

ANNUAL REPORT 2008



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"Radioscopie" #6 827 by Jacques Chancel

Exceptionally two guests, Serge Kampf and Paul Hermelin, interviewed on Friday 13 March 2009



JACQUES CHANCEL

French writer, journalist, TV and radio presenter, Jacques Chancel became the youngest war correspondent in Indochina at 17 by claiming that he was of age. After travelling all over South East Asia, he returned to France in 1958 creating, in 1968, the program that was to make him famous: *Radioscopie* (a one-hour chatshow with a famous personality); there were to be 6 826 over a 20-year period. In 1975, together with Marcel Jullian, Chancel founded Antenne 2, thus creating a new style of television as demonstrated by *Le Grand Echiquier*, broadcast over 300 times altogether. He has published several works on the different encounters and passions in his life, including a personal *Journal* comprising 14 volumes to date. Awards such as the *Prix de l'Académie française* for *Le Temps d'un regard*, the *Prix des Maisons de la Presse* for *Tant qu'il y aura des îles*, and *Grand Prix Vérité* for *L'Or et le Rien* are just some of the laurels that Chancel has received for his work. His essay *L'inachevé* (Seguier) has just been published. Currently on the Board of Canal Plus, Jacques Chancel has also received the distinction of *Commandeur de l'Ordre national de la Légion d'honneur*.



Serge Kampf



Paul Hermelin

FOREWORD

Some 20 years on, and for reasons of friendship, I took up my duties once again to deliver a 6 827th *Radioscopie*, this time in writing.

It was a great pleasure to go back to the broadcasting job I had enjoyed for so many years, where face-to-face complicity was part of my daily round. Serge Kampf is like family – both in mind and in spirit. I have always admired entrepreneurs. And Serge is definitely no exception.

It was Serge's idea to hold this meeting so I didn't hesitate for a second. Nonetheless, it was a first, breaking the tradition of duos – this time there were three of us to discuss how Capgemini views the outlook for the immediate future. With Paul Hermelin joining us, my curiosity was satisfied as to what was happening at the very top of the company. Since I am neither an economist nor familiar with the business world, I admit to ignorance in such matters, and my questions may be simple and spontaneous at times.

In the final draft, I respected the personal aspect of some of our talks – personal aspects that I sought – but I decided to cut out anything that Paul may have told me in confidence, his affectionate statements paying tribute to the company's founder. My goal was to focus exclusively on the news from this amazing company. If everything has not been said, then I did not know how to listen.

Jacques Chancel

- Jacques Chancel** Shall we start at the very beginning? Can you give me a simple definition of what your company actually does? Cap Gemini: everyone recognizes the name, and the brand image is familiar but, strangely enough, the average person – like me – doesn't really know what you do.
- Paul Hermelin** You do at least know that Capgemini is one of the leading global consulting and IT services firms?
- Jacques Chancel** I am in fact going to surprise you. I also know that you employ over 90 000 people and that you have just published your 2008 results which, according to the press, are in line with your commitments.
- Serge Kampf** ... And we would have done even better without the crisis that struck in September.
- Jacques Chancel** The harbingers of doom paint a very gloomy picture of this "surprise crisis." All those who consider themselves economic specialists or connoisseurs of financial matters are now swearing blind that the unimaginable has come to pass. Do you belong to this vain and ignorant crowd that was unable to predict this catastrophe?
- Serge Kampf** The person who could have anticipated would have been a very smart guy. And accusations of vanity can certainly be leveled at anyone who now claims to have predicted these events. One thing is certain though: we've had to deal with an entirely unexpected, so-called unimaginable turn of events. The culprits are those who misused their power, who gambled with their clients' or shareholders' money as you would gamble in a casino with borrowed money. Today, it's payback time; scandal is breaking out, with the corresponding domino effect.
- Paul Hermelin** No one fully appreciated the extent and the dangers of the credit fever that had intoxicated the entire world. There has been massive breach of trust. For want of sufficient regulation, things have been allowed to happen that should never have been permitted. One was lead to believe that you could earn more while sleeping than while working: wishful thinking! Now we need to start rebuilding on more solid foundations. Management, investment and innovation – these need to be seen again as priorities. The experience acquired from previous crises (the last one, when the Internet bubble burst, dates back only seven or eight years) will help us to rise to the challenge. Life goes on. There is no point in continuing to beat oneself over the head.
- Jacques Chancel** I would like to go back to the masochistic views that economists have been drumming into us for weeks. Wouldn't it do a bit of good to make life a little more difficult for this self-proclaimed elite that spreads tales of misfortune?
- Paul Hermelin** If they are exaggerating now, it's perhaps because they needed to cover their tracks. They saw nothing coming. In any event, this crisis has hurt and made the dream die for everyone.
- Jacques Chancel** For you too?
- Paul Hermelin** For us, as for everyone else, it's back to hard reality. Fortunately, we have quite a few reasons to be confident. The first is that we have been prudent in our cash management so we have not got into debt. Yesterday, that was considered to be a sin. Today, we are congratulated for it. The second favorable factor is that our outsourcing activity and our long-term contracts in many countries with public sector and energy clients now represent more than half of our revenues. The third asset is the number of clients. At any point in time, today for example, we can be working for 6 000 clients, which means an average of 15 Capgemini employees per client. But this is only an average. In reality, it ranges from an engineer or consultant to many hundred working for a single client. And this client base has just been enlarged with the recent acquisition of the Dutch company Business Application Services BV. The fourth factor, our offshore setup – enabling us to offer the same quality of service at lower cost – is an effective competitive lever. Our very dense sales network and our good reputation are also valuable assets in the face of ever stiffer competition. Internally, the will to fight is very strong and this strengthens our confidence in our capacity to weather this storm without sustaining too much damage.
- Jacques Chancel** And how are your clients reacting?
- Paul Hermelin** They obviously continue to try to reduce their costs, but they are now convinced that IT and the services we propose are key to their competitiveness and productivity.

Jacques Chancel Are you not liable to get a bit discouraged – both yourselves and your close collaborators – by the ridiculous campaign being waged against the so-called “big bosses” and, more particularly, the bosses of companies listed on the CAC 40-index?

Serge Kampf It is true that it's a little disheartening to be boxed together with a few US, French or German bosses who had their fingers in the honeypot, or with those traders who so shamelessly lined their own pockets. I've even sometimes wondered what the point was of being virtuous when the only ones to get any attention are those who are anything but.

Paul Hermelin I should like to think that we are not the target of the insults and threats circulated by people who would like to portray the CAC 40 as a den of bandits and thieves. We as a company are in good health, we do not need to turn to state aid to prop up our balance sheet, we have no plans to close any factories and no large-scale redundancy plans; in short, we are a “normal” company. But I know full well that in periods of crisis you need scapegoats.

Serge Kampf I would prefer to say “decoys” since this is about directing the barbs away from those who were really responsible, whose sole motivation was to get rich quick while showing no moral scruples or decency and whose race to a quick buck made a mockery of past performance, and the ones who led their company into a brick wall or what is euphemistically called today a “strategic impasse.”

Jacques Chancel What gives you the right to say that you are virtuous?

Serge Kampf I don't know if this will do by way of demonstration, but I can say, for example, that our Group has neither its head office nor its bank in a tax haven; it does not try to seduce high-caliber managers by promising them a “golden hello” in order to get them to sign their contract; here, directors receive fees only if they are actually present at Board Meetings; the bosses don't have parachutes, golden or otherwise, no super-retirement packages, no benefits, no second salaries paid by a tropical subsidiary, and no extravagant stock options, or whatever.

Do you want an example? Over the last five years, I believe the company has distributed a total of 12 million stock options to its employees and of these 12 million Paul (Hermelin), received only 170 000: a mere 1.4%! What is more, since they were granted at option prices which are almost always higher than the current stock price, they may well never be “exercisable.” As far as I am concerned, I have never received any stock options and, by the way, I've never asked to receive any.

Paul Hermelin When I first joined the company in 1993 (16 years ago, already!), I was struck – and, I might say, impressed – by the importance attached to “values.” These were almost systematically alluded to in the Annual Report, at meetings and in speeches. But – most important of all – they were visibly accepted, respected and defended, and still are today. Other surprise, the first of these values (there are seven in all), the one that demands strictest observance, is honesty and its corollary, business integrity. This ranges from the way in which you prepare your expense claim to immediately breaking off a commercial negotiation if it seems to involve any unfair dealing or payment of commission.

Jacques Chancel Wouldn't it be a good idea to express yourselves publicly on this question of values?

Serge Kampf No. I have no lessons to give to anyone, quite a few people are more qualified to do so. I would be gladly on the receiving end since the lessons I've learnt have always been beneficial. Often all it takes is to choose your model wisely. For example, it was at Bull (where I spent seven years of my professional life) that I learnt all about respecting my competitors: you should avoid talking about them and, above all, never speak badly of them. Until then, I had always figured that a competitor was there for the taking and, if possible, to be shot down in flames. Yet I learned the lesson, and it has always served me well. I should also say that our competitor at that time was IBM; and a competitor of the stature of IBM merits respect. When I created SoGETI, I modeled it on IBM: its organization, its rigor, the discipline imposed on its workforce, and so on.



Paul Hermelin To answer your question, I should add that producing and posting a list of values is not complicated but it's not enough. What is important is ensuring that these values are shared by the company's employees, making sure that they are respected and respecting them yourself. When you want to be the boss, you have to set an example. It's true that certain big bosses have not given a good example, but we shouldn't fall into the trap of tarring everyone with the same brush. The "rogue bosses" are few on the ground, and I hope that they have now been unmasked and will no longer wreak mayhem. Also, the others have learnt a lesson.

Jacques Chancel Excuse me for insisting, but what you do to ensure these values are respected?

Paul Hermelin These values are the fundamental commandments of the Group and the basis of its management system, whether it's means of remuneration, selection criteria, performance evaluation, or whatever. Ensuring that these values are respected is quite straightforward; it's like the Highway Code: those who drive at the authorized speed are not rewarded (which is a shame!), but those who exceed the speed limit are definitely punished. For example, everyone knows that, in this Group, it is strictly prohibited to receive or agree to commission, and that any contravention is automatically punished by dismissal without notice or compensation for the offender, regardless of his or her length of service or position in the hierarchy.

Jacques Chancel And have you ever applied this sanction?

Paul Hermelin Yes. The last time was two years ago, in 2007. And if necessary we would do it again.

Jacques Chancel I've heard a lot of talk about your desire to remain independent. Is this one of the Group values?

Serge Kampf It is an objective, rather. I believe that one should not confuse objectives, organizational principles and values. In this Group, we have set ourselves four objectives: profitability (the only measurable proof of the utility and efficiency of a business organisation), growth (necessary if you wish to become and remain a leader), independence (the base for freedom and objectivity), and finally, the sustainability of the company. Then come the broad principles of organization and management: decentralization, systematic application of the principle of subsidiarity, periodic rationalization of the structures, variable remuneration according to the degree of success in attaining measurable objectives, and so on. As to the values, they are rules of behavior. But today, when you hear some people putting together a list of values in a hurry, you get the impression that all they are really concerned about is the value of their stock.

Paul Hermelin This notion of independence goes hand in hand with entrepreneurial spirit. Serge has conceived a Group that is built upon the initiative and a large degree of autonomy of several dozen entrepreneurs who are fully in control of their resources and performance. This decentralization alone guarantees dynamism, even if its corollary is the need for tight control.

Jacques Chancel One problem still remains: the level and method of executive compensation. President Obama in the United States, President Sarkozy in France and Chancellor Merkel in Germany have lambasted the high compensation paid to the top executives of the big corporations. What is the situation with you?

Serge Kampf On this point, as with others, it would be wrong to generalize. The remuneration of an executive depends on many factors: the size of the company, its business (for comparable levels of responsibility, a person who works in IT is probably paid more than a person who works in agrifood), the company's results, the personal contribution that the manager makes to the company, his age, his seniority and experience, his qualifications, the likelihood of his being hired by a competitor, his so-called "replacement value," his more or less round-the-clock commitment to the job, his mobility, his foreign-language skills, his leadership qualities in building a team and preparing successors, and so forth.



Paul Hermelin

In the surveys that you see in France, in certain periodicals about the CAC 40 bosses' salaries, for a long time I was ranked towards the bottom of the list, even though we're in a business where salaries are amongst the highest, and constantly driven up by the talent war raging in our professions, and dependent on standards which are not exclusively French. Moreover, 80% of the managers in our Group are neither French nor French residents. When we merged with Ernst & Young Consulting in May 2000, I was 163rd on the list of top salaries in the new Group (though it is true that I was not yet Chief Executive Officer).

Serge Kampf

As for me, I was 204th on that same list, and yet I was Chairman and CEO of this group. That being said and done, where pay is concerned, everybody here knows I have always preached moderation and, above all, equity. From the very start, I ruled that for all managers, senior or junior, 40% of their total theoretical pay would be based half on the degree of realization of quantitative objectives (for example, the Group budget) and half out of measurable personal objectives. When I see how, today, the very principle of variable remuneration is in some places being called into question, I must be dreaming!

Jacques Chancel

It seems more of a nightmare than a dream if I understand you correctly. Does this 40% rule also apply to the two of you?

Paul Hermelin

It certainly does, and it has done since my very first pay check.

Serge Kampf

Same here. For me, it's been the case for 42 years, although today I know I am a special case. Why? Let me explain. In France, the NRE (Nouvelles Régulations Economiques: New Economic Regulations) law of 15 May 2001 put an end to the rule of the omniscient and omnipotent "PDG" (*Président Directeur Général*: Chairman & CEO) who was responsible both for managing the company and for supervising its management! The PDG, it should be added, was created by the Vichy⁽¹⁾ regime, in 1940, to embrace the "*Führerprinzip*" dear to the German occupants at that time. Despite all that, it managed to survive for 60 years! The NRE law therefore made it possible to revert to the pre-1940 situation: in other words, the functions of Chairman (P: *Président*) and Chief Executive Officer (DG: *Directeur Général*) were dissociated. Yet, after splitting the PDG into two, the law omitted to specify the tasks that remained the province of the Chairman. And, in a reflex that I would qualify as worthy of that Vichy regime, some strove to remold the CEO as the omnipotent ruler (then why separate the functions?) and reduce the role of Chairman to presiding Board Meetings five or six times a year, and even tagging the prefix "non-executive" on to the title in order to drive home the point that he no longer had an operational role. Yet in reality, managing a company is not all operational. Certainly, the minimal definition is applicable to many companies, and the Chairman is then *primus inter pares* of a Board of Directors, paid directors' fees like the others. Yet there are other companies, and this is true of Cap Gemini – at least since 1982, namely since C.G.I.P.⁽²⁾ took shares in its capital and a seat on the Board – where the directors intend to play their role in pursuance of the law, i.e., exercise direct control over company management in the name of the shareholders. Hence, since it cannot be in session permanently, it empowers a member – generally the Chairman – to ensure the management bodies operate correctly, to control the implementation of the strategic orientations decided, to remain permanently informed of the Group's situation, to alert it of any risks involved in the decisions that it has (or considers) to make when they are likely to have a major influence on the business, to grant or refuse in its name, in case of emergency, the prior agreement required for certain operations, and more.

Jacques Chancel

If I understand you correctly, he is a sort of full-time director. But how does that work with the CEO? And who decides their compensation?

Serge Kampf

The Board discusses and decides the Rules of Procedure with them, defining how powers are broken down and linked up between the Board itself, the four specialist committees reporting to it, the Chairman and the CEO. It's the Board that determines their remuneration (both fixed and variable) once it has heard the proposals presented by the Selection & Compensation Committee, and that sets the detailed annual performance criteria to be used at the end of the period for the calculation of the variable part of their respective compensation.

(1) After the armistice of 22 June 1940, the French government, under the leadership of Marshall Pétain, was installed in the town of Vichy, where it remained until August 1944.

(2) Compagnie Générale d'Industrie et de Participations.



Symphony orchestra

Jacques Chancel While on the subject, how much time does each of you devote every week to Cap Gemini?

Serge Kampf Just as much time as I spent before being declared "non-executive"! But admittedly, with a greater degree of liberty now in how my working hours are spread over the seven days of the week. And I have maintained a bad habit: I still work every weekend.

Paul Hermelin I don't keep tabs on the hours I put in, but I do spend a lot of time on the move. I'm in the United States and India once or twice a month, and in a different European city practically every week. In all, I'm well above the upper limit of the working hours directive! But I'm not asking for sympathy, and Serge even thinks that I revel in it, and advises me to take my foot off the pedal from time to time.

Jacques Chancel From what you've told me, am I to understand that you run the company as a duo?

Serge Kampf Not at all: the Chairman chairs and the CEO manages. And neither one of us forgets that, in reality, it's the Board of Directors that has all the powers. It has, in particular, the power to remove us from office, either jointly or separately.

Paul Hermelin I must add that Serge and I spend several hours a week discussing company business and looking for common responses to the important questions raised daily by the management of a Group which has thousands of engineers and clients spread across 19 time zones. During the time when we operated as an Executive Board or *Directoire* with four members⁽³⁾, Serge had observed that he and I were always of the same opinion when it came to major decisions. This is what led him, in 2002, to propose to the Board to appoint me as CEO. Since then, I do the managing and he provides the inspiration. I am on the ground, he is in the minds. He has supported and defended me through thick and thin. When there are discussions on tricky questions, he sometimes takes my side, cleverly suggesting to all and sundry that I'm right, though not necessarily sharing my opinion. We respect each other; I would even go so far as to say that we have a great deal of affection for one another. We've only had one real row in seven years, and a quarter of an hour later we were on the phone to each other to say how ridiculous we had been.

Jacques Chancel You can take pride, Serge Kampf, in never having been destabilized by internal crises. Your sense of relationships has shielded you from such misfortune, and you are known to hold human qualities in greater store than address books or diplomas. So were you not taking a risk in appointing someone like Paul Hermelin, with all his academic laurels from top French educational establishments (Polytechnique, ENA, etc.), who had spent 15 years working in Ministries and had only discovered the world of business at the age of 40?

Serge Kampf An IT services company sells intelligence, and that is one quality that Paul has in abundance. I also think that the first duty of a boss or a top executive is to surround himself with people who are smarter than he is. But in this case, I couldn't understand why he was applying for the position. He knew nothing about the company, but also nothing about IT, not very much about people management, his English was barely better than mine, and he was quite frankly not on the best of terms with the dominant shareholder at the time (Daimler-Benz). In short, he wasn't the ideal candidate. But I liked him and he convinced me that he was the right man for the job.

Jacques Chancel How long does it take to gain your trust?

Serge Kampf Sometimes all it takes is a handshake. Sometimes it might take a few minutes. Often it will take longer. But it also depends on the importance of the position to be filled. At this level, it obviously took more than a mere handshake.

Paul Hermelin May I remind you that Serge has intuition but he never takes decisions lightly. Before he hired me, I had to undergo four probing interrogations, each lasting three hours. It was quite a confrontation, but always courteous and very useful, since it allowed me to discover the man concealed behind the mask of boss.

(3) From May 1996 to May 2000.



Jacques Chancel You are, Serge Kampf, the Chairman of a company that employs 90 000 people. You conceived it, created it and have run it, and you have preserved its independence for 42 years. You were supposed to retire next year, but will this crisis constrain you to postpone your retirement? Will the company by-laws and the law allow for this?

Paul Hermelin Perhaps I'm the one who should answer this question. Serge has a good understanding of people, intuition regarding risks and total legitimacy. I want him to stay with us, close to us, and the managers of the Group feel the same way. They often say how sorry they are not to see more of him. We are very lucky at Cap Gemini to be able to count on him for a few more years. We have arranged matters so that this historic collaboration can last. His presence is a major asset. As Founder-Chairman, everyone respects him, listens to what he has to say and follows his lead. I owe him my freedom of initiative; he trusts me implicitly. He excels in choosing the right people, he's blessed with humility and patience, and he embodies and has always promoted the values to which we all adhere and which keep us on a meaningful common path when troubled times cast so many doubts. The Board of Directors will therefore propose, at the next General Meeting, a change to the company by-laws that will give him the option (but not the obligation) to stand for one more term, and I'm sure our shareholders will understand how this is in the interests of our company.

Jacques Chancel I can fully appreciate how this duo lives in perfect harmony but, Paul, if this wish that you are expressing is fulfilled, doesn't this mean that you will have to wait longer to take over as Chairman?

Paul Hermelin That's really not my problem. I know some who have wondered just when I was going to betray him. They are right off the mark. They have judged me quite wrongly. I need Serge. There is no reservation, no double talk between us. If either of us thought one day that the time had come for us to separate, this would be done without any damage either to our friendship or to the company. And if I am Chairman one day, I will be Chairman in his image.

Jacques Chancel Serge Kampf, you are listening to us while keeping your counsel. I sense a little amusement in your expression, but not a trace of sadness...

Serge Kampf Why should there be sadness? Of course, I know that I will have to go one day but I'm in no hurry since this Group is, in a way, my baby. I've devoted 40 years of my life to it, with all that such an adventure implies, with its share of joys and sacrifices. That said, it is no longer up to me to say "I am staying." It's up to the shareholders and the Board of Directors to decide. But to go back to what Paul has just said, and I must confess that I am touched by his words, it's true that between him and me there is a genuine friendship and an excellent rapport. I appreciate his intelligence, his sense of purpose and his intransigence, and I don't dislike the fact that he can sometimes be a crotchety, quick-tempered hothead. These are not major faults and they allow him to play off other people. He has an extremely warm and sensitive side which, either out of modesty or pride, I don't know which, he too often keeps under wraps. He'll need all these qualities since this Group is growing to a phenomenal size and will become increasingly difficult to manage. He must be unerring in his choices of which men and women to appoint as the third-generation "executives".

Jacques Chancel Some people compare the CAC 40-company executive salaries to those of the managers of Small or Medium-Sized Enterprises, implying that you don't deserve to earn more than they do...

