On April 15, 2004 we have changed our name to Capgemini.

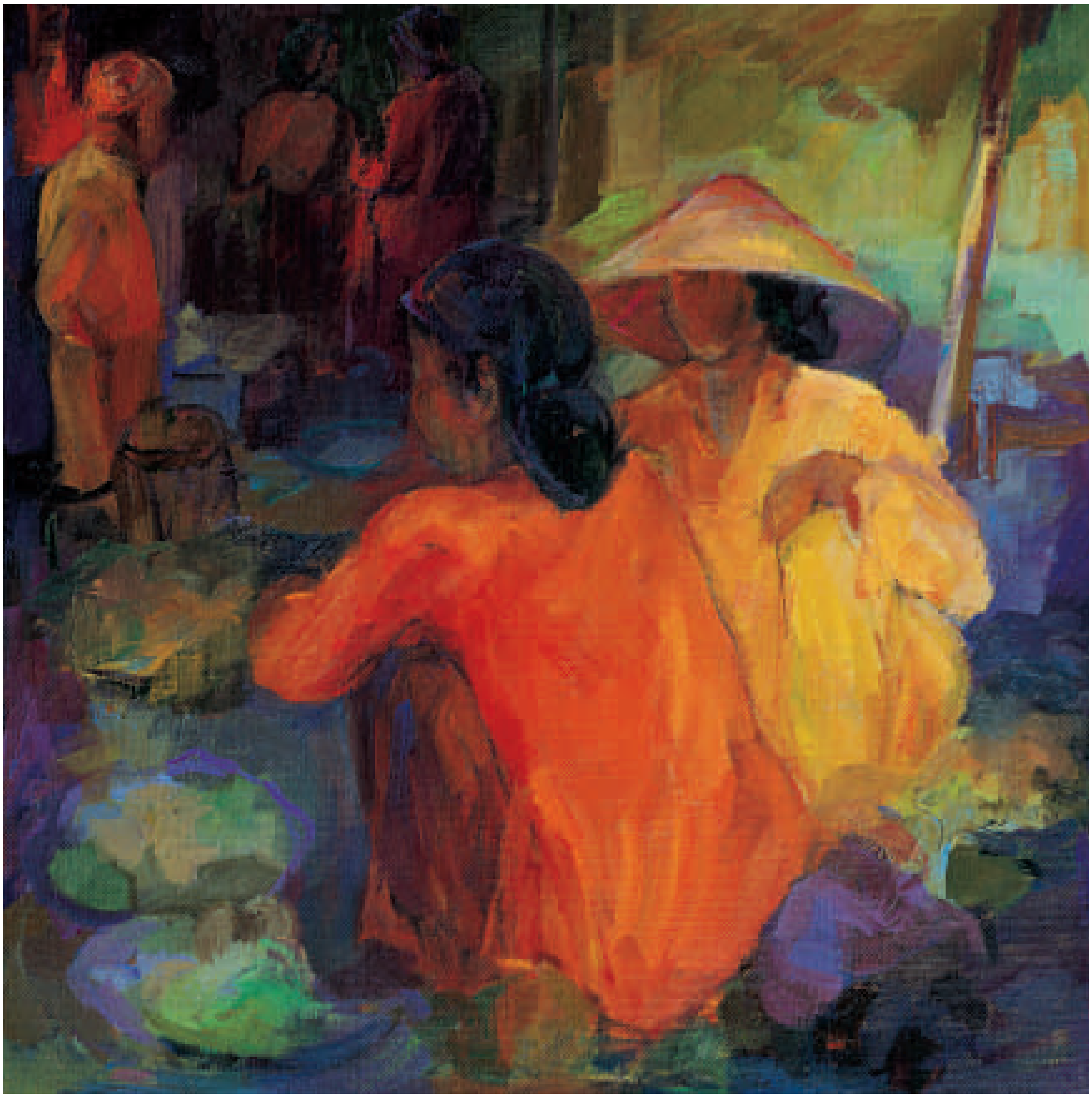
To help you achieve measurably faster, better and more sustainable results we have taken this opportunity to formalize our core strengths into what we call the Collaborative Business Experience.

Our clients tell us that what makes Capgemini different is the unique, collaborative way in which we help them take advantage of opportunities and solve their problems. Collaboration has long been a recognized cornerstone of our approach to business and is part of our DNA. We believe that success and collaboration go hand in hand and we have been a pioneer in developing collaborative practices such as our innovative Accelerated Solutions Environment (ASE), which helps companies create rich strategic and technology solutions in record time.

Why do we place so much emphasis on collaboration?
We believe that collaboration is the business imperative of our time. For a decision to be both relevant and effective in today's complex and unpredictable environment, few companies can succeed alone.

In our work with thousands of the world's best companies we have found that there are four key elements to successful collaboration: Targeting Value, Mitigating Risk, Optimizing Capabilities and Aligning the Organization.
However, Capgemini's Collaborative Business Experience is not a one-size-fits-all approach. The more complex the challenge and the situation, the more collaboration is required. We adapt the level of collaboration based on the nature of your needs and complexity.

2001 FINANCIAL REPORT



REFERENCE DOCUMENT

CAP GEMINI ERNST & YOUNG

Board of Directors

Serge Kampf, *Chairman*
Ernest-Antoine Seillière, *Vice-Chairman*
Christian Blanc
Paul Hermelin
Pierre Hessler
Michel Jalabert
Ruud van Ommeren
Terry Ozan
Bruno Roger
Geoff Unwin
Guy de Wouters

Non-voting directors ("Censeurs")

Chris van Breugel
Phil Laskawy

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FINANCIAL HIGHLIGHTS

in millions of euros	Consolidated financial statements		Pro forma accounts
	2000 (1)	2001	2000 (1)
OPERATING REVENUE	***6,931***	***8,416***	***8,471***
OPERATING INCOME	***703***	***423***	***893***
OPERATING MARGIN	***10.1%***	***5.0%***	***10.5%***
NET INCOME	***431***	***152***	***547***
Total dividend (net)	149	(2) 50	-
NET MARGIN	***6.2%***	***1.8%***	***6.5%***
EARNINGS PER SHARE			
- Adjusted average number of shares	107,920,778	127,514,674	125,727,906
- Diluted earnings per share (in euros)	3.99	1.20	4.35

in millions of French francs	Consolidated financial statements		Pro forma accounts
	2000 (1)	2001	2000 (1)
OPERATING REVENUE	***45,464***	***55,205***	***55,566***
OPERATING INCOME	***4,611***	***2,775***	***5,858***
OPERATING MARGIN	***10.1%***	***5.0%***	***10.5%***
NET INCOME	***2,827***	***1,000***	***3,588***
Total dividend (net)	977	(2) 328	-
NET MARGIN	***6.2%***	***1.8%***	***6.5%***
EARNINGS PER SHARE			
- Adjusted average number of shares	107,920,778	127,514,674	125,727,906
- Diluted earnings per share (in French francs)	26.2	7.9	28.5

TOTAL NUMBER OF EMPLOYEES		
as of December 31	59,549	(3) 57,760

(1) The consolidated financial statements include the Ernst & Young consulting businesses from May 23, 2000, the date of approval of the acquisition by Cap Gemini Group's shareholders. The pro forma consolidated financial statements include the results of the Ernst & Young consulting businesses as if they had been acquired on January 1, 2000.
(2) Subject to approval by the Shareholders' Meeting of April 25, 2002.
(3) Including 1,078 employees working out their notice period before leaving the Group under the restructuring programs carried out during fourth-quarter 2001.

THE CAP GEMINI ERNST & YOUNG GROUP AND ITS BUSINESSES

I - BACKGROUND

Founded by Serge Kampf in Grenoble, France, on October 1, 1967, Cap Gemini Ernst & Young owes its rapid rise to a combined strategy of organic growth and acquisitions (Sesa in France, Hoskyns in the U.K., Volmac in the Netherlands, Programmator in the Nordic region, to name just a few). Today Cap Gemini Ernst & Young is Europe's leading IT services and consulting company and among the top five worldwide.

Another key factor in its rise to prominence occurred at the end of the 1980s, when the company decided to enhance its management consulting business through a series of strategic acquisitions which eventually led to the formation of Gemini Consulting. Joining the Group during this period were United Research and the Mac Group in the U.S., Titze & Partner in Germany and Bossard in France.

This strategy of combining management consulting and IT services was implemented even more systematically with the Convergence program, launched in 1994, thereby enabling the Group to keep pace with the rapid emergence of new technologies, e-business, and unpredictable changes in the global economy.

The acquisition, in May 2000, of Ernst & Young's consulting businesses enabled Cap Gemini to triple the size of its North American operations and to enlarge its presence in other regions where it held a less dominant position - e.g. Germany and Asia-Pacific. Today, Cap Gemini Ernst & Young is present in more than 30 countries and, as of December 31, 2001, employs 57,760 people.

Finally, a major strategic initiative was launched in 2001 with the creation of a new entity known as "Sogeti." Harking back to the original name of the Group and taking advantage of a lively, growing market for Local Professional Services, Sogeti's main objective is to provide technical assistance to the local offices of large- and mid-sized companies in all industry sectors. Structured around the original Sogeti model of decentralized branches, limited in size and close to the customer, and covering the full range of IT talent and skills – from programmers to project design and service managers – the new company is answering an increasing need for continuity and proximity in a market which today represents one-quarter of the total for IT services.

II - WHAT THE GROUP DOES

The Group offers its local and international clients, in more than 30 countries, services in:

- management and technology consulting;
- systems transformation;
- systems management (outsourcing);
- local IT engineering (Sogeti).

A - Management and technology consulting

This is an activity geared to achieving marked improvements in the performance of client companies calling upon professional expertise, knowledge and experience in strategy formulation and process optimization and implementation of the most advanced technologies.

The **Strategy & Technology Consulting** service offering (representing 15% of 2001 consolidated revenue) includes both strategic and organizational consulting and technology consulting (covering infrastructure architecture and IT systems).

B - Systems transformation

Aimed at making significant improvements or opening new opportunities in a client's business, systems transformation projects generally fall into three categories:

- systems integration projects, in which design, architecture, development and implementation result from the involvement of several players (hardware manufacturers, software package developers, etc.),
- customized software development, tailored to a specific client,
- adaptation of processes and behaviors to meet the demands of a new business environment.

The Group provides a complete range of services collectively known as "Business Solutions and Technology":

- CRM-DareStep (the Group's interactive Internet agency) encompasses all Customer Relationship Management issues. A CRM Index℠, launched in 2001, enables clients to benchmark their own status against industry norms. Cap Gemini Ernst & Young has also established key partnerships with the most prominent specialists in the field: Siebel, Oracle, SAP, Nortel/Clarify and Broadvision. Meanwhile, DareStep offers a distinctive range of skills for building relationships, internally and externally, via an online presence.

- B2B Supply Chain focuses on delivering gains in speed, efficiency and flexibility. Cap Gemini Ernst & Young was the first company to formulate an effective Adaptive Supply Chain Point of View, which achieved wide acceptance in the marketplace during 2001.
- Finance & Employee Transformation targets another major concern of management today: the efficiency of internal processes. This practice brings together a range of capabilities from technology to accounting to human resources.
- EEA/ERP (Extended Enterprise Applications/Enterprise Resource Planning) is a service offering which delivers ERP implementations based on solid working relationships with the key players in the field: SAP, Oracle, PeopleSoft, JD Edwards. In addition, the EEA suite of offerings makes it possible to take the ERP process a great deal further.
- "Advanced Development and Implementation" complements the work of other teams through a network of Advanced Solutions Environments (ASEs) and Advanced Development Centers (ADCs), which provide the resources and capabilities to make effective IT strategies come to life for the client.
- "M-Commerce" covers all aspects of mobile technology and mobile terminals providing direct access to information. This offering is aimed at developing solutions to serve the needs of a company's "nomadic" workforce.
- Finally, Network Infrastructure Solutions (NIS) specializes in Internet network design and build, and network hosting. Working closely with Cisco Systems, this activity is carried out mainly in the Group's Telecom Media Networks Global Business Unit.

Cap Gemini Ernst & Young offers this complete range of services from which it selects the most advanced architectures based on the latest technologies and proven methods, gathered and standardized within a groupwide, ISO 9001 certified methodology called ***Deliver.***

C - Systems management (outsourcing)

Cap Gemini Ernst & Young has developed a range of services responding to clients' expressed wishes to concentrate on their core business, reduce the costs related to the operation and maintenance of their existing systems and, in certain cases, to transform their systems (known as transformational outsourcing). This type of activity may involve taking full management responsibility for all or part of a client's IT resources, in the form of Applications Management (AM) services, Distributed Computing Services (DCS), or Central Computing Services (CCS).

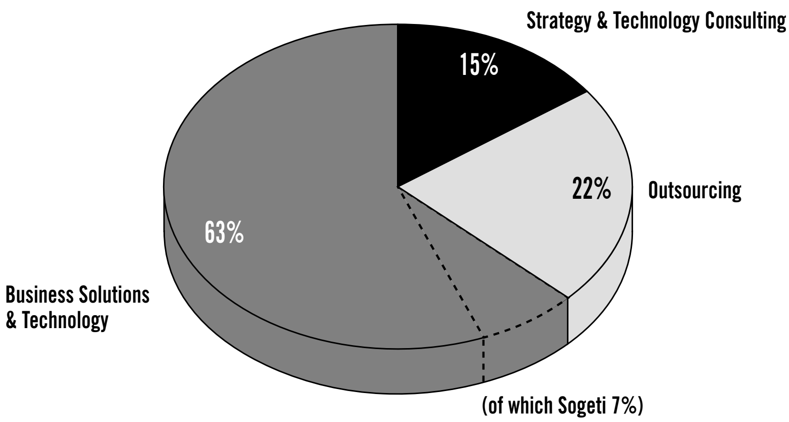
Outsourcing, which represents 22% of 2001 consolidated revenue, integrates all the skills and expertise of Cap Gemini Ernst & Young's AM service offering in which the Group is the European leader. Client applications are maintained and managed from a network of twelve Applications Management Service Centers (AMSCs). The offering also includes services covering Network Infrastructure Management and Business Process Management.

D - Local IT engineering

Delivered by Sogeti, these Local Professional Services involve offerings of technical assistance and support to IT-department projects. Among the numerous services proposed:
- software development,
- infrastructure management,
- hardware and network management.

These services are all provided in close proximity to local IT decision-makers. In 2001, they represented 7% of consolidated revenue.

2001 consolidated revenues break down as follows by line of business:



III - HOW THE GROUP IS ORGANIZED

A - World geographic presence

Cap Gemini Ernst & Young is a global company with a presence in most of the world's key markets. In 2001, its balanced geographic coverage translated into 34% of revenues earned in the Americas (the United States, Canada and Mexico) and 63% in Europe. In Europe, the Group is located in France, Benelux, the Nordic countries, Central Europe (which includes Germany), the United Kingdom and Ireland, and Southern Europe. Asia-Pacific accounted for 3% of 2001 consolidated revenues.

B - The sectors

Six global units, dedicated to specific industry sectors, provide management consulting and IT services to Cap Gemini Ernst & Young clients worldwide.

Telecom Media Networks (TMN)

The Telecom Media Networks (TMN) Global Business Unit rose to the challenges presented by the telecommunications and media industries' tough market conditions in 2001. Thanks to its ongoing research program, The Leadership Connection® – conducted in cooperation with Ernst & Young – TMN was able to stay in tune with the needs of industry players and tailor its services accordingly.

TMN has over 30 years' experience in developing solutions for telecommunications providers, media distributors and creators, and large corporate enterprises leveraging next-generation network technology. Drawing on the skills and resources of its 6,500-strong workforce and extensive partnership network, the organization continued to help both the established operators and start ups achieve return on investment.

TMN is able to offer its clients a truly end-to-end service – from initial market entry strategy, through service development, back-office infrastructure design and installation, Customer Relationship Management, and billing, to outsourcing and applications management. TMN is consistently ranked in the top tier of consultants serving the telecommunications and media industries.

Consumer Products, Retail and Distribution (CPRD)

Clients operating in these sectors are looking for the necessary expertise to develop strategies that will help them increase their sales in what are generally mature and highly competitive markets, while preserving or improving margins.

