

# Organic Growth Journey

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Analyst Day 2014

Holborn, May 22



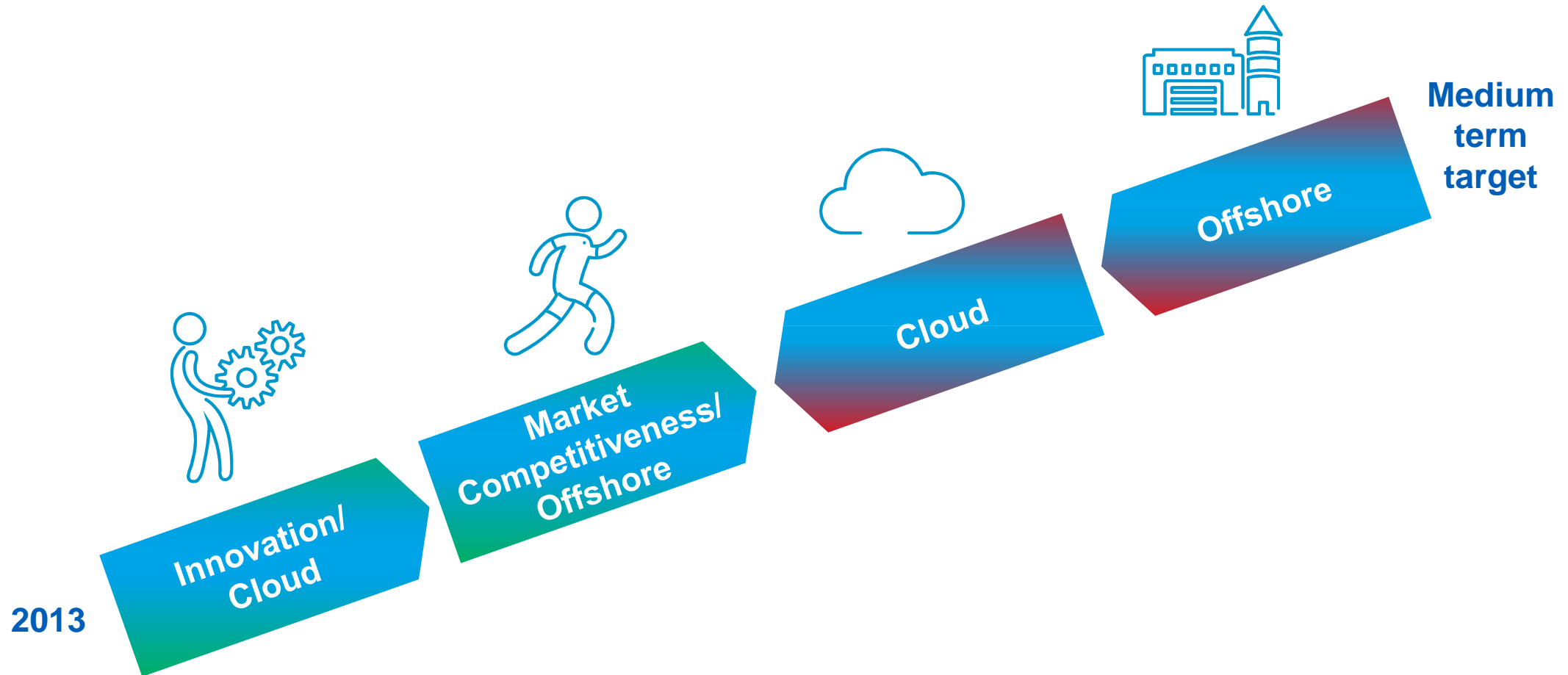
**People matter, results count.**

# Forward Looking Statements

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The present forward-looking statements are made as of the date of this presentation, and Capgemini did not disclaim any intention or obligation to provide, update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