Serge Kampf I have a great deal of respect for SME managers; it was an SME that I created in Grenoble, back in October 1967, with minimum equity at that time, a boss, a secretary and three – growing to four and then five – employees. But if a boss makes his SME grow, he has to grow with it. If he is in a business that requires him to move out of his local area, his region, his country, he must go out into the world to travel, to learn, to convince, to make decisions, to win people over, to take risks, to come out on top, to give an example. Every morning, he needs to be the general leading his troops to the front and every evening the diligent accountant who checks that he has enough to pay tomorrow everyone's



salaries. And when he has united under his banner tens of thousands of employees, when he has offered his nation a place among the world's top players in his profession only for some to turn around and contest his remuneration or seek to find fault, he is justified in wondering if he might have done better to create his company in a different country or to remain the anonymous employee of a nationalized company.

Jacques Chancel I read somewhere that you and your secretary are the only survivors of your original SME. By way of logical progression, and testament to your personal success, this Group has become multinational and global, as they say today. In the beginning, what exactly were your expectations and hopes? And today?

Serge Kampf In 1967, when I spoke of my intentions, I was told "it's too late, there is no more room on the market." It's true that there had been a number of IT service companies in existence for some years, such as EDS and Computer Sciences in the United States, C.A.P., SEMA and SESA in France, and others. What is more, May 1968 came along to upset the applecart, and my first clients at the time found themselves blocked by the strikes, I had nothing to bill them for any more and yet I still had to pay the salaries of my dozen or so engineers. Thankfully, these clients and employees were also friends, or at least people who didn't take advantage of the circumstances to sink the ship. From that time on, my only desire was to be worthy of their support and to fulfill my ambitions to the utmost. Having said that, I would never have imagined one day having 10 000 people in the United States, and even less having 20 000 in India! As for how the story is to go on, it's now up to Paul. He holds all the cards, and he is fearless.



Jacques Chancel From the start, Cap Gemini developed a genuinely pioneering model where one could feel a wind of rebellion. Today the company is firmly established, prosperous and well known around the world. Do you still have this sense of conquest, this taste for adventure?

Paul Hermelin I would say conquest rather than adventure, and reasoned conquest at that. There is a very wide range of possibilities and there will be choices to make. What I know is that we will be aiming to go to places where we can be useful and efficient. When I say places, I'm referring to professions, countries and sectors. Cap Gemini is 42 years old. For a company, this is still very young, and new recruitment makes it younger every day.

Jacques Chancel Correct me if I'm wrong, but Cap Gemini seems to be a company set apart from the rest: ruled according to a tradition organized around dogmatic precepts, and unyielding in its values. One might even describe it as a sectarian world luckily bereft of arrogance. Do you recognize yourselves in this portrait?

Serge Kampf Paul described us the other day as an "affective community." You may think that certain sections of the Group are organized into clans, but if clans do exist, they are open to others. The people here respect each other, and each other's customs and history. This is not a religion, it is a necessity. If we had been sectarian or imperialist, as some have claimed, we would no longer be around. There would be no Group. We would have been long gone. Our greatest success might well quite simply be to have been able to incorporate and motivate people of widely differing cultures, respecting them and rallying them to our values, our projects and our ambitions.

Paul Hermelin If there is a sect in this Group, it's the "old boys" or "alumni" network. They have got together an association and like to meet very frequently, reliving their memories of the "long march" and sharing what they have learnt from Cap Gemini and put into practice in their new jobs. Behind the other door, the one leading into the Group, there is a milling throng of young people, both graduates and non-graduates, attracted by the company's good reputation and by the professional kudos to be enjoyed after spending five or ten years of their working life in a service company of our stature. Did you know that, in 2008, to hire 7 000 people in India we examined over 200 000 applications, interviewed 50 000 candidates, shortlisted 10 000 and finally signed a contract with only 3% of the applicants? This demonstrates the power of attraction of a multinational group such as Cap Gemini.

- Jacques Chancel** In Brussels it has been announced that there will soon be a shortfall of 300 000 IT engineers in Europe. Would this not be a prime time to get more women involved in this business – your business – which seems unfavorably disposed towards them?
- Serge Kampf** In the Group, unless I am mistaken, there are over 20 000 women, or a quarter of the total headcount. This is both a lot and yet not enough. But it's true that the IT profession draws essentially on engineering training, where the graduates are in majority male. What is more, in IT, the service professions also require the type of full-on availability that is fairly incompatible with the role of motherhood, which many women do not wish to compromise. However, those women with the will to do so have every chance of carving out an excellent career. You will see for example, in this Annual Report, that a woman has just become a member of the Group Management Committee.
- Jacques Chancel** What are the best schools for your professions?
- Paul Hermelin** To my knowledge, the best engineering schools are in France. The French system places mathematics above all else, whereas in the United States, for example, law takes top spot.
- Serge Kampf** Mathematics involves a great deal of logic. The modes of reasoning are the same. Logic and mathematics are the parents of IT... and of software. But this shouldn't imply that good engineers come only from Paris. The graduates we hire in India, for example, are highly qualified. Moreover, they have an enormous advantage over many others: they have the desire to succeed and the will to compete. By contrast, European graduates need to shake off a strange malaise: disenchantment.
- Jacques Chancel** This may be an anecdote but it is one that speaks volumes: a survey of under 35s in Germany revealed that 97% of the interviewees preferred, if they had to choose, to hang on to their mobile phone and their Internet connection "rather than their partner or their car"! Does this not point to a rather worrying trend?
- Serge Kampf** Admittedly, the world has changed. The Internet has taken a hold of our lives, our liberties, our ambitions, and soon our souls. It's going to do everything for us, decide for us, learn everything in our stead. It is driving us towards a world that neither the gods nor the poets had ever imagined. This survey is disquieting, or rather its results are. So a cellphone is more important to some than a car? Fair enough, but more important than love for someone else? Now we really are on a different planet.
- Paul Hermelin** I treat these surveys with caution. They often have no scientific basis, but this one is rather amusing. The Web is clearly a place for discussion, exchange and raw information. Many of those who go there seek to find the unexpected, the dream. But there are also engineers who go there to exchange their know-how, their hopes and their doubts. We all know what benefits cellphones bring, and these benefits will increase as time goes on. So does this mean that we should prefer our phone to everything else? Certainly not!
- Jacques Chancel** To get back to the future of the Group and to Paul, I would like to quote the words of a former French Prime Minister when he was in power⁽⁴⁾: "In politics, you have to keep making decisions, good or bad, but you need to make decisions in order to move forwards." Is this also the case in the business world?
- Serge Kampf** I don't think so; not at all. The boss is the one who makes the decisions and someone who doesn't make decisions can't be the boss. But the decisions that he makes have to be the right ones; the wrong decisions lead to all kinds of trouble. The politician, even if he is the head of state, has lots of people around him (I would even say he is surrounded these days) and is only rarely found to be at fault. The boss of a company is most invariably alone. And the fault always lies with him!
- Paul Hermelin** To get an entire group moving, it's not enough to make decisions; you need to convince. First of all you need to mobilize the management, and then all the talents within the



(4) Michel Rocard, French Prime Minister 1988-91.

company. But sometimes you just have to jump in at the deep end and make a difficult decision alone, in which case you had better make the right one.

Jacques Chancel Another quotation, this time from a President of the United States⁽⁵⁾: "Recession is when your neighbor loses his job. Depression is when you lose yours." Do you feel that we are in a recession or in a depression?

Serge Kampf I haven't lost my job and I have no fear of losing it. But I would lose it if I wasn't concerned with making my best endeavors to ensure that my neighbor kept his. And my neighbor is my assistant, my associate, my employee; they are the managers, the engineers, the consultants, the secretaries, the accountants, the salesmen and women in the Group. The objective in 2009 is first and foremost to fight to save our people's jobs. It is by no means a done deal. But recession or depression, for us, it's far more than a challenge. It's a duty.

Jacques Chancel Gustave Flaubert said: "*Stupidity is wanting to conclude.*" I think we can stop there.

Serge Kampf What a pity. I had a quote from Spinoza that I wanted to slip into the conversation. So it will have to wait until next year.

(5) Harry Truman, US President 1945-53.



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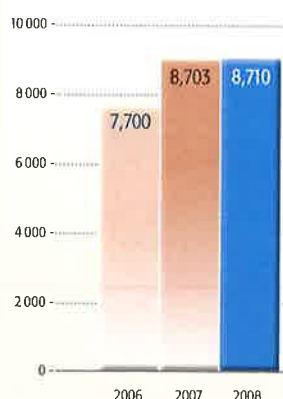
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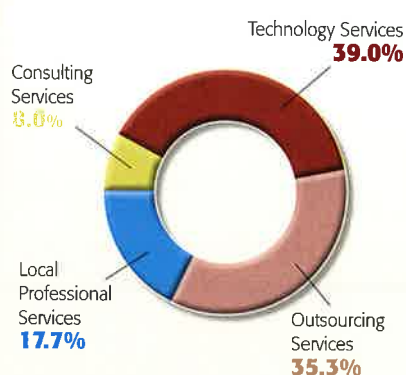
Village secrets

Key Figures 2008 for the Capgemini Group

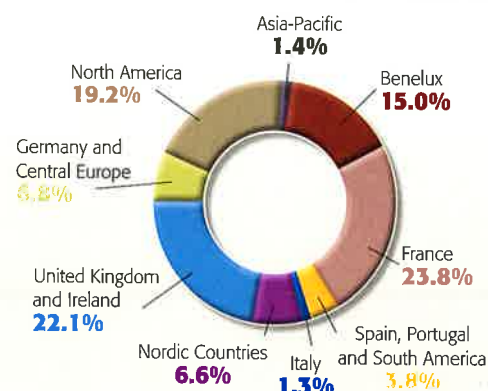
REVENUES
in € millions



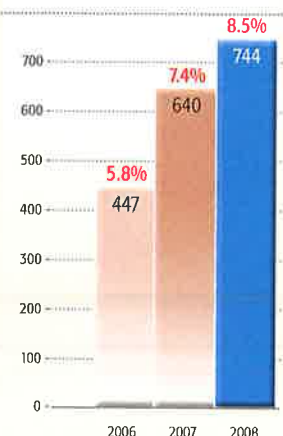
**BREAKDOWN OF REVENUES
BY DISCIPLINE**



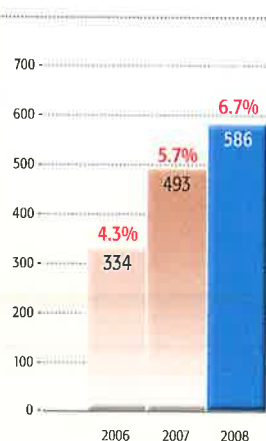
**BREAKDOWN OF REVENUES
BY COUNTRY OR REGION**



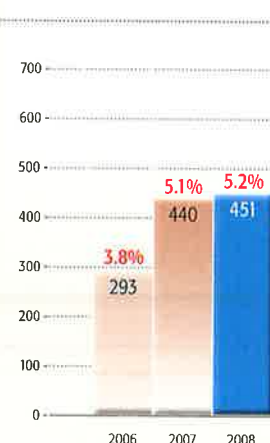
OPERATING MARGIN*
in € millions and % revenues



OPERATING INCOME**
in € millions and % revenues



NET INCOME
in € millions and % revenues



* The operating margin is the principal key performance indicator for the Group. It is defined as the difference between revenues and operating costs, these being equal to the cost of services (costs necessary for the implementation of projects) as well as Selling and Administrative costs.

** Operating income includes the additional charges associated with shares or options allocated to certain employees, as well as other non-recurring income and expenses such as restructuring costs, integration costs for recently acquired companies, goodwill impairment expense, capital gains or losses on disposals.

8 710

million euros

in Group revenues

8.5%

operating margin

stands at €744 million, i.e., 8.5% consolidated revenues for 2008, compared with 7.4% for the prior year.

774

million euros

Net cash and cash equivalents

stand at €774 million as at 31 December 2008.

91 621

employees

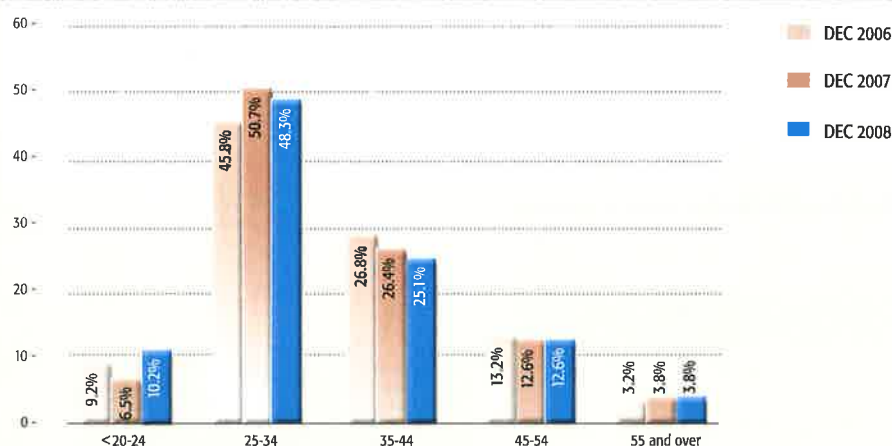
Group headcount

as at 31 December 2008 includes 25 275 people offshore.

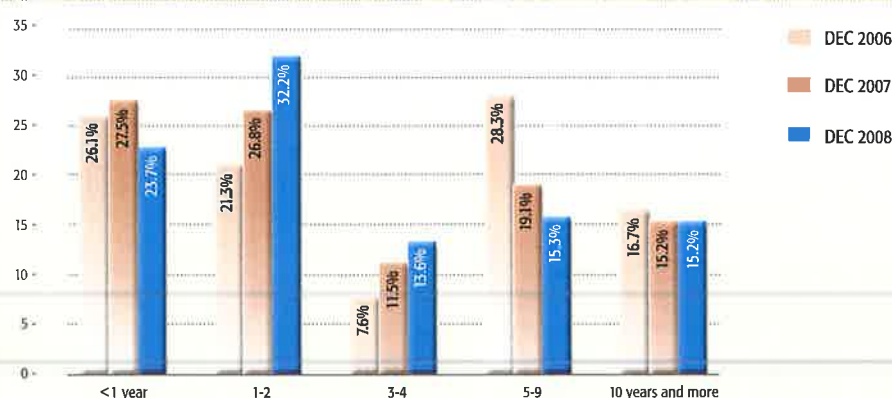
BREAKDOWN OF WORKFORCE BY COUNTRY OR REGION

	31/12/2006		31/12/2007		31/12/2008	
	Headcount	%	Headcount	%	Headcount	%
North America	6 441	9.5%	8 857	10.6%	8 379	9.2%
United Kingdom and Ireland	8 785	12.9%	8 482	10.2%	7 985	8.7%
Nordic Countries	3 608	5.3%	3 942	4.7%	4 049	4.4%
Benelux	9 014	13.3%	9 492	11.4%	12 291	13.4%
Germany and Central Europe	5 137	7.6%	6 274	7.5%	7 534	8.2%
France	20 438	30.1%	21 138	25.3%	21 392	23.4%
Southern Europe and South America	6 235	9.2%	6 836	8.2%	7 913	8.6%
Asia-Pacific	8 231	12.1%	18 487	22.1%	22 078	24.1%
TOTAL	67 889	100%	83 508	100%	91 621	100%

BREAKDOWN OF WORKFORCE BY AGE



BREAKDOWN OF WORKFORCE BY SENIORITY



Some highlights in 2008

01. JANUARY



Société Générale building, Paris La Défense.

Société Générale selects Capgemini.

The French bank is streamlining the information systems of its retail banking subsidiaries around the world. Capgemini is working with its Rightshore® [📄] center in Hyderabad, India, to deliver this service.

Climate change commitment. Group CEO Paul Hermelin joined 200 other global officers as an official supporter of the United Nations Global Compact (UNGC) *Caring for Climate* initiative. By joining, he has committed the Group not only to develop corporate strategies and practices to reduce carbon emissions, but also to publicly disclose the emission levels attained.

Publication of the World Insurance Report.

This second edition of the global survey conducted by Capgemini and EFMA (European Financial Management and Marketing Association), involving 11 000 policyholders, insurers and brokers, analyzes new consumer behavior. The survey pinpoints the fact that supplementary distribution networks for insurance products are required to respond to changing customer patterns.

02. FEBRUARY

Publication of 2007 results. At current scope and exchange rates, and in line with its engagements, Capgemini Group revenues rose by 13% to €8 703 million. Group operating margin also increased by 1.6 points to €640 million, i.e., 7.4% of revenues compared with 5.8% in 2006. Profit attributable to equity holders of the parent entity stood at €440 million, i.e., 5.1% of revenues versus 3.8% in 2006.



Monroe shock absorbers, Tenneco Belgium.

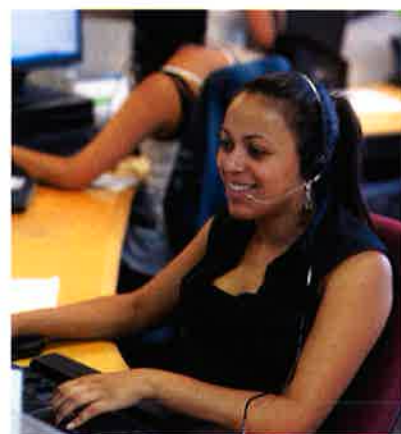
Capgemini consolidates in the automotive sector.

The Group signed two new major contracts with US parts suppliers. Tenneco (exhaust and suspension systems) entrusted both the

management of its IT applications and resources and the development of new solutions to Capgemini. An ambitious transformation plan for the information systems of spare parts manufacturer the Affinia Group is also underway with Capgemini.

03. MARCH

CIO Survey number 3. The Capgemini Consulting survey of 400 Chief Information Officers (CIO) highlights the role of the IT function for corporate innovation. Nonetheless, only one CIO in four considers his position conducive to performing the role of innovator.



BPO data entry operator in Sao Paulo, Brazil.

New BPO [📄] offering. Capgemini proposed a new reference data management offering designed for the financial and securities markets. These new Reference Data Management [📄] services are intended for the cost-effective and secure management of all back-office data in order to reduce costs, improve quality and ensure compliance with Mifid [📄], Sepa [📄] and Sarbanes-Oxley [📄] regulations. [📄]



Reading the newspaper

Instincts 2.0 launch. Capgemini presented a new outsourcing Computer Life Cycle Management [U] solution covering the purchase, installation, rollout and management of workstations. This service, dubbed Instincts 2.0 [U], offers a solution compatible with Microsoft, Cisco and Intel technologies. Instincts 2.0 can lever future evolutions in technology, help mass rollout, reduce the cost price of workstations and facilitate user access.

Capgemini's bank strategy analysis.

The 2008 *Core Banking Systems* study, conducted by Capgemini, reveals that most retail banks use legacy [U] systems dating back to the 1960s and 1970s within their domestic markets. Competitor and regulatory pressures nonetheless argue in favor of upgrading these systems.

04_APRIL



New Unilever contract. No 2 in the consumer goods market, Unilever is continuing its collaboration with Capgemini. The Anglo-Dutch giant has handed over to the Group its two shared-services centers in Santiago (Chile) and Sao Paulo (Brazil) together with management of the financial activities of its Latin American subsidiaries conducted there. In addition, Unilever has entered into a seven-year contract with Capgemini for the supply of BPO services, also in the financial field, for its Brazilian subsidiaries. A similar operation was conducted in 2006 for Unilever subsidiaries in Africa, Asia and the Middle East.

Capgemini, a principal Daimler AG technology partner. German industrial group Daimler AG ranked sd&m, Capgemini's TS subsidiary in Munich, as one of its best technology partners for the second year running. This entity has been providing support to Daimler AG for its logistics, sales, production and engineering functions for the last 12 years. Suppliers are assessed on the basis of their competencies in managing a project from design to completion, and on their ability to meet deadlines and contribute to the company's performance.

First anniversary of the Morocco Rightshore® center.

More than 150 people are working on technology projects in Casablanca, where a comprehensive service offering, notably for financial services, telecommunications and the public sector, are provided to Capgemini's French-speaking clients. The Group aims to become the leading European IT service company in Morocco.

Publication of Vision & Reality.

Capgemini's 7th Annual *Vision & Reality* study on the integration of customer value for the pharmaceutical industry concludes that laboratories can be more profitable and maximize customer value by aligning their efforts to collaborate more effectively with the shifting mix of industry stakeholders: the health profession, patients, insurance companies and public authorities.

Croydon extends its contract with Capgemini.

This London Borough Council signed a five-year extension with the Group (2008-2013) for the delivery of IT services within the framework of a vast transformation program launched in 2003. The purpose is to improve the daily life of its people. Capgemini will provide services for an aggregate amount of approximately €90 million.

05_MAY



T-Mobile Netherlands headquarters in The Hague.

New application outsourcing strategy.

The Group has created its new application outsourcing model: Business Aware Application Outsourcing, which combines Capgemini's expertise in application outsourcing, its collaborative approach and considerable sector knowledge. In addition to the traditional view of outsourcing as a preferred method of cost reduction, the objective is to support clients' transformation.

Capgemini supports T-Mobile.

The German telecommunications operator has upgraded its invoicing platform in the Netherlands by making use of the Capgemini Dutch subsidiary's expertise. The objective of this transformation - a key step in the T-Mobile Netherlands BV and Orange Nederland NV merger - is to improve the system's flexibility and to reduce the aggregate cost. The Group provides a Billing Excellence Program, favored by more than 100 operators worldwide, through its Rightshore® global delivery model.



SAP Pinnacle Award.

Capgemini honored with SAP award.

The Group received the 2008 SAP Pinnacle award in the Showcases Leadership for Service Partners category. Every year, this award recompenses [U]



Fairground lights

SAP partners for excellence in partnering not only with the software company itself but also with mutual clients. It also highlights the Group's expertise in the design, planning and implementation of SAP solutions.

06_JUNE

Future supply chain 2016. A survey conducted jointly by GCI [1] and Capgemini brought to light a new supply chain model. In addition to customary parameters such as the availability of products on the shelves, this model takes into account environmental considerations such as reducing CO₂ emissions and energy consumption.



HSBC headquarters in the City (London).

HSBC expands its partnership with Capgemini. For the last 17 years, Capgemini has been delivering expertise for several key functions within this global banking group headquartered in London, and provided support for the upgrading of its technology platforms. Increasing the scope of their relations has meant that Group resources of 4 500 man-years have been placed at the service of HSBC until end 2010.