Cap Gemini Ernst & Young's CPRD unit offers the innovation and strategies required to take up this challenge. Examples include:

- Consumer Relevancy℠, a strategic framework that was developed following research with more than 16,000 consumers conducted by Cap Gemini Ernst & Young. The research identified a significant gap between consumers' expectations and companies' ability to meet them. An exclusive strategic methodology has been developed and successfully applied to several major market players, helping to pinpoint the exact needs of consumers and to improve growth, profitability and competitive positioning.
- Customer-Driven Transformation℠ focuses and prioritizes operational improvements and IT investments, aligning them with a consumer-centric strategic framework to drive business results and help CPRD companies realize their transformation agendas.

During 2001, the Group conducted projects for a large number of clients, including Danone, Ahold, Carrefour, Deutsche Post, Coca-Cola, Heineken and TPG Post (TNT Group).

Energy, Utilities & Chemicals

From oil and gas companies seeking to grow through acquisition or absorb already-acquired entities, to electricity, gas or water utility companies unbundling their value chains to prepare for deregulation and globalization, the sector continues to evolve rapidly. Personnel at all levels in these industries have had to acquire new skills and build new business models in order to deal with such a diverse set of new challenges.

Cap Gemini Ernst & Young is playing a major role in enabling an orderly, yet high-speed transition to the new industry paradigm. As one of the top three global energy & utilities consulting firms, the sector has about 6,000 professionals working regularly on projects related to the EU&C industries, in which it has developed and rolled out cutting-edge, industry-specific service lines such as Trading and Risk Management and Communication Hubs.

During 2001, key projects were carried out by the sector for several majors clients world wide, including NEMMCO in Australia, ChevronTexaco in the US and New Horizon Systems Solutions in Canada.

Financial Services

Financial Services Institutions are facing challenging times with the global economic slowdown resulting in an urgent need by many players to scale down operations and reduce their fixed cost base. Future success in the financial services arena will depend on building a lean and efficient organization, focusing on core competencies and using innovative solutions to service the core business. In this context, Cap Gemini Ernst & Young has greater potential than ever before to build value-creating partnerships with global institutions.

In 2001, the Group achieved a leading position in Financial Services and now counts 35 of the world's 50 largest financial institutions among its clients. This privileged position is supported by a comprehensive service offering, ranging from strategic consulting to implementation focusing on outsourcing, cost efficiencies, Adaptive IT, and Client Relationship Management. Moreover, local delivery, backed by readily accessible global expertise, has earned the Group a reputation for superior client service in this sector as in others. To further enhance the service it provides to its global financial institution clients, the Group has embarked on a multi-dimensional development effort to bring together its capabilities and "go-to-market" strategies across the traditional industry lines of banking, insurance and securities.

High Technology and Automotive (HT&A)

In 2001, Cap Gemini Ernst & Young strategically grew its client relationships both globally and locally, generating significant value for each of the world's twelve largest automotive OEMs, many of the world's largest automotive suppliers, each of the world's eight largest telecommunications equipment manufacturers, most of the leading computer and electronics manufacturers, and many of the world's top aerospace and defense companies.

Through its Centers of Excellence, the HT&A sector generates best practices, thought leadership and industry-specific solutions. The third annual Cars Online survey and the second annual Telecommunications Equipment Manufacturing surveys were published during 2001.

In 2001, Cap Gemini Ernst & Young's manufacturing clients experienced the effects of a highly volatile, uncertain economy. By embracing components of the Group's Adaptive Manufacturing Enterprise (AME) blueprint, many were able to improve operations and achieve meaningful savings.

In the automotive industry, the Cap Gemini Ernst & Young model supports the industry's movement to Build and Locate to Order, Collaborative Product Development, Adaptive CRM, B2B Exchanges, and Telematics. In recognition of a significant contribution to this industry, the Institute of Transport Management (ITM) named Cap Gemini Ernst & Young the Automotive Consultancy Company of 2001.

With its Adaptive Manufacturing Enterprise, Adaptive Supply Chain Management, CRM and major business transformational outsourcing offerings, Cap Gemini Ernst & Young also serves the High-Tech segment, most uniquely perhaps with its significant focus on developing and maintaining technical software residing in its clients' products - from mobile phones to networking equipment and laser printers.

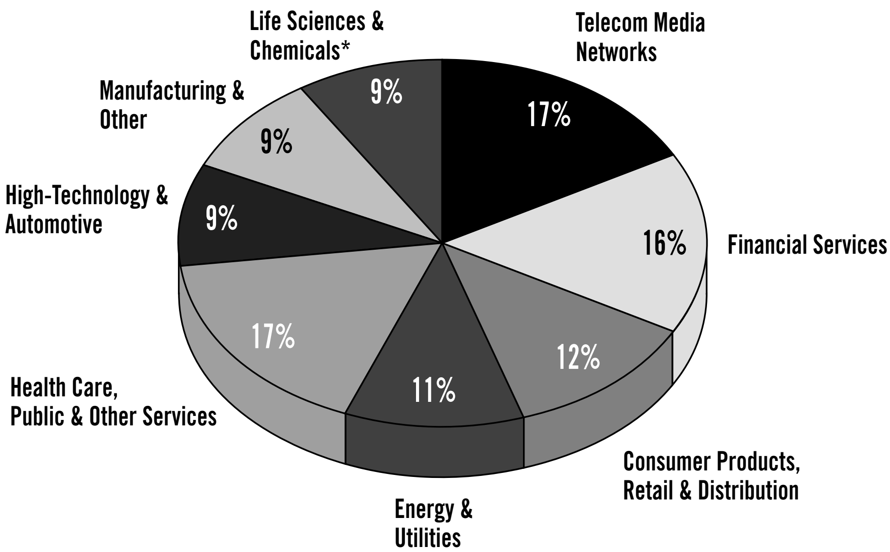
Life Sciences

The combination of dedicated account focus, highly experienced industry specialists and a commitment to investing in innovative sector-specific service offerings has resulted in a very strong Life Sciences Global Sector Unit for Cap Gemini Ernst & Young.

Since 1996, the Life Sciences team has been working with 17 of the top 20 Life Sciences companies worldwide including Aventis, GlaxoSmithKline, Johnson & Johnson, Novartis, Pharmacia, and Syngenta. Its work across CRM, Salesforce Effectiveness, Clinical Development & Product Approval, Global Supply Chain, Global Finance Re-engineering, IS Strategy, IT Outsourcing, and delivering Food and Drug Administration compliance brings together deep technical insight and proven industry consulting skills.

Research collaboration with the INSEAD Business School Healthcare 2002 Forum, and close relationships with technology partners such as Siebel, SAP and Microsoft, help maintain a highly contemporary perspective in all client work.

2001 consolidated revenue breakdown as follows by sector:



*As of January 1, 2002, the Chemical Sector is part of Energy & Utilities.

No single client represents over 2% of consolidated revenues and the Group's top ten clients account for less than 11% of that total.

IV - THE GROUP AND ITS PEOPLE

During 2001, Cap Gemini Ernst & Young focused particularly on its people, especially in three areas:

- On standardizing its Human Resources management processes which, prior to the merger, varied greatly from one operational company to another.
- On deployment of the Professions – communities of professionals to which all members of the Group belong. This deployment, covering six Professions, was completed by the end of the year:

- Strategic consulting.
- Business consulting.
- Technology.
- Operate.
- Business development.
- Support functions.

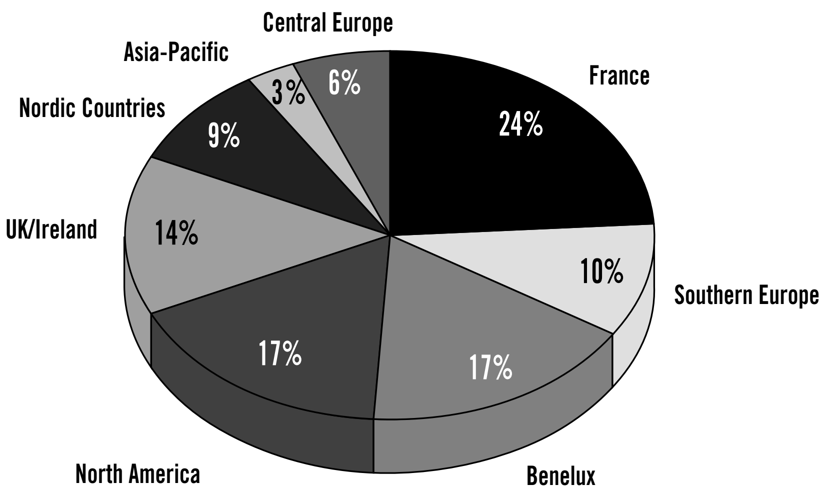
The Professions have a twofold mission: to serve as a management tool for people and career development using processes adapted to specific fields; and to facilitate the sharing of information and methodologies in these fields. The first of these missions began with the differentiation of HR functions according to Profession in each of the Group's large operational units. The second mission is being carried out through the creation and organization of some ten communities focused on segments of the Consulting and Technology Professions. These communities encourage the exchange of information and oversee the training programs in their individual fields.

- On internal communications, both formal and informal. This is especially critical at all levels because of the major changes that have taken place in the organization and deployment of the offerings of the new Group.

In France, the Group implemented measures relating to the reduction of the working week, in accordance with an industry-wide agreement as well as a specific Group agreement. The latter is based on the annual determination of hours worked and the provisions set down in relation to global working time calculations provided by law and the applicable collective bargaining agreements. During 2001 the average impact of these new provisions on the margin of the Group's French businesses was approximately 3.5 percentage points.

Excluding layoffs during the year, the average annualized employee turnover rate was 14.5% in 2001.

At December 31, 2001, the Group had 57,760 employees. The breakdown by geographical area is as follows:



Changes in employee numbers:

Year	Average headcount	Year-end headcount
1995	20,477	22,079
1996	23,934	25,950
1997	28,059	31,094
1998	34,606	38,341
1999	39,210	39,626
2000	50,249	59,549
2001	59,906	57,760

V - INVESTMENT POLICY

With the acquisition of Ernst & Young's consulting business, the Group now believes it has a sufficient critical mass to operate effectively in the regions, sectors, service lines and new market segments described above.

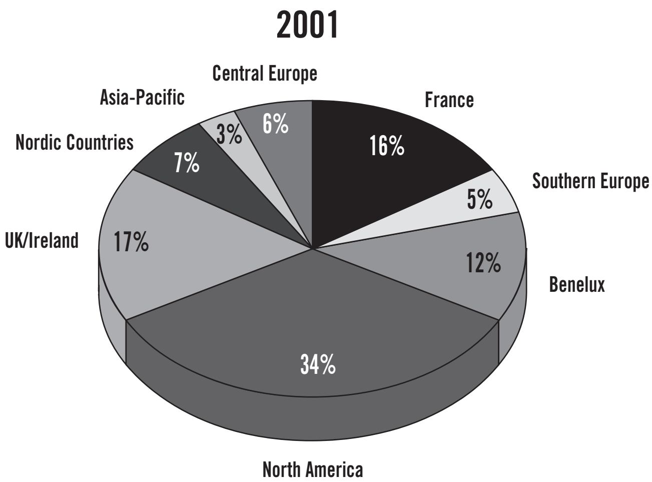
Nevertheless, Germany and Asia-Pacific are two key markets for IT services in which the Cap Gemini Ernst & Young Group could strengthen its presence. The Group employs fewer than 3,000 people in Germany – which is Europe's largest market – and about 2,000 in Asia-Pacific. At the same time, a greater dependence on "off-shore" production is also anticipated. This might very well lead to the creation of new partnerships, financial or otherwise.

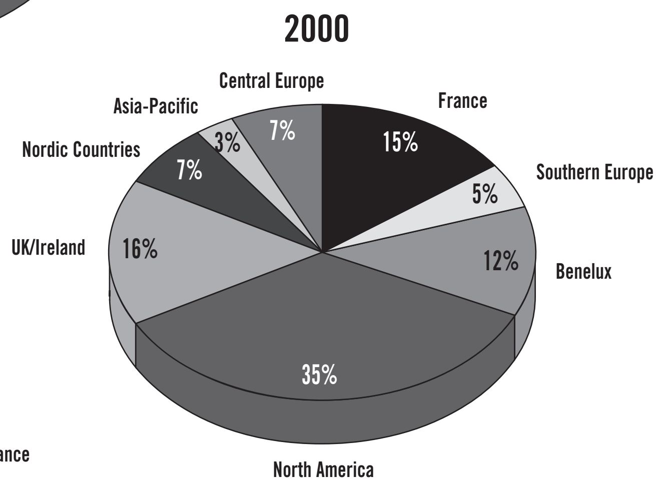
Finally, the Group has taken on the construction of a new international training center as part of Cap Gemini Ernst & Young University. Located in Gouvieux, north of Paris and in proximity to Charles de Gaulle Airport, the cost of the new center is estimated at €100 million, and it is expected to open at the beginning of 2003.

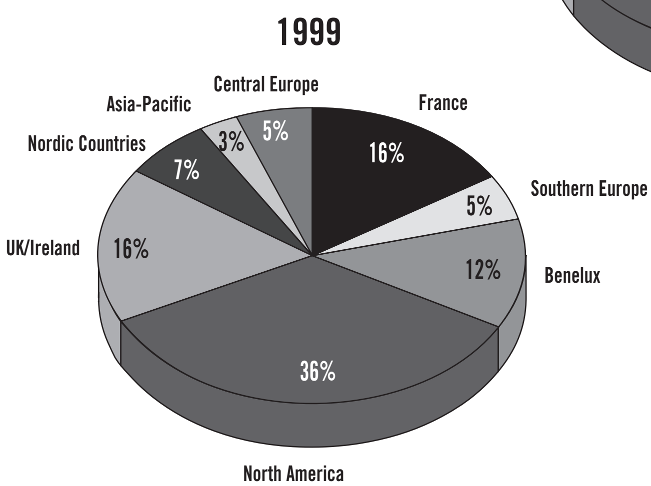
The major investments for 1999, 2000 and 2001 appear in note 2 a), b), c) and notes 9, 10 and 11 to the consolidated financial statements.

VI - ACTIVITIES OF PRINCIPAL SUBSIDIARIES AND INVESTMENTS

Total 2001 consolidated revenue (€8,416 million), 2000 pro forma revenue based on a comparable Group structure, and at constant exchange rates (€8,471 million) and 1999 pro forma revenue (€7,674 million), breaks down as follows by geographic area:







At December 31, 2001, the holding company Cap Gemini S.A. held 100% of the capital of its principal subsidiaries, with the exception of Cap Gemini Telecom owned at 95,1% and Cap Gemini NV in the Benelux, now owned at 99.8%. It was, in fact, at the end of April 2001, that the Group increased its participation in this subsidiary from 94.2% to 99.8%. On June 1, 2001, Cap Gemini NV's shares were withdrawn from the Amsterdam Euronext exchange and a procedure to purchase the shares still held by minority shareholders should be completed during 2002, thereby assuring the Group of 100% control of its Benelux subsidiary.

In addition to its operational subsidiaries, Cap Gemini S.A. holds 100% of the capital of two private real-estate companies and one limited liability company, which are owners, respectively, of the Group's corporate headquarters in Paris, its Béhoust university campus, west of Paris, and the property in Gouvieux north of Paris where the new international training center is under construction.

The Group's legal structure is made up mainly of 149 consolidated companies – listed in note 26 to the consolidated accounts – which conduct business in more than 30 countries organized operationally in the geographic areas outlined above.

VII - RISK

A - Market risk

1) Credit risk

Short- and medium-term assets theoretically giving rise to potential concentration of credit risk consist of short-term investments and accounts and notes receivable. Short-term investments mainly comprise marketable securities managed by leading financial institutions as well as negotiable debt instruments issued by financial companies or institutions with a suitable rating from a recognized rating agency. There is no significant risk on these short-term investments. Concerning accounts and notes receivable, Group clients are not concentrated within a single geographic area or business sector.

The businesses of Group clients may be affected by changes in the economic environment, with a resulting impact on the amounts receivable from these companies. The Group considers that no single client, business segment or geographic area represents a material credit risk.

