

Capgemini – a current perspective

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14th March 2007



Capgemini - 2006 Results

M€	FY 2005	H1 2006	H2 2006	FY 2006	FY 2006 vs FY 2005
Revenues	6 954	3 784	3 916	7 700	10.7%*
Operating Margin	225	181	266	447	+222
(% Revenues)	3.2%	4.8%	6.8%	5.8%	+2.6pts
Profit for the period	141	71	222	293	+152
Net cash and cash equivalents	904	789	1 632	1 632	+728
Number of employees (end of period)	61036	63680	67889	67889	+ 6583

* + 12.1% in organic

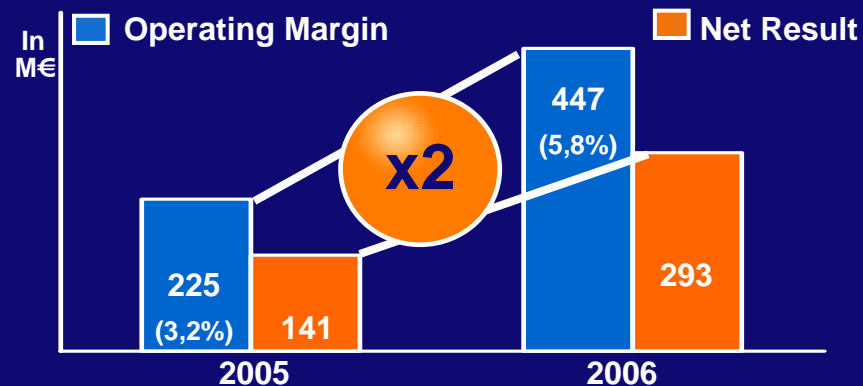
Capgemini recorded good progress in all areas

Double digit growth for all 4 disciplines

	FY 06 / FY 05
Consulting Services	+ 10,3 %
Technology Services	+ 12,8 %
SOGETI	+ 10,4 %
Outsourcing Services*	+ 12,6%
TOTAL GROUP	+ 12,1 %

* Revenue CS/TS related to Mega deals (HMRC, Schneider & TXU) reclassified in CS/TS

Doubled operating margin and net result



Dividend : + 40 %

Optimized cost structure and delivery

Cost of services rendered	- 0,4 pt
Selling Expenses	- 1 pt
General and Administrative Expenses	- 1,2 pt
Operating Margin	+ 2,6 pt

The 2006 priorities were executed

1. CONFIRM NORTH AMERICAN TURNAROUND
2. CONSOLIDATE OUTSOURCING PROFITABILITY
3. ACCELERATE RIGHTSHORE

The North American turnaround

	Revenues		Operating Margin	
	FY 06 / FY 05		FY 06	FY 06 / FY 05
Project and Consulting	+ 5,4 %		7,7 %	+ 9,2pt
Outsourcing Services	+ 2,1 %		2,8 %	+ 5,2 pt
TOTAL US	+ 3,8 %		5,4%	+ 7,3 pt

Q406/Q405 Revenues	+10,2 %
Q406/Q405 Bookings	+15,2 %
P&C FY06 Book to Bill	1,17

Consulting and Technology Services

- Successful deployment of our sector/offerings focused strategy : FSI, Retail, TME, Automotive, SAP
- Operational efficiency : Overruns decreased by 30%
- Offshore development : 30% of TS hours performed in India

Outsourcing Services

- Successful execution of GM and TXU contracts
- Early benefits of MAP recorded

SOGETI

- Double digit growth (+10,6%) and operating margin (13,3%)
- Successfully launched testing business
- Footprint expanded with the acquisition of Software Architects

MAP drove strong results for Outsourcing Services

Strong Financials

Revenue Growth

+ 16,1%

Operating Margin

+ 3,1% (+3 pt)

