

# Strategic Update

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People matter, results count.

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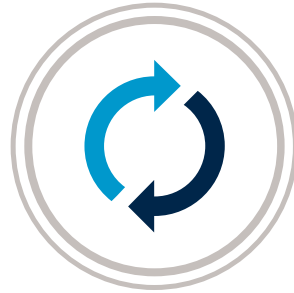
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# The Market Continues to Shift

## Market disruptions

- Digital reshaping of businesses
- Cloud with “on-demand” boom
- Industrialization changing the price dynamic



## Clients' expectations

- Digital Transformation to drive growth and differentiation
- Agility, speed and simplicity
- Cost competitiveness
- Sourcing flexibility

## Capgemini's strategic priorities



**Globalization**



**Innovation**



**Industrialization**



**Client intimacy**

# A Global Group

A world class offshore platform serving global clients



Global offerings leveraging all the Group's skills



Integrated and globalized delivery in Infra and BPO, ongoing for Apps



One single Account Executive for global accounts



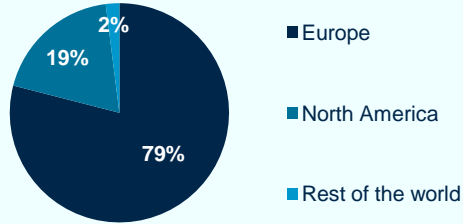
Career management at Group level for Senior Executives



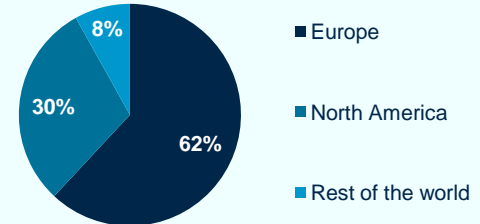
Partnerships dynamically managed at Group level



# We continue to rebalance our geographic mix



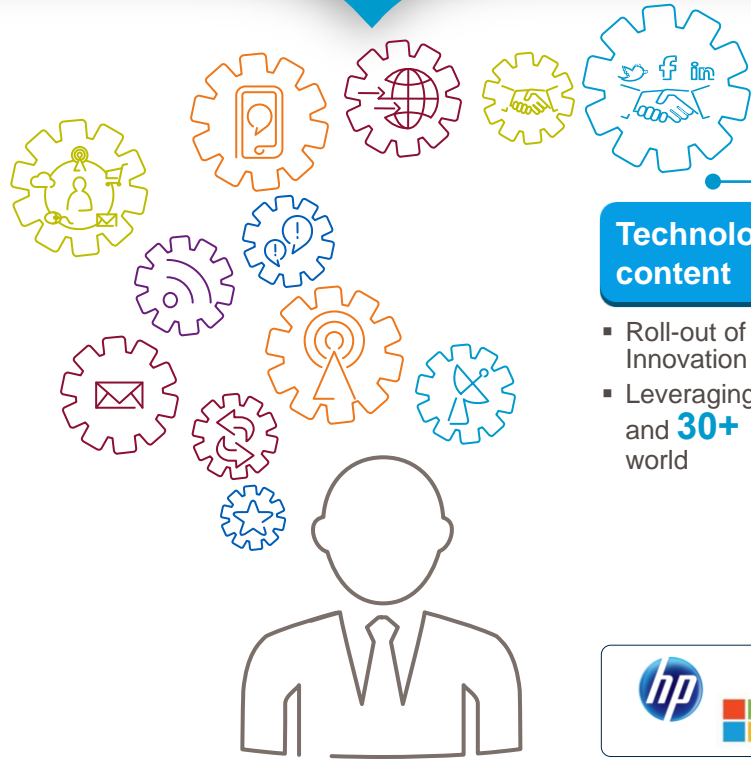
2010 revenues



2015 anticipated revenues

We successfully rebalanced our geographical mix towards North America  
The next step is to gain scale in APAC