2) Financial instruments

Financial instruments are used to hedge certain risks arising in the normal course of business. All hedging positions relate to existing assets or liabilities and/or business or financial transactions.

Hedging contracts are set up with leading financial institutions and the Group therefore considers that the related counter-party risk is not material. All currency and interest rate positions are taken using instruments quoted on organised markets or over-the-counter, for which the related counter-party risks are minimal. These instruments consist mainly of forward interest-rate and currency swaps. Gains and losses on hedging instruments are recognized on a symmetrical basis with the loss or gain on the hedged items. The fair value of financial instruments is estimated on the basis of market prices or data supplied by banks.
Detailed data are given in Note 18 to the consolidated financial statements.

3) Financing policy

For financing purposes, the Group can draw on banking facilities, which mainly comprise a €600 million multi-currency line of credit from a banking syndicate signed on July 31, 2001 for 5 years, and a €550 million commercial paper issuance programme. At December 31, 2001, none of these facilities had been drawn down.

The only draw downs were local lines of credit and overdrafts covering short-term and medium-term operational needs. At December 31, 2001, 75% of these borrowings, including obligations under operating leases and capital leases, was held at variable rates and 25% at fixed rates.

The Group finances some of its buildings under capital leases.

4) Equity risk

The Group has no significant exposure to equity risk.

B - Legal risks

The Group is not subject to any specific regulations and does not require any legal, regulatory or administrative authorizations to carry out its operations.

C - Insurance

Cap Gemini SA, its subsidiaries and any company in which it controls 50% or more, either directly or indirectly, are insured against the pecuniary consequences of general civil and professional liability they may incur as a result of their business activities. Such cover is part of a worldwide program organized into several lines and placed with different insurance companies. The program is periodically reviewed and adjusted to take account of revenue trends, lines of business and risk exposure.

The first line of the program, which covers risks of up to €20 million, is organized through a captive arrangement that includes reinsurance cover.

Covers for direct loss and loss of business, fraud and malice, and employees' vehicles and travel, together with personal insurance covers, are taken out by each subsidiary depending on its business lines, local regulations, and risk exposure.

CAP GEMINI ERNST & YOUNG AND THE STOCK EXCHANGE

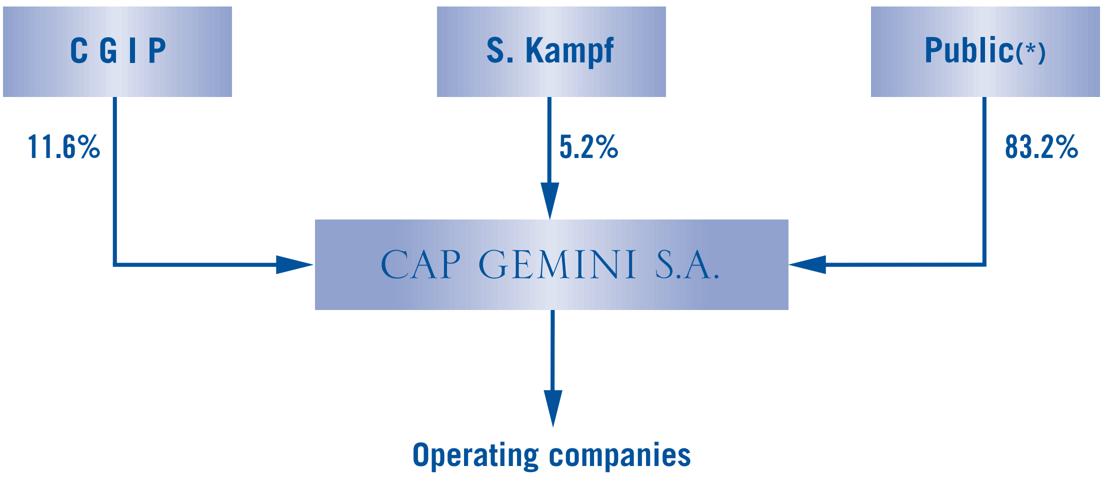
At December 31, 2001, the Company's share capital was made up of 125,244,256 shares, an increase of 938,712 shares compared to 2000. A total of 1,147,082 shares were issued during the year on exercise of stock options by Group employees and 208,370 shares were canceled after being returned to the Company in accordance with the agreements entered into between Cap Gemini Ernst & Young on the acquisition of the Ernst & Young consulting business, and with the sixth resolution of the May 23, 2000 General Shareholders' Meeting. The Company's shares are quoted on the First Market of the Paris Bourse under the EUROCLEAR code 12533.

During the year, the proportion of the total capital held by managers and the public (mainly institutions) rose from 76% to 83.2% including the interest of Ernst & Young US LLP which has held less than 5% since October 2001.

Cap Gemini shares are included in the CAC 40, Euronext 100, Dow Jones STOXX and Dow Jones Euro STOXX indexes. The share price on the First Market of the Paris Bourse started the year at € 171.80 and ended the year at € 81.10.

Average daily trading volume in Cap Gemini shares, in value, represented around 2.1% of total trading volume on the Paris market in 2001.

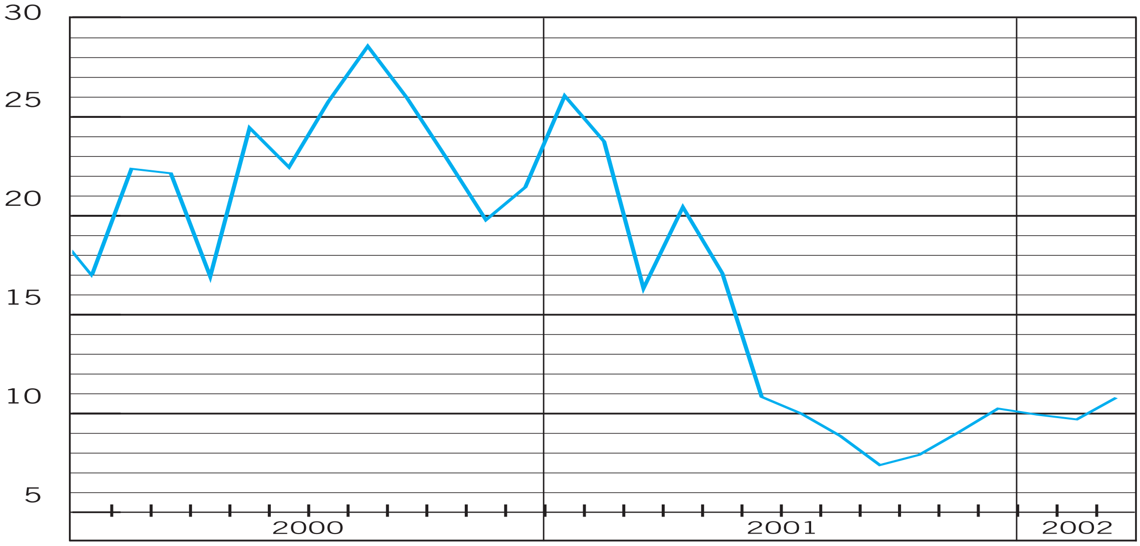
OWNERSHIP STRUCTURE
AT DECEMBER 31, 2001



(*)Including capital held by managers, particularly those who have exercised stock options in the past and retained their shares, as well as shares received in May 2000 by former Ernst & Young Consulting partners who became Group employees after the acquisition of the Ernst & Young consulting businesses.

MARKET CAPITALIZATION FROM JANUARY 1, 2000 TO MARCH 31, 2002

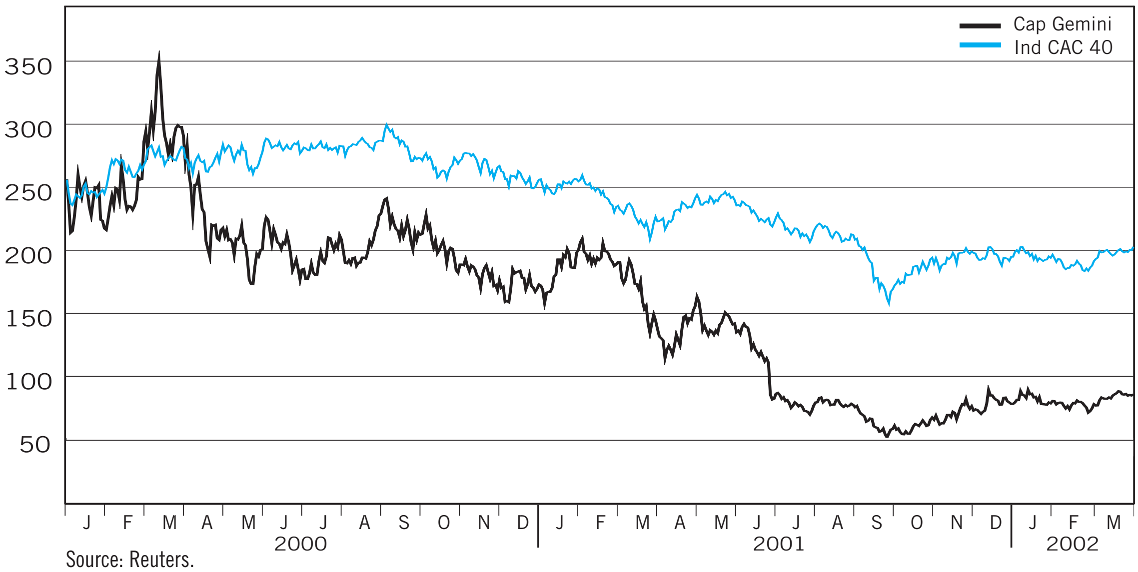
(in billions of euros)



Source: CMF.

SHARE PERFORMANCE FROM JANUARY 1, 2000 TO MARCH 31, 2002

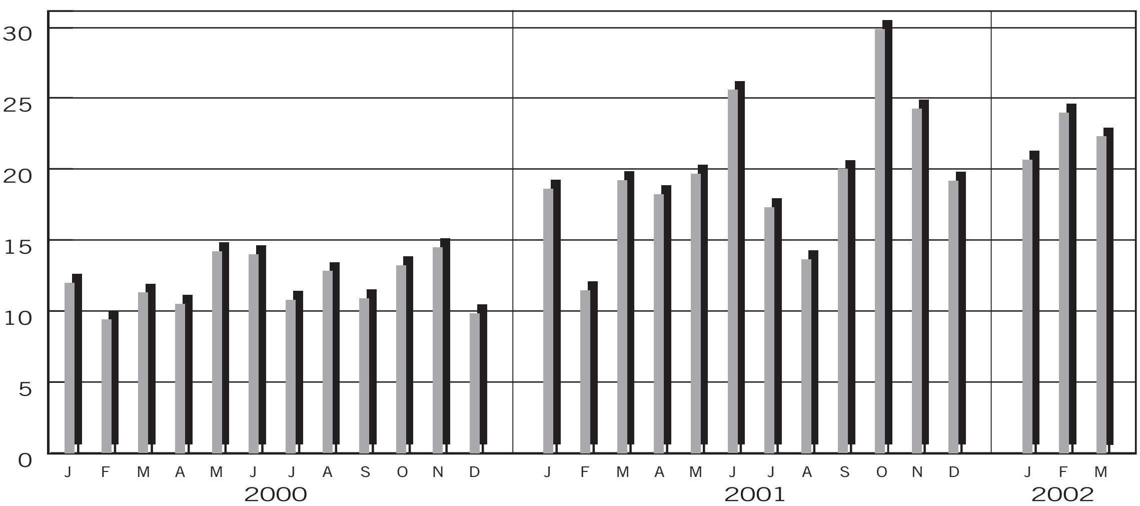
(in euros)



Source: Reuters.

MONTHLY TRADING VOLUME FROM JANUARY 2000 TO MARCH 2002

(in millions of shares including trading in the Netherlands)



Source: Euronext.

SHARE PRICE AND TRADING VOLUME

The following table presents an analysis of trading in the Company's shares over the last 24 months:

Month	Number of trading days	Share price (in euros)			Trading volume		
					Number of shares		Value
		High	Average	Low	total	Average *(daily)*	*(millions of euros)*
April, 00	18	276.70	227.78	188.20	10,245,068	569,170	2,310.9
May, 00	22	221.00	200.76	166.00	14,033,839	637,902	2,728.0
June, 00	21	236.00	203.22	172.60	13,552,248	645,345	2,738.2
July, 00	20	215.00	193.06	175.60	10,383,360	519,168	2,013.2
August, 00	23	235.70	202.09	184.20	12,342,546	536,632	2,515.4
September, 00	21	247.00	218.08	196.00	10,537,870	501,803	2,315.5
October, 00	22	228.30	201.31	180.50	12,672,806	576,037	2,511.6
November, 00	22	194.00	178.88	158.90	13,956,169	634,371	2,475.1
December, 00	19	190.00	173.84	154.60	9,660,146	508,429	1,681.9
January, 01	22	209.80	185.8	154.00	18,100,549	822,752	3,389.6
February, 01	20	208.90	193.79	184.00	10,683,382	534,169	2,083.5
March, 01	22	193.40	161.09	125.60	18,713,227	850,601	2,972.5
April, 01	19	164.80	135.32	109.70	17,792,543	936,450	2,395.0
May, 01	22	166.70	140.98	129.10	19,396,909	881,678	2,736.2
June, 01	20	143.40	116.64	77.40	25,334,525	1,266,726	2,671.9
July, 01	22	86.90	77.53	68.00	17,210,624	782,301	1,362.4
August, 01	23	88.30	77.84	69.60	13,566,487	589,847	1,074.2
September, 01	20	71.10	59.9	49.00	19,866,639	993,332	1,196.9
October, 01	23	70.40	60.65	49.70	29,803,388	1,295,799	1,800.8
November, 01	22	82.90	71.87	61.10	24,217,567	1,100,799	1,759.8
December, 01	18	92.50	80.44	69.60	19,160,183	1,064,455	1,545.5
January, 02	22	90.70	81.61	75.45	20,634,169	937,917	1,695.4
February, 02	20	82.55	76.67	70.70	23,942,177	1,197,109	1,814.8
March, 02	20	89.25	83.99	75.25	22,280,715	1,114,036	1,893.2

Source: Euronext.

DIVIDENDS

Year ended December 31	Total dividend *(in millions)*	Number of shares	Dividends	"Avoir fiscal" tax credit	Total Payout
1996	MFF 121	60,356,666	FRF 2	FRF 1	FRF 3
1997	MFF 214	61,198,877	FRF 3.50	FRF 1.75	FRF 5.25
1998	MFF 380	69,130,658	FRF 5.50	FRF 2.75	FRF 8.25
1999	M€ 78	77,945,108	€ 1	€ 0.5	€ 1.5
2000	M€ 149	124,305,544	€ 1.2	€ 0.6	€ 1.8
2001	(*) M€ 50	125,244,256	(*) € 0.40	(a) € 0.2	(b) € 0.6

(*) recommended to the Ordinary General Meeting of April 25, 2002.
(a) and (b): Under the terms of the 2002 Finance Act, the "avoir fiscal" tax credit has been kept at 50% of the net dividend in the case of individual shareholders and corporate shareholders qualifying for the affiliation privilege provided for in article 145 of the General Tax Code, but has been reduced to 15% for all other corporate shareholders that use the tax credit after January 1, 2002.

REPORT OF THE BOARD OF DIRECTORS TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF APRIL 25, 2002

1 - General comments

The Cap Gemini Ernst & Young Group experienced a particularly difficult first full year in 2001. Its challenges proved very different from what had been forecast, but they also stimulated changes that have strengthened the Group's medium-term prospects.

After a year that was shaped by the acquisition of the Ernst & Young consulting businesses, followed by legal mergers and a large-scale integration process designed to efficiently combine the respective strengths of the Ernst & Young Consulting and Cap Gemini teams, the new Cap Gemini Ernst & Young Group started 2001 with an organization structure aimed at reaping the full benefits of the merger, in terms of value creation. While it was clear that the new organization would take a few months to settle down after an operation on this scale, it was expected to yield good results in an expanding market. Initial results were in line with this expectation. Despite the early effects of the crisis already impacting certain client industries in the early part of the year, namely the telecommunication and high technology sectors, the Group's revenues for the first quarter expanded by 7.6% like-for-like compared with pro forma revenue for the same period in 2000. However, this result was probably attributable to the momentum carried over from 2000, and was not the starting point of an acceleration. On the contrary, what followed was a steady loss of momentum, partly due to the demands on internal resources of the operational merger, but probably mainly as a result of the swift extension of recessionary tendencies in the global economy.