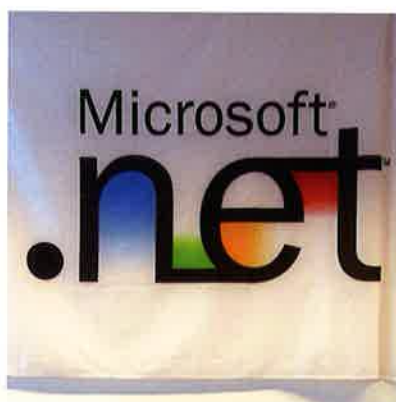
Hydro One Networks once again chooses Capgemini. The transport and distribution arm of the Canadian electricity company has extended by a



Smart meters for Hydro One (Ontario).

further two years the contract signed in 2006 covering the supply of new smart meter systems in the framework of its AMI (Automated Metering Infrastructure) program. This contract includes program management, process design, systems integration and infrastructure management.

07_JULY



Sogeti creates a Microsoft Center of Excellence. The Group Local Professional Services entity opened a Center of Excellence in Mumbai (India) for the Microsoft Office SharePoint Server [1] offering. Its 200 engineers, forecasted to increase to 1 000 end 2009, provide expertise for Sogeti customers. This supplementary workforce adds to the 6 000 Sogeti employees already in place, specializing in Microsoft technology.

Acquisition for the Netherlands. Capgemini strengthened its presence in the Netherlands via the acquisition of Getronics PinkRoccade Business



BAS BV in Apeldoorn, the Netherlands.

Application Services BV (BAS BV). Some 2 200 employees, working for the entity, specialize in application services for the public sector (development, maintenance, and management of applications). This acquisition will strengthen the Group's Outsourcing activity in the Netherlands, and confirms the importance of the public sector for the Group's resilience.

08_AUGUST

Naandi Foundation training program.

Capgemini Finnish and Indian teams prepared a CSR [1] and Leadership training program called Leading Together for the Naandi Foundation, a leading organization in the fight against poverty in India.

Capgemini joins forces with Blueprint for Financial Services.

In the United States, Capgemini and Blueprint sealed a marketing alliance enabling the Group to offer its customers Blueprint solutions for financial analysts. These solutions will lead to the quality of application development being improved with appropriate testing procedures, thereby lowering both risks and costs.

09_SEPTEMBER

Capgemini bolsters its presence in major retail and consumer products.

New contracts in these key sectors were signed by the Group. In the Netherlands, Maxeda (a major Dutch distributor of non-food consumer goods) chose [1]

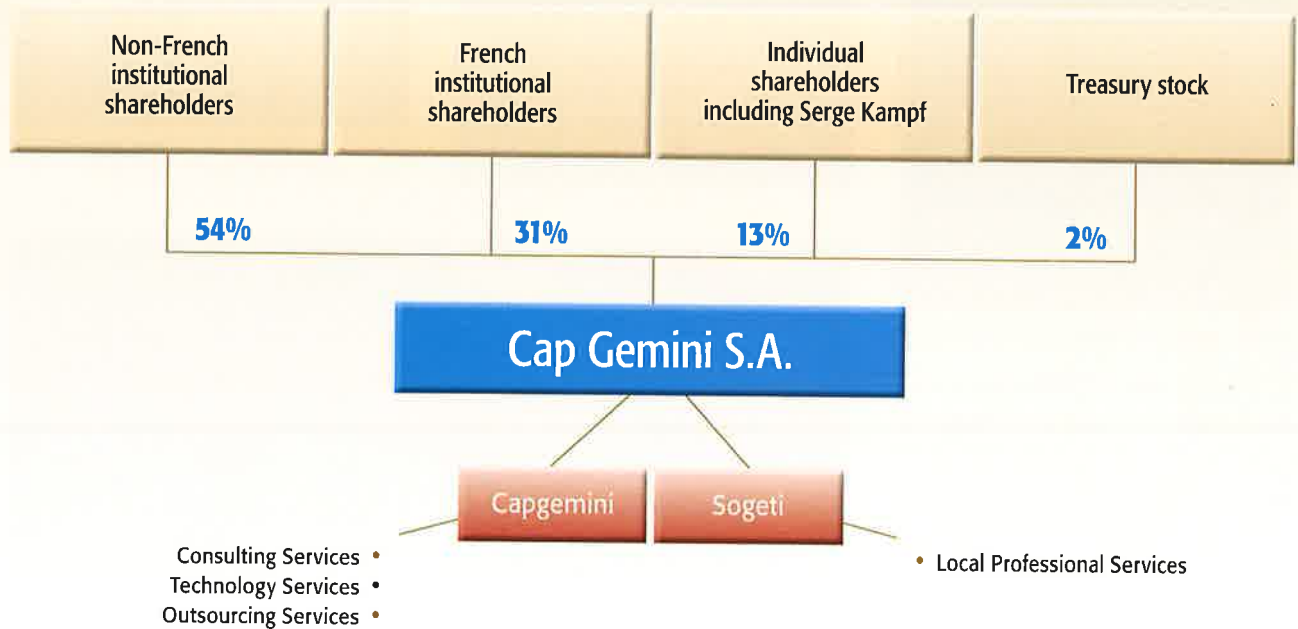


The congregation

Registered Capital and Stock Market

BREAKDOWN OF CAP GEMINI S.A. REGISTERED CAPITAL

as at 31 December 2008
(on the basis of a shareholder survey)



CAP GEMINI SHARE PERFORMANCE COMPARED WITH THE CAC 40 AND DJ STOXX INDICES

1 January 2007 to 31 March 2009





A stroll in Venice

Board of Directors at 5 March 2009



Serge KAMPF
Chairman



Daniel BERNARD



Yann DELABRIÈRE



Jean-René FOURTOU



Paul HERMELIN



Michel JALABERT



Phil LASKAWY



Thierry de MONTBRIAL



Ruud van OMMEREN

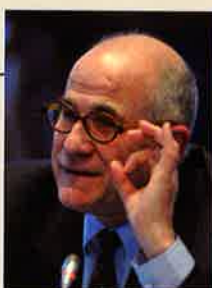


Terry OZAN



Bruno ROGER

Non-voting Members



Pierre HESSLER



Marcel ROULET



Geoff UNWIN

Statutory Auditors



Serge VILLEPELET
PwC



Jean-Luc DECORNOY
KPMG

Board Secretary



Philippe HENNEQUIN



Seaward path

Group Management Team at 5 March 2009



Serge KAMPF
Chairman

Executive Committee



Paul HERMELIN
Chief Executive Officer



Henk BROEDERS
TS* Global Coordination



Lanny COHEN
TS* North America



Pierre-Yves CROS
Consulting Services
(Capgemini Consulting)



Alain DONZEAUD
General Secretary



Nicolas DUFOURCQ
Deputy General Manager
Chief Financial Officer



Philippe GRANGEON
Marketing and Communications



Christine HODGSON
TS* Europe 1 (United Kingdom,
Netherlands, Belgium)



Patrick NICOLET
TS* Europe 2 (Germany, Nordic
Countries, Eastern Europe)



Salil PAREKH
Asia-Pacific
and TS* Financial Services



Olivier PICARD
Sales and Alliances



Luc-François SALVADOR
Local Professional Services (Sogeti)



Olivier SEVILLIA
TS* Europe 3 (France, Southern
Europe and Latin America)



Paul SPENCE
Outsourcing Services

Group Management Board (comprises the members of the Executive Committee plus the 14 persons below)



Peter BARBIER
TS* Netherlands



John BRAHIM
TS* Europe 3
Operations



Martin COOK
Strategy
and Transformation



Aiman EZZAT
TS* Financial Services



François HUCHER
Technical and Support
Services (IT and procurement)



Andy MULHOLLAND
Technology Innovation



Paul NANNETTI
Industrialization



Ian O'CONNOR
Icube Transformation
Program



Mark PORTER
Capgemini Consulting
Operations



Ulrich PRAEDEL
Deputy Sales Director



Baru RAO
Capgemini India



Jeremy ROFFE-VIDAL
Human Resources



Isabelle ROUX-CHENU
Group Legal Affairs



Antonio SCHNIEDER
Sales Coordination
Germany

Other Group Directors



Bertrand BARTHÉLEMY
Managed Business Services



Hervé CANNEVA
Compliance Manager



Philippe CHRISTELLE
Internal Audit



Stanislas COZON
Public Sector



**Jean-Pierre
DURANT des AULNOIS**
Senior Advisor



Hubert GIRAUD
Business Process
Outsourcing (BPO)



Bernard HELDERS
Manufacturing,
Retail & Distribution



Greg JACOBSEN
Telecommunications,
Media & Entertainment



Colette LEWINER
Energy, Utilities
& Chemicals



Alain de MARCELLUS
Deputy Financial Manager



Lucia SINAPI
Risk Management and
Corporate Finance

* Technology Services



Downtown lights

— Understanding the nature and evolution of the ties that bind information technology to businesses and to government in order to grasp both their strength and the magnitude of the prospects they offer is the underlying aim of this report. Since these issues concern the economy and management as much as the history of knowledge and science, we have called upon three experts: Nobel Prize-winning economist Michael Spence, Oxford University Fellow Jeffrey Sampler and philosopher Michel Serres, who all see information technology as a catalyst of profound business transformation as well as an unexploited breeding ground for opportunities. Some cause for optimism at last!

Information technology: a continually expanding universe

In the past, IT offered tools for rationalization and optimization. Today, it has become the preferred vehicle for full-scale transformations imposed by the challenges of globalization, growing competition and is proving essential for business growth and profitability.

The observation is striking: in the space of two decades, information technology has become indispensable for the operation of businesses and administrations. Without an IT system, it is no longer possible to manage an interbank compensation system or a supply chain, to fly an aircraft or to design and manufacture a new car model. Similarly, users of public services are increasingly demanding with regard to the facilitation of administrative procedures via online services. It may be taken for granted today, but

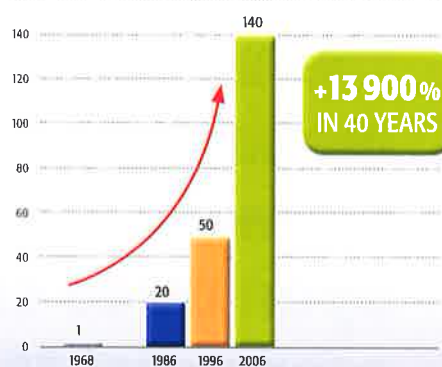
Global IT and Telecom expenditure 2009 according to sector

Energy	131 812	+2.9%	Agriculture, Civil engineering	29 658	+0.9%
Health	88 012	+2.2%	Wholesale trade	81 446	+0.4%
Public sector	428 289	+2.1%	Retail	153 755	+0.3%
Services	192 622	+1.2%	Transport	105 806	-0.2%
Education	59 961	+1.0%	Manufacturing	479 586	-0.6%
Telecoms	371 515	+0.9%	Finance	554 388	-0.7%

Source: Gartner (Estimations February 2009) Evolution 2008/2009 (in US\$ millions)

only half a century ago, such ideas were the preserve of a handful of visionaries, as the first bulky computers made their appearance within banks and insurance firms. All sectors of the economy have embarked on the IT adventure through the automation of their processes. Initially, the advent of the computer freed mankind from repetitive and bulky tasks with low added value. Then, by spreading intelligence and access to information, the wave of personal computing

IT services market in Europe in billions of euros



Source: PAC.

profoundly transformed the uses of information technology within businesses. The massive growth of IT budgets testifies to its growing influence in the functioning of economies: according to the US Department of Commerce, for example, expenditure on hardware, software and services increased 50-fold between 1967 and 2008. In France, according to Pierre Audoin Consultants (PAC), expenditure on software and services grew 11-fold in 30 years to reach €76 billion in 2006. This fundamental trend is reflected in the explosion of the value of IT services market in Europe which, according to PAC, soared from €1 billion in 1968 to €20 billion in 1986 and then to €50 billion in 1996, before reaching €140 billion in 2006.

1960

American Airlines launches the creation of its computerized booking system, Sabre.

1964

IBM launches its 360° system, the first mass-produced mainframe computer.

1971

Creation of the Nasdaq, the first fully computerized stock market.

1981

IBM markets its personal computer, or PC.

1983

The global population of IT engineers reaches 5 million.

The share of information technology in corporate global expenditure, generally averaging out at between 2.5 and 3% in Western organizations, continues to display peaks of 7 or even 8% within the financial sector. Banks are still held as prosperous archetypes since they fully master the information processing function. These figures are confirmed by a recent study conducted by US firm PSB Research on behalf of the US computer manufacturer HP: the average ratio of "information technology expenditure to revenues" is revealed to be particularly high in financial services (8%), telecommunications and media (5%). Yet other sectors are not far behind. In 2005, one US study, for example, established the correlation, in the retail sector, between the extent of a company's computerization and the growth of its revenues and profitability.

IT is now part of the everyday lives of businesses and administrations, of clients and users, of employees and managers. Yet the process is in the throes of accelerating still further, since the networking of the economy – and intelligence – at global level, along with the negation of geographical boundaries, have been accomplished in the space of a single decade!

The contribution of information technology to the global economy is confirmed by figures published in September 2008 by the EITO (European Information Technology Observatory). Global IT expenditure (software, services and hardware) without telecommunications was set to grow by 5.2% in 2008 to reach €963.5 billion. The observatory emphasizes the predominant role of China's dynamics (+17.8%), Russia (+17.5%) and India (+17.2%), where businesses are equipped with modern information systems, in tune with the growing influence of their respective economies within international commerce. Without the effects of the current economic crisis, the EITO also concludes that IT expenditure would, for the first time ever, have already breached the symbolic €1 000 billion threshold!

The eruption of the Internet and the networked economy, the calling into question of the traditional geopolitical equilibrium, and the

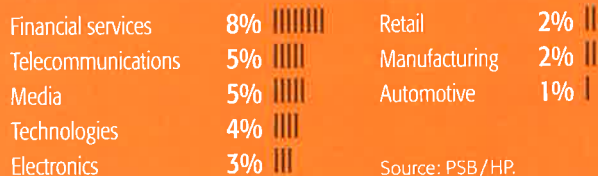
IT expenditure 2008: very strong growth in emerging countries



Source: EITO (European Information Technology Observatory); estimations September 2008.

emergence of giants born out of the new economy are causing a profound development in the perception of the role of information technology. Whereas yesterday IT offered tools for the rationalization and optimization of the organizations then in place, it has now become, in the minds of senior managers, a favored vehicle for the sometimes radical transformation of these companies, in response to the challenges posed

Share of IT expenditure in business revenues



Source: PSB / HP.

by the globalization of the economy or the rising power of new competitors.

Some 15 years ago, we entered the fully fledged information society. Previously restricted to the strict framework of business management, information technology now flows irreversibly through every human activity. Like the universe itself, information technology seems to be in continuous expansion. ■

1989

The British scientist Tim Berners-Lee and the Belgian scientist Robert Cailliau invent the Web.

1995

The banks begin to devolve towards software packages and outsourcing.

1998

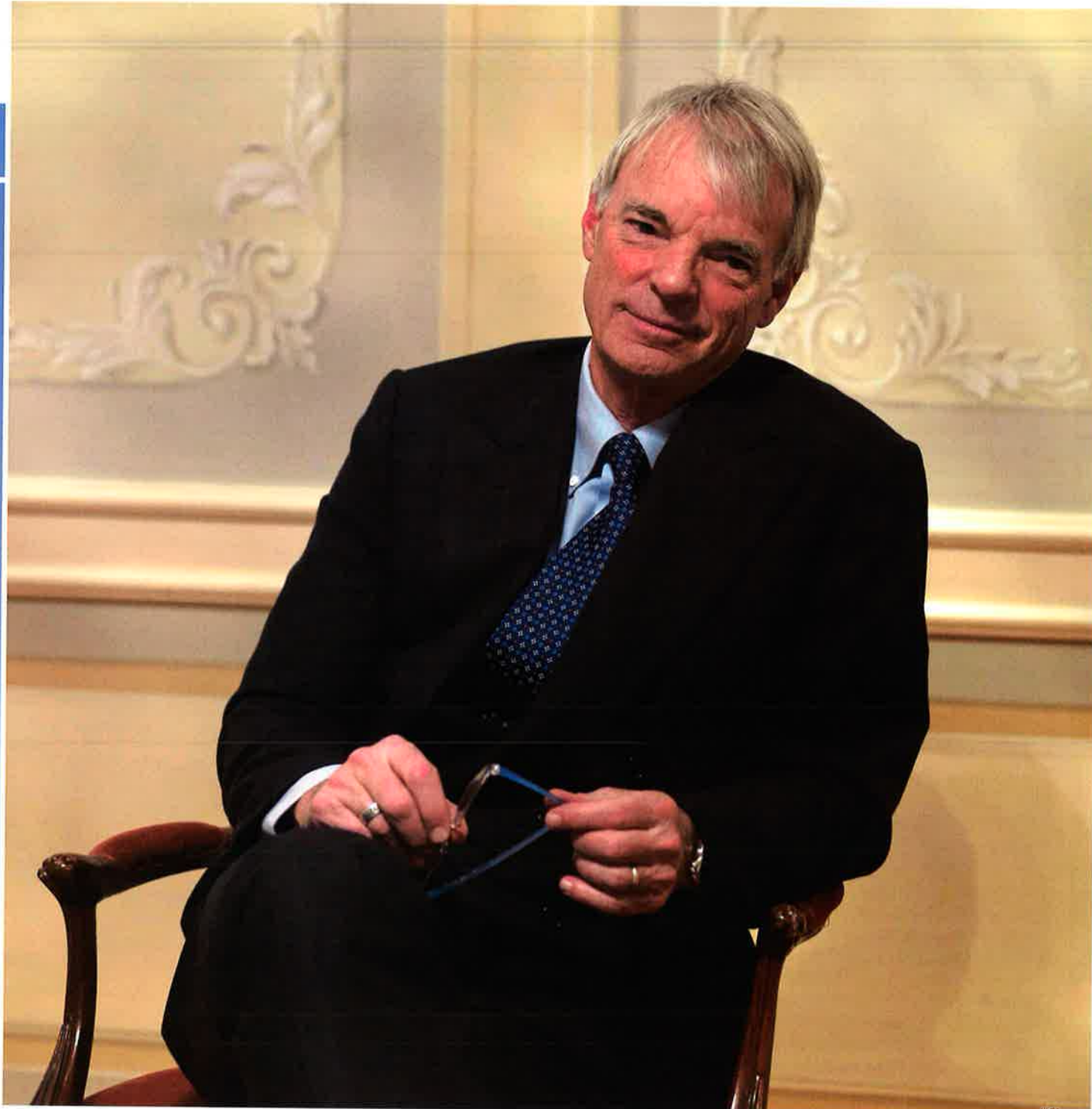
E-commerce takes off.

2006

Era of virtualization announced by IBM, Intel, AMD and Microsoft.

2008

1 billion Web surfers connected around the world in December.



Michael Spence, 2001 Nobel Laureate for Economics

The global economy is underpinned by real-time information

An exclusive interview held on 30 March 2009 in Milan (Italy).

Michael Spence talks to Capgemini about the deep transformations occurring in the entire economic sphere as a result of the advent of information technology, for which he anticipates a bright future.

What has information technology contributed to the business and government sphere since the 1960s?

It's interesting but the answer is "a lot." Economists tried for a long time to measure the impact of information technology on economic aggregates, without much success. People marveled at this. We are still studying it but now the measured impacts of information technology on business are enormous. The IT landscape changed radically in the late 1980s, accelerating dramatically in the 1990s up to now.

What caused the effect to be so large was essentially networks. Initially, we had computers for automation of the general ledger, of manufacturing and of purchasing, isolated databases, and innovation in areas such as supply chain management. Basically, this was the first wave – not fully developed – when we started to get inside the corporation. The whole process accelerated when, after fiddling around for a long time with Arpanet (ancestor of the Internet), we finally decided the Internet might work.

The Internet continued to evolve, of course, and in less than a decade, virtually every computer in the world was talking to all the others and every database was accessible. From an economic point of view, this enabled automation on a grand scale and generated huge productivity. The first, massive effect you saw in business was that millions and millions of people no longer did things that computers or networks could do just as well but did something else. That's Phase One, encompassing a lot of innovation on the part of business consultants, hardware, and software specialists, and others.

The widespread use of the Internet was just Phase One. What did Phase Two consist of?

The next big wave was the World Wide Web. I think of that as boiling down to the cost of finding information and reducing the cost of transactions. People couldn't see the full dimensions at first; they become overexcited, thinking this revolution was going to happen overnight, but it took a couple of decades to get fully realized, causing a crazy bubble in the asset markets. When it burst, a lot of people thought "Oh, that was just all air ball."

Look at it today. It just quietly went along, linking global supply chains, turning banking into largely transactional electronic banking, and so forth. Because of its time and geography and sensitivity, there were considerable reductions in product cycles, by factors of two and three. Governments got into the act in the late 1990s realizing, just like banks and other service providers which are information- and transactional-intensive, that they too could deliver services at much lower cost. Improvements to efficiency and performance were prevalent in all areas of information technology. These were huge changes, all built essentially on platforms and expertise.

So what would be Phase Three in this revolution?

The third big and probably most important wave, well underway now, involves the globalized economy. Because technology is getting better all the time

(improved communications, bandwidth, etc.), human resources (which are relatively scarce in a large number of business spheres) have become accessible however remote they may be, and geographic market boundaries have started breaking down. R&D, Business Process Outsourcing, and all your IT can be done somewhere else. Globalization has reached private and public sectors alike: some

American politicians have their speeches written in India and a lot of medicine is being outsourced. When you add all this up, you find something of the same order of magnitude as the post-DNA structure discovery in terms of revolutionary impact on business efficiency, people's lives and the stakeholders in the economy. The impacts on innovation, worldwide spread and new ways for people to interact in services are enormous.

The recent financial turmoil was not forecasted by the markets. Do you think that the crisis arose from such massive use of information technology?

I don't think that information technology can be held responsible for the crisis. The indirect relationship on the causal side is that IT is an important aspect underpinning the running of the global economy, and certainly the global financial system. You simply can't run it without the IT support; a financial system with people flying back and forth from Tokyo to Paris just doesn't work. The financial system is the most visible sector in which real-time information underpins operations: the trading, the valuation of assets, the transfer of funds, and all the financial transactions require powerful systems. Yet these are mere tools, and in no way can they dictate behavior or choices.