# We aim to achieve 5-7% organic growth in the medium term



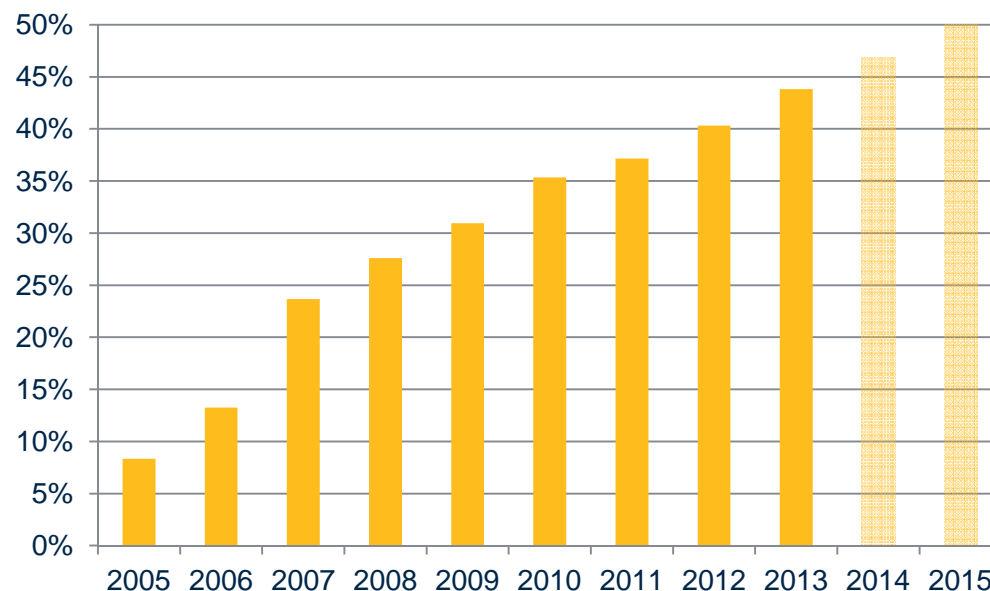
Other elements impacting growth are global macro and geographic mix

\* Some market trends are both headwinds and tailwinds



- Industrialization headwind → Revenue erosion through mix evolution with offshore and price erosion (-1%)
- Offshore impact analysis at current offshore penetration rate:
  - 15% offshore volume growth → 1.5% revenue growth → 1% revenue growth / 5% volume growth
  - 1% onshore volume shrinkage\*\* → -0.5% growth
- When penetration increases to 50% by 2015 → 2% revenue growth and 6.5% volume growth

*Offshore penetration \**



***Penetration  
stabilizes at 60%  
based on current mix***

- 2014 and 2015 are based on projections
- \*\* Based on our experience in the last couple of years




## Potential erosion of legacy business



	Revenue Impacted	Erosion over 5 years	Overall Impact	Annual Impact
IaaS	5%	30-50%	1.5-2.5%	- 0.3-0.5%
SaaS	30%	20-30%	6.0-9.0%	- 1.2-1.8%
Total	35%		7.5-11.5%	- 1.5-2.3%

## Additional growth of legacy business

- 
- Revamp of bespoke/customized apps
  - Migration to new technologies
  - Business intelligence
  - Security and testing opportunities
  - More platform based opportunities

**+1.0% / year**

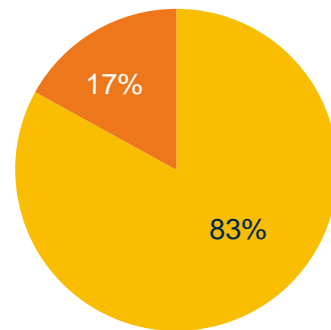
**Erosion might be more limited as TCO on SaaS becomes less attractive**



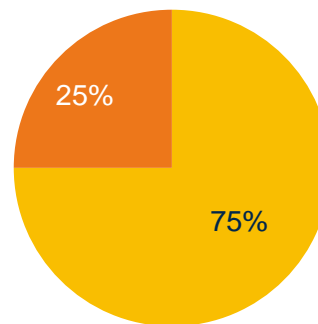
## Strategic portfolio growth

- +19% growth in bookings YoY in 2013
- Driven globally with centralized decisions
- SMAC (social, mobile, analytics and cloud) at 12% of revenues growing at 25% → 3% growth
- Objective: Strategic portfolio at 20% of revenues and 20% growth → 4% sustainable growth