In May and June an unexpectedly large number of projects signed or in progress were postponed, staggered or even canceled by clients. A first set of corrective measures was implemented at that time, including approximately 2,900 layoffs. They were scaled to respond to a slowdown limited to specific countries (the U.S., the United Kingdom, Nordic countries) and sectors (telecommunication, banking sector, high tech). However, the scenario considered in June did not forecast the various economic shocks that followed. In August, stock prices fell by an average of 50%, triggering a rash of restructuring plans and raising fears of an across-the-board recession. The terrorist attacks of September 11 accelerated the downward spiral. As a result, the Group recorded no revenue growth in the third quarter. Fourth quarter revenues were only slightly better and were down 10% on the excellent Q4 2000. The Group therefore had to launch new cost-cutting plans and adapt its capacity, bringing the total number of layoffs for the year to 5,400.

These difficult times had a strong impact within the Group, as it is a well known fact that the strength of a services business lies in its people. But they also bore witness to Cap Gemini Ernst & Young's ability to adapt. Second-half revenues were more than € 1 billion below what had been planned at the outset of 2001, but operating expenses for the period were kept about € 700 million below the budgeted figure. This flexibility allowed the Group to remain profitable during this troubled year, albeit with significantly reduced margins. Despite this difficult environment, it was possible to implement some of the key steps of the strategic project begun in May 2000. Relations with a certain number of major clients were organized globally, alliances with key technological partners were strengthened and, thanks to a collective effort of all the Group's regions, Cap Gemini Ernst & Young has become the second-largest global player in CRM, with Siebel ranking us second among worldwide integrators of its products.

However, faced with such a volatile market, it was necessary to take immediate action to simplify an organization structure that was tailored to a more bullish environment. Priority was given to regional management, the 13 business lines that had initially been launched were redesigned and reorganized into three consistent units, marketing investment was scaled back and redeployed towards sectors less vulnerable to the economic slowdown. Lastly, greater emphasis was placed on services that provide a better fit with the current economic context, particularly in outsourcing. The paradox of this year is that, although it can only be considered disappointing in terms of overall results, many new projects and challenging ideas arose, were developed and made their mark, as the demands of the situation tasked everyone to think outside of the box to adapt to a changing business environment.

A review of key results highlights the gradual deterioration of the Group's situation, but with pronounced variances among regions and from one sector to another.

Consolidated revenues for the full year amounted to € 8,416 million, up 0.3% on a like-for-like basis compared with the Group's pro forma revenues for 2000. First-half growth of 6.3% was almost completely offset by the 5.7% decline in the second half, with a sharp drop in the last four months of the year.

Although all geographic areas experienced a slowdown between the first and second half, annual revenue trends varied widely: North America and the Asia-Pacific area shrank by 6.1% and 6.9% respectively, while the Group's European operations, which account for 64% of total revenues, grew 4.3%. Within Europe, results ranged from growth of less than 1% for Benelux and Southern Europe to approximately 6% for the United Kingdom, Central Europe and France.

The Group's exposure to various sectors of the economy can explain some of these differences, as performances by sector were very mixed. Our operations in telecommunications were hit particularly hard, falling 7%, and the same trend applied throughout the high-tech sector. Our financial-sector clients also sharply scaled back their expenditure, causing a 19% drop in revenues. Banks made the first cutbacks, then the trend spread to insurance companies following September 11th.

Conversely, the Group made very dynamic progress in the fields of energy and services to local governments, which were up 17%, and in life sciences, which rose 28%. Operations in the healthcare sector, which account for a significant portion of U.S. revenues, also recorded sustained growth, up 29%. Operations with public-sector clients, in which the Group had invested only minimally until now, posted satisfactory growth of 9%.

Across all sectors, it is clearly in project work and advisory services that the Group was most affected by the economic slowdown and clients' decisions to postpone or abandon certain capital expenditure plans. On the other hand, outsourcing, and particularly applications maintenance, continued to develop, achieving revenue growth of 9% over the year and representing 22% of Group revenues. Outsourcing, which is often combined with consulting services and systems integration, has established itself as a dynamic and recurring source of revenues and is expected to provide 30% of Group revenues before 2005.

Operating income for the year ended December 31, 2001 was € 423 million, down sharply on the previous year, at 5% of revenues versus 10.1% in 2000 (and 10.5% on a pro forma basis). Operating margin shrank from 6.1% for the first half to 3.9% in the second. This was attributable to the joint effect of low staff utilization rates and acute pricing pressures. The cost-cutting measures implemented by the Group, which included layoffs, scaling down of variable remuneration, restrictions on travel and reductions in overheads, could only offset part of this margin erosion.

Net income was € 152 million, representing net margin of 1.8%. It was heavily weighed down by € 181 million in restructuring charges, which covered both the cost of downsizing measures and the discontinuing of non-profitable operations.

Taking into account the measures implemented, the number of Group employees was 57,760 at December 31, 2001, 1,789 lower than at December 31, 2000 and 2,494 lower than at June 30, 2001. At December 31, 2001, however, over 1,200 people were serving a notice period (including 1,078 under restructuring plans) or were still included in headcount for purely administrative reasons, and the Group is starting 2002 with approximately 56,500 staff.

At the end of April 2001, the Group raised its stake in its Dutch subsidiary Cap Gemini NV from 94.2% to 99.8%. As a result, the shares of Cap Gemini NV were de-listed from Euronext Amsterdam on June 1, 2001. A procedure to buy back the shares still owned by minority shareholders will end during 2002, giving the Group exclusive control over its subsidiary.

Overall, the Group has managed to weather the very difficult environment of 2001 while remaining profitable. Last year's restructuring has refashioned the Group and prepared it to begin 2002 in better conditions.

The Board of Directors has monitored very closely the various milestones that the Group has crossed and the efforts made by its leadership team to rapidly adapt Cap Gemini Ernst & Young to the new market conditions. The Board was informed by Geoff Unwin of his decision to retire in 2002. The Board thanked Mr. Unwin warmly for his significant contributions to the success of Cap Gemini Ernst & Young and asked Paul Hermelin to replace him as Chief Executive Officer beginning on January 1, 2002.

2 - Comments on the consolidated financial statements of the Cap Gemini Ernst & Young Group

Consolidated results for 2001 include the full-year contribution of the Ernst & Young consulting businesses acquired in 2000. However, they also reflect the significant effects of the abrupt economic downturn and the costs of the two restructuring plans launched by the Group in the middle and at the end of the year.

The acquisition of the Ernst & Young consulting businesses, on May 23, 2000, was accounted for in the Group's financial statements by the alternative method provided for in section 215 of French Accounting Standards Committee ("CRC") standard 99-02 ("methode dérogatoire"). In accordance with this method, the cost of the shares in the acquired Ernst & Young entities was replaced by the net book value of the assets and liabilities of the entities concerned, as reflected in their financial statements at the date of acquisition after restatement in accordance with Group accounting policies. Therefore, no goodwill was recognized under assets in the consolidated balance sheet.
The method of acquisition enables the Group to benefit in North America from the tax saving resulting from the deductibility of amortization of the difference between the acquisition price of the Ernst & Young consulting businesses in the United States and Canada, and the tax basis of their assets and liabilities. In terms of cash flows, this saving will result in lower tax payments in the two countries, year after year, until the total saving has been realized.

Consolidated statement of income

Operating revenue increased by 21.4% in 2001 to € 8,416 million from € 6,931 million in 2000. The 2001 figure was € 55 million lower than pro forma operating revenue for 2000, a decrease of 0.6%.
The breakdown of operating revenue by geographic area is provided in note 4 to the consolidated financial statements

Operating income totaled € 423 million, down 39.8% on the previous year's € 703 million. Operating margin came to 5% versus 10.1% in 2000 based on published figures and 10.5% pro forma.
The breakdown of operating income by geographic area is presented in note 23 to the consolidated financial statements. North American margins held up well against declining revenues, reaching 6.3%, while margins in Benelux and France remained above the Group average, at 12.4% and 6.1% respectively. Operations in the Asia-Pacific region ended the year with a negative margin of 4.6%, however, and the United Kingdom's positive first-half margin was wiped out in the second half.

The 2000 breakdown between cost of services rendered and general, administrative and selling expenses is not directly comparable to the breakdowns for other years, due to the integration of the Ernst & Young consulting businesses.

The Group had **net interest income** of € 6 million in 2001 as opposed to net interest expense of € 7 million in 2000. The positive swing primarily reflected the interest earned on the proceeds from the late October 2000 issue of shares to Cisco Systems.

Other revenues and expenses, net represented a net expense of € 139 million in 2001 versus net revenues of € 9 million the previous year. The 2001 figure includes the cost of the restructuring plans decided and implemented during the year. In 2000, the Group recorded a € 134 million dilution gain on the transaction with Cisco Systems.
The € 181 million cost of the 2001 restructuring plans, including € 85 million charged to the income statement in the first half and € 96 million in the second half, was only partly offset by the € 32 million profit on the sale of the business process outsourcing business in the United Kingdom and the gain on the sale of the capital lease on the Group's Issy-les-Moulineaux building. This amount also includes € 20 million reversed from the discounting provision related to North American deferred tax assets and € 18 million in write-downs of shares in non-consolidated companies in the United States.

Income tax for the year amounted to € 104 million compared with € 238 million in 2000, representing an effective rate of 35.9% versus 33.8%. The lower effective rate in 2000 stemmed from the fact that the Cisco Systems dilution gain was not taxable. The 2001 figure includes a net deferred tax benefit of € 62 million arising from the utilization of subsidiaries' tax losses and the recognition of part of the North American tax credit, leading to a net benefit of € 8 million.

The Group's equity in the net results of affiliates represented a negative amount of € 3 million versus a negative amount of € 7 million in 2000.

Amortization of goodwill totaled € 31 million compared with € 22 million in 2000. The increase primarily reflects the interests acquired by the Group in companies set up to manage major outsourcing contracts and in Cap Gemini NV.

Net income for the year amounted to € 152 million compared with € 431 million in 2000, representing 1.8% of operating revenues versus 6.2% the previous year. The total of € 152 million includes € 111 million for the first half (2.5% of operating revenues) and € 41 million for the second half (1% of operating revenues).

Earnings per share came to € 1.20 versus € 3.99 in 2000.

Consolidated balance sheet

Consolidated shareholders' equity including minority interests totaled € 4,342 million, compared with non-current assets of € 2,409 million. At December 31, 2000, shareholders' equity including minority interests stood at € 4,223 million and non-current assets at € 2,191 million. The € 119 million year-on-year increase in shareholders' equity reflects the combined impact of:

- net income for the year (€ 152 million),
- translation adjustments (€ 90 million), arising from changes in exchange rates of the US dollar (€ 69 million) and the pound sterling (€ 18 million) against the euro,
- distribution of 2000 dividends (€ 149 million plus dividend equalization tax of € 15 million),
- the issuance of shares on exercise of employee stock options (€ 30 million),
- a € 47 million increase in additional paid-in capital, primarily reflecting the reversal of excess provisions recorded in Ernst & Young's opening balance sheet at May 23, 2000 as well as an adjustment to Ernst & Young's opening shareholders' equity at that date,
- a € 36 million decrease in minority interests, mainly following the acquisition of a further 5.6% interest in the capital of Cap Gemini NV.

The € 295 million increase in **non-current assets** arose mainly from:

- acquisitions of operating assets, net of disposals, for € 237 million, primarily in the United Kingdom (€ 62 million), France (€ 32 million), the United States (€ 26 million), Benelux (€ 24 million), Germany (€ 26 million) and the Nordic countries (€ 24 million),
- goodwill arising on the acquisition of an additional 5.6% interest in Cap Gemini NV (€ 139 million),
- depreciation and amortization for the year of € 217 million, including € 186 million related to property, plant and equipment and intangible assets and € 31 million in goodwill amortization,
- acquisitions of investments for € 19 million, including Vertex shares acquired at a cost of € 47 million, partly offset by a € 18 million write-down of investments in the United States,
- positive translation adjustments of € 63 million arising on conversion of non-current assets into euros,
- a € 54 million adjustment to long-term deferred tax assets.

Accounts and notes receivable amounted to € 2,176 million, including € 2,068 million in trade receivables versus € 2,164 million at December 31, 2000. The decrease compared with the June 30, 2001 figure was approximately € 500 million. At December 31, 2001, receivables represented 90 days' sales versus 93 days at the previous year-end.

Net debt at December 31, 2001 amounted to € 698 million compared with € 849 million one year earlier.
Cash and cash equivalents came to € 875 million versus € 1,003 million. The € 128 million year-on-year decline was primarily attributable to the acquisition of a further 5.6% interest in Cap Gemini NV for € 167 million and dividend payments of € 153 million, partly offset by the € 186 million in cash provided by operating activities (after taking into account net cash outflows from asset acquisitions and disposals).

3 - Comments on the Cap Gemini SA financial statements

Statement of income

The Company's **operating revenues** amounted to € 184 million compared with € 196 million in 2000, including royalties of € 196 million versus € 103 million. Operating revenues for 2000 included an € 89 million expense transfer corresponding to gross fees paid by Cap Gemini in connection with the Ernst & Young and Cisco Systems transactions.

Operating income rose to € 166 million from € 74 million in 2000. The sharp increase primarily reflects royalties billed in 2001 to the Ernst & Young consulting businesses acquired in May 2000.

The Company had net interest expense of € 1,960 million in 2001 as opposed to net interest income of € 88 million in 2000. The 2001 amount includes dividend income from subsidiaries of € 89 million versus € 100 million in 2000, and € 2,071 million in write-downs of all of its investments in subsidiaries and affiliates. These write-downs partly reflect a review carried out by the Company of the book value all of its investments in subsidiaries and affiliates further to the reorganization of Group operations in North America. The shares in American, Australian, New Zealand, Austrian, Italian and Polish subsidiaries taken to the balance sheet on May 23, 2000 at a value based on the Cap Gemini share price of € 220, were written down to fair value to the Company at year-end 2001. These write-downs had the effect of reducing Cap Gemini SA's non-current assets from € 13,004 million to € 11,013 million.

In 2001, the Company had net other expense of € 16 million as opposed to net other income of € 188 million in 2000. The 2001 figure includes subsidies totaling € 23 million granted to the Company's Korean subsidiary and one of its Swiss subsidiaries, to strengthen their balance sheets prior to liquidation. In 2000, net other revenue included gains realized on the transfer of the Telecom/Media and Networks businesses under the terms of the Company's agreements with Cisco Systems, and revenue of € 38 million related to Cap Gemini SA shares issued in May 2000 and returned by former Ernst & Young partners who have left the Group.

After deducting income tax of € 64 million, the Company had a net loss of € 1,874 million compared with net income of € 318 million in 2000.

Balance sheet

The Company's **shareholders' equity** contracted sharply to € 11,415 million due to the December 31, 2001 write-down of shares in subsidiaries and affiliates.

Debt totaled € 6 million versus € 29 million at December 31, 2000.

Total assets came to € 11,638 million at December 31, 2001 compared with € 13,665 million at the previous year-end. The € 2,027 million decrease was also attributable to the write-down of the book value of shares in all of the Company's subsidiaries and affiliates.

Appropriation of net loss

The Board of Directors recommends that the net loss for the year of € 1,873,798,101.74 should be written off against retained earnings.

The Board of Directors further recommends the payment of a dividend of € 0.40 per share, representing a total distribution of € 50,097,702.40 to be paid out of additional paid-in capital. The dividend of € 0.40 represents a pay-out rate of 33% of consolidated income, in line with the dividend policy followed by the Group in recent years.

If approved, the Board of Directors recommends that dividends should be paid as from April 26, 2002.

In accordance with the provisions of the 2002 Finance Act, the dividend will give rise to an avoir fiscal tax credit of € 0.20 (50%) per share in the case of private shareholders and legal entities qualifying for the affiliation privilege, and € 0.06 (15%) per share in the case of all other corporate shareholders that use the tax credit after January 1, 2002.