Were we incapable of managing the risk correctly?

Yes, we managed it very badly. Regarding the tools, a risk manager from US global investment management firm Pimco said that *"in finance and economics, we do not know how to build a model in which the dynamics work in a certain way then the dynamics change, and work in a different way,"* which is true. We just don't know how to do it. Mathematicians can build dynamic systems that have inflection points but then they don't know what happens at that point. Until you have something that vaguely looks like a model that tells you what is going on, that people believe in, it's hard to know what to embody in hardware and software that would allow you to do a better job of risk management. The current financial crisis has complex origins and will require complex solutions. So we've got some innovation to do on "the conceptual side" before []



MICHAEL SPENCE

Michael Spence won the Nobel Prize for Economics in 2001 together with Joseph Stiglitz and George Akerlof for their analysis of markets with asymmetric information. Dean of the Stanford Graduate School of Business, he has also held a joint appointment in the Harvard Business School and Faculty of Arts and Sciences, managed the National Research Council Board on Science, Technology and Economic Policy and, from 2006 to 2008, the Commission for Growth and Development. Michael Spence has worked for a number of companies including Bank of America, Nike, Siebel Systems, Verifone and Sun Microsystems.



we can produce a relevant model. And it's not only algorithms; it's actually building models that seem to work, so I would say it's a combination of mathematics and, probably, behavioral economics or finance or social science.

Who is the risk management software king, if any?

To Be Determined.

Moving on to another issue, what do you think information technology can do to "save the economy"?

Service delivery using information technology and applications built on top are likely to become more and not less valuable, if only by increasing the pressure. An example I've come across is that many people naturally focussed on managing working capital, basically keeping it as small as possible to earn their business, on inventory control and accounts receivable. Then somebody got up one morning and said "Why don't we find out how long it takes to send out the bills as opposed to collecting the money afterwards?" Well, it transpired that it took them longer to send out the bills than to collect the money. Considering this to be an innovation they systematically tried to figure out solutions. What will happen in that area and in many others under the pressure of a crisis (where cash or capital are terribly important) is a lot of innovation by IT service providers in figuring out ways to help people automate efficiently. Of course, the legacy business – it's not all projects – goes on, so that's a good thing because it gives a kind of stability. In the future, I think there's a good chance we'll go to something that's more managed; then of course you need information systems to decide how to manage a "crucial", and they've all got to be connected to each other. The current situation is not a pretty one at all but, on a brighter note, I do really believe that, out of this, some sectors have opportunities and can come out of it quite strongly and, broadly, the information technology and services industry is an example.

The downturn has struck the entire world, but does China have a special place and role in generating an upturn?

China has an enormously strong fiscal position – meaning they do not run big deficits or a lot of debt – so when they get a downturn on the aggregate

global demand side, they have an enormous capacity to stimulate the domestic economy. They also have two trillion dollars worth of reserves! That's more than half the GDP of China and this gives them a complete lock on the currency.

Will the next IT product and service market, for the major protagonists, be China?

I have no doubt about that for three reasons. First is China's growth, which will probably hold at around 6–7% (maybe a bit higher) even in this crisis. Second, they will go back to higher growth rates and will be up around 11% or more before the end of the turmoil. Third, China is entering the transition to become a modern economy; it's actually more complicated but a good chunk of the Chinese economy is entering the so-called middle-income transition. What that means is that labor is no longer cheap, and the economy no longer built on labor-intensive industries supplying goods to the rest of the world. That's good news for the other people because China will price itself out of that market. This type of transition is very complex, and not all countries get through that very well because they tend to stick with the policies that work, which is a natural human instinct.

« *As the Chinese economy constantly structurally changes, the demand for sophisticated information technology and services will rise dramatically.* »

What is the technology focus in China?

Computer usage is rising rapidly in China; it's already pretty well penetrated. Mobile phones are everywhere too. With India following approximately one decade behind, these two countries probably provide the two biggest offering business opportunities for serving both the domestic markets: business and consumer.

Is selling information technology services harder than selling products in both China and India?

IT service providers actually have to tailor and adapt these services to market needs in these countries. In other words, it's a question of supply and demand, a localization issue that requires some investment.

How do you view the future?

There's no question that the relative price of natural resources, such as energy, will go up and the relative price of information-related resources will go down and down. That will change the way we live and work; and it's a huge incremental business helping people do it and creating the services that make it work seamlessly. ■



Sunny days



Jeffrey Sampler, Fellow at Saïd Business School, Oxford University

Opening the company to global intelligence

An exclusive interview held on 16 March 2009 in Oxford (England).

Jeffrey Sampler considers that information technologies have a crucial role to play for the strategy and change management at the heart of every company.

What place does information technology have in companies today?

The answer is simple: vital. Today, the future is inherently uncertain, so many companies try to look into the future empirically rather than define a structured management model. But innovation in technology is lightening and unpredictable, and the competition quick to copy. You wake up one morning with a new idea, you go to market, then wham... the next day your competitive edge is shattered, I think management practices are far behind the point where the technology lets us play; it's like driving a Ferrari in first gear. It's not enough to have a great idea. It's all about using information technology to build a business model that is flexible and robust, that serves to exploit new opportunities, reduce the risks and outdistance the competition. The watchword is simple: be reactive ... or disappear.

Is this really an IT revolution?

If we look back at the 1960s and think about the foundation of the general-purpose computing of today, it was incredibly specific. On the back of that, however, there was a huge springboard of innovation in corporations. Now, look at the downsizing with the whole computing wave, and you see exactly the same revolution played out time and time again except the price point has shifted. Take cloud computing, it's nothing other than shared mainframe computing, the same type of time sharing as 40 years ago.

So what is really new?

The easily accessible and widespread use of technology. It's pervasiveness and price that enabled it to really take off. Take just one example: 20 years ago, a terabyte was a mythical amount of storage. Now, I can get a USB back-up drive of

a terabyte for \$100 in America! The price points for components have caused profound changes. And the more pervasive technology becomes the more potential innovation you have because you have more people involved and more minds – so more innovation.

What has – or will have – the most profound impact on corporations?

Companies are heading for a veritable information tsunami. As technology and therefore information get more pervasive, major corporations are challenged in ways that affect the role of the CIO in this new environment or how to manage information, innovation and catch worldwide intelligence. Before, CIOs were the absolute tsars of technology and they had huge credibility because they kept the systems up and running. Today, that is a very small part of their job, most of which concerns information, applications and integration. The stakes have become to capture, filter, organize, distribute, and optimize the added value of information. The job of the CIO is not to innovate but to see innovation within the firm, making it industrial strength, robust and stable and converting applications into competitive edge. Far more dangerous than legacy systems is our legacy mindsets.

« *Far more dangerous than legacy systems are our legacy mindsets.* »

Can you give us some examples of companies that are one set ahead of their competitors?

Two examples of companies open to global intelligence spring to mind. One is Procter & Gamble, which sets up requests on the Internet or social networks for help with a scientific problem. Well, roughly 60% of their innovation today occurs outside the firm! Now that's a very different model: a company, driven by innovation, which says "The market is always smarter than we are." The other example is Google, where 40% of employees' time is discretionary: one day a week employees get to do anything they want on their current project; another day of the week, they can do anything they want anywhere and it's not tied to their job at all. Now, that's a company that says: "We don't know what the next application's going to be but we're going to listen to the users of today and tomorrow."

I think we all have a laundry list of companies that are ahead but the US transportation firm UPS is an absolutely amazing company! They deliver more than 4 billion packages a year – 4% of American GDP sits in UPS trucks every day; you can't get a more physical economy than guys in

trucks, driving around and delivering things on airplanes. That's a very interesting statement by a company, namely that the information asset is valuable even for its own development because e-commerce has become its main growth driver. Also interesting is that the data on the package is as important as the package itself, and the customer can locate his package at any time. Consequently, an informed customer is a satisfied customer. You can argue they are a logistics company but, for them, information is a springboard for innovation. Moreover, their sustainable development policy includes a Green IT component that even generates cost savings. For example, a specific route optimization program minimizes the number of left-hand turns so their drivers don't have to wait in traffic since every time a driver takes a left hand turn, he has to cut the traffic and his truck is immobilized. Since this system was implemented in 2004, UPS has made enormous fuel savings and reduced its carbon footprint.

You referred to "global intelligence" earlier?

Yes, a lot of the innovation is going to come out of India and China. It's potential because, with such vast populations, they have to deal with an order of magnitude of great complexity. I mean how good do your IT systems

have to be if you're going to sign up a million new customers a month!

How do you see the IT world evolving in the next decade?

Obviously, information technology will continue to play a major role in companies, and more especially those with a global reach, those working on the verticals across which IT operates, insofar as they manage huge quantities of information. In both cases, for any company that has a huge information intensity to it or is global, IT is not just an operational function but an invaluable, indispensable asset. Information technology and business should therefore be combined in a single strategic approach. They are intimately integrated. It's back to pervasiveness because if you view them as a separable entity, you've already lost because you will never see information as a primary resource of innovation. ■



JEFFREY SAMPLER

Jeffrey Sampler, a former research scientist at the Center for Information Systems Research, MIT (Massachusetts Institute of Technology), is currently Fellow in Management of Strategy and Technology at the Saïd Business School, Oxford University. He is also co-author of *Understanding IT: A Manager's Guide* (London: FT Press, 2004) and *Sand to Silicon: Achieving Rapid Growth Lessons from Dubai* (London: Profile Books, 2003). His other responsibilities include strategic planning and executive education programs for companies such as Daimler Benz, 3M, British Aerospace, Barclay's Bank and ABN Amro.

Information technology drives the transformation of companies

Chinese electricity company Shenzhen Energy Corporation and US telecommunications operator FairPoint have selected Capgemini to help them with their transformations.



Mawan general power plant in Shenzhen (China).

Shenzhen Energy relies on IT at a strategic turning point

Diversification of its business, new market positioning and an initial public offering are complex changes for a company to steer, especially if undertaken simultaneously or in quick succession. Supervising this type of operation within such

short time-frames is unimaginable without an effective information system coupled with the significant organisation change and process improvement initiatives of the company.

The Shenzhen Energy Corporation (SEC), leading supplier for Southern China, has adopted German software house SAP's ERP [5]. In less than a year, the company had a new global financial system at its disposal and a pilot system enabling it to manage functions as essential as purchasing and procurement, asset management, equipment, operations and budget. This was a serious challenge because SEC – listed on the stock market since 2007 – intended to expand its activity as electrical power supplier to that of investor in the industry, not only in China but also in Australia and Africa, and to develop a coal logistics business. For support with project implementation, Shenzhen Energy selected Capgemini for consulting (essential organization and change management), and technology (information systems) projects. The transformation has already borne fruit. According to initial estimations, SEC is the best financial performer of all listed companies in its sector in China. ■

FAIRPOINT

OVERHAULING A FULL INFORMATION SYSTEM

24-MONTH,
project term

40 SOFTWARE
PRODUCTS implemented

500 BUSINESS
PROCESSES defined

600+ SYSTEMS
requiring
data conversion

A new information system for FairPoint in record time

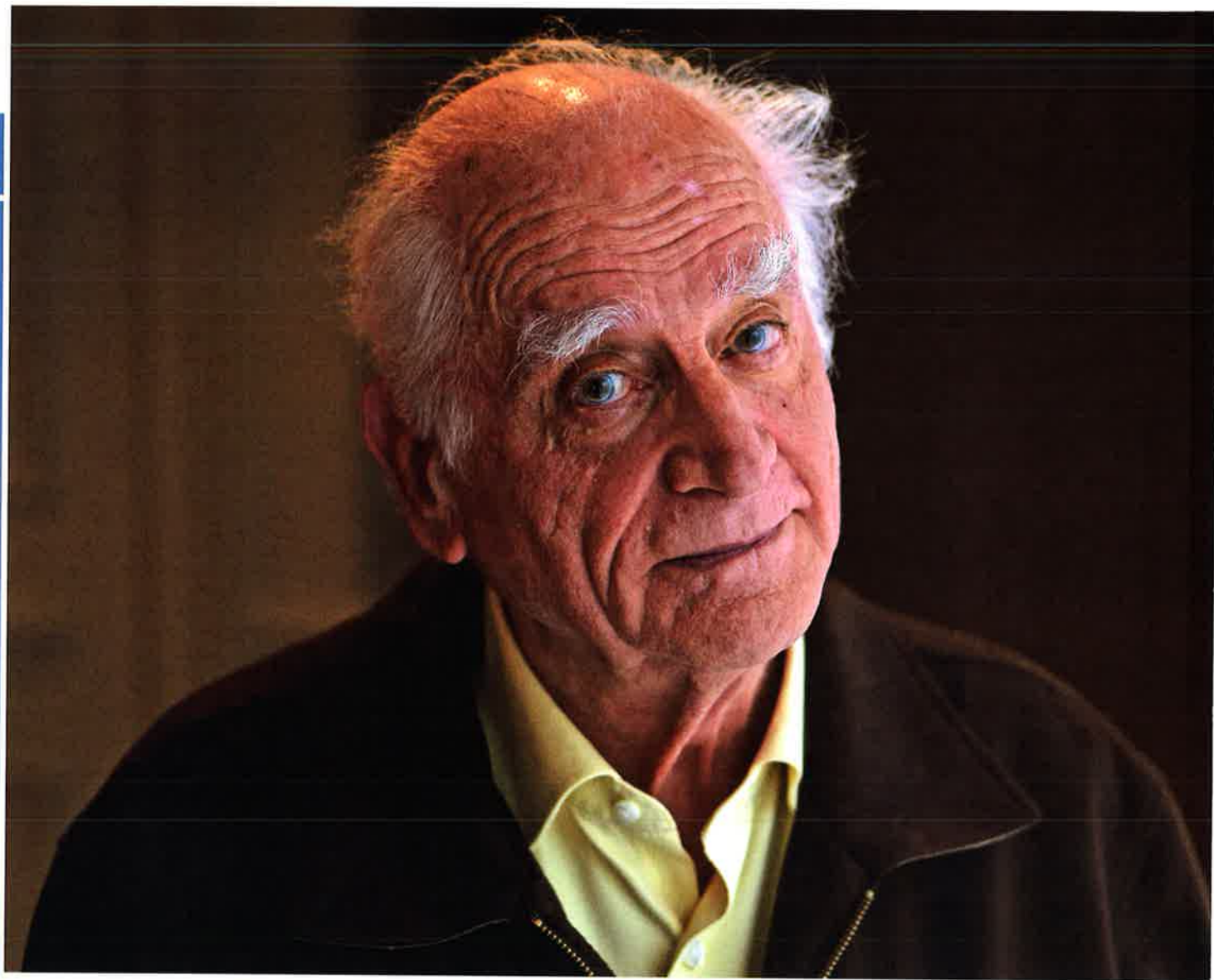
In just 24 months, US operator FairPoint rebuilt the entire infrastructure of its information system and redefined the operational processes for telephony activities acquired in three states from its compatriot Verizon. The takeover included networks (lines, automatic switching units, etc.), customers and 3,000+ employees but did not include the information system or the business processes. FairPoint therefore started from scratch, involving: definition of a new organization, creation of operational centers, implementation

of more than 40 software products, definition of almost 500 business processes and conversion of legacy data from the more than 600 pre-existing systems! Some years ago, this process would have required some five years' work.

In taking up this challenge, FairPoint called on consulting and technology services. Production of the information system was outsourced to IT "factories" in the United States and India. These new systems should allow FairPoint to meet the requirements of a network that is branching out from 300 000 to 2 million lines. ■



Going into the village



Michel Serres, Philosopher

We are in the midst of the third information revolution

Exclusive interview on 27 March 2009 in Paris (France).

From a philosopher's point of view, Michel Serres anticipates that the relationship between information technology and the human being will play an essential part in the future of mankind.

How would you describe the impact of the new information technologies on society and the citizen? Is it legitimate to speak of a "revolution"?

We are a far cry from having measured the full extent of what is underway: a long and winding current that begins in the 8th century BC, a trajectory that echoes the most important events of Antiquity and the Renaissance. The transformations related to information – the technologies of the sign – are much more important for Homo sapiens than innovations in the field of energy – the technologies of power and labour, such as the wheel or the windmill. On this scale, close antecedents such as Leibniz' binary system in the 17th century or the calculator invented by Pascal are of relatively little importance. The industrial revolution itself is a minor accident. The real, extraordinary thunderbolt happened in Ionian

civilization, on the coast of present-day Turkey, almost 3 000 years ago. This gave rise to three major inventions: money, algebra (and geometry), and certain letters. First of all, money. Marx said money is the "general equivalent": the equivalent of labour, or of the wheat harvest. A coin is a sign, a token that replaces barter. This "blank token" also represents numbers, with the place defining the value: 1 and 0 = 10, but 0 and 1 = 1, and so on. When Euclid invented algebra, in a way he imagined an abstract token, even though the "x" was not invented until the Middle Ages. Lastly, the blank token is the letter – the 24, 26 or 27 letters of the alphabet.

Inventing the blank token was tantamount to inventing writing – which upset everything, and in the first instance, teaching – but also money, the economy, capital... It was the invention of

science. This enabled the law to be written down and therefore provided a new way of looking at politics. In Renaissance times, did any inventions arise from the printing press? Almost nothing. The blank token turned to lead. But that piece of lead was so important that it caused a major cultural upheaval for many civilizations, led to modern science, new teaching methods, banking, religious reforms – all these were born at that time.

We, in the 21st century, are the heirs of these two revolutions. Byte and pixel are the blank tokens of our times. Just like such tokens, they aim to transform society as a whole: teaching, science, religion, commerce, and much more. Just imagine: almost 80% of hard scientific discoveries stem from information technology – and the same is probably true for the social sciences. We are living in the third information revolution.

« Everyone says the Internet and the new technologies have shortened distances. This is a major misconception. Distances have been abolished. »

**What characterizes this revolution?
Is it a shortening of distances, often
presented as emblematic of globalization?**

Everyone says the Internet and the new technologies have shortened distances. This is a major misconception. It is the bicycle, the automobile and the airplane that have shortened distances. Today, distances have been completely abolished. The Cartesian space in which you are identified by your coordinates – your Euclidian address – no longer exists. You do not receive information there anymore – a few brochures, at the most. The real information you receive via a mobile telephone number or an electronic address, which are simply codes and do not pinpoint a space. So this space no longer exists. The space we are in is familiar to geometrists: a spaceless space, one of these topological spaces to be found within Euclidian space. To say that space has been abolished is to suggest that there is only one space. But, as geometrists know, there are an infinite number of spaces.

This subtle transfer between our former habitat and a topological space from which distance has been abolished implies profound changes. Consider the word "address" – the root means "rights" (Latin, *directus*), which in turn comes from king (*rectus*, or *rex*). The meaning is therefore legal. Stating your address means you can be found by the exciseman if you don't pay your taxes, or the military jurisdiction if you have

committed a crime. Euclidian space is a political space. The new space is lawless, the network is an area outside of the law. The laws of the outside cannot apply to the inside of the network. A new law must be invented, along with new politics. Current politics are running behind. This reminds me of the stars whose light we can still see but which, as astrophysics has shown, actually died out millions of years ago...

I would like to come back to the word "network" or the abbreviation "net". In the past, we were involved in networks: the Roman road network, the maritime route network, and so on. A network is what marks out a Euclidian or Cartesian space. Today, there are no networks left. Every time we say "net," this is a huge misinterpretation of the reality of things. This absence of a network means we have to redefine the law.

**Does this mean
that language is
struggling to keep pace
with technological
innovations?**

Look at the statistics of the Académie française. Between two editions of its Dictionary, the rate of change usually fluctuated between 1 500 and 2 000 words. The last edition

was published 30 years ago: the rate is 35 000 words, whereas there are only 100 000 words in the French language. This ratio is probably similar for all the vernacular languages and information technology will necessarily accelerate the process. It's a tsunami in the language. Little wonder, in this context, that our children do not speak the same language as us.

**How can businesses cope with the
complexity of the world and find their way
into this "new space"?**

You speak of "complexity": I do not like this word very much. Thinking makes the simple complex. The challenge today is not so much complexity but more the vertical growth in the quantity of data. In oceanography, astrophysics, biochemistry, the databases would cover three times the distance from the Earth to the Moon if they were burnt on to DVDs. Nuclear physics generates a mass of data that it can no longer control. One of the main issues at stake for research tomorrow is to connect gigantic computer farms to process this data. I do not know any academics who are [...]



MICHEL SERRES

Professor of the History of Science at Stanford University, member of the Académie française, philosopher Michel Serres proposes a vision of the world that is open, based on knowledge of the humanities and the sciences. He has written widely on philosophy and the history of science, including the Hermès series (Editions de Minuit). Le Tiers-Instruit (François Bourin), Les Origines de la géométrie (Flammarion), La Légende des anges (Flammarion), Variations sur le corps, Hominescence, L'Incandescent, Rameaux and Récits d'humanisme (Le Pommier).



not having to grapple with this problem.

Given this profusion, it could be considered that business is likely to evolve very quickly, like politics. Business is built on the notion of concentration and will have to adapt to the movement of dispersion we can see emerging – a subject I raised in *Hermès*. A friend who is a chemist explained to me that we can imagine people one day producing

their own energy, thanks to a sort of enzyme that will not cause pollution. New technologies are at the heart of this dispersion movement, which will explode all the concentrations. What use is a campus, a place of concentration par excellence (students, professors, books), when everything is dispersed now? We are shifting from the collective to the “connective.”

You speak of a “revolution”. What distinguishes innovation from progress?

It is our whole landscape that is changing. The break is profound. Innovation is never extrapolation. The concepts of enrichment and impoverishment are no longer relevant. The first break was Lucy, who stood on two limbs. She lost the function of leaning on her upper limbs, but she invented the versatile hand. Her snout can no longer pick things up, but it speaks. Every break in state

a baby's bottle? A portable breast. A glass? My cupped hand. And what if all technical objects were externalizations of our body functions?