# We give an organic push on innovation



## Capgemini invests

in its innovation agenda, across the entire value chain

### Technological content



- Roll-out of our Applied Innovation Exchange platform,
- Leveraging our CTO network and **30+ Labs'** across the world

### Hot skills management



- Focus on Cybersecurity experts, Architects and Data scientists
- Targeted training to raise technological awareness
- Very large reskilling programs to come, to align our people's skills with the market demand

### Innovation in all our portfolio



- Revamped traditional offers
- New offers in SMAC and Cybersecurity
- Proof of concepts development to use latest technologies in businesses
- Platforms development

Co-innovation with our ecosystem of partners



Microsoft

EMC<sup>2</sup>

SAP



ORACLE

NETSUITE

IBM

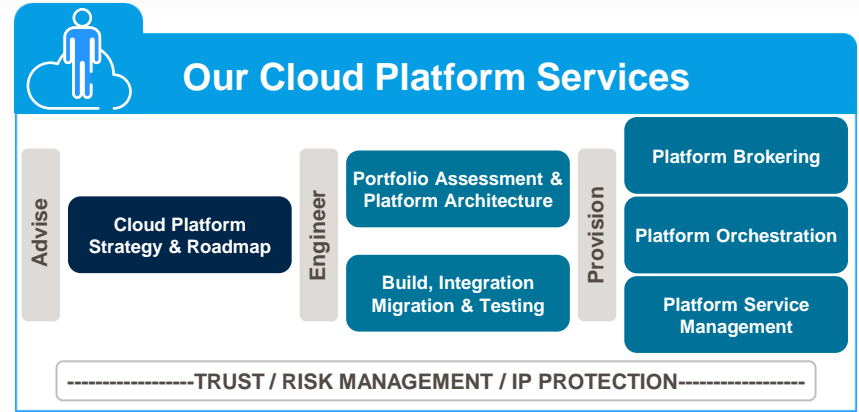
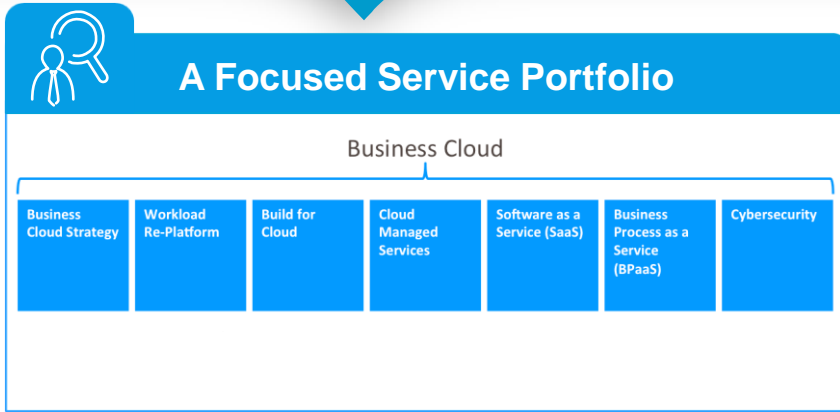


cloudera  
Ask Bigger Questions

Pivotal

 **Capgemini**  
CONSULTING. TECHNOLOGY. OUTSOURCING

# Cloud disruption provides opportunities



# We place innovation at the heart of our portfolio



## Sector content

- Sector growth initiatives, bringing together digital and business content:
  - Automotive Connect
  - Digital utilities transformation
  - Tax & Welfare digital process
  - Smart Energy with IP embedded



## Business Platforms

- **IGATE** fully-integrated technology and BPO solutions: ITOPS
- **3 solutions:**
  - IGATE Data Management Services for banks and financial institutions
  - IGATE Business Administration Services for the Insurance and Healthcare Space
  - Store in a Box to help retailers maximize store reliability and increase effectiveness of store systems technology



## Digital transformation consulting

- Asset-based consulting to solve client's business issues on selected topics
  - Connected insights for automotive
- Synergies with the Capgemini Group creating pull-through business
  - Fast & Furious methodology
- Commitment on results