If any of the Company's shares are held in treasury stock when the dividend is paid, an amount corresponding to the dividends not paid out on these shares will be credited to retained earnings.

In accordance with the provisions of Article 243bis of the French General tax Code, shareholders are informed that 2000 dividends totaled € 149,166,652.80 (FRF 978,469,100.71), representing a dividend per share of € 1.2 paid on 124,305,544 shares, that 1999 dividends totaled € 77,945,108 (FRF 511,286,392), representing a dividend per share of € 1 paid on 77,945,108 shares, and that 1998 dividends totaled FRF 380,218,619 (€ 57,963,955), representing a dividend per share of FRF 5.50 paid on 69,130,658 shares.

Share capital and ownership structure

In 2001, the share capital was increased from € 994,444,352 to € 1,001,954,048 as a result of the following:

- issuance of 1,147,082 shares on exercise of stock options by Group employees,
- cancellation of 208,370 shares returned to the Company by individuals who became employees of the Cap Gemini Ernst & Young Group at the time of the May 23, 2000 acquisition of the Ernst & Young consulting businesses and subsequently left the Group.

Pursuant to Article L.233-13 of the Commercial Code, shareholders are informed that:

- as of December 31, 2001 CGIP (Compagnie Générale d'Industrie et de Participations) held over 10% of the Company's capital and voting rights, directly or indirectly, and Serge Kampf held over 5% of the capital and voting rights,
- during the year, Ernst & Young US LLP's interest in the capital and voting rights was reduced to below the 5% disclosure threshold.

Stock Options

The Extraordinary Shareholders' Meeting of May 23, 2000 authorized the Board of Directors to grant stock options to certain employees of the Company and its French and foreign subsidiaries. The authorization was given for a period of five years commencing May 23, 2000 and the number of shares to be subscribed on exercise of the options was limited to 12 million. The Board of Directors used this authorization to set up the Fifth Stock Option Plan.

During 2001, the Board of Directors used this authorization to grant options on 4,732,500 shares to a total of 2,123 Group employees. The option exercise price was set at 80% of the average of the prices quoted for the Company's shares over the 20 trading days preceding the date of grant. Out of the total options granted, 1,333,500 are exercisable at a price of € 139 per share, and 3,399,000 at a price of € 60 per share.

In the event of an authorized tender offer to acquire the Company's shares, optionholders would be entitled to exercise all their options immediately – or all of the unexercised options – without waiting for the ending date of the vesting period specified at the time of grant.

During 2001, 791,937 shares were subscribed on exercise of options granted under the Third Plan and 355,145 under the Fourth Plan, bringing the total for the year to 1,147,082 shares, corresponding to the equivalent of 0.9% of the Company's capital at December 31, 2001. No further shares could be subscribed under the First and Second Plans, for which the exercise periods expired on November 1, 1995 and April 1, 1999 respectively.

Authorization to buy back the Company's shares(*)

The Ordinary Shareholders' Meeting of May 16, 2001 authorized the Company to buy back its shares on the open market. This **authorization was not used** in 2001.

At this year's Ordinary Shareholders' Meeting, the Board of Directors will ask shareholders to replace this authorization, which was given for a period of 18 months, with a new authorization allowing the Company to:

- conduct further external growth transactions remunerated by Cap Gemini SA shares,
- award shares to Group employees on the terms and by the methods provided for by law, including in connection with stock option plans or company savings plans,
- stabilize the Company's share price by purchasing and selling shares on the open market,
- optimize the management of the Company's financial position and assets and liabilities,
- cancel shares.

To this end, the Board of Directors is seeking an 18-month authorization to buy back (or sell) shares representing up to 10% of the Company's capital. Under the terms of the authorization, the maximum price at which the shares could be acquired will be set at € 200 per share and the minimum price at which they could be sold will be set at € 60 per share.

These transactions will be governed by Act no. 98-546 of July 2, 1998 which stipulates that the Board of Directors may be authorized to cancel all or some of the shares acquired for the above-mentioned purposes, up to a maximum of 10% of the share capital. This authorization is the subject of the sixth resolution to be submitted for approval at the Extraordinary Shareholders' Meeting.

Returned shares

In accordance with the agreements entered into between Cap Gemini and Ernst & Young in connection with the acquisition of the Ernst & Young consulting businesses which was completed on May 23, 2000, 237,352 Cap Gemini shares had been returned to the Company between April 1, 2001 and March 14, 2002 by people who became employees of the Cap Gemini Ernst & Young Group and subsequently left the Group. Former partners of Ernst & Young who worked in the consulting business became employees of the Cap Gemini Ernst & Young Group and as such were given employment contracts. Any of these employees of the Cap Gemini Ernst & Young Group who decide to leave the Group within a specified period are required to return all or some of the shares received at the time of sale of the Ernst & Young consulting businesses to Cap Gemini. The number of shares to be returned depends on the reason for and timing of the individual's departure.

Directors' compensation

The total compensation and benefits paid by the Company and its subsidiaries to directors of the Company during 2001 is presented on page 88 of this Reference Document in compliance with Article L.225-102-1, paragraphs 1 and 2, of the Commercial Code.

(*) An information memorandum which includes an explanation of the objectives of this share buyback program was approved by the Commission des Opérations de Bourse on April 9, 2002 under number 02-343.

List of Directorships and other functions held by Directors

The list of directorships and other functions held by directors in other companies during 2001 is presented in pages 81 to 85 of this Reference Document, in compliance with Article L.225-102-1, paragraph 3, of the Commercial Code

Statutory Auditors

The terms of office of the Company's two Statutory Auditors, Coopers & Lybrand Audit and Constantin Associés, are due to expire at the close of the General Shareholders' Meeting. Shareholders will therefore be invited to renew the term of office of Coopers & Lybrand Audit for a period of six years and to appoint KPMG S.A. as new Statutory Auditors for a term of six years to replace Constantin Associés.

Shareholders will also be asked to appoint Mr Yves Nicolas as substitute for Coopers & Lybrand Audit, and Mr Guillaume Livet as substitute for KPMG S.A., for a term equal to that of the Statutory Auditors.

4 - Outlook

As for the situation at February 20, 2002, the date on which the Board of Directors reviewed the accounts, the Board of Directors notes that the Group succeeded in remaining profitable in 2001 in what was an extremely difficult market, implementing restructuring measures which significantly reduced operating costs and prepared it to enter 2002 in the best possible condition. The Group therefore begins the year with a headcount of approximately 56,500, i.e. 3,000 less than on January 1, 2001.

The business rebound is however expected to be deferred due to the low level of bookings in the second half of 2001. The fourth quarter in general benefits from a strong positive seasonal effect which did not occur this time. First quarter revenue will therefore be significantly lower than both the first and fourth quarters of 2001.

After a period given over to cost adjustment in 2001, the Group will now concentrate its efforts on improving sales performance, assisted by the fact that many clients who had suspended projects have begun to re-launch them based on new budgets approved for 2002. Also, certain business sectors remain very dynamic (energy and utilities, the public sector, health, the pharmaceutical industry, etc.) and should compensate for the temporary slowdown in demand in telecommunications and financial services. Outsourcing is progressing fast and the launch of SOGETI will enable a gain of market share in the professional services business.

The Group's objective is to recover growth and make a significant improvement in operating margin as quickly as possible. In both cases, a real turnaround cannot be expected before the middle of this year.

Paul Hermelin, the new Chief Executive Officer, confirmed to the Board of Directors that the Group has the potential to benefit from any improvement seen in the market and to progressively recover the same level of operating margin as that reached in previous years.

5 - Comments on matters to be discussed at the Extraordinary Shareholders' Meeting

Authorization to cancel shares acquired under the buy-back program

As mentioned above, the Board of Directors is seeking an authorization to cancel all or some of the shares bought back pursuant to the provisions of Act no. 98-546 of July 2, 1998, as discussed in the 6th paragraph of Section 3 of this report, up to a maximum of 10% of the capital per 24-month period.

Capital reduction to cancel returned shares

As mentioned above, between April 1, 2001 and March 14, 2002, 237,352 Cap Gemini shares had been returned to the Company by former partners of the Ernst & Young consulting businesses who became employees of the Cap Gemini Ernst & Young Group and subsequently left the Group. These shares, which do not form part of the share buyback program, are governed by Article L.225-204 of the Commercial Code.

Shareholders will be asked to cancel these shares and to reduce the Company's capital by a total of € 1,898,816, corresponding to the amount at which the returned shares were recorded in the accounts of Cap Gemini SA.

Employee share ownership

The Extraordinary Shareholders' Meeting of May 23, 2000 authorized the Board of Directors to grant stock purchase and subscription options to Group employees, as well as to increase the capital by issuing shares to be offered for subscription to eligible Group employees, in accordance with the applicable law. The maximum number of new shares to be issued as a result of this authorization was 12,000,000.
To date, the Board of Directors has only used the authorization to grant options under the Fifth Stock Option plan, which by definition only concerns a relatively limited number of beneficiaries.

We therefore commissioned a tax and legal feasibility study for an international employee share ownership system to be accessible to all employees, and compatible with legislation in all countries in which the Group operates. Based on the results of this study, the Board of Directors now proposes launching an international employee share ownership system during the second half of 2002.

Under this new system, subject to specific tax or legal provisions applicable in certain countries, all Group employees would be able to choose between two plans:

- a leveraged plan with a capital guarantee which enables employees who subscribe for Cap Gemini shares to benefit from price increases on a higher number of shares. Under this plan, each employee would receive nine additional Cap Gemini shares (or the equivalent in cash) for each share subscribed. The amount invested by employees in the plan would be capped at 2.5% of gross annual salary or € 2,000 per year.

- a second more classic plan enabling employees to subscribe for Cap Gemini shares representing a maximum of 25% of their gross annual salary.

For both plans, the share subscription price would be 85% of the average of the opening prices quoted for the Company's shares over the twenty trading days preceding the date of the decision to open the subscription period.

In order to implement this employee share ownership system, shareholders are therefore invited to:

- limit the ceiling of 12,000,000 shares set by the Extraordinary Shareholders' Meeting of May 23, 2000 exclusively to capital increases resulting from the exercise of stock options;

- cancel the second part of the authorization granted on May 23, 2000 in relation to employee share issues, and to replace it with a specific authorization taking into account the new provisions of the February 19, 2001 Act dealing with employee share ownership and the social modernization Act of January 17, 2002.
  If shareholders approve the thirteenth resolution, the Board of Directors would be granted a specific authorization to issue a total of 3,800,000 new shares to be offered for subscription by eligible employees of the Company and its French and foreign subsidiaries. Eligible employees are employees who are members of a Cap Gemini Ernst & Young Company Savings plan. The authorization, which would expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements, would also automatically entail the waiver by shareholders of their pre-emptive right to subscribe for the shares concerned. The issue price for the new shares would be 85% of the average of the opening prices quoted for the Company's shares over the twenty trading days preceding the date of the decision to open the subscription period. The Board of Directors would be given full powers to fix the other terms and conditions of the share issues;

- to enable employees of certain foreign Group companies whose head offices are in countries where it would be difficult to implement the employee share ownership plan set out above (e.g. the United States or Germany), to benefit from a share ownership plan with similar economic conditions to those provided for the other employees.

Therefore, to take into account these tax and regulatory issues, shareholders will be invited to approve the fourteenth resolution which authorizes the Board of Directors to issue a maximum of 1,300,000 new shares to be offered for subscription by Cap Gemini Ernst & Young Employees Worldwide SA, a Group company dedicated for the purpose. The aim is to allow the employees in the countries concerned to participate in a leveraged plan through this company and the credit institution which will hold the shares on behalf of plan participants.

Employees would have the choice of investing in a classic investment product or in a leveraged product. The issue price for the new shares concerned would be 85% of the average of the opening prices quoted for the Company's shares over the twenty trading days preceding the date of the decision to open the subscription period. The Board of Directors would be given full powers to fix the other terms and conditions of the share issues.

This authorization would also expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements.

If an issue is over-subscribed, employees' subscriptions would be reduced according to the following principles:

- the number of shares allotted to each employee would be reduced in the same proportions;

- the Board of Directors would be entitled to set a threshold below which subscriptions would not be reduced, in order to ensure that employees applying for the smallest number of shares receive their full allotment;

- the Board of Directors would also be authorized to set a specific ceiling on subscriptions in a particular country where justified by the tax or regulatory provisions applicable in that country;

- the number of new shares issued under the authorization granted in the fourteenth resolution would equal nine times the number of shares represented by the amount paid by Employees of Foreign Companies. The maximum aggregate amount paid by the said Employees of Foreign Companies would be the subscription price of one ninth of 1,300,000 shares.

If the shareholders grant these authorizations, in accordance with article 155-2 of the French Companies Decree, each time they are used by the Board of Directors, the Board will issue an additional report or reports describing the impact of the proposed issue(s) on the situation of shareholders, determined on the basis of net assets at the close of the previous year, as well as the theoretical impact on the Cap Gemini share price based on the average quoted price over the twenty trading days prior to the issue(s).

Financial authorizations

The authorizations given to the Board of Directors last year to issue shares and share equivalents, with or without pre-emptive subscription rights, and to raise funds on the financial markets by issuing share equivalents with or without pre-emptive subscription rights, including convertible bonds, bonds with equity warrants, stand-alone warrants and hybrid securities, **have not been used.** These authorizations are therefore still valid but their period of validity differs according to the type of transaction selected.
In order to allow the Board of Directors to launch the issues that are considered best suited to the Company's needs at the best possible time, depending on market conditions, shareholders will be asked to replace the authorizations given at last year's meetings, **which are due to expire this year,** by new authorizations for the same amounts but with new expiry dates.

Under the terms of the new resolution, the Board of Directors would be authorized to issue equity warrants and securities convertible, exchangeable, redeemable or otherwise exercisable for shares within the limit of € 3 billion per issue (or € 400 million for equity warrants and shares with equity warrants). The amount by which the capital may be increased as a result of these issues would be limited to € 400 million, to be included in the € 1.5 billion ceiling set in last year's authorization. The Statutory Auditors will issue a special report on any restricted share issues and any issues of securities convertible, exchangeable, redeemable or otherwise exercisable for shares to which shareholders do not have pre-emptive subscription rights. The shares would be issued at market price and, if the issues are placed on the French market, shareholders would be offered a non-transferable priority right to subscribe for the securities.

Disclosure thresholds: inclusion of specific disclosure thresholds in the bylaws

Shareholders will be asked to add to the Company's bylaws a specific requirement for shareholders to notify the Company if they hold a percentage of the capital or voting rights representing less than the 1/20th interest required to be disclosed by law.
Under the new clause of the bylaws, shareholders would be required to notify the Company if their interest in the Company's capital or voting rights is increased to above (or reduced to below) 1% or any multiple thereof.

Alignment of the bylaws with the provisions of the Act of May 15, 2001 dealing with new economic regulations

Shareholders will be asked to approve certain amendments to the bylaws to reflect the provisions of Act no. 2001-420 dated May 15, 2001, dealing with new economic regulations. This Act requires quoted companies to amend their bylaws no later than November 16, 2002 to stipulate the basis of the decision by the Board of Directors to either appoint a Chief Executive Officer who will also act as Chairman of the Board, or to separate the functions of Chairman of the Board and Chief Executive Officer. The amended bylaws will stipulate that the choice between the two methods will be made by the Board of Directors by a two-thirds majority vote.

CAP GEMINI ERNST & YOUNG GROUP CONSOLIDATED FINANCIAL STATEMENTS

STATUTORY AUDITORS' GENERAL REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 & 2001

To the shareholders of Cap Gemini SA,

In accordance with the terms of our appointment at the Annual Shareholders' Meeting, we have audited the consolidated balance sheets of Cap Gemini SA and subsidiaries as of December 31, 1999, 2000 and 2001 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, presented in euros.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with generally accepted auditing standards in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of Cap Gemini SA and subsidiaries as of December 31, 1999, 2000 and 2001, the consolidated results of operations, changes in shareholders' equity and cash flows for the years then ended, in accordance with French generally accepted accounting principles.

We have also performed the specific procedures required by law, in accordance with generally accepted auditing standards. We are satisfied that the information given in the Report of the Board of Directors is fairly stated and agrees with the consolidated financial statements.