As a result, the question of man's attachment to the machine must be reversed. Just as the wheel was invented by externalizing the rotation of our articulations, books and information technology are externalizations of the memory. Man has conferred evolution on his own productions – we could speak of “exo-darwinian” philosophy, which evolves outside the body, in objects. The objects we invent evolve like our body could over several million years. This is outsourcing. I cannot think of a technical object that does not match this concept. Cybernetics and the artificial man are essentially only an extension of this outsourcing. Nothing new – and so nothing to worry about either.

But, be careful, this does not mean that man is in control. We can never control everything. In Antiquity, all morals were based on the things that depend on us and those that do not depend on us. It depended on us to be good to our children, to work hard, but not whether it rained or was windy. Little by little, starting with Descartes, we had to master and appropriate nature. Our techniques have made us masters of things. Today birth and death depend on us, the climate depends on us... In other words, we depend more and more on things that depend on us. And the planet wreaks its revenge. Our responsibility has become colossal. We have to master our mastery. So it is back to the law, the only direction possible.

« *An extraordinary revolution is coming: the invention of a new man. A man condemned to intelligence by the new technologies* »

renders comparison vain. The same applies when we switch from the physics of Aristotle to modern physics. Lavoisier invented chemistry, which put an end to alchemy. That's what innovation is, it is Einstein and Newton. The computer is not an enhanced book, it is programming, and so forth. Innovation is a conversion, we convert ourselves, which means “the body turns over.” Instantly, the horizon changes.

Should we worry that this “conversion” may lead to a skills transfer from man to machine?

I would like to go back to the wheel and suggest a hypothesis. We walk (without noticing it) on three wheels: the rotation of our hips, the rotation of our knees, the rotation of our ankles – and even the rotation of the toes. If you take a hammer, the shaft is a forearm, the head is a fist. What is

To conclude this interview, could you expand on the metaphor of the computer as an externalization of our intelligence?

Do you know the story of the Bishop Saint Denis, who had his throat cut by the Roman Legion? Go to the Pantheon, in Paris: you will see a painting by Bonnat showing the decapitated Saint Denis leaning over and picking up his head, which has fallen a few steps in front of him. Bonnat painted a halo above the martyr's head. This halo is our intelligence, our faculty of deduction and our knowledge, externalized. This 2 000-year-old story is the story of new technologies. Call Saint Denis your computer, for he is your memory – a memory much more vast than you will ever possess. He is your head objectified. An extraordinary revolution is coming: the invention of a new man. A man condemned to intelligence by the new technologies, because to this man there remains the faculty to innovate. Innovate and love, such is the contemporary motto of humanity. ■



The shepherd



Market day

— A number of assets undeniably strengthen Capgemini's capability to weather as best as possible the stormy economic period that has been raging over the last months. These strong points are underpinned by the way in which the Group runs its four disciplines: Consulting, Technology, Outsourcing and Local Professional Services. Capgemini's presence in 34 countries, expertise in five key economic sectors, intimacy with its clients, Rightshore® delivery model, permanent quest for innovation in addition to its HR policy and brand image are the essential assets of a Group structured to guarantee long-term sustainability.

Four disciplines, one Group

Capgemini's four disciplines continued to progress and record good results in 2008, contributing to the Group's resilience. This capacity to weather the crisis was particularly reinforced by the excellent performance of Outsourcing and the growing share of the Public Sector in its revenues.

"We are watchful, confident and conquering all at once: watchful because of the harsher market conditions; confident because the Group has sound assets notably its offshore leverage, recurring income from Outsourcing contracts and the Public Sector; and conquering because we are convinced that whoever can adapt to client demands will undoubtedly gain market share."

Nicolas Dufourcq,
Group Deputy
General Manager,
Chief Financial Officer

Mission and vision of the Capgemini Group

Our mission:
your transformation
Capgemini helps its clients to transform and improve their performance by providing the consulting, technology and service expertise best suited to their requirements.

Our vision: your freedom of action
Capgemini aims to be a leader committed to facilitating its clients' freedom of action and to boosting their results thanks to the know-how of its teams and a relational model based on close collaboration.

In order to help its clients transform so that they are able to improve their performance and competitiveness, Capgemini proposes an integrated service offering, comprising complete command of its four disciplines and strong expertise in several key areas of the economy. These four disciplines are Consulting (CS) in the guise of a new global identity, Capgemini Consulting; Technology Services (TS); Outsourcing (OS); and Local Proximity Services (LPS) provided by Sogeti.

These four units provide global coverage of the Group's service offerings. By pooling their skills, they are able to offer clients comprehensive transformation services. Therein lies one of the Group's great strengths: it is able to marshal a wide range of know-how in order to cater to the needs of projects that require cross-functional expertise and to respect its commitments to tangible and measurable results by providing its skills in the fields of consulting, technologies and services.

Conscious of the importance of maintaining client proximity, Capgemini develops all or part of these solutions on geographical sites that best suit the client in terms of quality, cost and access to the best skills available. Designated Rightshore® [1], this model generates productivity gains and brings added value to the services delivered. It provides an additional safeguard for the Group's resilience.

Consulting: a new organization with global ambitions

The current uncertain economic climate heightens companies' needs for partners that are trustworthy and capable of meeting their organization's transformation requirements, from helping with definition to completion of the strategy implemented.

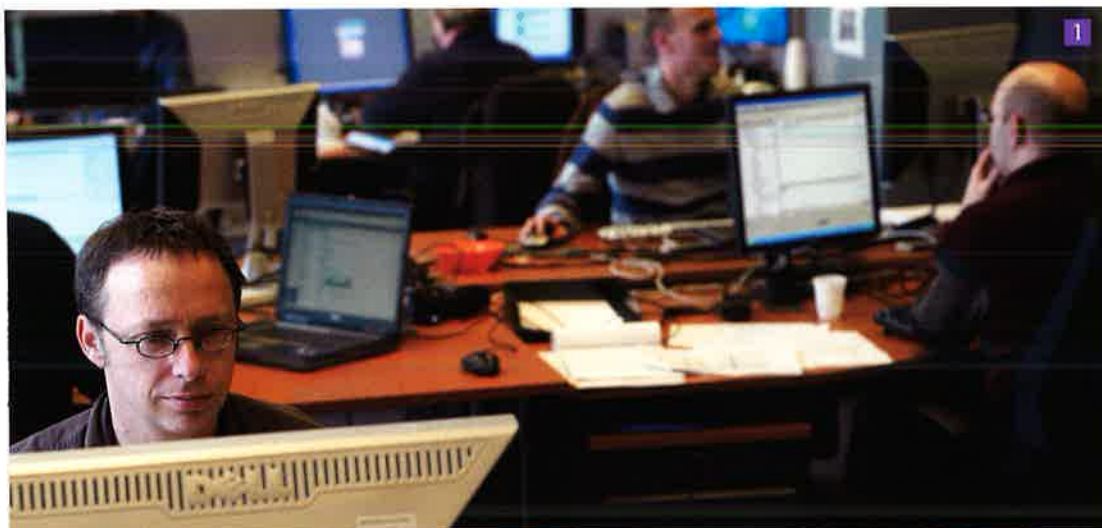
"The new market conditions that began to prevail at the end of 2008 quickly caused companies to switch the focus of their demands in order to meet their most pressing priorities. Some are now concentrating on cost reductions since, in a period of recession, it is essential to maintain sound corporate financial well-being, while others are striving to make the necessary business model changes required to face up to the new economic

environment," explains Pierre-Yves Cros, Group Director for Capgemini Consulting.

In 2008, Consulting, generating 8% of Group revenues, posted the highest increase in margin (12.8% compared with 10.5% in 2007). Of the geographic zones that account for this activity, the United States has regained growth momentum, and Asia has recorded significant successes: India now has 150 consultants and China is still expanding. In Europe, the Group's market position has been reinforced through innovative business solutions such as the BeLean offer developed in the United Kingdom, which has helped Capgemini clients from the public sector make their transformation processes cost-effective.

From the point of view of the discipline itself, consulting activities have extended from traditional management consulting to strategy and transformation consulting. The Capgemini Consulting offering now encompasses three service lines: Strategy & Transformation, Operations Transformation and Technology Transformation. "We are positioned as an offensive player in the transformation consulting market, and have all the capabilities required to help our clients stand apart from the crowd in the current downturn," says Pierre-Yves Cros.

The Capgemini Consulting Business Transformation Survey has shown that the major concerns of companies revolve around their capability to make change happen. Today, companies need to act more quickly and be agile in order to restructure their businesses and be ready to reap the benefits of the future upturn. The Business Transformation Framework [2], developed by Capgemini Consulting for this purpose, helps customers step up their strategic development more swiftly and implement it successfully. Technology is a key contributor, and the adoption of TechnoVision [3] to leverage transformation and therefore competitive edge through technology forms the core of the Capgemini Consulting innovation strategy. The good results achieved in 2008 by Capgemini Consulting should not, however, eclipse "the intense volatility of this market," explains Pierre-Yves Cros, who goes on to say: "Whereas a large number of [...]"



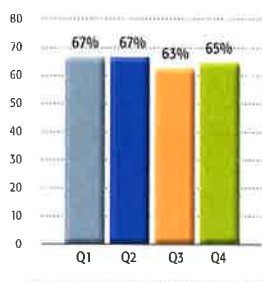
1 The 2 200 BAS BV personnel – working here on the Appeldoorn site in the Netherlands – who have joined the Group, have bolstered Capgemini's presence in applications, the services provided covering the full applications life cycle from design to management, including project development, integration and implementation.

2 To increase the resources dedicated to its Rightshore® delivery model, Capgemini developed 16 BPO [1] centers in 11 countries by the end of 2008. The photo shows two members of the shared-services center for financial services in Santiago, South America.

3 Sogeti has expanded its presence on the application testing [2] market with the acquisition of Vizuri, a British company, therefore raising the number of people working in this field to 2 500.

4 Rick Stevens, Hydro One Director, Distribution Business Development, and Myles D'Arcey, Senior Vice President, Customer Operations for the Canadian electricity company are responsible for the AMI (Automated Metering Infrastructure) program, which draws from three of the four Group disciplines: Consulting, Technology and Outsourcing Services.

Consulting Services: Quarterly employee utilization rates 2008



BeLean, consulting for enhanced performance

The purpose of Capgemini Consulting's BeLean offering is to simultaneously drive up efficiency, customer experience and culture across businesses' end-to-end processes. Initially developed for the private sector, BeLean's effectiveness has been successfully extended to the UK public sector (Department for Work and Pensions).

TS: acknowledgment of Capgemini's expertise in CRM

Gartner has placed Capgemini's Customer Relationship Management for North America and Europe in the "Magic Quadrant", thus demonstrating the Group's excellence in this market.

countries have been affected by the recession, as a 21st century-consultancy firm we must be a proactive driving force with global expertise for our clients." This is why the Group has decided to reorganize its consultants into a new worldwide entity designated Capgemini Consulting. The new entity became operational on 1 January 2009 and functions as a unique brand, so encouraging the retention and recruitment of the most promising consultants.

Technology Services: 2008, the Rightshore® year

The Group's continuing efforts to roll out its Rightshore® model across the organization (support, sales, innovation and delivery) have borne fruit for Technology Services (TS) in 2008. The discipline posted growth of 4.1% (at constant scope and exchange rates) and "actual growth is even higher if we take into account the increasing amount of revenues generated for the other Group disciplines, and Outsourcing Services, in particular," observes Henk Broeders, Group Director for Technology Services Global Coordination. Moreover, thanks in particular to better cost control, operating margin rose by more than one point to 10.2% for this activity.

Enterprise Resource Planning (ERP) [■] projects have generated many success stories due to alliances with two leading software houses, the German SAP and US Oracle. In Europe, Technology Services have posted good results in Italy, through contracts with the Ministry of Immigration and, in France and in Spain, where mid-tier contracts have been signed with banks and telecom operators. Prospects are also bright in the United Kingdom, where TS proposes six package offers, including e-Procurement [■], business intelligence and IT asset management. These offers are marketed in many other countries where Capgemini is established, such as the Nordic Countries, Eastern Europe and Germany, where offshore is not yet

prevalent. In the United States, TS have made headway in the Telecommunications, Media & Entertainment (TME), and the Retail & Distribution (ERP and CRM [■] projects) sectors. In China, Capgemini provided support for the merger of two cement groups.

According to certain market analysts, there is sustained market demand for systems integration, and for SOA [■], Web 2.0 [■] applications, virtualized servers and for SaaS [■] solutions, in particular. These trends are set to continue through 2009. In order to respond to the demand, "a new TS organization, spread into five geographic units, facilitates client access to our Rightshore® establishments, and simplifies the exchange process with our offshore [■] centers. This organization needs to continue improving its competitiveness since our clients' IT budgets are being squeezed," explains Henk Broeders.

The transformation drive in TS over the last two years has equipped Capgemini with invaluable assets to face 2009. Among these, Henk Broeders highlights the "capability of mobilizing all the Group's skills in order to provide its clients – despite the current economic crisis – with the responses they need to develop strategic growth and cost-saving projects, on a global basis."

Outsourcing: increasingly targeted solutions

In 2008, Capgemini developed a number of initiatives for targeted services. "Our clients want a partner capable of helping them not only to master their IT expenditure but also to leverage the innovation we bring to their transformation processes via the comprehensive service capability of Capgemini. By combining our experiences, our Collaborative Business Experience [■] approach and sector knowledge, we can offer them these different types of services," declares Paul Spence, Group Director for Outsourcing Services.

In this way, 2008 witnessed the launch [---]

BPO takes a part in Group resilience

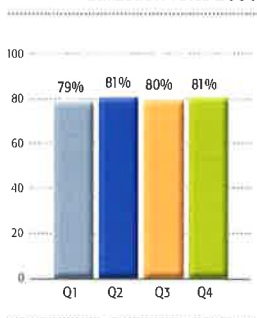
Capgemini's BPO [■] activity showed sustained demand in 2008, significant contracts being signed, for example with the Anglo-Dutch consumer products company Unilever, and with the US company Coca-Cola Enterprises. BPO also recorded good profitability growth, and the size and term of contracts (often exceeding five years) contribute significantly to the Group's resilience.

Outsourced functions for BPO mainly relate to finance, accounting, purchasing, customer relationship, human resources and payroll management. The Capgemini BPO teams, managed by Hubert Giraud, comprised 6 806 people at 31 December 2008, spread over 11 countries: India, Poland, the United States, China, Chile, Brazil, Australia, Guatemala, Great Britain, France and Germany (in decreasing order of headcount).

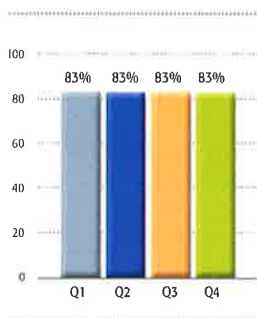


Café philosophy

Technology Services: Quarterly employee utilization rates 2008



Local Professional Services: Quarterly employee utilization rates 2008



Success for Sogeti in testing

Sogeti's Indian expertise center in application testing doubled its headcount in 2008, so that it now has a workforce of more than 1 000. In order to increase the industrialization of its testing processes, and to improve quality and productivity, Sogeti has signed a major technology partnership with IBM Rational software. It has also acquired two European companies that specialize in testing, Vizuri in the United Kingdom and Insight Test Services in Ireland.

of Instincts 2.0 [1], an outsourcing offer for major computer stock, a Business Process Outsourcing (BPO [2]) solution for Reference Data Management designed for banks, and a Center of Excellence for cloud computing [3] in partnership with Amazon Web Services [4]. Implementation of the Rightshore® global delivery model by Outsourcing Services has also made considerable headway, thus significantly improving the competitive edge of this discipline.

All these initiatives have not only preserved longstanding client loyalty but also generated new contracts in North America (in the media and consumer goods segments), in the Netherlands (for public services) and in the United Kingdom (for services). Lastly, BPO recorded particularly strong growth: Unilever, for example, renewed its trust by transferring to Capgemini its shared services centers for financial activities, situated in Latin America. BPO ranks high on the list of Group activities with improved profitability: "Outsourcing Services have posted 4.6% growth (at constant scope and exchange rates) due to the dynamism in every region, and in Germany and Benelux, in particular. The operating margin continues to progress, and has now reached 5.4%," Paul Spence explains.

In 2009, assets such as the creation of a global unit dubbed Global Infrastructure Management for the management and delivery of outsourcing projects worldwide, the continuing development of Rightshore®, and further synergies with the Technology Services teams are just a few of the signs pointing to the consolidation of this trend.

Sogeti: more agile than ever in responding to uncertainty

In financial year 2008, Sogeti achieved both the Group's strongest growth (+9.1%) and its best operating margin (12.9%). The Swedish and German geographic units, in particular, posted remarkable performance in terms of revenue

growth, and those of the Netherlands and the United States increased their profitability. The technology partnerships signed with IBM and Microsoft also generated a 25% rise in revenues in the areas concerned by these alliances. Lastly, the worldwide application testing [5] market continues to progress, and Sogeti's Testing offer is attracting so many new clients that the headcount in India assigned to this industrial activity now exceeds 1 000 employees. "These results emphasize the fact that the strategic decision taken in 2006, involving recourse to offshore for Sogeti, has borne fruit," points out Luc-François Salvador, its Chairman and CEO.

For 2009, Sogeti will continue to concentrate its efforts on four major areas: reinforcing its proximity to its clients; taking an active role in the Group Country Boards (multidisciplinary organizations that help with tendering for complex projects with key accounts); developing offshore production in order to respond to new client demands in terms of competitiveness; and supporting the unceasing quest for innovation, a domain spearheaded by Sogeti through its technological alliances. "Our priorities for 2009 are both to continue to support our clients better by delivering the quality of service which they are accustomed to obtaining from Sogeti, and to maintain Sogeti's sound position by protecting its profitability," concludes Luc-François Salvador. ■

Further information can be obtained from our website:
<http://www.capgemini.com/annual-report/2008>

Term or acronym explained in the Glossary
(Cover pp. 5-6)

Innovation in Outsourcing, a pledge of resilience

Gartner analysts are warning that companies will become increasingly more demanding on the cost aspects, both for existing and forthcoming contracts. They highlight the fact that service companies would operate better if they delivered standard outsourcing services, and relied on alternative production and acquisition models such as SaaS [1] software on demand or cloud computing [2].

Capgemini, having anticipated this trend, generated 35.3% of its outsourcing revenues in 2008 through large contracts, particularly in the public sector (United Kingdom and Netherlands). The Group innovated in 2008 with packaged offers for major micro-computer stock (Instincts 2.0 [3]) and for cloud computing (partnership with Amazon Web Services [4]).



Jazz in the soul

The Capgemini sectors

From major retail to the nuclear industry

Enterprises focus on optimizing their processes, particularly in periods of turmoil, so their service providers must demonstrate in-depth knowledge of their businesses. The Group's five sectors are a good example of how it operates in different fields.

In today's complex economic climate, Capgemini offers its clients industrialized service offerings on the basis of its Rightshore® [1] model by drawing on know-how acquired from its many projects carried out within its five main sectors of activity: the Public Sector, Energy, Utilities [2] & Chemicals, Financial Services, Manufacturing, Retail & Distribution, Telecommunications, Media & Entertainment.

The Public Sector: positions reinforced

Capgemini has strengthened its position in the Public Sector, which now contributes more than 26% of Group revenues. In a market that has been flourishing for several years due to the modernization programs conducted by administrations worldwide, the Group's performance is bolstering its resilience. Contracts signed in this sector are often high value and long term. *"In addition to the large number of projects arising from their own requirements, governments are now tempted to maintain and even increase their levels of expenditure in order to sustain activity,"* explains Stanislas Cozon, Group Director for the Public Sector.

In 2008, Capgemini consolidated its position in its traditional UK stronghold where clients hailed the Rightshore® model, which allows them to maintain control over the integrated offshore [3] resources deployed for their projects.

The Group has been offensive in continental Europe, with the acquisition of Getronics PinkRocade Business Application Services (BAS BV). *"The Benelux business has therefore seen significant organic growth of 11.6% across all disciplines and sectors",* declares Christine Hodgson, Group Director for TS Europe 1 (United Kingdom, Netherlands, Belgium). Capgemini has taken top position in the public sector market in the Netherlands. BAS BV, specializing in applications services, generates 40% of its turnover in this market and has excellent references with large administrations, local government and social security bodies. These clients, with whom the Dutch company has built close ties based on trust and proximity, form the basis of a solid portfolio

of long-term contracts. This reflects Capgemini's own approach to building long-term business relationships in its own markets, relationships that are indispensable in the public sector.

Major contracts have also been signed in France (Assistance publique-Hôpitaux de Paris), in Slovakia (e-administration), and in Italy with the Ministry of Immigration (continuation of the eBorders program [4] launched in the United Kingdom). Capgemini have also won in India a consulting project for the Home Office on border management, a sensitive topic in India. The Group won it notably because of its experience with eBorders in the UK. In the United States, the Group also won major contracts (tax authorities and defense projects) and is maintaining its efforts to develop in the US public sector, the world's largest.

Partnerships with SAP (tax management) and Microsoft (citizen service) and heightened emphasis on Rightshore® mean that Capgemini has strengthened its positions with administrations. Lastly, in the billion-dollar border control segment, the Group aims to sign contracts in Europe, the United States and the Asia-Pacific regions.

Energy, Utilities & Chemicals: securing an already strong global position

Capgemini's strong leadership in this sector has enabled its strong ties with major companies to be reinforced and new contracts to be signed (EDF and GDF-Suez in France, Hydro One in Canada, and more). Capgemini, now a reference in the market, has published many studies, including the *European Energy Markets Observatory (EEMO)* [5]; the tenth issue, published last autumn, received considerable media coverage and was appreciated by the sector protagonists.

In 2008, new geographic and sector fronts were opened, thus reinforcing the Group's presence. Of geographic note, significant new contracts have been signed with the nuclear (CGNPG) [6] and oil (CNPC) [7] industries in China and in Energy & Utilities in India. Of sector note, Capgemini has won several projects in the nuclear energy industry (EDF and CGNPG), which is of particular interest since

EDF Energy chooses Capgemini

A new information system has been developed for EDF Energy by Capgemini in the United Kingdom. The electricity company has therefore improved its customer relationships on the household and SME segments through a system based on German SAP's ERP [8] software in a CRM [9] module.

worldwide investment in this form of energy is being revitalized. Contracts signed in the oil sector require Outsourcing Services and offshore [E] leverage. For 2009, "We will not only continue to develop our offers of operational excellence throughout the sector, but also focus on smart networks and meters, nuclear energy and oilfield services with our Integrated Oil Fields Operations [E] offering. At the same time, we shall continue to pursue our growth in the emerging countries, and speed up the development of our Centers of Excellence," explains Colette Lewiner, Group Director for Energy, Utilities & Chemicals.