Good execution of major contracts



METROPOLITAN
POLICE

Working together for a safer London



Cost reduction

Renegotiation
Procurement
Industrialization
Rightshore
Support functions

Mid term margin impact

0,5 pt
1-1,5 pt
1-1,5 pt
1,5-2 pt
1-1,5 pt

Status

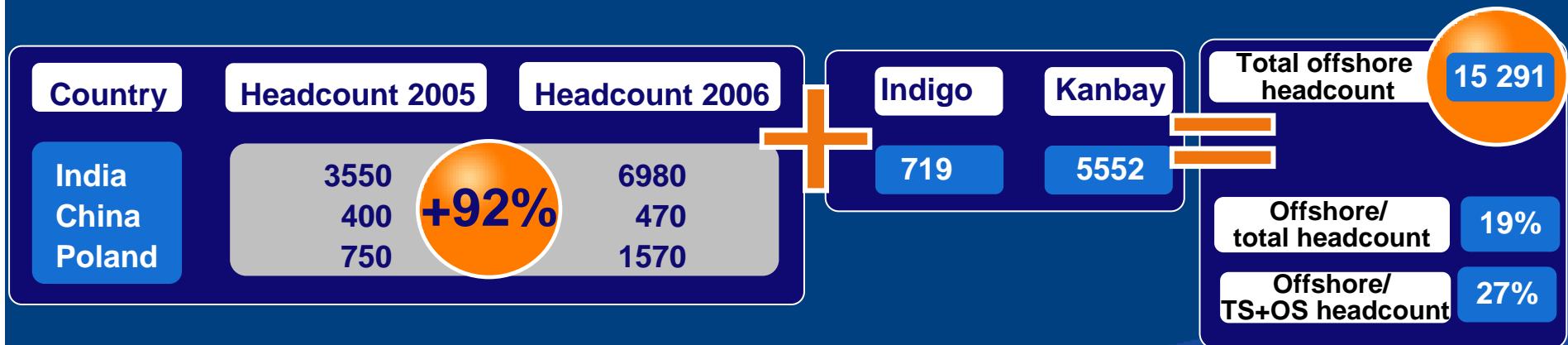
Achieved 2006
Achieved 2006
On track
Visibility 2007
Visibility 2007

Strong BPO Growth

- Revenues Europe & Asia : + 47 %
- Revenues US : +2,9 %
- Workforce : 4500
- 86 % offshore
- 4 Hubs, 8 satellites



Capgemini is now a Tier-one player in Offshore



People

- Recruitment focused on top talent = 1 hired every 8 interviews
- 53% of people recruited coming from indian tier-I & II companies, 22% from referrals

Delivery

- Delivering large and complex projects : over 1600 people working for the 8 biggest projects
- Reduction of the rate card, according to skills

Sales

- 75 % growth in the number of clients vs 2005
- 346 engagements serviced in 2006

Investments in Offerings & Competencies

Sector Innovation

Financial Services

- Mortgages
- Payments



Telecom, Media and Entertainment

- Digital Media
- Telco in a box



Energy and Utilities

- Smart Metering



Public Services

- Tax Systems
- Security



Manufacturing, Retail and Distribution

- Value chain
- Shared Services
- Automotive



Competencies

Recruitment

- 18 592 new Hires
- 1 210 new staff integrated through OS
- Headcount : 67 889 (+11,2%)

Training

- 24 training hours per FTE (+37%)
- 4650 people trained to certification (Architects, Project Managers...)
- 35 000 training days in India
- 7000 people through Capgemini University

Our 2007 priorities : Going one step beyond

Fight For Leadership

- **NORTH AMERICA** : Join top 3 in selected domain areas
- **BPO** : Extend footprint beyond F&A
- **FINANCIAL SERVICES** : Consolidate tier-one status leveraging Kanbay

Keep Transforming

- **I3** : Accelerate the Group positive momentum
- **KANBAY** : Drive successful integration
- **CONSULTING SERVICES** : Roll out a renewed ambition

Our transformation program is underway

Intimacy

- Higher Share of wallet
- Better Retention
- Leveraging references



Industrialization

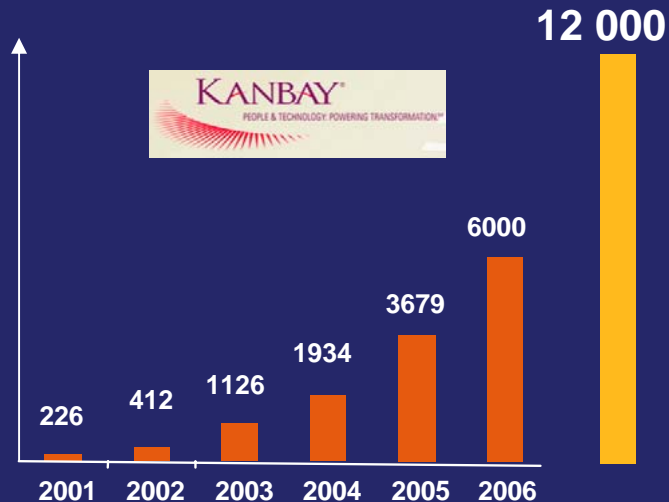
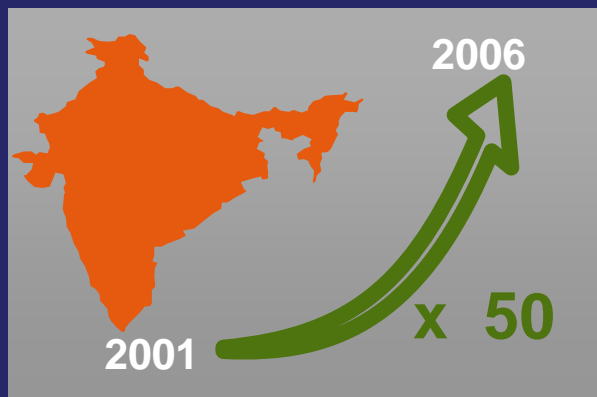
- Lower costs
- Higher productivity
- Consistent quality