Paris, February 20, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIÉS

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	Notes	1999		2000		2001	
		Amount	%	Amount	%	Amount	%
OPERATING REVENUE	4	***4,310***	***100.0***	***6,931***	***100.0***	***8,416***	***100.0***
Cost of services rendered	5	2,904	67.4	4,871	(1) 70.3	5,664	67.3
General, administrative and selling expenses	5	937	21.7	1,357	(1) 19.6	2,329	27.7
OPERATING INCOME		***469***	***10.9***	***703***	***10.1***	***423***	***5.0***
Interest income/(expense), net	6	8	0.2	(7)	(0.1)	6	0.1
Other revenue and expenses, net	7	39	0.9	9	0.2	(139)	(1.7)
INCOME OF FULLY CONSOLIDATED COMPANIES BEFORE TAX		***516***	***12.0***	***705***	***10.2***	***290***	***3.4***
Income tax	8	(199)	(4.6)	(238)	(3.4)	(104)	(1.2)
NET INCOME OF FULLY CONSOLIDATED COMPANIES BEFORE AMORTIZATION OF GOODWILL		***317***	***7.4***	***467***	***6.7***	***186***	***2.2***
Equity in net results of affiliates		(1)	-	(7)	(0.1)	(3)	0.0
Minority interests		(22)	(0.5)	(7)	(0.1)	-	-
NET INCOME BEFORE AMORTIZATION OF GOODWILL		***294***	***6.8***	***453***	***6.5***	***183***	***2.2***
Amortization of goodwill	9	(28)	(0.6)	(22)	(0.3)	(31)	(0.4)
NET INCOME		***266***	***6.2***	***431***	***6.2***	***152***	***1.8***

(1) The 2000 breakdown between cost of services rendered and general, administrative and selling expenses is not exactly comparable to breakdowns for other years due to the consolidation of the Ernst & Young consulting businesses.

	Notes	1999	2000	2001
AVERAGE NUMBER OF SHARES		***73,178,100***	***103,875,903***	***124,799,003***
Weighted average number of stock options		4,083,641	4,044,875	2,715,671
ADJUSTED AVERAGE NUMBER OF SHARES		***77,261,741***	***107,920,778***	***127,514,674***
NUMBER OF SHARES AT DECEMBER 31		***77,945,108***	***124,305,544***	***125,244,256***
Net income	1.P	266	431	152
Primary earnings per share (in euros) (1)	1.P	3.63	4.15	1.22
Diluted earnings per share (in euros) (2)	1.P	3.44	3.99	1.20
Primary earnings per share (in euros) (3)	1.P	3.41	3.47	1.22

(1) Earnings per share based on average number of shares.
(2) Earnings per share based on adjusted average number of shares.
(3) Earnings per share based on number of shares at December 31.

In 2001, consolidated net income before minority interests but after amortization of goodwill totaled € 152 million, representing 1.8% of operating revenue, versus € 438 million or 6.3% of operating revenue in 2000 and € 288 million or 6.7% of operating revenue in 1999.

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	**Notes**	**1999**	**2000**	**2001**
ASSETS				
Intangible assets	9	1,589	1,646	1,830
Property, plant and equipment	10	319	475	490
Investments	11	42	70	89
Total fixed assets		***1,950***	***2,191***	***2,409***
Long-term deferred tax assets	19	86	786	863
Total non-current assets		***2,036***	***2,977***	***3,272***
Accounts and notes receivable, net	12	1,063	2,312	2,176
Other receivables	13	170	327	322
Financial receivables and short-term investments	15	569	666	503
Cash	15	193	463	484
Total current assets		***1,995***	***3,768***	***3,485***
Total assets		***4,031***	***6,745***	***6,757***
Guarantees received from third parties	20	29	3	4
LIABILITIES AND SHAREHOLDERS' EQUITY				
Share capital		624	995	1,002
Additional paid-in capital		1,226	2,073	2,112
Retained earnings		761	1,080	1,189
Total shareholders' equity	14	***2,611***	***4,148***	***4,303***
Minority interests	14	27	75	39
Shareholders' equity, including minority interests	14	***2,638***	***4,223***	***4,342***
Long-term debt	15	143	91	120
Provisions and other long-term liabilities	16	179	211	237
Total long-term liabilities		***322***	***302***	***357***
Short-term debt and bank overdrafts	15	111	189	169
Accounts and notes payable	17	767	1,831	1,708
Other payables		193	200	181
Total current liabilities		***1,071***	***2,220***	***2,058***
Total liabilities and shareholders' equity		***4,031***	***6,745***	***6,757***
Commitments given to third parties	20	711	1,294	1,365
Net debt	15	***(508)***	***(849)***	***(698)***

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	1999	2000	2001
OPERATING ACTIVITIES			
Net income	266	431	152
Minority interests	22	7	-
NET INCOME OF FULLY CONSOLIDATED COMPANIES	***288***	***438***	***152***
Adjustments to reconcile net income of fully consolidated companies to cash generated by operations:			
Depreciation and amortization	114	145	217
Provisions	(9)	12	44
Changes in deferred taxes	(16)	33	(62)
Cisco Systems dilution gain	-	(134)	-
(Gains)/losses on disposals of fixed assets	(45)	36	(57)
Other	(8)	-	4
CASH FLOW OF FULLY CONSOLIDATED COMPANIES (I)	***324***	***530***	***298***
DIVIDENDS RECEIVED FROM AFFILIATES (II)	***1***	***7***	***-***
Change in accounts and notes receivable, net (A)	122	1,169	(82)
Change in accounts and notes payable, net (B)	(2)	499	(196)
Change in other receivables and payables, net (C)	21	313	165
NET MOVEMENT IN WORKING CAPITAL (III = A-B-C)	***103***	***357***	***(51)***
NET CASH PROVIDED FROM OPERATIONS (IV=I+II-III)	***222***	***180***	***349***
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment and intangible fixed assets	144	169	295
Disposals of property, plant and equipment and intangible fixed assets	(24)	(22)	(132)
	120	147	163
Acquisitions of investments	19	45	267
Disposals of investments	(77)	(25)	(14)
	(58)	20	253
Effect of changes in Group structure	199	(*) 482	(22)
NET CASH PROVIDED BY INVESTING ACTIVITIES (V)	***261***	***649***	***394***
FINANCING ACTIVITIES			
Increase in share capital (including exercise of stock options)	38	(**) 730	30
Minority interests in increase in share capital of subsidiaries	12	(**) 170	-
Dividends paid to parent company shareholders	(58)	(78)	(149)
Dividends paid to minority shareholders of consolidated companies	(28)	(2)	(4)
Net change in borrowings	(194)	(92)	22
NET CASH PROVIDED/(USED) BY FINANCING ACTIVITIES (VI)	***(230)***	***728***	***(101)***
CHANGE IN CASH AND CASH EQUIVALENTS (IV-V+VI)	***(269)***	***259***	***(146)***
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	***1,002***	***749***	***1,003***
CASH AND CASH EQUIVALENTS AT END OF YEAR	***749***	***1,003***	***875***
Effect of exchange rate movements on cash and cash equivalents	16	(5)	18
CHANGE IN CASH AND CASH EQUIVALENTS	***(269)***	***259***	***(146)***

(*) Mainly comprising the cash payment made in connection with the acquisition of the Ernst & Young consulting businesses plus related fees and expenses.

(**) During 2000, Cisco Systems invested € 698 million in the capital of Cap Gemini SA and € 170 million in the capital of Cap Gemini Telecom SA. See note 2.b.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	Number of shares	Share capital	Additional paid-in capital	Treasury stock (1)	Retained earnings	Share-holders' equity
As of January 1, 1999	***69,130,658***	***422***	***1,242***	***-***	***408***	***2,072***
Increase in share capital:						
- due to conversion of the share capital into euros and increase of par value to € 8.	-	131	(131)	-	-	-
- upon exercise of options	1,510,449	12	26	-	-	38
- upon public tender offer for minority interests in Cap Gemini NV (see note 2.a.)	7,304,001	59	944	-	-	1,003
Dividends paid	-	-	-	-	(58)	(58)
Goodwill associated with public tender offer for minority interests in Cap Gemini NV	-	-	(855)	-		(855)
Translation adjustments	-	-	-	-	145	145
Net income for 1999	-	-	-	-	266	266
As of December 31, 1999	***77,945,108***	***624***	***1,226***	***-***	***761***	***2,611***
Increase in share capital upon exercise of options	1,025,565	8	24	-	-	32
Acquisition of the Ernst & Young consulting businesses - share issue	42,737,107	342	9,060	-	-	9,402
- costs directly relating to the acquisition, net of tax, written off against the premium on the shares	-	-	(148)	-	-	(148)
- deferred tax asset as a result of acquisition of Ernst & Young business (2)	-	-	698	-	-	698
- difference between acquisition cost and book value of contributed assets	-	-	(9,497)	-	-	(9,497)
Elimination of treasury stock (192,538 shares) held at December 31, 2000	-	-	33	(33)	-	-
Issuance of shares to Cisco Systems, net of costs related directly to the transaction	2,597,764	21	677	-	-	698
Dividends paid	-	-	-	-	(78)	(78)
Translation adjustments	-	-	-	-	(1)	(1)
Net income for 2000	-	-	-	-	431	431
As of December 31, 2000	***124,305,544***	***995***	***2,073***	***(33)***	***1,113***	***4,148***
Increase in share capital upon exercise of options	1,147,082	9	21	-	-	30
Acquisition of the Ernst & Young consulting businesses (3)	-	-	47	-	-	47
Dividends paid	-	-	-	-	(149)	(149)
Elimination of treasury stock (39,486 shares) returned to the Company in 2001	-	-	5	(5)	-	-
Cancellation of 208,370 Cap Gemini SA shares (4)	(208,370)	(2)	(34)	36	-	-
Dividend equalization tax for 2000	-	-	-	-	(15)	(15)
Translation adjustments	-	-	-	-	90	90
Net income for 2001	-	-	-	-	152	152
As of December 31, 2001	***125,244,256***	***1,002***	***2,112***	***(2)***	***1,191***	***4,303***

(1) See note 1.g.
(2) See note 19.
(3) The € 47 million increase in additional paid-in capital reflects the reversal of excess provisions recorded in Ernst & Young's opening balance sheet at May 23, 2000 as well as an adjustment to Ernst & Young's opening shareholders' equity at that date.
(4) Representing 192,538 Cap Gemini S.A. shares returned to the Company at December 31, 2000 by former Ernst & Young partners, plus 15,832 shares received between January 1, and March 31, 2001.

CAP GEMINI ERNST & YOUNG GROUP
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as of December 31, 2000 included a full twelve months operations of the Cap Gemini Group and 7.3 months of operations, from May 23, 2000 to December 31, 2000, of the Ernst & Young consulting businesses which were acquired by the Cap Gemini Group on May 23, 2000. The consolidated financial statements as of December 31, 2001 include a full twelve months operations for the Cap Gemini Ernst & Young Group.

In order to facilitate year-on-year comparisons, a pro-forma income statement for the new Group for the year ended December 31, 2000 is presented in note 3.2.

1 - Accounting policies

The consolidated financial statements have been prepared in accordance with French generally accepted accounting principles applicable at December 31, 2001, including CRC standard 99-02 approved on June 22, 1999.
The Group has not opted for early adoption of CRC standard 2000-06 concerning liabilities, issued on December 7, 2000. This standard will be applied from January 1, 2002.

The main accounting policies applied by the Group are as follows:

a) Consolidation methods

- The accounts of Cap Gemini and its significant directly or indirectly fully-controlled subsidiaries are fully consolidated. Prior to consolidation, the financial statements of subsidiaries are restated to comply with Group accounting policies. Minority interests are shown separately and are analyzed in note 14.c. The acquisition of the Ernst & Young consulting businesses on May 23, 2000 has been accounted for in the consolidated financial statements by the alternative method (méthode dérogatoire) provided for in section 215 of CRC standard 99-02.

- Investments in companies which Cap Gemini SA directly or indirectly controls jointly with a limited number of other shareholders are accounted for by the method of proportional consolidation. This method consists of consolidating the income and expenses, assets and liabilities of jointly-controlled companies, line by line, based on the Group's percent interest in their capital. Information concerning jointly-controlled companies is provided in note 24.

- Investments in affiliated companies over whose management Cap Gemini SA exercises significant influence, without however exercising full or joint control, are accounted for by the equity method. This method consists of replacing the cost of the shares with an amount corresponding to the Group's equity in the underlying net assets and of recording in the income statement the Group's equity in net income.

Investments in some companies (mostly dormant) meeting the criteria mentioned above are not included in the consolidated financial statements, because their consolidation would not have a material effect on the Group's consolidated financial position or the results of its operations.

The scope of consolidation is given in note 26.

All other investments are stated at the lower of cost or fair value to the Group.

All consolidated companies had a December 31, 2001 year-end.

All intercompany transactions have been eliminated.

b) Use of estimates

The preparation of the financial statements involves the use of estimates and assumptions which may have an impact on the reported values of assets and liabilities at the year-end or of certain items of income and expense for the year. Estimates are based on economic data which are likely to vary over time and are subject to a limited degree of uncertainty.

c) Foreign currency translation

The 1999, 2000 and 2001 consolidated financial statements were prepared in euros.

The balance sheets of foreign subsidiaries are translated into euros at year-end rates of exchange with the exception of shareholders' equity accounts, which are kept at their historical values. Statements of income of foreign subsidiaries are translated into euros at the annual weighted average rates of exchange. Differences arising from the translation of net income at different rates are directly allocated to retained earnings and have no impact on the statement of income.

Exchange differences arising on monetary items which form an integral part of the net investment in foreign subsidiaries are allocated to cumulative translation adjustment, in an amount net of tax.

The principle exchange rates used to convert foreign currency amounts into euros are as follows:

	Average rates for the year			Rates as of December 31		
	1999	2000	2001	1999	2000	2001
French franc	0.15245	0.15245	0.15245	0.15245	0.15245	0.15245
US dollar	0.93851	1.08518	1.11735	0.99542	1.07469	1.13469
Canadian dollar	0.63220	0.73030	0.72180	0.68460	0.71610	0.71040
Pound sterling	1.51849	1.64133	1.60836	1.60849	1.60231	1.64339
Deutsch Mark	0.51129	0.51129	0.51129	0.51129	0.51129	0.51129
Dutch guilder	0.45378	0.45378	0.45378	0.45378	0.45378	0.45378
Swedish krona	0.11355	0.11843	0.10812	0.11679	0.11323	0.10751
Australian dollar	0.60520	0.62940	0.57783	0.64842	0.59630	0.57870
Singapore dollar	0.55390	0.62900	0.62351	0.59740	0.62010	0.61327

d) Intangible assets

Market share

When the acquisition of companies allows the Group to obtain a significant share of a specific market, part of the excess of purchase cost over the fair value of assets acquired is allocated to the market share acquired.

Such market share is valued as of the date of acquisition in relation to economic data with reference to activity and profitability indicators.

In view of its nature, acquired market share is not amortized. However, at each fiscal year end, it is reviewed in accordance with the criteria used as of the date of acquisition and a provision is set up if there is any impairment in value.

Goodwill

Goodwill consists of the excess of cost over the Group's equity in the fair value of the underlying net assets as of the date of acquisition of companies consolidated or accounted for by the equity method, after allocation of purchase cost to identified tangible or intangible assets, such as market share. Goodwill is amortized over a maximum of 40 years.

In accordance with French accounting standards applicable as of the transaction date (Article 248-3 of the Decree of February 17, 1986) and as expressed by the Commission des Opérations de Bourse (French Stock Exchange Commission), the goodwill created upon the acquisition of 37.5% of Cap Gemini NV share capital by exchange of shares in July and August 1999 was not amortized and was written off against the premium on the shares issued in exchange for the Cap Gemini NV shares.

The acquisition of the Ernst & Young consulting businesses on May 23, 2000 has been accounted for in the consolidated financial statements by the alternative method (méthode dérogatoire) provided for in section 215 of CRC standard 99-02. Consequently no goodwill is recorded under assets in respect of this acquisition.