Financial Services: growth despite the market turmoil

"Our clients have sustained a tsunami in 2008. Our diversified portfolio across the Financial Services sector as well as our global footprint has allowed us to continue to expand in the large IT services market despite the current turmoil," points out Aiman Ezzat, Group Director for the Global Business Unit (GBU) Financial Services. Faced with this situation, Capgemini has been able to preserve

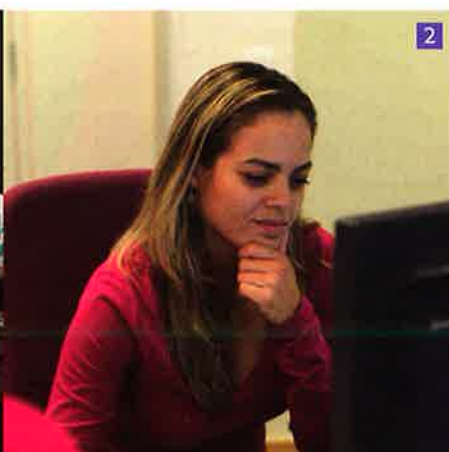
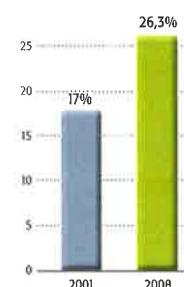
its positions in 2008 due to close ties with its key clients and to its ability to provide high-quality cost-effective solutions, adapted to a changing environment in areas such as risk management, cost transformation and payments.

The Group's capability of reacting efficiently to the fluctuations in this sector stems from the successful integration of the US company Kanbay in 2007, the Group's expertise in Financial Services and its wide range of services. These assets have enabled Capgemini to sign a contract with the French bank Société Générale, for supporting and upgrading its international retail banking information systems, based on a service center operating out of India. In 2009, the Financial Services GBU will continue to develop in the Asia-Pacific region (China, India) and in the Middle East.

Manufacturing, Retail & Distribution: industrialized as an asset

In the Manufacturing, Retail & Distribution (MRD) sector, clients' purchasing behavior has changed considerably; more than ever they now seek [...]

Public Sector share
of Group turnover 2001/2008



1 In the wake of the economic crisis, banks are having to review their distribution strategies in order to sustain growth. Capgemini provides support during this process. Here, HSBC managers are visiting the financial services entity in Pune (India).

2 Further to the signing of a new outsourcing contract, Capgemini has taken over two Unilever shared-services centers, which specialize in the management of financial activities, in Santiago (Chile) and (here) in Sao Paulo (Brazil).

3 Nathan Elvery, Director of Finances and Resources for the London Borough of Croydon (United Kingdom) and Bob Brecknell, from Capgemini, are discussing the process of upgrading IT systems for local government.

4 Capgemini's centers of expertise are made available to the Group's five sector entities. This photo was taken in Hyderabad.

Studies highlighting Capgemini's sector expertise

Capgemini specialists regularly publish studies that have become reference works in their respective sectors and help to establish the Group's image with businesses and institutions. In 2008, Capgemini published:

- *a second World Insurance Report, focussing on the opportunities open to insurance stakeholders due to the increasing volatility of its policyholders;*
- *its third Global CIO Survey, edited by Capgemini Consulting, relating to the discrepancy between the importance of IT in the organization and the influence of the CIO for innovation;*
- *the fifth World Retail Banking Report together with ING online banking and EFMA (European Financial Marketing Association) concerning the changes in distribution strategy required in banking;*
- *the seventh Vision & Reality survey, dedicated to the pharmaceutical industry and to the need for innovation in strategy;*
- *a study conducted with GCI [] on the supply chain of the future and the environmental stakes involved;*
- *the tenth edition of the European Energy Markets Observatory, covering investment in infrastructures and security of supply.*

IT solutions that produce savings and maximum flexibility for their organizations and processes.

Capgemini has been able to respond to the new demands in this market by proposing industrialized and differentiated offers. The dedicated retail and consumer goods solution Crescent [] is a case in point, since it generated several contracts recently in North America (for example, with American Greetings (a company specializing in cards and giftware)). Likewise, the Clinical Trials Platform [], based on developments made on behalf of a leading pharmaceutical laboratory, is gleaming success in the life sciences segment. Lastly, the Group has signed noteworthy contracts for the automotive industry in Germany, and the aerospace and defense fields in France.

In 2009, Capgemini needs to cater to the needs of its very large international clients, who have a worldwide presence and a major stake in the MRD sector, by adapting both its organization and its geographical coverage accordingly. The Group's readiness to take up this challenge is demonstrated, for example, by the extension of BPO [] activity to Latin America with the Unilever contract, and the new global sales organization that has a team assigned to major contracts. Lastly, the Group's determination to support its clients and help them find solutions, regardless of the economic climate, is shown by the development of appropriate concepts and methods: "We have developed a TechnoVision [] concept, tuned to the new economic conditions; and we have a point of view on the new delivery models for information systems," specifies Bernard Helden, Group Director for Manufacturing, Retail & Distribution.

He adds: "We can capitalize on a wide range of offers that include extensive consulting, which has already helped clients do precisely what is needed now: reduce their costs and preserve their cash flow while becoming more flexible and reactive."

Telecommunications, Media & Entertainment: moving ahead

Group Telecommunications, Media & Entertainment (TME) has seen its activity grow. "This is mainly to be credited to the successful deployment of Capgemini's Billing Excellence Program. Today, more than 100 clients around the world, including the German telco operator T-Mobile in the Netherlands and SFR in France, are using these invoicing systems," declares Greg Jacobsen, Group Director of Telecommunications, Media & Entertainment.

In 2008, TME also built upon the rationalization of its offering via the Rightshore® delivery model implemented with the help of specialist telecom centers in India, the United States and Europe. In this way the US operator FairPoint obtained back-up from 400 extra people called in to work on a vast contract for the transformation of its information systems, which was successfully delivered in 2008.

By drawing on innovative sector-specific solutions, such as the Communications Transformation Platform [] enabling industrialized re-use of solutions developed for other clients, TME therefore has valuable assets with which to face 2009. ■

 Further information can be obtained from our website: <http://www.capgemini.com/annual-report/2008>

 Term or acronym explained in the Glossary (Cover pp. 5-6)

The Public Sector: undeniable legitimacy in a sector with a bright future

The Public Sector produced 26.3% of Group revenues in 2008 compared with 17% in 2001, thereby making a remarkable contribution to the Group's resilience. Governments are producing a large number of ambitious, long-term modernization projects: dematerialized procedures, business process reorganization, e-democracy, and so forth.

For many years now, Capgemini has conducted major projects for the public sector, notably in the United Kingdom – seen as a veritable laboratory for the modernization of its local and central government administrations. The Group can rely on these previous successes, and its many references in continental Europe (Netherlands, Italy) and in the United States to substantiate its new outsourcing proposals with an offshore component through its Rightshore® delivery model and the industrialization of service offerings such as the e-borders [] contract for border control.



Fishermen



Mediterranean coast

Delivery model

Rightshore[®], a single model that has proven its capabilities

Designed to help master IT expenditure and to provide optimum service quality, the Rightshore[®] industrialized delivery model posted a strong upswing in growth in 2008. More than 500 clients have already adopted this unique offering.

The Capgemini Rightshore[®] delivery model optimizes the balance between the onshore [■], offshore [■] and nearshore [■] resources implemented. The project is therefore carried out consistently, by a single team drawing from global talent, the watchword being "Global Talent, One Team."

Backbone of the industrialization component of the I.cube [■] transformation program, Rightshore[®] use posted a sharp rise in growth in 2008. "Some 460 clients have now opted for this type of engagement. It guarantees, at all times, the best possible balance between onshore and offshore resources assigned to their projects, with a One Team approach," says Salil Parekh, Group Director for Asia-Pacific and TS Financial Services.

European No. 1 in offshore headcount

Capgemini's offshore headcount grew by 26.4% in 2008, now constituting 27.6% of the 91 621 strong workforce recorded at the end of the year that has helped to place the Group in the leading pack of the global IT services market and No. 1 in Europe in terms of employees in offshore locations.

Growth was posted in 2008 for all the countries concerned: India grew its headcount by 21%, Poland by 37%, and China by 6%. Latin America, in its first year, has almost 900 employees, and Morocco has doubled its workforce, now standing at 200.

A large number of clients, notably North American and European, have been won over by the benefits that the Rightshore[®] model can provide, and in particular by what the offshore centers in India have to offer. For example, 2 000 employees in Pune have been entrusted with almost 1 600 projects, some highly complex, for the London-headquartered bank HSBC, and 400 specialists have been mobilized in Bangalore for the full transformation of US telecom company FairPoint's end-to-end systems.

In other sectors, greetings card and giftware supplier American Greetings and, in the Public

Sector, the London Borough of Croydon in the United Kingdom, have also chosen Rightshore[®]-based services. Another example, from the health sector, is the Swedish group Mölnlycke Health Care, a leading manufacturer of single-use surgical and wound-care products, whose CIO, Stefan Fransson, says: "It's a combination of the right competences, the balance of onshore and offshore resources, as well as the cost savings that make Rightshore[®] such an attractive proposition."

In a survey of British companies utilizing offshore, conducted in 2008 by EquaTerra, Capgemini ranked third worldwide overall and first for customer satisfaction among Western companies.

A model suited to all business sectors

The Capgemini delivery model is attracting growing interest from all spheres of the economy. The Group has won contracts in the telecom sector with the German operator T-Mobile in the Netherlands and in the consumer goods field with the Anglo-Dutch giant Unilever (for BPO [■] services).

Regardless of the geographical entity, discipline or sector considered, Capgemini is constantly adjusting its employee locations to the demand. The Group Financial Services (with 65% of its employees offshore), Outsourcing Services (49%), and Technology Services in North America (53%) and north-western Europe (24%) business units posted the best penetration rates for the Rightshore[®] model, at end 2008.

"The role of our industry is to provide solutions that will become key to the client's business. In the long run, the difference will be price-based and will therefore hinge on the degree of industrialization achieved by Capgemini," explains Patrick Nicolet, Group Director of TS Europe 2 (Germany, Nordic Countries and Eastern Europe). The growth and ensuing resilience of a group such as Capgemini are underpinned firstly by a global vision and secondly by the spread of its headcount and skill sets. The Group's strong presence in India, where [■]



"The Indian employees are organized into One Team, with Group teams taking part in the full process from sale to delivery. With the same production processes, methods and tools all over the world, Capgemini has the capability to carry out uniform and consistent projects anywhere," states Baru Rao, Group Director for Capgemini India.

close to 350 000 English-speaking engineers are trained every year, is therefore particularly pertinent.

Within a few years, Capgemini has become attractive to young graduates, who are in great demand. The quality of the projects placed under their responsibility and the Group's concern to propose fulfilling career paths in a multicultural environment mean that Capgemini India now posts "average seniority of more than five years for experienced staff compared with just under two years for our Indian pure player competitors," highlights Salil Parekh.

Centers of Excellence, keystone of the Rightshore® model

The success of the Rightshore® model is essentially due to the quality and speed with which its industrial processes can be rolled out, notably within the Group's Centers of Excellence. These centers tap into pooled project experience, combining technical expertise with sector-specific competencies.

In 2008, several new centers were created, such as Crescent [C] (Capgemini Retail Solution Center) in Kolkata, which focuses on major problem areas in retail supply, and others dedicated to credit cards, payment systems for customers from the banking sector, smart meters for the energy sector, and customer management for the telecommunications industry.

The automotive and life sciences sectors also have their own specific Centers of Excellence. Some of these centers have a specific technical focus, such as the ERP packages from German solution provider SAP or US Oracle and application testing software implemented by Sogeti on its Mumbai site.

The creation of such a large number of these dedicated centers is clear proof of the Group's industrialization capability. The team in charge of the I.cube [I] program attaches importance

to providing the appropriate methodology and technical solutions for its employees in order to drive forward the industrialization process. "In 2008, we were able to draw on our Rightshore® project management experience, establish good practices, and detect the risk factors," according to Lan O'Connor, Group Director for the I.cube Transformation Program. "We've selected five accelerators, in particular, for IT delivery and for building new service offerings."

A massive training program has been organized for these tools, which are available to all Capgemini project managers, and some 3 000 people have followed courses to date.

Multidisciplinary, multinational teams

Rightshore® owes its success to its flexible sales approach: "One of the Capgemini strengths is to be able to submit to its clients sales proposals that offer the best spread of Group resources onshore and offshore. It is the one and only solution of its kind," explains Patrick Nicolet. Its most advanced stage, designated "One Team," is intended for clients who are looking for a high proportion of offshore resources for their projects.

From pre-sale to implementation, it involves multidisciplinary, multinational teams that share identical technical and commercial references. "This model grew rapidly in Capgemini North America in 2006, but quickly spread throughout our business units," recalls Salil Parekh.

As regards the relevancy of the Rightshore® model, several market analysis firms highlight Capgemini's good service delivery positioning and the priority given to industrialization and rollout of industrial processes throughout the Group. In the light of the current economic climate which is driving clients to cut costs, the Rightshore® delivery model should allow the Group to respond to the heavy demand.

In 2009, several factors should help the Rightshore®

2009 marketing campaign

Rightshore®, the trademark registered by Capgemini, corresponds to its globalized delivery model aiming to offer the best resources at the right price and in the best place. A full internal and external marketing campaign on this one-team approach, incorporating global competencies, was launched in the first half of 2009. It includes press and analyst relations, events and sales support.

Rightshore® key figures

- 460 clients
- 20–30% global savings on delivery of IT services
- Delivery models adapted to clients' needs, including the One Team approach, proposing a balanced distribution of multidisciplinary, multinational onshore [C] and offshore [I] teams
- Centers of Excellence pooling technology and sector knowledge, for the benefit of the clients in these sectors

American Greetings selects Crescent

The US creator, manufacturer and distributor of social expression products (cards, party goods, giftwrap, etc.), American Greetings, has chosen Capgemini to set up an ERP [C] project with SAP for Retail, from the German software house SAP.

American Greetings was seeking a solution not only to cut its costs but also to optimize its supply chain, so Capgemini's proposal to utilize Crescent (Capgemini Retail Solution Center [C], specialized in retail and based in Kolkata, India), was accepted. Crescent also implements Rapid Design and Visualization for accelerating applications development, which enables customers to view prototypes of their applications prior to producing the coding scheme.

delivery model consolidate its success. On the one hand, sectors where recourse to this model was fairly infrequent to date, such as the Public Sector and Utilities [1], are gradually moving in this direction. On the other hand, Rightshore® has made headway in countries such as France and Germany where offshore is not a longstanding tradition.

Lastly, organizational adjustments will simplify the use of this model even further. For example, in 2008 Capgemini North America tested the transfer of some commercial activities to India. Other Group business units will be taking similar steps in 2009.

Widespread use of the Capgemini Rightshore® model helps to bolster the Group's resilience. Its capacity to adjust to any economic climate by

offering its clients the best solutions at any given time has therefore increased. And Capgemini intends to make this model the global reference for service delivery. ■



Further information can be obtained from our website:
<http://www.capgemini.com/annual-report/2008>



Term or acronym explained in the Glossary
(Cover pp. 5-6)



1 The delivery center in Katowice, Poland, focuses on BPO [1], in particular.

2 Capgemini employees in Casablanca, Morocco, who combine a high level of training and close cultural ties with French-speaking clients.

3 The Group's first delivery center in South America, situated in Buenos Aires (Argentina), enables better service for Spanish-speaking customers.

4 An employee from Group Financial Services in Pune (India).

A new organization to serve our clients

Increasingly well-tailored services and a new organizational structure are fueling Capgemini's commercial dynamism, enabling major new references to be added to the portfolio.



Collaborative Business Experience

A precise and formal method of collaboration between the Capgemini and the client teams.

CIO Priorities in 2009

For the business disciplines

1. Reduce IT costs
2. Improve the quality of IT services
3. Consolidate IT production
4. Deliver projects that contribute to the company's growth
5. Improve IT governance
6. Improve relations between IT and business disciplines
7. Reduce risks linked to security
8. Carry out transformation processes
9. Link company IT plans and strategies
10. Improve IT processes

Source: Gartner EXP (January 2009).

"In periods of growth, businesses invest in information technology in order to develop their new services and products or to optimize the functioning of their sales force. But in periods of recession however, they tend to prioritize investment in the rationalization of their internal processes," explains Jeffrey Sampler, Fellow in Management of Strategy and Technology at Oxford University's Saïd Business School. To cater to these expectations, Capgemini is constantly innovating and adapting its services in order to support its clients in their transformation, as well as demonstrating its ability to optimize their costs and operational processes. In 2008, in order to promote these services shaped to meet the needs of each category of client, the group restructured its commercial organization.

With the 2007 launch of the I.cube [I] transformation program and its "Intimacy" strand, the Group set itself targets which include the rationalization and reorganization of its sales approach on a global scale. Now fully operational, this program aims initially to consolidate Capgemini's position vis-à-vis its traditional clients.

But it also targets the deployment of common strategies for all its disciplines, in order to win major new contracts that are vital for the Group's growth and the development of its image.

Solutions tailored to each broad category of client

"We need to enhance our understanding of the needs of our clients and their new priorities, exploit our excellent reputation and adapt our service proposals in line with what the market shows itself to be prepared to purchase today," underlined Paul Hermelin, the Group's CEO, at the Kick-off meeting (assembling the senior management at the beginning of each financial year) held in January 2009. With this in mind, a system for monitoring and analyzing clients' requirements has been put in place as part of I.cube, dubbed Karma (Key Account Relationship and Market Analysis). *"This program has enabled us to identify the list of accounts that offer the best potential for growth. We have ranked them in four categories, according to their strategic dimension and the longevity of their relations with*

the Group. Each gives rise to specific plans and we adapt our commercial resources and services accordingly," explains Lan O'Connor, Group Director for the I.cube Transformation Program. Olivier Picard, Group Director for Sales & Alliances, continues: *"We have also defined three broad categories of projects, each representing roughly one-third of Capgemini's revenues and generating a specific commercial approach."*

At the same time, and still with a view to forging stronger client relations, the Group's global and multidisciplinary commercial management is being organized so as to provide effective and constant support to the sales teams in each country. *"This reorganization is necessary in order to facilitate our adaptation to our clients' new behavioral modes and new priorities, especially in the current economic climate,"* adds Olivier Picard.

The Country Boards, guarantors of a concerted response

The Country Boards are significantly strengthening Capgemini's proximity to its clients. Chaired by a member of the GEC (Group Executive Committee), these committees bring together the directors of each discipline for the country concerned, unifying the sales efforts by promoting all the Group's disciplines together with its Rightshore® [I] model.

In 2008, the five Country Boards (Germany, the United States, France, the Netherlands and the United Kingdom) saw their role become firmly established, particularly among the Group's traditional clients.

The remit of the Country Boards – now numbering seven since the creation of those in China and Sweden in early 2009 – also includes strengthening the synergy between Capgemini's disciplines when they work together with a client. Each of these committees is responsible in particular for five to ten leading major accounts, the CMAs (Country Managed Accounts).

Improved operational efficiency, for the benefit of all clients

For each CMA, a GCE (Group Client Executive) is responsible, on the ground and, in coordination



Coca-Cola Enterprises has signed a BPO contract with Capgemini (see insert below).

with the Country Board concerned, for representing the Group and establishing the commercial strategy. They benefit from the remote support of a team of experts (sales, marketing, sectors, disciplines) known as a "Virtual Team," which provides practical support for their activities, most notably by promoting to the client the Group's most suitable strategic analyses and services.

Winning over new clients is also dependent on the ability of the sales teams to propose cross-disciplinary services that illustrate the comprehensive nature of the Group's expertise. For example, the joint involvement of representatives of the general management and of the Outsourcing discipline with the management of Coca-Cola Enterprises led to the securing of an important contract (see insert). In the telecommunications sector, the German operator T-Mobile chose Capgemini's Billing Excellence Program for its Dutch subsidiary, which consists in migrating its invoicing solution to a new platform deployed by teams based in the Netherlands, in France and at a skills center in India. Nonetheless, Capgemini's new sales organization is not solely reserved for the major accounts, since it also aims to facilitate the work of the sales forces on mid-tier contracts (those valued at about €500 000).

The Group's commercial management is developing knowledge-sharing tools for the benefit of the GSOs (Global Sales Officers) responsible for these types of project, and provides them with specific

resources for the various commercial phases. The more modest contracts, valued at under €100 000, are also the most numerous. In 2009, their overall volume is likely to represent one-third of the Group's revenues. While the local organizations remain in charge of supporting the sales teams, the Group's commercial management provides the teams with additional resources, such as an Intranet portal with market data that might help seal the contracts, together with a hotline.

Technology partners of choice

The commercial management also coordinates the Group's policy in relation to alliances and the management of relations with the Group's five strategic partners, namely HP, IBM, Microsoft, Oracle and SAP, as well as with its other technology partners. Analysts have underlined the sound basis of this strategy in supporting the solidity and image of the Group. They also say that it is necessary to favor the emergence of service offers focussed on clients' immediate needs and to reinforce marketing or sales in order to consolidate the Group's reputation and build on its success. ■

 Further information can be obtained from our website: <http://www.capgemini.com/annual-report/2008>

 Term or acronym explained in the Glossary (Cover pp. 5-6)

Capgemini gains the trust of Coca-Cola Enterprises

Coca-Cola Enterprises (CCE) is the world's largest producer and distributor of Coca-Cola products, with one-fifth of the sales of the famous beverage and annual revenues of €15.8 billion. CCE was looking to outsource its business processes (BPO), most notably its client and partner relation systems, and in 2008, Capgemini was chosen to support it in this transformation. The Group's international and multicultural approach proved a decisive factor in CCE's choice.