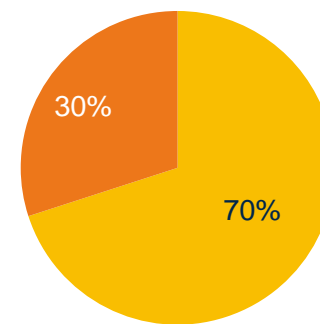
### Strategic offers share of total bookings



2011



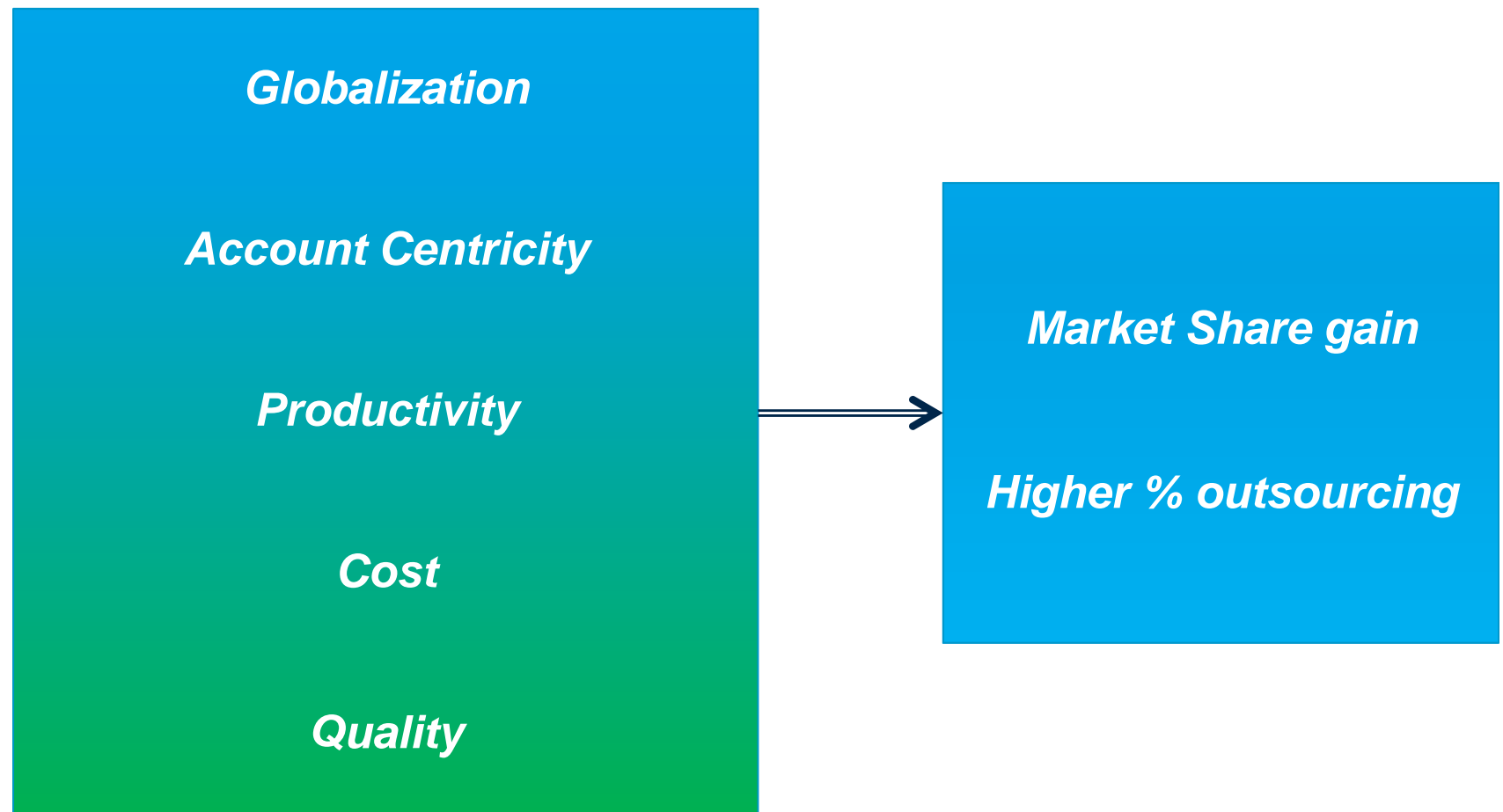
2012



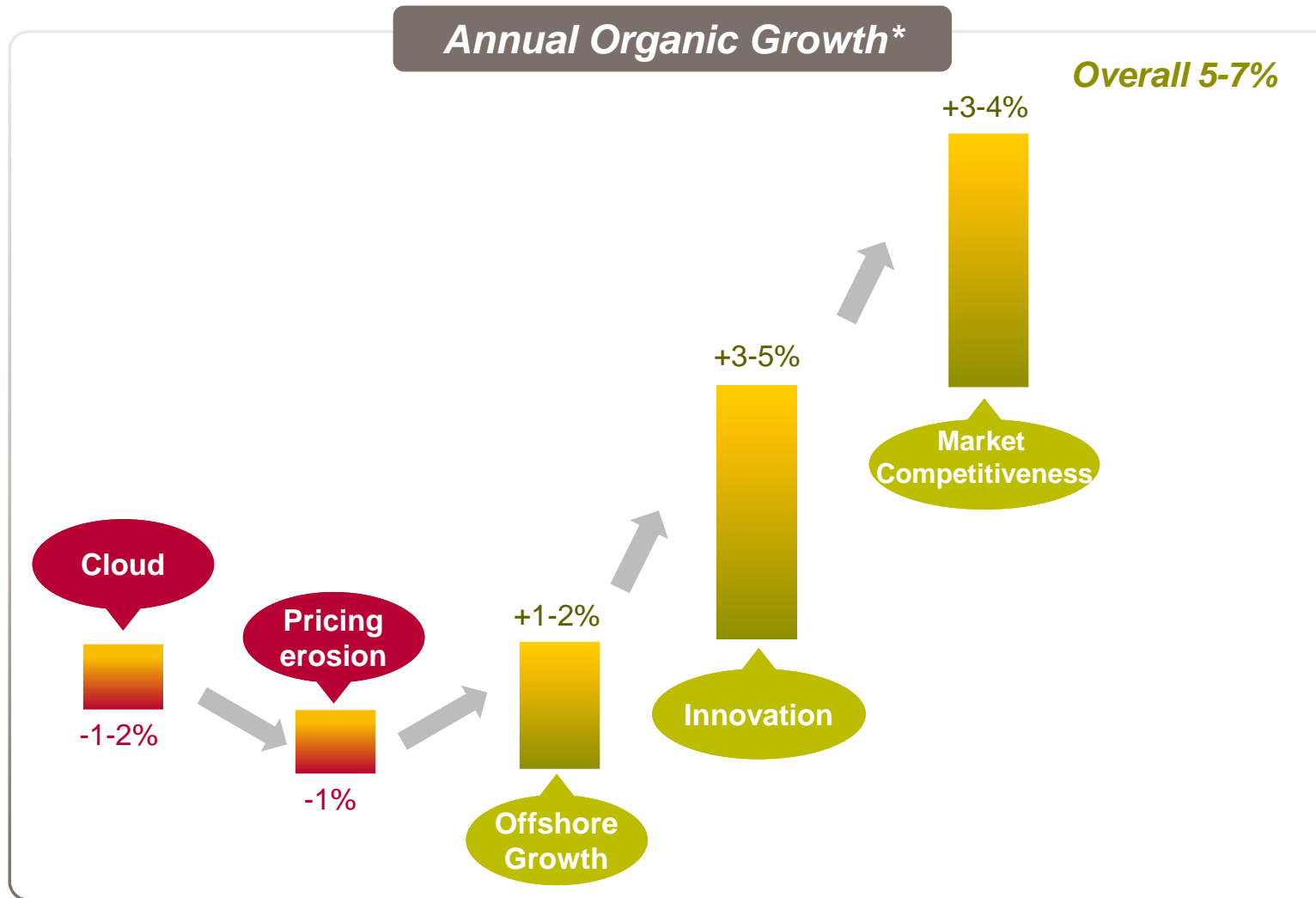
2013

**Strategic portfolio needs continuous renewal as offerings mature**

# Market Competitiveness (offshore)



# Accelerating organic growth to 5 – 7% in the medium term



**Target is 5-7%**

**Geographic mix and macro will provide support**

\* Medium term projection



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## About Capgemini

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