Computer software

Computer software and user rights acquired on an unrestricted ownership basis, as well as software developed for in-house purposes, which have a positive, lasting and quantifiable effect on future results, are capitalized and amortized over three to five years. They are stated at the lower of cost or fair value to the Group.

e) Property, plant and equipment

Property, plant and equipment are carried in the balance sheet at cost. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets concerned.

The most commonly adopted useful lives are the following:

Buildings	20 to 40 years
Fixtures and fittings	10 years
Computer equipment	3 to 5 years
Office furniture and equipment	5 to 10 years
Vehicles	5 years
Other equipment	5 years

f) Shares in non-consolidated companies

The Group holds shares in certain companies over whose management it does not exercise significant influence or control. These shares mainly comprise long-term investments in the form of strategic alliances with the companies concerned. These shares are carried in the balance sheet at the lower of cost and fair value to the Group.

g) Treasury stock

Cap Gemini SA shares held by the Company are shown as a deduction from consolidated shareholders' equity.

h) Deferred taxation

Deferred taxes are recorded in the statement of income and balance sheet to take into account differences in the book values of certain assets and liabilities and their tax basis. The accounting treatment of deferred taxes arising in connection with the acquisition of the Ernst & Young consulting businesses is explained in note 19.

In accordance with the liability method, deferred taxes are computed at the tax rate known as of the closing date. The impact of possible changes in tax rates on deferred taxes accounted for previously is included in the statement of income for the year in which these rate changes become effective.

A deferred tax asset is recognized in respect of tax losses that are expected to be utilized. Deferred tax assets recognized in prior years, less deferred tax liabilities, where appropriate, are written down when the related tax loss carry-forwards are not expected to be utilized. Deferred assets and liabilities are discounted where the impact of discounting is material and where the timing of recoveries can be reliably determined.

i) Capital leases

A capital lease is a lease that transfers substantially all the risks and rewards incident to ownership of an asset. When a fixed asset is held under a capital lease, its value is restated as an asset and the present value at the beginning of the lease term of future minimum lease payments during the lease term is recorded as an obligation. The asset is depreciated over its useful life as per the Group's policy and future minimum lease payments are amortized over the lease term.

j) Revenue recognition on long-term contracts

- Revenue from long-term fixed price contracts, including systems development and integration contracts, is recognized under the percentage-of-completion method. Under this method, revenue is recognized as work on the contract progresses. Revenues from these contracts are included in trade accounts receivable in the balance sheet when invoiced to customers, and in accrued income when they are not yet invoiced. If necessary, a provision is made for forecast losses on completion.

- Revenues from time and materials contracts are recognized as services are rendered.

- "Accounts and notes receivable, net" corresponds primarily to trade accounts receivable less advances received from customers.

k) Marketable securities

Marketable securities are stated at the lower of their aggregate cost or market value. In the case of quoted securities, the market value corresponds to the quoted market price as of the balance sheet date.

l) Retirement benefits

Group employees are covered by defined benefit or defined contribution plans set up in accordance with the regulations in force in the countries in which the Group operates.

Pension costs under defined benefit plans are determined based on the discounted present value of future benefit payments. Estimates are based on regularly reviewed internal parameters and the interest rate on Government bonds or are performed by independent actuaries (see note 16).

Defined contribution plans are funded by contributions paid by employees and Group companies to the organizations responsible for managing the plans.

m) Credit risks

Short and medium-term assets theoretically giving rise to a potential concentration of credit risks consist of short-term investments and accounts and notes receivable. Short-term investments mainly comprise marketable securities. They are made with recognized financial institutions and the Group therefore considers that the related credit risk is not material. Concerning accounts and notes receivable, Group clients are not concentrated within any single geographic area or business sector.

The businesses of Group clients may be affected by changes in the economic environment, with a resulting impact on the amounts receivable from these companies. The Group considers that no single client, business segment or geographic area represents a material credit risk.

n) Financial instruments

Financial instruments are used to hedge certain risks arising in the normal course of business. All hedging positions relate to existing assets or liabilities and/or business or financial transactions.

Hedging contracts are set up with leading financial institutions and the Group therefore considers that the related counterparty risk is not material. All currency and interest rate positions are taken using instruments quoted on organized markets or over-the-counter, for which the related counterparty risks are minimal. Gains and losses on hedging instruments are recognized on a symmetrical basis with the loss or gain on the hedged items.

The fair value of financial instruments is estimated based on market prices or data supplied by the banks.

o) Statement of income

Income and expenses are analyzed in the consolidated statement of income based on cost accounting principles, as follows:

- Operating expenses are broken down between:
  - cost of services rendered,
  - general, administrative and selling expenses.

The main components of operating expense are payroll costs and travel expenses (see note 5).

- Net interest income/(expense) corresponds to interest income from short-term investments less interest on long-and short-term debt.

- Other revenues and expenses include primarily:
  - exchange differences,
  - gains and losses on asset disposals,
  - provisions for impairment in value and dividends received from non-consolidated companies,
  - additions to and reversals from discounting provisions for long-term deferred tax assets,
  - non-recurring charges (restructuring costs, new business integration costs etc.)

p) Earnings per share

Net earnings per common share are calculated as follows:

- primary earnings per share: on the basis of the average number of shares outstanding during the year, after deduction of treasury stock as of December 31, 2001;
- diluted earnings per share: on the basis of the weighted average number of shares outstanding during the year after deduction of treasury stock, plus the number of potential dilutive shares related to options granted to employees of the Group (note 14.b) calculated based on the average share price for the year. The calculation of potential dilutive shares only includes stock options which are in-the-money;
- earnings per share based on the number of shares at December 31: on the basis of the number of shares outstanding as of December 31, 2001 (including treasury stock at that date).

q) Net debt - Cash and cash equivalents

Net debt comprises short-term and long-term debt less cash and cash equivalents.
Cash and cash equivalents comprise financial receivables, short-term investments and cash less bank overdrafts.

r) Consolidated statement of cash flows

The consolidated statement of cash flows details cash provided and used by operating, investing and financing activities.

s) Segment information

The Group operates primarily in Europe, North America and the Asia-Pacific region. The Group's business consists of providing management consulting and IT services, covering the areas of system design, integration and management (outsourcing).

The Group manages its operations based on geographic areas, business segments and service lines. Only the geographic entities constitute profit centers for which detailed performance measurements exist. Operating revenue, operating income, fixed assets and accounts and notes receivable for 2001 are analyzed in note 23.

2 - Changes in Group structure in 1999, 2000 and 2001

a) 1999

The main changes in the scope of consolidation in 1999 were as follows:

- In the United States the Group acquired Beechwood, a company specialized in IT services for telecom operators in April 1999. Immediately after its acquisition, Beechwood was merged into Cap Gemini America. Beechwood had revenue of USD 56 million in 1998.
- In Benelux, on August 31, 1999, Cap Gemini SA completed a public tender offer for the minority interests in its subsidiary Cap Gemini NV, thereby increasing its interest in the subsidiary from 56.4% to 94.2 % as of December 31, 1999. Cap Gemini SA issued 7,304,001 common shares, on the basis of 4 shares for 9 Cap Gemini NV shares tendered to the offer, for an amount of € 1,003 million (€ 998 million after allocation of issuance costs). The acquisition became effective on July 1, 1999. Cap Gemini NV also acquired the remaining 50% of the capital of Twinac Software and Twinsoft Belgium. Both companies, along with Twinsoft UK, were formerly jointly owned by Cap Gemini and Compaq. On May 1, 1999, the Group also acquired the company Academish Computer Centre Utrecht.
- In the United Kingdom, training services were divested, as well as the 50% interest in Twinsoft UK.

b) 2000

The main changes in the scope of consolidation in 2000 were as follows:

- Cap Gemini Group acquired the Ernst & Young consulting businesses on May 23, 2000 following approval by the Extraordinary Meeting of Cap Gemini shareholders held the same day. Cap Gemini issued 42,737,107 common shares as consideration for this conribution and made a € 375 million cash payment. In July and August 2000, the Group acquired the Ernst & Young consulting businesses in Malaysia and Korea for a total of € 8 million, partly paid in Cap Gemini shares and partly in cash (€ 3 million).
- On October 31, 2000, Cisco Systems, world leader in Internet "plumbing", took a 4.9% stake in the capital of Cap Gemini Telecom SA, the holding company for the Cap Gemini and Gemini Consulting telecommunications, media and networks businesses. A total of 4,600 Cap Gemini consultants were transferred to the new company. Cisco Systems invested €171 million in the new company and € 701 million (€ 698 million after costs related to the transaction) in the capital of Cap Gemini SA through a restricted share issue.
- On March 30, 2000 Cap Gemini acquired the remaining 49.4% of the capital of Cap Gemini Portugal not already held by the Group.
- In connection with the strategic reorganization of the Group's German operations launched in 1999, certain software package development and maintenance businesses were sold in February and December 2000.

c) 2001

The main changes in the scope of consolidation in 2001 were as follows:

- In Benelux, on April 28, 2001 Cap Gemini SA acquired a further 5.6% stake in its subsidiary Cap Gemini NV for an amount of € 164 million, increasing its total interest in the company to 99.8%.
- In Germany, on July 1, 2001, Synergis – a 51%-owned fully consolidated subsidiary – was merged with Gedos, a non-Group company. The Group has a 25% interest in the new entity IS Energie, which was proportionally consolidated for the second half of 2001.

3 - Accounting treatment of the acquisition of the Ernst & Young consulting businesses and pro forma accounts

3.1 Accounting treatment of the acquisition of the Ernst & Young consulting businesses

The acquisition of the Ernst & Young consulting businesses was accounted for in the consolidated financial statements by the alternative method ("méthode dérogatoire") provided for in section 215 of CRC standard 99-02.

According to the agreements signed between the parties, in the event of the departure of any former partners of the Ernst & Young consulting businesses, all or some of the Cap Gemini SA shares allocated to them in connection with the May 23, 2000 acquisition that have not been sold must be returned to Cap Gemini SA. The number of shares to be returned depends on the reason for and timing of the departure. The Group has decided to cancel any shares thus returned. Treasury stock which has not yet been cancelled as of December 31, 2001 is therefore eliminated from consolidated shareholders' equity.

3.2 Pro forma accounts

A pro forma statement of income of the Cap Gemini Ernst & Young Group for 2000 has been prepared to show the revenues and earnings of the new Group based on Group structure as of December 31, 2000. The impact of the acquisition of the Ernst & Young consulting businesses on the various consolidated balance sheet and cash flow statement items is disclosed in the notes wherever material.

The Ernst & Young consulting businesses acquired by Cap Gemini were previously conducted either by partnerships which included other businesses such as audit and tax and legal services, or by specific consulting entities. The entities concerned did not all have the same year-end. The financial statements of the Ernst & Young consulting businesses have therefore been consolidated, adjusted for the effects of the transaction and restated in accordance with Cap Gemini accounting policies.

The pro forma income statement has been adjusted to take into account the reduction in interest income resulting from the € 375 million cash payment and the transaction costs by accounting for these cash outflows as if they had occurred on January 1, 2000. The amount of this adjustment is € 7 million for the period from January 1, to May 23, 2000.

The other adjustments made are explained below:

- adjustments necessary to present partners' compensation as if the agreements signed between them and Cap Gemini had been effective from January 1, 2000. This adjustment is required because in the case of entities organized as legal partnerships, partners' compensation was not recorded in the financial statements. The amounts provided for under the agreements have therefore been recognized in the pro forma accounts. Where the business was operated in a different form, the adjustment corresponds to the impact of the agreements on partners' compensation,
- adjustments to take into account the revenue and expenses of the Ernst & Young consulting businesses as if they had formed part of the Cap Gemini Group from January 1, 2000. The main adjustments primarily consist of replacing the expenses allocated to the consulting businesses by Ernst & Young according to a standard formula, by the expenses attributable to the businesses according to the shared services agreements entered into between Cap Gemini and Ernst & Young for 2000,
- adjustments to the provision for income taxes to recognize a theoretical provision calculated in accordance with the specific rate applicable in each country.

(in millions of euros)	2000 pro forma statement of income		2001 consolidated statement of income	
	Amount	%	Amount	%
Operating revenue	***8,471***	***100.0***	***8,416***	***100.0***
Operating expenses	(7,578)	(89.5)	(7,993)	(95.0)
Operating income	***893***	***10.5***	***423***	***5.0***
Interest income/(expense), net	(17)	(0.2)	6	0.1
Other revenue and expenses, net	8	0.1	(139)	(1.7)
Income of fully consolidated companies before tax	***884***	***10.4***	***290***	***3.4***
Income tax	(296)	(3.5)	(104)	(1.2)
Net income of fully consolidated companies before amortization of goodwill	***588***	***6.9***	***186***	***2.2***
Equity in net results of affiliates	(9)	(0.1)	(3)	(0.0)
Minority interests	(9)	(0.1)	-	-
Net income before amortization of goodwill	***570***	***6.7***	***183***	***2.2***
Amortization of goodwill	(23)	(0.2)	(31)	(0.4)
Net income	***547***	***6.5***	***152***	***1.8***

Earnings per share	2000 pro forma statement of income	2001 consolidated statement of income
Average number of shares	**(1) 121,683,031**	**124,799,003**
Weighted average number of stock options	4,044,875	2,715,671
Adjusted average number of shares	**125,727,906**	**127,514,674**
Net income	547	152
Primary earnings per share (in €) (2)	***4.50***	***1.22***
Diluted earnings per share (in €) (3)	***4.35***	***1.20***

(1) Corresponding to the average number of shares that would have been outstanding if the shares issued in payment for the Ernst & Young consulting businesses had been issued on January 1, 2000.
(2) On the basis of average number of shares.
(3) On the basis of adjusted average number of shares

3.3 Balance sheet of the Ernst & Young consulting business as of May 23, 2000

The balance sheet of the Ernst & Young consulting business as of May 23, 2000 has been adjusted to comply with Cap Gemini Group accounting policies after taking into account provisions for costs associated with the separation of Ernst & Young's consulting businesses from its audit, tax and legal businesses and setting up the new group. These provisions, which are included in accounts and notes payable, covered the costs of reorganizing premises, restructuring certain information systems and businesses, the name change, termination of shared services agreements with other Ernst & Young businesses (audit, tax and legal) and staff retention measures, less the share of these costs borne by Ernst & Young LLP. As of May 23, 2000, these provisions totaled € 192 million, net of tax.

At December 31, 2001 almost all of these provisions had been utilized. In addition € 21 million in excess provisions booked at May 23, 2000 were reversed and credited to shareholders' equity. As of December 31, 2001, these provisions stood at € 22 million, net of tax and will be utilized in 2002.

4 - Operating revenue

Operating revenue by geographic area can be analyzed as follows:

(in millions of euros)	1999		2000		2001	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
North America	547	13	1,966	28	2,848	34
United Kingdom and Ireland	974	23	1,237	18	1,414	17
Nordic Countries	482	11	553	8	577	7
Benelux	775	18	952	14	1,036	12
Germany and Central Europe	147	3	425	6	519	6
France	1,128	26	1,264	18	1,367	16
Southern Europe	177	4	358	5	439	5
Asia-Pacific	80	2	176	3	216	3
Total	***4,310***	***100***	***6,931***	***100***	***8,416***	***100***

5 - Operating expenses

Operating expenses consist primarily of payroll costs and travel expenses, as follows:

(in millions of euros)	1999	2000	2001
Payroll costs	2,581	4,001	4,941
Travel expenses	253	369	596
Total	***2,834***	***4,370***	***5,537***
As a % of total operating expenses	74%	70%	69%
As a % of total operating revenue	66%	63%	66%

There was a 1,789 net decrease in the number of employees in 2001. In 2000, there was a 19,923 net increase in the number of employees including the employees of the former Ernst & Young consulting businesses acquired on May 23 of that year (1999 net increase: 1,285).