During visits organized to sites in Poland, Guatemala and India, CCE's directors were able to verify that the Rightshore® production model corresponded correctly to their requirements not only in terms of cost control, but also in terms of managing the risks relating to the transfer of the management operations such as orders, purchases, payments and the preparation of balance sheets. CCE signed a contract worth a total of €103 million, first for North America and then for Europe.

Capgemini partners HSBC and Unilever

The London-headquartered bank HSBC, a client of Capgemini for 17 years demonstrated, in 2008, its ever-increasing faith in the Group with the signing of a major contract extension. Meanwhile, the Anglo-Dutch consumer goods giant Unilever extended to South America the relations entered into with Capgemini in Asia. The Group also agreed a seven-year contract for the supply to Unilever of BPO [] services in the financial field.

CIO Priorities in 2009

For the technologies

1. Business intelligence
2. Business applications (ERP [], CRM [], etc.)
3. Servers and storage (virtualization)
4. Modernization of the legacy [] applications
5. Collaborative technologies
6. Networks, voice and data communications
7. Infrastructure
8. Security
9. Service-oriented applications (SOA) [] and architecture
10. Document management

Source: Gartner EXP (January 2009).



Ferry to the islands

Innovation leverages sustainability for the Group and its clients

2008 marked Capgemini's ongoing innovation policy, placing the emphasis on its TechnoVision framework, the quality of its technology partnerships and the added value of its industrialization processes.

The capacity to innovate characterizes a market leader and enhances its growth prospects. In times of crisis, it allows such leader to propose appropriate solutions to its clients, based on its perfect mastery of technologies and business processes and on the relevance of its strategy and transformation consulting. Since its creation in 1967, Capgemini has always fostered a strong culture of innovation while maintaining its technological independence. This culture has led to repeated reinvention of its processes, the ways in which its various business disciplines have been run and has projected the image of a company with its sights set on the future, capable of identifying opportunities for growth for its clients. In this way, Capgemini has developed true expertise for helping its clients with the redesigning of their processes, their quest for productivity or the transformation of their organizations. This role is all the more important in that *"information technologies are both the starting point and the engine that drives so many of the innovations affecting the businesses of our clients,"* stresses Paul Hermelin, Group CEO.

Transforming creativity into solutions

Innovating constantly in a Group such as Capgemini, with a headcount of close to 92 000, constitutes a real challenge. *"Above all, we must never lose sight of the creativity that has historically been our trademark. Yet we need to channel this creativity and facilitate its conversion into operational proposals for our clients, and into growth and profitability for our business lines,"* explains Lanny Cohen, Group Director for TS North America. It is especially with this imperative in mind that the Group launched, in 2007, the I.cube [I] transformation program, in which innovation is one of the three pillars.

Lan O'Connor, Group Director for the I.cube Transformation Program, describes the organization put in place to deploy this program as a *"three-level pyramid,"* with each level influenced by innovation. The first level concerns the industrialization of delivery and pricing efficiency. *"We are able to innovate thanks in particular to our Rightshore® [I] delivery model, which helps us to optimize the cost of services."* The second level relates to productivity, delivery times and the quality of the service

produced by an individual or team. To this end, Capgemini selects the tools and methods utilized for project design, presales and development. Lastly, the third level relates to the creation of new service offerings based on: *"linking up technical skills and business know-how with the processes of our clients,"* in the words of Lan O'Connor. The CTP [I] platform developed for telecom providers is a shining example of this aspect.

Helping the client target the most appropriate innovations

The TechnoVision 2012 [I] framework, which Capgemini started to develop in October 2007 and has since updated, complements this organization in two specific ways. First, it provides Group clients with a panorama of technological innovations, based on a taxonomy defining seven clusters, and analyzes their impact on businesses. TechnoVision then establishes a link between these innovations and clients' evolving business lines, whether this relates specifically to a given sector or to a wider field.

During the current crisis, with companies focussing on cost reduction and proving generally disinclined to take chances with innovative projects, a framework such as this comes into its own to help these companies target the most useful innovation initiatives for underpinning their resilience and preparing them for the economic upturn. With this in mind, Capgemini has enhanced the TechnoVision document (*TechnoVision in a Downturn*) with responses to issues that currently preoccupy companies: cost reduction, standardizing production on a global scale, building customer loyalty, and so on.

More over, its in-depth, objective knowledge of the technologies and their developments enables the Group to detect which innovations are relevant for its clients and their activities. This capacity for analysis is sustained by its many technological partnerships such as that with the Texan Surgient (specializing in virtualization), with the US company Blueprint (for applications for financial analysts.) in addition to its strategic alliances with the biggest players in the IT industry (Cisco, HP, IBM, Microsoft, Oracle, SAP and Sun). In 2008, the Group had the satisfaction [I]

TechnoVision innovation framework

Capgemini's TechnoVision proposes a classification of technological innovations into seven clusters and analyzes the potential consequences for Group clients' business lines. This framework has developed over time. In autumn 2008, an updated version of TechnoVision in a Downturn was published, providing a new vision of how innovation can respond to the new opportunities and constraints arising from the crisis. Capgemini plays a pivotal role between its clients and the hardware manufacturers and software firms.

of winning an SAP Pinnacle Award, awarded by the German enterprise software company to its best-performing integrator partners as a reward for technological excellence. Capgemini has also signed several key technology agreements. With Amazon Web Services [15], for example, it has signed an agreement to propose outsourcing services and set up a Center of Excellence around cloud computing [15]. Other agreements have been signed with IBM, built around Capgemini's IAF (Integrated Architecture Framework) concept, and with Microsoft for the creation of a Microsoft Office SharePoint Server [15] in India.

Ever more innovative solutions and offerings

The Group's capacity for innovation enables new generic or sector-specific service offerings to be regularly released to the market. In 2008, for instance, Capgemini announced Instincts 2.0 [15], a new version of its PC-pool management solution, extending its coverage to the PC procurement and customization phases. The UK water company Welsh Water has already adopted this system. In the field of applications outsourcing, the Business Aware Application Outsourcing offering ensures that applications are adapted according to changes affecting the size or activity of clients, using, for example, the SaaS (Software as a Service) [15] model for ERP [15] software. In the finance sector, the Group has put in place its Business Process Outsourcing offering, designated RDM (Reference Data Management) [15], for handling the secure management of back office data linked to the financial markets.

The TechnoVision framework, the alliances and technological partnerships, and the new offerings draw upon an appropriate delivery mechanism: "For Capgemini, innovation consists in proposing solutions for producing and operating differently, delivering more quickly, and at lower cost and risk, in particular thanks to Rightshore®," declares Lanny Cohen. Many clients have already shown their faith in the strategy by signing contracts that integrate the Rightshore® factor. In 2008 for example, the Canadian electricity company Hydro

One signed a deal for rolling out a new generation of smart meters and networks, while the Dutch distribution group Maxeda opted for the transfer of its entire IT service management.

In addition, the efficiency of the Rightshore® model is based on Centers of Excellence such as Crescent [15] or CTP [15]. These centers focus on Capgemini's rapid skills-pooling efforts around a technology or a business process, and testify to its objectives of developing permanent innovation at the service of the client.

According to american analyst firm Gartner, as long as there is technology innovation, there will be service opportunity, and process improvement will always be in demand. The trick is to understand how demand will manifest itself and be there waiting. Moreover, Gartner market share data indicates that the service companies that survived and thrived during the dot.com bust were those that made their own opportunities. To make a new market, providers must have a clear and well-articulated understanding of market needs and new initiatives to reach and serve clients.

"For us and for our clients alike, innovation serves as a major asset for resilience in this current economic environment," concludes François Hucher, Group Director for Technical and Support Services. ■

Proactive innovation for exchanging clinical data

In the pharmaceutical industry, clinical trials constitute a critical and indispensable stage prior to marketing authorization being issued. This industry is subject to heavy regulation, and the US Federal Drug Administration has defined a data exchange protocol; compliance with this protocol will become compulsory for laboratories transmitting clinical trial data in the long term. Designated HIPAA (Health Insurance Portability and Accountability Act), it was first implemented by Capgemini working in partnership with a large pharmaceutical company. The platform they developed and validated will serve as a basis for an offering open to all the market protagonists.



Further information can be obtained from our website: <http://www.capgemini.com/annual-report/2008>



Term or acronym explained in the Glossary (Cover pp. 5-6)

Innovation at the heart of the Capgemini 22nd Rencontres

The innovation area, organized at the Group's 22nd Rencontres at Les Fontaines in Gouvieux near Paris, in 2008, gave the 450 Capgemini delegates the opportunity to discover 30 flagship project classified into three categories: emerging, progressing, existing. The first case covered projects such as the smart meter contract performed for Canadian electricity supplier Hydro One. The second highlights projects developed for American Greetings and FairPoint. And, lastly, eBorders [15], for strengthening border control, and similar projects illustrated the third category.

These 30 projects, from all Group sectors and subsidiaries, generated aggregate revenues for 2008 of €500 million.



Game of boules

A global group with a wealth of employee diversity

Strongly involved in accelerating Capgemini's transformation process, the Human Resources teams aim primarily to make employees more involved in their own personal development through training and to allow them to become more accountable, by developing a strong attachment to the principles of Corporate Social Responsibility.

“We have to focus and put all our efforts into employee matters in order to build a team of almost 92 000 ambassadors who are prepared to fight for the Group and be proud to demonstrate its strength,” said Paul Hermelin, Group CEO at the traditional annual Kick-off assembling the senior management, held in January 2009. The people working in Capgemini's 35 countries and five continents are, as for all service companies, the Group's major asset. *“All our teams must be mobilized if we are to meet our objectives in compliance with Capgemini's values [1],”* adds Alain Donzeaud, Group General Secretary.

The conditions for the Group to transform

For long-term development, Capgemini is aware of the need to accelerate the transformation and internationalization process to tailor its offerings to its clients' requirements and to an increasingly globalized economy. The Group has therefore moved on from an essentially local approach with client support to implementation of both local and global projects with these customers.

This radical change arises from two principal sources: the ambitious I.cube [1] transformation program, now up and running for three years, and the Group's principles and values. I.cube is currently in the operational phase, with new delivery models being rolled out. New organization tools have been established, so the HR teams are now responsible for their implementation together with the managers. *“We have decided to step up the industrialization and globalization of our processes,”* highlights Jeremy Roffe-Vidal, new Group Director of Human Resources.

Human Resources therefore put into practice right from the start the transformation required by the I.cube program:

- by rolling out a plan to adapt and develop the manager and employee skills pyramids [1], in line with the Group's new operational models;
- by fully overhauling the Capgemini University programs and general training curricula, using specifically targeted programs to prepare employees to invest in the new ways of working.

The University has therefore continued to grow and organize Business Priority Weeks [1] and University Weeks [1]; in 2008, 2 113 employees were involved in and trained for the changes generated by the I.cube transformation program.

The founding principles that have driven and continue to drive the Group's strengths also guarantee its sustainability today. Diversity is one of these principles, allowing employees to work in a multicultural, international environment while remaining strongly attached to their own countries. This principle has its downsides and its upsides: it may be difficult to apply but it does provide a wealth of advantages both to the employees and to the Group and its clients.

Capgemini is, first and foremost, underpinned by its values, those very values set forth by Serge Kampf, Chairman and Founder of the Group, at its formation. These have remained firm and are promoted by the HR teams and managers through Group internal communication, training, local management and individual behavior. They are essential points of reference for the Group, especially in a climate of deep change. The Human Resources culture and practices built up by Capgemini are unique in comparison with those of other companies. *“We cannot succeed in this Group if we are not in the field, close to our employees on a daily basis, and if we don't understand how it operates,”* urges Alain Donzeaud, who goes on to say: *“It is important to remain close to our teams while the management gives the appropriate stimulus.”*

Capgemini has built its HR policy on a long-term basis, along three main lines: skills model, performance assessment and personal development plan. These basic principles are constant, and they determine how the global organization of the Group is structured.

In 2008, the HR teams focussed on four essential areas for Capgemini, and performance benefited as a result:

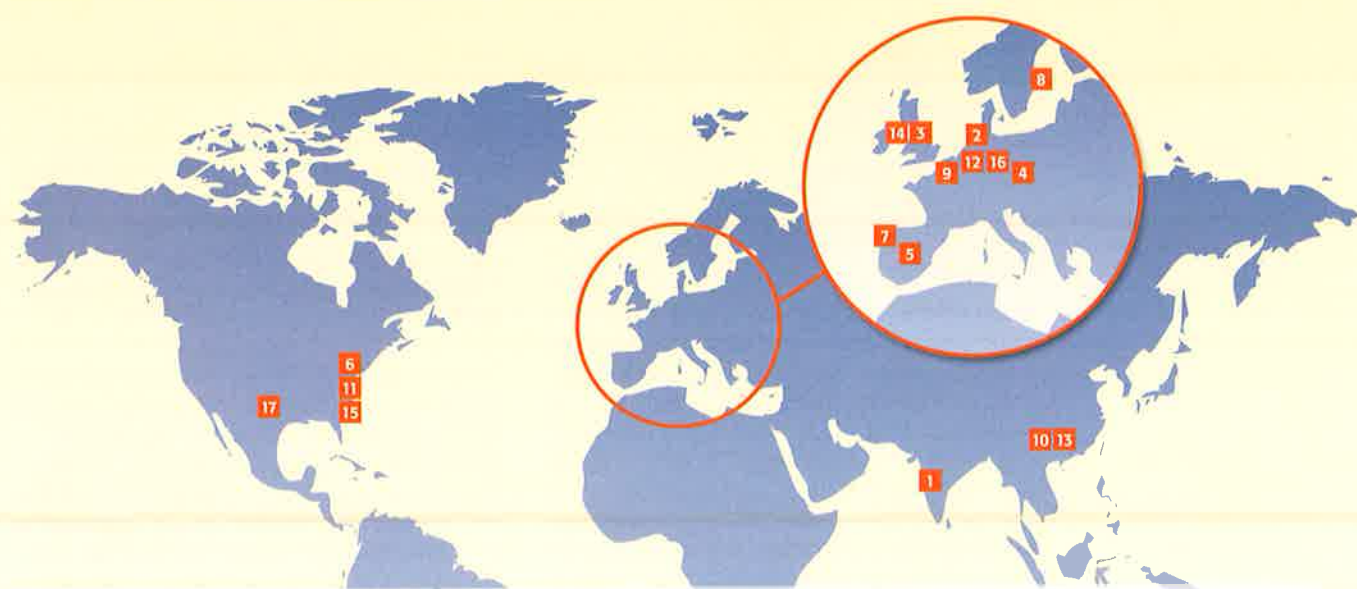
- recruitment;
- Capgemini University;
- skills management;
- Corporate Social Responsibility (CSR) [1]. [...]



Shared values

The seven fundamental Group values with comments, posted up for Capgemini's new Brazilian recruits in Sao Paulo.

Selected awards received by Capgemini in 2008



1//

Capgemini India won the prestigious **Continuous Innovation in HR Strategy at Work** award at the Employer Branding Awards function, held under the aegis of the Asia-Pacific Human Resources Management Congress.

2//

Capgemini NL was named No. 1 **Employer of Choice** for IT professionals.

3//

Capgemini UK was listed in *The Times* **Top 50 Places Where Women Want to Work** for the third year running.

4//

Capgemini Poland was voted second place in the students' elections for **The Best Employer in Poland 2007**.

5//

Capgemini Spain was awarded the **Alcobendas Council's** prize for fostering equal opportunities and work-life balance.

6//

The Executive Council of New York Ten Award honored **Lanny Cohen**, Group Director of TS North America, with the **2008 Judges' Choice Award** for CEO and Business Innovation.

7//

The **Executive HR Director** for Portugal was recognized as **HR Manager of the Year** by the RH Magazine.

8//

Sogeti Sweden, our Swedish mobility expert, won both the Microsoft Global Award for the **Most Valuable Professional of the Year**, and the Swedish business paper *Veckans Affärer* **Consultant of the Year** award.

9//

Capgemini Consultants in Belgium won **ECM Champion Awards** from Open Text.

10//

Capgemini won the **2008 China Corporate Citizenship Award** for special contributions for relief after the earthquake of 12 May 2008.

11//

Energy Future Holdings (ex TXU) awarded its **2008 Gold Star Award** to **Capgemini** for "its commitment to supplier diversity" and for the development and utilization of businesses owned by minorities and women.

12//

Capgemini sd&m founded a **Professorship for Global Software Engineering** at the Technical University of Munich.

13//

The China Outsourcing Development and International Cooperation Forum (CODC) awarded **Capgemini China** the prize for **Best Business Practices** in China's Service Outsourcing Industry.

14//

Capgemini UK won the **Public Sector Outsourcing Project of the Year** for its work with the Welsh Assembly Government on the IT system that handles EU payments to farmers.

15//

Capgemini North America was recognized as a **Leading Technology and Consulting Company** by a number of industry organizations, including the publications CRM, InformationWeek and VARBusiness.

16//

Capgemini Consulting was awarded the **Best IT Key Supplier** by Daimler AG and **Aktiv gesteuerter IT-Partner** by BMW AG.

17//

Capgemini North America was **North Texas Commission Mentor/Entrepreneur Outstanding Match Award Recipient (Multi-Year)** for its commitment to supplier diversity.

Human capital: key figures in 2008

- 91 621 employees at 31 December
- 22 500 new recruits
- 17% voluntary departures
- 35 average employee age
- 25% women, 75% men

Recruitment has been very active for the Capgemini Group in recent years, particularly in 2008 with 22 500 new employees. India, accounting for one-third of these recruitments, has been a brisk market once again. Its 20 554 employees at the close of 2008 have hoisted India into second place, after France, in terms of Capgemini headcount. The Group has also focussed on recruitment in Poland, Morocco and Argentina. This approach is in line with the Group's target of 40 000 employees offshore [1] early next decade to sustain the development of its global delivery model.

University campuses in favor of Capgemini

Furthermore, in 2008, Capgemini expanded its presence in the best school and university campuses. In fact, *"the Group has never had any difficulty recruiting insofar as it doesn't 'recruit' in the true sense of the word, but is chosen by employees. They know what is in store in terms of the benefits and disadvantages when joining a group that has a strong management culture but where they find freedom, independence and responsibilities to counterbalance this,"* explains Alain Donzeaud.

In India, these successful recruitment processes are underpinned by these strong structural points for the Group since many Indians prefer Capgemini to Indian groups, according to the results of a recent survey. In 2008, these qualities, also recognized in other markets, placed Capgemini in the leading pack in several honors lists. In North America, *Business Week* ranked Capgemini among the *"Best Companies in which to Launch a Career after College"*. The Group was voted second Best Employer by students in Poland and received the Continuous Innovation in HR Strategy at Work award in India.

"In fact, the issue is how to attract employees who give their full potential and value in relation to our system. A committed candidate is always

the best communicator, and recruiter for the Group," concludes Jeremy Roffe-Vidal, for whom *"the Group's resilience stems from Capgemini's capacity to remain an attractive employer."*

The cornerstone of Group Human Resources is Capgemini University, recording a significant rise in attendance (8 700 days of training delivered in 2007 compared with 13 500 in 2008, i.e., an increase of 55%, mainly due to the development of e-learning). Satisfaction levels are high, registering 4.34 out of 5 for participants as a whole. Moreover, Capgemini University has expanded to the United States (Dallas), after India (Hyderabad) in 2007, thus gaining in effectiveness. A total of 60 000 people have attended courses, either in-class or via remote learning.

Capgemini University has also been approved for the Corporate Learning Improvement Process (CLIP) within the European Foundation for Management Development (EFMD). As such, for the last five years, it has been one of the 15 European Corporate Universities registered by this organization. For Gordon Shenton, who leads the EFMD Evaluation Committee, *"Capgemini University demonstrates a good balance between areas of excellence, strengths and avenues for improvement. The Assessment Committee was very impressed not only by the importance of the university within the Group but also by the quality of its facilities, organization, resources available, and the courses provided there. It is evident that Capgemini University plays a leading role inside the company."*

Over and above the University's development, however, the full corporate educational sphere is being constantly analyzed and re-shaped around the employee's personal development and career path. The diagnosis phase involves a certain amount of rethinking, including a truly global curriculum [1] – MyLearning – that groups together all the Capgemini e-learning programs (105 000 logins registered for the year).

International Work Committee (IWC)

As the Group transforms, employee representative bodies acquire greater strength. The IWC plays an increasingly decisive role in this area and ensures the communication flows between members in concordance with Capgemini ethos. "Given the Group's ongoing change patterns, our role consists in making employees' opinions heard by expressing their diverse points of view. Our body represents 18 countries spread over three continents, and provides extremely fertile terrain for innovative, rich and fulfilling debates between the management and ourselves," specifies Brigitte de Château-Thierry, Group IWC Secretary.

Global Employee Survey

This year's Global Employee Survey, which measures levels of employee satisfaction and expectations was conducted on a worldwide basis. 98% company employees received the questionnaire at the same time, with an overall participation rate of 60%, and 77% for the 1 200 VPs responding.

Two conclusions were drawn:

- (1) Capgemini employees are strongly dedicated to their clients;*
- (2) They enjoy their work and understand how they can help to make their company progress.*

The survey, conducted by US firm Kenexa, is based on four key indicators: pride, satisfaction, ambassadoring and commitment. Since Kenexa also managed the Global Employee Survey in 2007, the principal trends can therefore be drawn from one year to the next, thus generating benchmarks to compare Capgemini with other large groups.



More than 130 Capgemini North America employees attended the first University Week [1], held in Dallas (Texas), in July 2008.

Changing in depth how the employee relates to the company

Employee training constitutes a major Human Resources project for the future. The purpose is to modify employee interaction with the Company by encouraging them to play an active role in building their own career paths. The curricula available are frequently renewed, not only due to the globalization process but also to heightened employee demands, arising principally from the new developments in our business lines. *"A training program that is worth its salt must provide a combination of residential [1] programs, e-learning and self-training,"* underlines Alain Donzeaud. Capgemini is concentrating its endeavors on improving its approach to HR and the educational vision of its university learning.

CSR [2] was another flagship project in 2008. Capgemini is probably one of the groups that best fulfils the specifications for a concrete, visible and global CSR policy (Green IT [3], Computer Lifecycle Management [4], etc.). *The Other Face of Capgemini*, a brochure published in 2008, presents a comprehensive overview of its CSR actions. Moreover, Les Fontaines, Capgemini University's headquarters, received European Ecolabel approval in April 2008.