Innovation

- Higher mark-up
- Sector dominance
- Faster diffusion

Industrialization is not just about offshore capacity

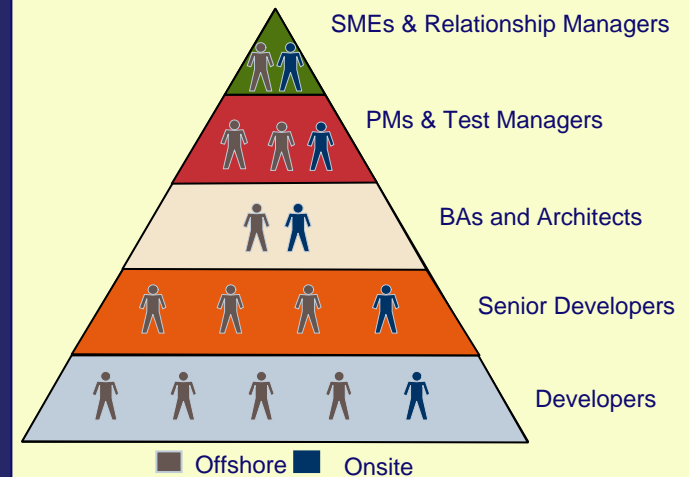
Capgemini India



Kanbay microcosm model

- Integrated "one team" concept
- Balanced skill distribution
- Relevant Industry experience
- High onsite-offshore leverage
- High pyramid leverage
- Full spectrum of trainings & certifications: technology, industry, leadership

