluding Sogeti-Transiciel