# We implement our digital strategy

A strong focus on digital manufacturing, boosted by **IGATE**

A broad DCX & Mobile service offering that leverage the Group assets

Small acquisitions are contemplated to gain new skills



# Our industrialization program makes the difference



## Tangible results

- DevOps methods reinvent our traditional AD business
- Automation deployment is launched, starting with Testing
- Infra and BPO sell and deliver work units, according to service level agreements
- Capgemini's offshore platform growth already matches the best players



## IGATE leverage

- Offshore leverage increases to 55% by end 2015, with a new mid term target to 65%
- Leverage know how for the “people supply chain” transformation
- Increase critical mass for investments in standardization and automation

# Stronger focus on Account Management

## STEADY PROGRESS OF CLIENT INTIMACY

- **14 accounts globally managed** with the Account Management Strategic initiative
  - One voice to the customers and aligned priorities: CXOs relationships, Geographic expansion, Rightshore development, Portfolio diversification
- **30 High Growth accounts** selected in 6 major geographies
  - Objective of a minimum 10% growth on a yearly basis for the next 3 years

## THE IGATE ACCELERATION IN NORTH AMERICA

- 2 new clients >\$100M
- 8 new clients > \$30M
- Cross selling opportunities leveraging complementary service portfolio & client base

MetLife®



CNA

## WE BUILD STRONG RELATIONSHIPS



Sizable provider

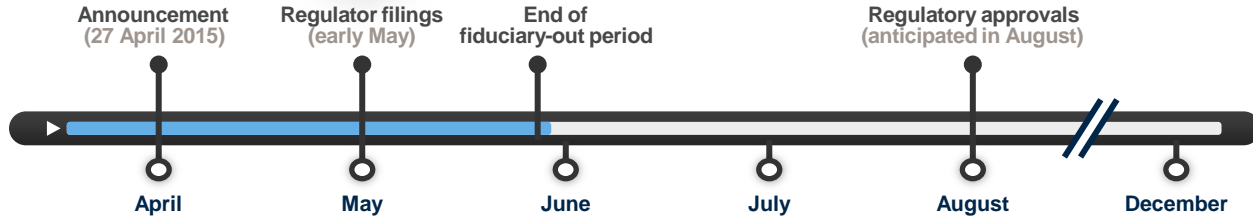
Innovation partner

Sector and business content to become mission critical



*The Coca-Cola Company*

# The IGATE integration



**Closing expected in H2 2015**

## Planning activities started:

- Primary focus India and North America
- Market and customer driven in NA
- People and capabilities driven in India

## Enabling functions getting ready for closing:

- Finance
- Human Resources
- Facilities / Procurement
- Processes and IT

### Attractive Synergy Profile

**ENHANCED OPERATING MODEL**

- ◆ Combination on capacity utilization, average pyramid, offshore leverage, enhanced scale by city in India  
→ Annual savings estimates: \$ 45 - 65M

**REVENUE SYNERGIES**

- ◆ Cross selling opportunities leveraging complementary service portfolio & client base, IGATE adding attractive new flagship clients
- ◆ Development of IGATE large account penetration through enhanced global footprint  
→ Revenue synergies: \$100 - 150M

**COST SYNERGIES**

- ◆ SG&A rationalization: \$ 25-30M
- ◆ Facilities optimization \$ 5-10M  
→ Annual savings estimates : \$ 30- 40M

**DELIVERY SYNERGIES**

- ◆ Deployment of Capgemini delivery methodology and tools
- ◆ Increase productivity through automation
- ◆ Larger capability pools and delivery footprint in India

*Synergies achieved within 3 years*

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Capgemini IGATE

# Group priorities

01

**Invest in innovation**

02

**Accelerate on industrialization**

03

**Expand account management**

*The IGATE integration will take the Group further on these priorities*



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