Balanced Pyramid



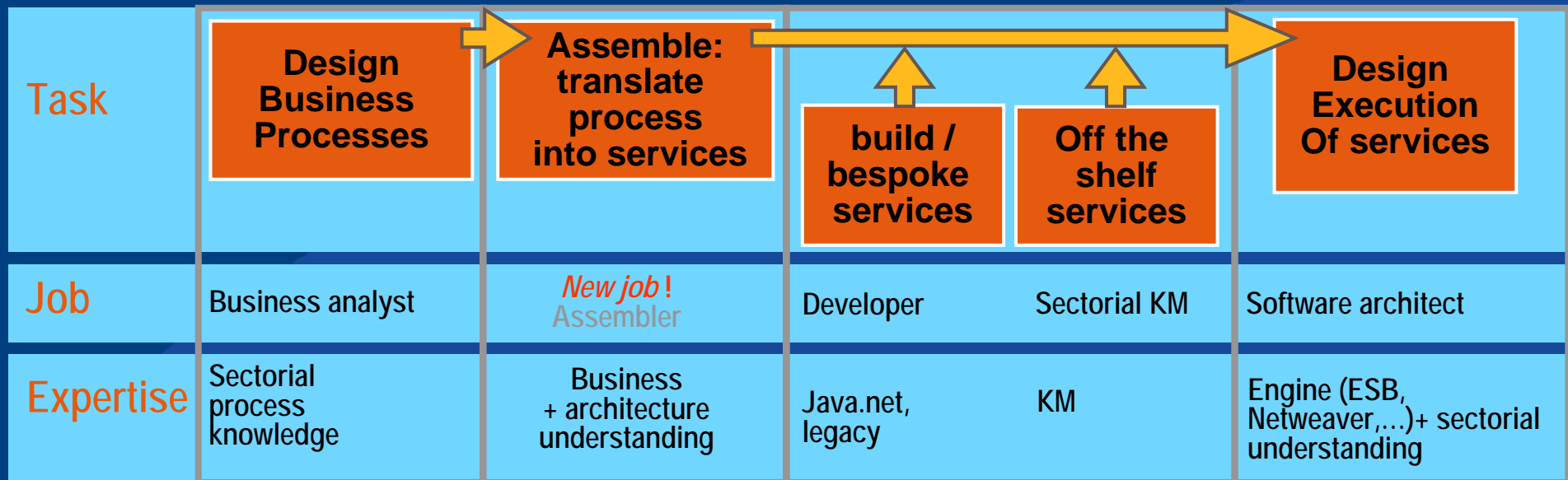
Certifications & Training

Certification	#
Capital Markets trained	352
Capital Markets certified	245
Industry certifications	86
Testing	14
PM, Process	5
Programming conceptual	31
Database	11
Java technologies	13
MS technologies	12

Industrial (r)evolution of software development

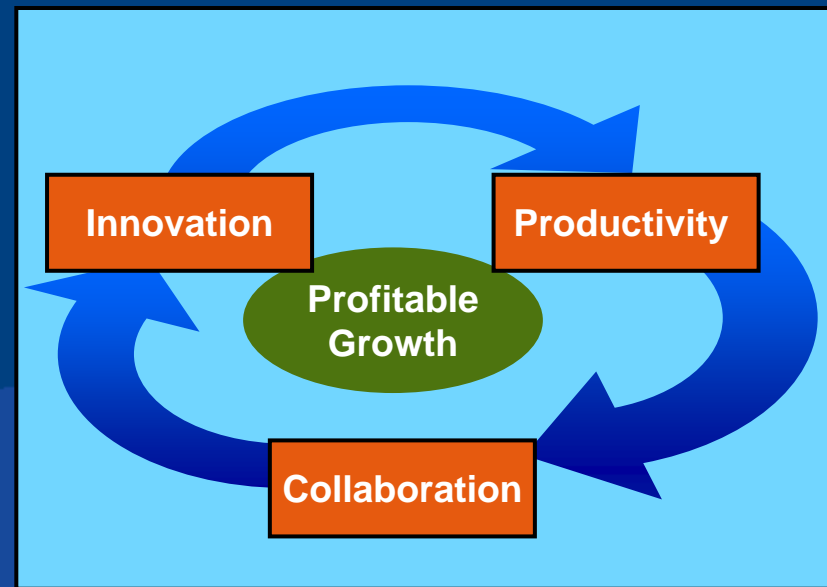
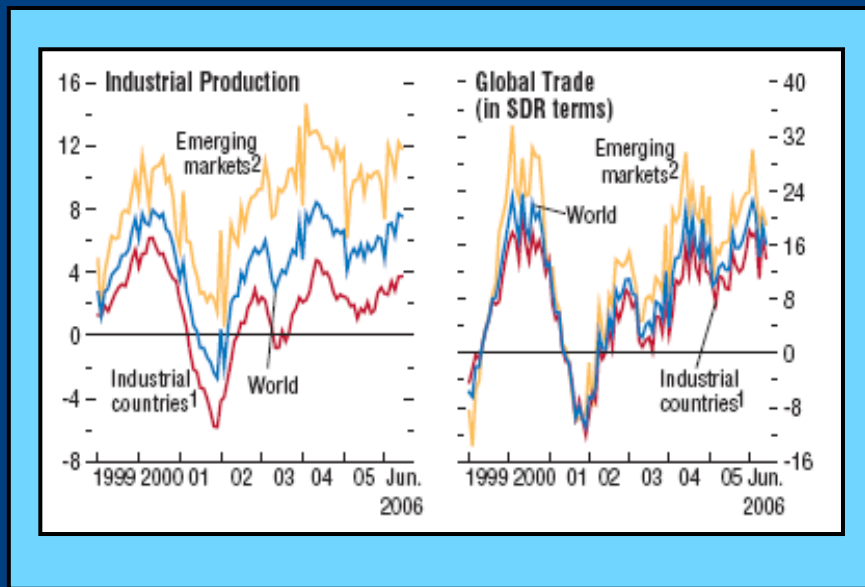


Software development : a new “assembly line”