Four major projects planned for 2009:

- Group transformation: this involves completing the skills pyramids, constantly adapting them to the new organizational model, improving competencies management, implementing a balanced recruitment policy in line with Group objectives, and helping gender equality, cultural diversity and the recruitment of top graduates to progress.
- Follow-up for 1 200 Vice-Presidents: to develop the Executive Education School [5] – a Capgemini University School entirely devoted to senior executive education – will become a top priority.

This plan is rounded off with a talent review process, providing full visibility of this community so that measures for the development and optimization of succession planning [6] can be planned.

- Intensifying the training process: to consolidate the worldwide system, based on Capgemini University and e-learning, and to propose curricula that respond to the needs of our four disciplines are the current challenges.
- Human Resources transformation: core to this process, the Human Resources teams are focussing on their core activity – the personal development of Capgemini employees – by stepping up, wherever possible, the use of shared services for administrative and other functions.

"This century must wager on intelligence," concludes Alain Donzeaud. Capgemini and its Human Resources teams have placed the spotlight on the motivation of each and every employee and the overall resources provided to them with the aim of accelerating the Group's transformation. ■

The Capgemini HR community

This community comprises two distinct employee profiles:

- HR specialists who are recruited within the company or externally;
- managers or employees with practical experience, for whom the HR function provides both a logical development of their management career paths and stimulating personal development prospects.

These two profiles make the Capgemini Human Resources community a standalone model in this world of global groups, embracing diversity yet fully integrated into the company.

"Capgemini offers unique opportunities to mix with different personalities and cultures. The diversity present at meetings means that our jobs abound in human experience," says Scott McMillan, Group Director of Human Resources for North America.



Further information can be obtained from our website: <http://www.capgemini.com/annual-report/2008>



Term or acronym explained in the Glossary (Cover pp. 5-6)

Capgemini: a brand built on asserting its difference

The Capgemini brand reflects the characteristics of a global, multicultural Group. A selective investment policy combined with an off-beat style have founded a solid basis for longstanding communication.

A specific identity serves Consulting Services

Operational since 1 January 2009, the new umbrella organization Capgemini Consulting incorporates all the Group's consultants worldwide. "The ambition underlying this new identity is to highlight that Capgemini is not only one of the world's leaders in IT services, but also a major player in transformation consulting," stresses Philippe Grangeon Group Director for Marketing and Communication.

The Capgemini brand, one of its major strategic assets, is first and foremost synonymous with a great entrepreneurial adventure. "The Capgemini brand is acknowledged as embodying both the values of the Group and its particular characteristics, encouraging a strong sense of loyalty," explains Olivier Sevillia, Group Director for TS Europe 3 comprising France, Southern Europe and Latin America. Reflecting the Group's practically uninterrupted series of business successes since it was founded in 1967, the brand has developed hand in hand with the Group. Although its reputation is already assured in its historic markets in Western Europe, it still has to build brand recognition in countries such as the United States and India.

A multicultural approach

With this aim in mind, Capgemini opted in 2007 for a new campaign, characterized by a style that sets it apart from the rest. Launched in 2008, the second wave of this campaign focuses on three main objectives:

- messages centering on what Capgemini can offer its clients and on its unique way of working with them: the CBE [E];
- a very different type of creative message, through the use of comic strips, enhanced in 2008 with a truly multicultural approach, adopting a specific graphic style for each region;
- a particular emphasis on the Internet as a medium, including the use of interactive banners for shared content and the launch of new functionalities on the Group website.

Visible in airports, in the press and on the Web, this campaign has been the subject of an innovative and efficient buzz [E]. In India, where Capgemini was largely unknown in 2004, the Group has continued to invest successfully in its brand image to support recruitment drives and the development of the local market. "This latest campaign has

generated a great deal of interest and debate, and has stood out from the rest while promoting Capgemini values," says Philippe Grangeon, by way of analysis.

Three objectives for 2009

"In periods of crisis, the market tends to turn towards the best-known brands," stated Group CEO Paul Hermelin in the French business daily *La Tribune* on 17 November 2008.

The brand image is therefore a capital asset that needs to be maintained. Its three objectives are:

- remaining in the forefront of clients' and prospective clients' minds
- boosting the confidence of the market and of its in-house teams
- making sure it is well prepared for when growth picks up again.

Nonetheless, budgetary decisions in times of economic crisis will often force a company to choose between promulgating its brand image and concentrating on commercial initiatives with more immediate gains. "Capgemini is one of the few brands in its sector to invest regularly in publicity. In 2009, we shall continue to work on building a global brand image that will, in turn, underpin our commercial expansion better so that we come out of this crisis as winners," concludes Philippe Grangeon. ■

Further information can be obtained from our website: <http://www.capgemini.com/annual-report/2008>

Term or acronym explained in the Glossary (Cover pp. 5-6)

2008 campaign statistics

- Six countries involved (France, Germany, the United States, India, the Netherlands, the United Kingdom)
- 300 billboards in airports and 250 press advertisements
- 300 million banners seen on the Web
- Almost 600 000 videos seen as part of the buzz operation.



In 2008, Capgemini regional campaign posters were designed by three different artists: Sahebrao Hare for India, Ted Benoit for Europe, and Neal Adams for North America – another illustration of the Group's cultural diversity.



Andre Nuymonaz

Fishermen's catch



The olive grove

Where to reach Capgemini worldwide

Capgemini

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Grenoble +33 (0) 4 76 59 63 00

Capgemini University

Les Fontaines +33 (0) 3 44 62 91 00
Route de Chantilly
60270 Gouvieux
France

Strategic Business Units

North America
Bloomfield (NJ) +1 973 337 2700

North West Europe (UK and Benelux)
London +44 (0) 20 7734 5700

Nordic Countries and Central Europe
Zurich +41 (0) 44 560 2400

South Europe and Latin America
(France, Iberia, Italy, Latin America and Morocco)
Paris +33 1 (0) 49 67 30 00

Financial Services, Asia and India
Mumbai +91 22 6755 7000

Outsourcing Services
London +44 (0) 1483 764 764

Sogeti
Paris +33 (0) 1 58 44 55 66

Consulting Services
London +44 (0) 20 7734 5700

Global Sectors

Energy, Utilities & Chemicals
Paris +33 1 (0) 49 67 30 00

Manufacturing, Retail & Distribution
Utrecht +31 (0) 30 689 60 76
Automotive +31 (0) 30 689 60 76
Life Sciences (Europe) +33 (0) 1 49 67 30 00

Financial Services
Woking +44 (0) 14 8376 4764

Public Sector
Paris +33 (0) 1 47 54 52 00

Telecommunications, Media & Entertainment
Dallas +1 (972) 556 7000

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Career opportunities

<http://www.capgemini.com/careers/>

North and South America

Canada (+1)

Montreal	514 989 4100
Pickering – OS	905 837 4500
Toronto	416 365 4400
Toronto – ASE	416 365 4516
Toronto – OS	416 207 6800

United States (+1)

Atlanta (Georgia)	404 806 4200
Bloomfield (New Jersey)	973 337 2700
Burbank (California)	818 736 8000
Chicago (Illinois)	312 395 5000
Chicago (Illinois) – ASE	312 395 5800
Cleveland (Ohio)	216 373 4500
Cupertino (California)	408 850 5500
Dallas (Texas)	972 556 7000
Detroit (Michigan)	313 887 0100
Detroit Riverside (Michigan)	248 233 3101
Freehold (New Jersey)	732 358 8900
Herndon (Virginia)	703 673 9100
Houston (Texas)	281 220 5000
Jersey City (New Jersey)	201 633 7000
Junction City (Kansas) – OS	785 784 0805
Lee's Summit (Missouri)	248 233 3101
Marlborough (Massachusetts)	508 573 1952
New York (New York)	212 314 8000
New York Harborside (NY) – ASE	201 633 1200
Philadelphia (Pennsylvania)	212 314 8000
Phoenix (Arizona)	602 333 3000
Rosemont (Illinois) – FS	847 384 6100
Southfield (Michigan)	313 887 1400
Washington D.C. – ASE	703 673 2870

Mexico (+52)

Mexico City	55 85 03 24 00
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Argentina (+54)

Buenos Aires	11 4735 8000
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Brazil (+55)

Sao Paulo (Agua Branca)	11 3757 8664
Sao Paulo (Brooklim)	11 3525 0100

Chile (+56)

Santiago	2 680 84 08
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Guatemala (+502)

Guatemala City	2223 0000
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Northern Europe

Belgium (+32)

Diegem	(0) 2 708 11 11
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Denmark (+45)

Århus	70 11 22 00
Gentofte	70 11 22 00
Odense	70 11 22 00

Finland (+358)

Espoo	(0) 9 452 651
Helsinki – ASE	(0) 9 452 677 50
Lappeenranta	(0) 9 452 651
Tampere	(0) 9 452 651
Turku	(0) 9 452 651

Ireland (+353)

Dublin	1 639 0100
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Norway (+47)

Bergen	24 12 80 00
Fredrikstad	24 12 80 00
Oslo	24 12 80 00
Stavanger	24 12 80 00
Trondheim	24 12 80 00

The Netherlands (+31)

Utrecht	(0) 30 689 00 00
Utrecht – Outsourcing	(0) 30 689 00 00

United Kingdom (+44)

Aberdeen	(0) 87 0194 6662
Birmingham (Aston)	(0) 12 1333 3536
Bristol (Toltec)	(0) 14 5461 2211
Edinburgh	(0) 13 1339 9339
Glasgow	(0) 14 1221 7017
Inverness	(0) 14 6323 8434
London (Wandsworth Rd.)	(0) 20 7735 0800
London (Wardour St.)	(0) 20 7734 5700
Rotherham	(0) 17 0971 0071
Sale	(0) 16 1969 3611
Swansea	(0) 17 9279 2777
Woking	(0) 14 8376 4764
Wynyard Park	(0) 17 4064 5500

Sweden (+46)

Göteborg	(0) 8 5368 5000
Karlskrona	(0) 8 5368 5000
Luleå	(0) 8 5368 5000
Malmö	(0) 8 5368 5000
Stockholm (Bromma)	(0) 8 5368 5000
Sundsvall	(0) 8 5368 5000
Västerås	(0) 8 5368 5000
Växjö	(0) 8 5368 5000

Central and Southern Europe

Germany (+49)

Berlin	(0) 30 88703-0
Berlin – ASE	(0) 30 88703-690
Cologne	(0) 221 912644-0
Düsseldorf	(0) 211 5661-1000
Hamburg	(0) 40 254491-810
Hannover	(0) 511 67692-0
Lübeck	(0) 451 98985-100
Munich	(0) 89 9400-0
Offenbach	(0) 69 9515-0
Stuttgart	(0) 711 50505-0
Walldorf	(0) 6227 7339-00

Germany (+49) Capgemini Software Design & Management (sd&m)

Berlin	(0) 30 887250-0
Düsseldorf	(0) 211 56623-0
Hamburg	(0) 40 254491-0
Munich	(0) 89 63812-0
Offenbach	(0) 69 82901-0
Stuttgart	(0) 711 78324-0
Troisdorf	(0) 2241 9737-0

Austria (+43)

Vienna	(0) 1 21163 0
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Croatia (+385)

Zagreb	(0) 1 4860 740
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Spain (+34)

Asturias	985 67 57 67
Barcelona	934 95 86 00
Madrid	916 57 70 00
Murcia	968 28 55 22
Saragossa	976 70 09 80
Seville	955 43 28 67
Valencia	961 04 18 50

Hungary (+36)

Budapest	23 506 800
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Italy (+39)

La Spezia	(0) 187 28381
Milan	(0) 2 414931
Rome	(0) 6 231901
Turin	(0) 11 509431
Stezzano	(0) 35 4152012

Poland (+48)

Krakow (Lubicz)	12 631 63 00
Krakow (Lublańska)	12 63470000
Katowice	32 769 30 00
Warsaw	22 850 92 00
Wroclaw	71 35 64 222

Portugal (+351)
Lisbon 21 412 22 00

Czech Republic (+420)
Prague 226 517 600

Romania (+40)
Bucharest 21 209 8000

Slovakia (+421)
Bratislava 2 444 556 78

Switzerland (+41)
Basel (0) 61 692 0842
Lausanne (0) 21 317 5011
Pratteln (0) 61 825 6335
Zurich (0) 44 560 2400
Zurich Capgemini sd&m (0) 44 307 8300

Asia-Pacific

Australia (+61)
Adelaide 8 8113 8000
Canberra 2 6276 2000
Melbourne 3 9613 3000
Sydney 2 9293 4000

China
Canton (86) 20 2838 5888
Hong Kong (852) 3112 3345
Huaqiao (86) 512 8186 7000
Beijing (86) 10 6563 7388
Shanghai (86) 21 6182 2688

India (+91)
Airoli 22 3919 4000
Bangalore 80 6656 7000
BPO – ASV Suntech 44 6633 6000
BPO – Brigade Tech Park 80 3983 1516
BPO – First Tech Park 80 4137 7677
Chennai (Madras) 44 6633 1000
Hyderabad 40 2312 5000
Hyderabad – University 40 2312 6000
Ispahani Facility 44 3983 9177
Kolkata (Calcutta) 33 6621 5000
Mumbai (Bombay) 22 6755 7000
Pune 20 2760 1000
Thane 22 6690 5700

Singapore (+65)
Singapore 6224 6620

Taiwan (+886)
Taipei 2 8780 0909

Africa

Morocco (+212)
Casablanca 05 22 46 18 00

France (+33)

Capgemini France
Paris (0) 1 49 67 30 00

Capgemini Consulting
Paris (0) 1 49 67 30 00

Capgemini Finance & Services
Paris (0) 1 49 67 30 00

Capgemini Manufacturing, Retail & Distribution
Paris (0) 1 49 67 30 00
Lille (0) 3 20 65 34 34

Capgemini Institute
Paris (0) 1 44 74 24 10

Capgemini Outsourcing Services
Clermont-Ferrand (0) 4 73 28 23 81
Grenoble (0) 4 38 21 10 00
Paris (Saint-Cloud) (0) 1 57 58 51 00
Paris (Saint-Denis) (0) 1 41 62 33 00
Toulouse (0) 5 34 46 71 00

Capgemini Telecommunications, Media & Entertainment
Grenoble (0) 4 76 52 62 00
Paris (0) 1 49 67 30 00
Rennes (0) 2 99 27 45 45

Accelerated Solutions Environment (ASE)
Paris (0) 1 49 00 34 84

Capgemini East
Clermont-Ferrand (0) 4 73 28 23 81
Grenoble (0) 4 76 52 62 00
Lyon (0) 4 72 21 30 30
Nancy (0) 3 83 95 85 85
Strasbourg (0) 3 90 22 86 10

Capgemini West
Bordeaux (0) 5 56 46 70 00
Brest (0) 2 98 33 60 77
Caen (0) 2 31 46 81 90
Le Mans (0) 2 43 57 45 00
Nantes (0) 2 51 17 35 00
Orléans (0) 2 38 24 01 01
Rennes (0) 2 99 12 55 00
Rouen (0) 2 35 12 20 20
Tours (0) 2 47 60 67 60

Capgemini South
Bayonne (0) 5 59 25 34 00
Marseille (0) 4 91 16 57 00
Montpellier (0) 4 67 20 92 92
Nice (0) 4 93 72 43 72
Pau (0) 5 59 84 12 23
Toulouse (0) 5 61 31 52 00

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Bremen – High Tech (0) 421 5486910
Düsseldorf (0) 211 52285-0
Frankfurt (0) 610 23675-0
Hamburg (0) 406 73832-24
Hamburg – High Tech ATP (0) 407 43781-94
Hamburg – High Tech Harburg (0) 404 92937-20
Hamburg – High Tech Karnapp (0) 407 43781-94
Hamburg – High Tech head office (0) 407 43781-94
Munich (0) 896 15344-70
Munich – High Tech (0) 896 15344-72

Belgium (+32)
Brussels (0) 2 538 92 92
Edegem (0) 3 231 12 90

Denmark (+45)
Taastруп 70 23 15 05

Spain (+34)
Barcelona 93 253 01 88
Bilbao 94 423 56 21
Madrid 91 308 44 33
Madrid – Training Center 91 436 46 38
Valencia 96 346 85 60

United-States (+1)

Baltimore (Maryland)	410 581 5022
Charlotte (North Carolina)	704 887 3445
Chicago (Illinois)	708 531 0011
Cincinnati (Ohio)	513 824 3000
Cleveland (Ohio)	216 654 2230
Columbus (Ohio)	614 847 4477
Dallas (Texas)	972 892 3400
Dayton (Ohio)	937 291 8100
Denver (Colorado)	303 256 2500
Des Moines (Iowa)	515 282 4802
Detroit (Michigan)	248 702 1900
Houston (Texas)	713 860 7400
Indianapolis (Indiana)	317 810 4400
Kansas City (Kansas)	913 451 9600
Minneapolis (Minnesota)	612 243 4545
New York (New York)	646 264 1600
Omaha (Nebraska)	402 492 8877
Phoenix (Arizona)	602 308 8900
Saint Louis (Missouri)	314 898 1180
Seattle (Washington)	206 624 4600
Tallahassee (Florida)	850 402 7624
Tampa (Florida)	813 314 2170
Washington D.C.	703 734 1511

France (+33)

Aix-en-Provence	(0)4 42 16 08 50
Aix-en-Provence – High Tech	(0)4 42 39 52 20
Belfort	(0)3 84 90 35 50
Blagnac – High Tech	(0)5 34 36 28 00
Bordeaux	(0)5 57 02 27 00
Brest – High Tech	(0)2 98 44 57 93
Grenoble	(0)4 76 52 62 00
Issy-les-Moulineaux – High Tech	(0)1 40 93 73 55
Lille	(0)3 28 32 31 00
Lyon	(0)4 72 44 46 90
Marseille	(0)4 42 13 26 00
Melun – High Tech	(0)1 64 10 45 00
Mérignac – High Tech	(0)5 56 18 04 00
Montbonnot-Saint-Martin – High Tech	(0)4 76 52 62 00
Montpellier	(0)4 67 83 45 70
Mulhouse	(0)3 89 36 31 20
Nancy	(0)3 83 15 22 26
Nantes	(0)2 40 32 42 00
Niort	(0)5 49 04 08 53
Orléans	(0)2 38 55 49 10
Paris – Saint-Cloud	(0)1 41 12 51 12
Pau	(0)5 59 14 67 10
Pau – High Tech	(0)5 59 53 19 20
Poissy – High Tech	(0)1 30 74 05 71
Rennes	(0)2 23 45 59 00
Rocheport – High Tech	(0)5 46 88 29 00
Rouen	(0)2 32 76 41 80
Saint-Grégoire – High Tech	(0)2 23 25 36 40
Saint-Marcel – High Tech	(0)2 32 71 20 00
Sophia-Antipolis	(0)4 93 95 62 62
Strasbourg	(0)3 88 62 85 00
Toulouse	(0)5 61 30 60 00

Toulouse – EADS	(0)5 61 30 69 67
Toulouse – High Tech	(0) 5 34 46 90 00
Valbonne – High Tech	(0) 4 92 90 68 00
Villeurbanne – High Tech	(0) 4 72 44 46 71

India (+91)

Bangalore	(0) 80 6656 7000
Mumbai (Bombay)	(0) 22 6642 1204

Ireland (+353)

Dublin	1 693 0100
Galway	(0)91 74 55 40

Luxemburg (+352)

Bertrange	(0) 2 31 44 01
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Norway (+47)

Oslo	40 00 50 89
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The Netherlands (+31)

Amersfoort	(0) 88 660 66 07
Den Bosch	(0) 88 660 66 03
Diemen	(0) 88 660 66 02
Groningue	(0) 88 660 66 04
Rotterdam	(0) 88 660 66 05
Vianen	(0) 88 660 66 00

United Kingdom (+44)

London	(0) 207 014 8900
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Sweden (+46)

Borlänge	(0) 243 922 00
Fagersta	(0) 223 418 00
Gävle	(0) 26 63 28 00
Göteborg	(0) 31 703 70 00
Helsingborg	(0) 42 26 77 00
Jönköping	(0) 36 34 85 00
Karlstad	(0) 54 14 63 00
Linköping	(0) 13 25 48 00
Luleå	(0) 920 24 15 40
Lund	(0) 46 286 55 00
Norrköping	(0) 46 10 13 80
Örebro	(0) 19 601 45 00
Örnsköldsvik	(0) 660 775 40
Oxelösund	(0) 155 25 50 00
Sandviken	(0) 26 63 28 00
Skövde	(0) 500 42 49 30
Stockholm	(0) 8 536 820 00
Sundsvall	(0) 60 59 47 00
Umeå	(0) 90 10 81 00
Uppsala	(0) 18 18 52 30
Västerås	(0) 21 10 58 00

Switzerland (+41)

Basel	(0) 61 205 41 00
Geneva	(0) 22 879 16 50
Lausanne	(0) 21 321 60 80
Zurich	(0) 44 214 63 23

Capgemini Group news can be obtained from our website www.capgemini.com

List of companies and administrations cited

Affinia	British Department for Work and Pensions	Empire	Intel	Procter & Gamble	Tenneco
Albert Heijn	CGNPG	EquaTerra	Kenexa	Rational	Unilever
Amazon.com	Cisco Systems	FairPoint	Maxeda	Royal Bank of Scotland	UPS
AMD	Coca-Cola Enterprises	Gartner	Microsoft	SAP	US Department of Commerce
American Airlines	CNPC	GDF – Suez	Mölnlycke Health Care	SFR	Vizuri
American Greetings	Croydon Council	Google	Monroe	Shenzhen Energy	Welsh Water
Assistance publique-Hôpitaux de Paris	Daimler AG	HP	Nasdaq	Société Générale	
BAS BV	EDF	HSBC	Open Text	Sophia Solutions	
Beam Global	EFH	Hydro One	Oracle	Sopra Group	
Spirits & Wine	EFMA	IBM	Orange Nederland NV	Sun Microsystems	
BluePrint	EITO	ING	Pierre Audoin	Surgient	
BMW AG		Insight Test Services	Consultants	T-Mobile	