Sector expertise is key

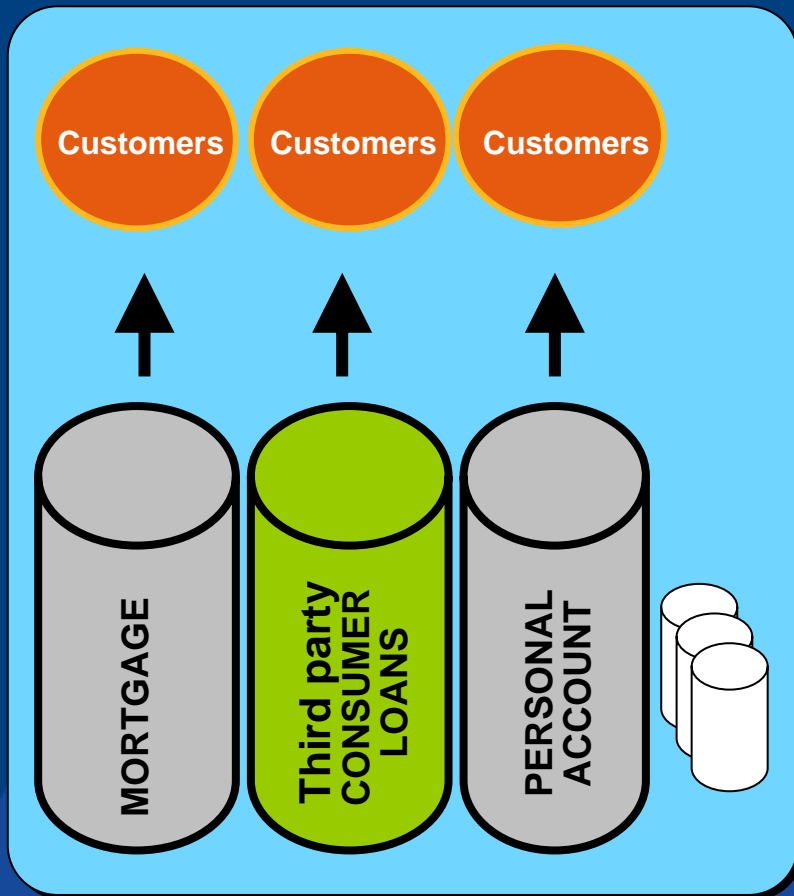
Innovation is "Top of the Mind" for our Clients



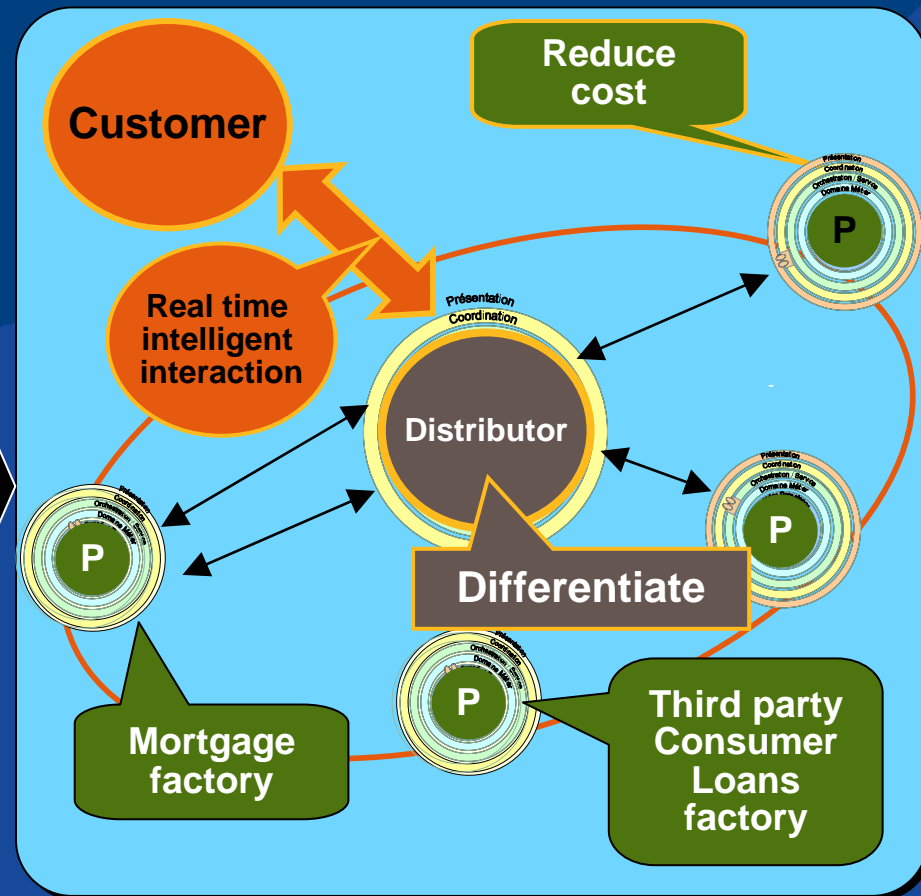
- Our clients are clearly back in a growth cycle
- Commoditization is unavoidable in most Industries
- Innovation is again central in the CXO's agenda

SOA is key to Financial Institutions

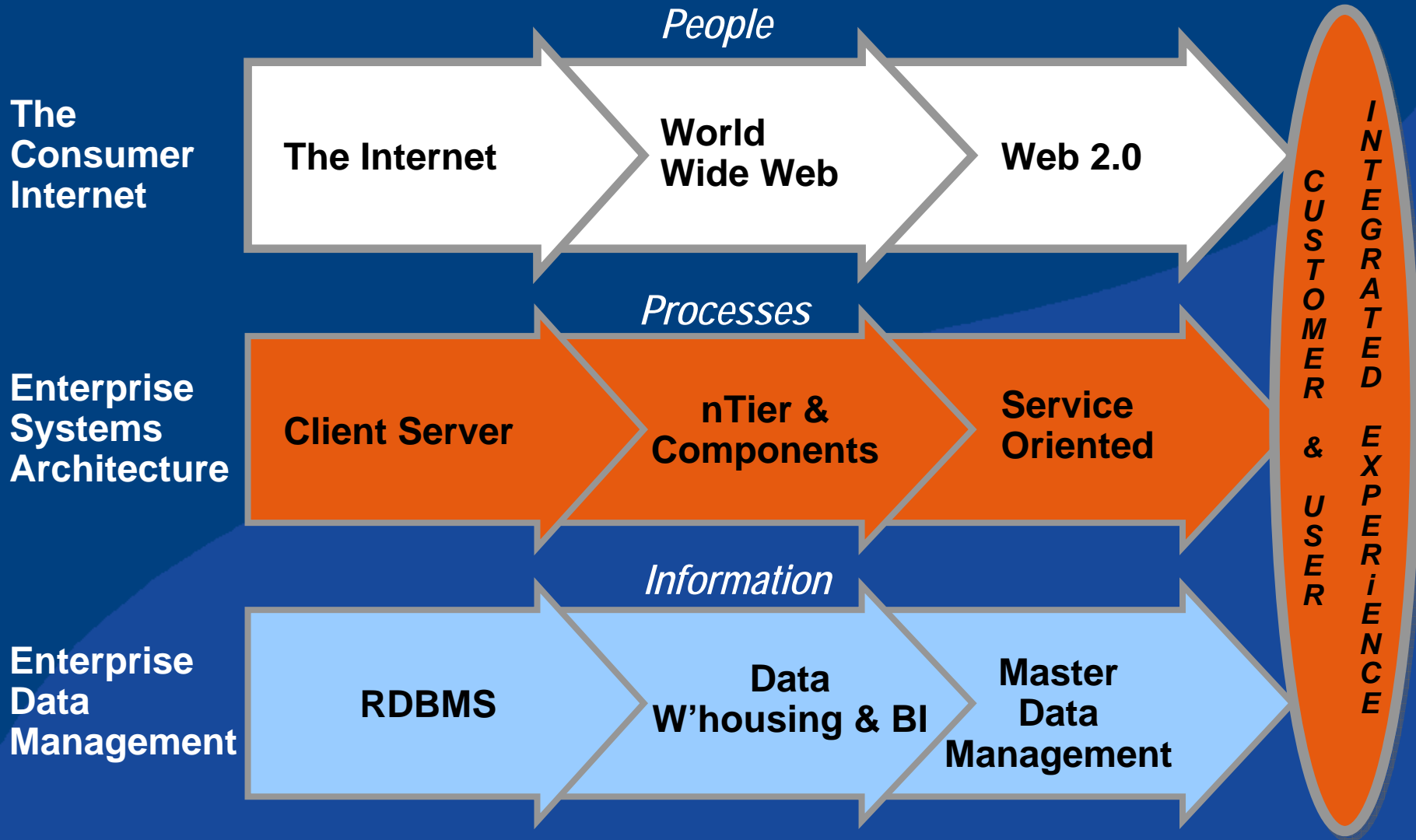
Before : Product centric model



After : Customer centric model



The Three Related Worlds of IT



IT is expanding everywhere !



Our Mission

Capgemini enables its clients
to transform and perform
through technologies.

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