6 - Interest income/(expense), net

Interest income / (expense), net can be analyzed as follows:

(in millions of euros)	1999	2000	2001
Interest income from short-term investments	27	19	31
Interest on debt	(21)	(28)	(26)
Other	2	2	1
TOTAL	***8***	***(7)***	***6***

7 - Other revenues and expenses, net

Other revenues and expenses can be analyzed as follows:

(in millions of euros)	1999	2000	2001
Restructuring costs	(14)	(48)	(181)
Integration costs	-	(55)	-
Cisco Systems dilution gain	-	134	-
Gains/(losses) on disposals of shares and businesses	43	(10)	37
Gains/(losses) on disposals of property, plant and equipment	2	(1)	20
Reversals from discounting provisions related to long-term assets	-	-	20
Write-downs of shares in non-consolidated companies	-	-	(18)
Foreign exchange gains/(losses), net	6	(5)	(2)
Other, net	2	(6)	(15)
TOTAL	***39***	***9***	***(139)***

The main restructuring costs in 1999 amounted to € 3 million for the reorganization of the German software publishing business and € 8 million for the integration of management consulting and IT services in the United States. The continuing reorganization of the German software publishing and maintenance business accounted for a further € 32 million in restructuring costs in 2000, with an additional € 16 million spent on general restructuring during first half 2000. In 2001, the main restructuring costs reflected a cutback in the workforce of approximately 5,400 employees, mainly in the United States, the United Kingdom, the Nordic countries and across all of the Group's telecoms businesses.

Integration costs for 2000 reflected the costs of integrating the Ernst & Young consulting businesses which were not provided for in the balance sheet of the Ernst & Young consulting businesses as of May 23, 2000, as well as costs associated with setting up the new Group.

Gains on disposals of shares and businesses in 1999 mainly relate to the € 37 million gain on sale of training services in the United Kingdom. Losses on disposals of shares and businesses in 2000 correspond mainly to the € 13 million loss on the disposal of Hagler Bailly shares. Gains on disposals of shares and businesses in 2001 correspond mainly to the € 32 million gain on the disposal of the Group's business process outsourcing activities in the United Kingdom.

Gains on disposals of property, plant and equipment in 2001 correspond to the € 21 million gain on the sale of the capital lease which Cap Gemini Ernst & Young France held on its Issy-les-Moulineaux property. This building is now rented under a simple lease at market value.

Reversals from discounting provisions relate to the deferred tax asset recognized on the acquisition of the Ernst & Young consulting businesses in North America (see note 19).

8 - Provision for income taxes

The provision for income taxes can be analyzed as follows:

(in millions of euros)	1999	2000	2001
Current income tax expense	(215)	(205)	(166)
Deferred taxes	16	(33)	62
Total	***(199)***	***(238)***	***(104)***

Effective rate of income tax

In 2001, the average effective tax rate was 35.9% (2000: 33.8 %; 1999: 38.7%).

Cap Gemini operates in countries with different tax regimes and the effective rate of income tax therefore varies from one year to another, based on changes in each country's contribution to consolidated earnings. The difference between the French standard rate of income tax and the effective tax rate of the Group can be analyzed as follows:

(in %)	1999	2000	2001
Standard tax rate in France	***40.0***	***37.8***	***36.4***
Impact (%) of:			
Utilization of tax loss carry-forwards	(0.2)	(0.4)	-
Net deferred tax assets corresponding to tax loss carry-forwards	2.0	(0.2)	-
Difference in tax rates between countries	(4.7)	0.7	2.8
Effect of the acquisition of the Ernst & Young consulting businesses	-	-	(4.1)
Non-taxable dilution gain on the sale of Cap Gemini Telecom SA shares to Cisco systems	-	(7.2)	-
Permanent differences and other items	1.6	3.1	0.8
Effective rate of income tax	***38.7***	***33.8***	***35.9***

Excluding the impact of the non-taxable dilution gain relating to Cisco, in 2000 the Group's effective tax rate rose by 2.3 points, primarily due to the lower relative contribution to consolidated earnings of operations in the United Kingdom, where the tax rate is 31%, and the higher relative contribution of operations in Germany where the tax rate is over 40%.

In 2001 the Group's effective tax rate fell by 5.1 points to 35.9% (excluding the impact of the non-taxable dilution gain relating to Cisco), principally due to the combined effect of:

- a € 12 million benefit recorded due to the update at December 31, 2001 of the assumptions used as of December 31, 2000 to recognize the North American tax credit (see note 19),
- lower impact of permanent differences and other items arising in 2001, including:
  - taxes not based on taxable income in the United States (Federal Taxes) and Italy,
  - the non-taxable financial income relating to the discounting of the deferred tax asset recognized on the acquisition of Ernst & Young's North American consulting businesses,
  - permanent differences, especially in the United States, Germany and the United Kingdom,
  - an exceptional tax charge on the gain realized on the sale of business process outsourcing activities in the United Kingdom, with an effective tax rate of 47% compared with a theoretical tax rate of 30% in that country.

The reduction in the French tax rate in 2001 had the effect of reducing the provision for income taxes by € 2 million, compared with a reduction of € 1 million in 2000. In 1999, rises in the French tax rate had the effect of increasing the provision for income taxes by € 3 million.

In 1999, 2000 and 2001, several subsidiaries were subject to tax audits. Several of the tax reassessments have been contested by the companies concerned.

9 - Intangible assets

Changes in intangible assets can be analyzed as follows:

(in millions of euros)	Market share	Goodwill	Other intangible assets	TOTAL
GROSS VALUE				
As of January 1, 1999	***598***	***862***	***80***	***1,540***
Translation adjustments	66	56	7	129
Acquisitions	-	2	44	46
Disposals	-	(11)	(16)	(27)
Changes in Group structure	172	35	2	209
As of December 31, 1999	***836***	***944***	***117***	***1,897***
Translation adjustments	11	21	-	32
Acquisitions	-	10	35	45
Disposals	-	(39)	(16)	(55)
Changes in Group structure	(7)	49	39	81
As of December 31, 2000	***840***	***985***	***175***	***2,000***
Translation adjustments	18	18	2	38
Acquisitions	-	153	43	196
Disposals	-		(4)	(4)
Changes in Group structure	-	35	11	46
As of December 31, 2001	***858***	***1,191***	***227***	***2,276***
ACCUMULATED AMORTIZATION				
As of January 1, 1999	***-***	***(210)***	***(49)***	***(259)***
Translation adjustments	-	(15)	(3)	(18)
Additions	-	(28)	(17)	(45)
Reversals	-	4	13	17
Changes in Group structure	-	(1)	(2)	(3)
As of December 31, 1999	***-***	***(250)***	***(58)***	***(308)***
Translation adjustments	-	(7)	-	(7)
Additions	-	(22)	(20)	(42)
Reversals	-	9	11	20
Changes in Group structure	-	(6)	(11)	(17)
As of December 31, 2000	***-***	***(276)***	***(78)***	***(354)***
Translation adjustments	-	(6)	(1)	(7)
Additions	-	(31)	(40)	(71)
Reversals	-	-	4	4
Changes in Group structure	-	-	(18)	(18)
As of December 31, 2001	***-***	***(313)***	***(133)***	***(446)***
NET VALUE				
As of January 1, 1999	598	652	31	1,281
As of December 31, 1999	836	694	59	1,589
As of December 31, 2000	840	709	97	1,646
As of December 31, 2001	***858***	***878***	***94***	***1,830***

Market share is valued according to the method described in note 1.d and represents part of the excess of purchase cost over the fair value of the net assets of Hoskyns in the United Kingdom (€ 419 million), Volmac in the Netherlands (€ 176 million), Programator in Sweden (€ 63 million) and Beechwood in the United States (€ 200 million) as of the date of acquisition. The change in market share in 2000 corresponds to an adjustment to the value of Beechwood's market share.

The change in the net value of goodwill in 1999 primarily reflects the following:
- the goodwill recognized on full consolidation of Beechwood, Twinac Software, Twinsoft Belgium and Academish Computer Centre Utrecht (total: € 24 million increase),
- the acquisition of minority interests in Cap Gemini NV after the closing of the public tender offer (€ 8 million increase),
- the divestiture of training services in the United Kingdom (€ 8 million reduction),
- amortization expense for the year (€ 28 million),
- translation differences arising on goodwill denominated in foreign currencies (€ 41 million increase).

The change in the net value of goodwill in 2000 primarily reflects the following:
- the goodwill recorded by Ernst & Young consulting entities on acquisition of certain of their subsidiaries (€ 45 million increase),
- the divestiture of certain software development and maintenance businesses in Germany (€ 28 million reduction),
- goodwill recognized on the acquisition of subsidiaries during the year (€ 10 million increase)
- amortization expense for the year (€ 22 million),
- translation differences arising on goodwill denominated in foreign currencies (€ 14 million increase).

The change in the net value of goodwill in 2001 primarily reflects the following:
- goodwill recorded on the acquisition of the 5.6% minority interests in Cap Gemini NV (€ 139 increase),
- goodwill generated on the acquisition of Hoechtief Software in Germany (€ 19 million increase), Cap Gemini Ernst & Young Travel & Logistics in Sweden (€ 13 million increase) and the 50% of OneSystem Group in United States not already held by the Group (€ 10 million increase),
- amortization expense for the year (€ 31 million),
- translation differences arising on goodwill denominated in foreign currencies (€ 12 million increase).

The goodwill created by the public tender offer in July and August 1999 for the 37.5% interest in Cap Gemini NV amounted to € 855 million and was written off against share premium. If the goodwill had been recorded as an asset and amortized over 40 years, the amortization charge for 2001 would have been € 21 million and the net value as of December 31, 2001 would have been € 802 million.

Other intangible assets are mainly purchased software and other licenses.

10 - Property, plant and equipment

Changes in property, plant and equipment in 1999, 2000 and 2001 can be analyzed as follows:

(in millions of euros)	Land, buildings, fixtures and fittings	Computer equipment	Other	TOTAL
GROSS VALUE				
As of January 1, 1999	***295***	***209***	***81***	***585***
Translation adjustments	11	15	5	31
Acquisitions	41	32	25	98
Disposals	(15)	(26)	(9)	(50)
Changes in Group structure	(4)	(21)	-	(25)
As of December 31, 1999	***328***	***209***	***102***	***639***
Translation adjustments	(1)	-	-	(1)
Acquisitions	36	55	40	131
Disposals	(10)	(30)	(16)	(56)
Changes in Group structure	120	95	21	236
As of December 31, 2000	***473***	***329***	***147***	***949***
Translation adjustments	9	4	1	14
Acquisitions	45	107	86	238
Disposals	(96)	(44)	(19)	(159)
Changes in Group structure	(1)	-	(10)	(11)
As of December 31, 2001	***430***	***396***	***205***	***1,031***
ACCUMULATED DEPRECIATION				
As of January 1, 1999	***(96)***	***(147)***	***(44)***	***(287)***
Translation adjustments	(5)	(11)	(2)	(18)
Additions	(23)	(34)	(12)	(69)
Reversals	6	19	4	29
Changes in Group structure	6	20	(1)	25
As of December 31, 1999	***(112)***	***(153)***	***(55)***	***(320)***
Translation adjustments	1			1
Additions	(36)	(51)	(16)	(103)
Reversals	4	24	6	34
Changes in Group structure	(45)	(32)	(9)	(86)
As of December 31, 2000	***(188)***	***(212)***	***(74)***	***(474)***
Translation adjustments	(5)	(2)	-	(7)
Additions	(46)	(84)	(16)	(146)
Reversals	37	36	14	87
Changes in Group structure	4	(7)	2	(1)
As of December 31, 2001	***(198)***	***(269)***	***(74)***	***(541)***
NET VALUE				
As of January 1, 1999	199	62	37	298
As of December 31, 1999	216	56	47	319
As of December 31, 2000	285	117	73	475
As of December 31, 2001	***232***	***127***	***131***	***490***

The gross value of leased assets represented € 142 million in 2001 (2000: € 131 million; 1999: € 125 million). The related accumulated depreciation was € 26 million in 2001 (2000: € 49 million; 1999: € 46 million).

The effect of changes in Group structure on property, plant and equipment in 2000 principally concerned the acquisition of the Ernst & Young consulting businesses, as follows:

- land, buildings, fixtures and fittings: € 76 million,
- computer equipment: € 63 million,
- other property, plant and equipment: € 12 million.

11 - Investments

Investments can be analyzed as follows:

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Investments accounted for by the equity method	5	2	2
Shares in non-consolidated companies	30	44	65
Deposits and other long-term investments	7	24	22
Total	***42***	***70***	***89***

a) Shares in non-consolidated companies

Changes in shares in non-consolidated companies can be analyzed as follows:

(in millions of euros)	**1999**	**2000**	**2001**
As of January 1	***30***	***30***	***44***
Translation adjustments	2	1	2
Acquisitions	16	27	67
Disposals	(18)	(30)	(3)
Write-downs	-	-	(39)
Changes in Group structure	-	16	(6)
As of December 31	***30***	***44***	***65***

In 1999, shares in CISI were sold to CS Communication & Systems at their net book value of € 18 million. In 1999, the Group also acquired an additional 11.6% stake in Hagler-Bailly for € 15 million.

In 2000, the Group acquired shares in non-consolidated companies for a total of € 27 million, including:

- Cap Gemini Ernst & Young US acquired a stake in Corio, an Application Services Provider, for € 9 million,
- Cap Gemini UK and Vodafone-Mannesman created a joint subsidiary, which was consolidated from January 1, 2001 and sold to Vodafone-Mannesmann on November 30, 2001,
- acquisitions in the United States, Central Europe and Italy (€ 13 million).

In 2000 the Group also sold its stake in Hagler-Bailly to the PA Consulting Group for € 16 million. In addition, as part of the acquisition of Ernst & Young's consulting businesses in the United States, the Group included in its balance sheet certain minority stakes in companies such as Vialink (€ 10 million) and Mainspring (€ 3 million). The interest in Mainspring was sold in 2001.

In 2001, the main changes in shares in non-consolidated companies were as follows:

- The Group sold business process outsourcing activities in the United Kingdom to Vertex, using the proceeds of the sale to simultaneously acquire shares representing 12.2% of Vertex's capital, for € 65 million. As the Group has been guaranteed a minimum sale price for these shares, their net value in the consolidated balance sheet has been written down to € 47 million to reflect the guaranteed amount.
- Trading of Vialink shares on the Nasdaq was suspended in November 2001 due to a significant fall in the price. These shares, which were carried in the balance sheet at € 10 million have therefore been written down in full. The Group also has several minor interests in Internet companies in the United States whose value has been seriously impaired during 2001. Those shares have therefore been written down to fair value to the Group which was € 5 million at December 31, 2001.

b) Deposits and other long-term investments

The fair value of deposits and other long-term investments is not materially different from their book value.

12 - Account and notes receivable, net

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Trade accounts and notes receivable, net	995	2,164	2,068
Other accounts and notes receivable	68	148	108
Total	***1,063***	***2,312***	***2,176***

All accounts and notes receivable are due within one year.

a) Trade accounts and notes receivable, net

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Trade accounts receivable	926	2,026	1,871
Work-in-progress	323	637	958
Provisions for doubtful accounts	(20)	(59)	(33)
Advances received from customers	(234)	(440)	(728)
Total	***995***	***2,164***	***2,068***
In number of days of total operating revenue	**84**	**93**	**90**

The increase in trade accounts and notes receivable, net in 2000 principally corresponds to € 737 million in receivables of the Ernst & Young consulting businesses, consolidated for the first time in 2000.

b) Other accounts and notes receivable

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Employees and social security	7	29	13
Prepaid and recoverable taxes	20	45	38
Other	41	74	57
Total	***68***	***148***	***108***

13 - Other receivables

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Income tax prepayments	69	110	52
Deferred tax assets	37	137	177
Other	64	80	93
Total	***170***	***327***	***322***

Deferred tax assets are analyzed in note 19.

14 - Shareholders' equity

a) Share capital, additional paid-in capital, retained earnings

These items, together with the related number of shares outstanding, are dealt with in the consolidated statement of changes in shareholders' equity.

Consolidated retained earnings represent the sum of Cap Gemini SA's retained earnings, the Group's equity in the post-acquisition retained earnings of subsidiaries, together with cumulative translation adjustments, and can be analyzed as follows:

As of December 31 *(in millions of euros)*	1999	2000	2001
Retained earnings of Cap Gemini SA	485	514	593
Retained earnings of subsidiaries (*)	208	499	439
Cumulative translation adjustments	68	67	157
TOTAL	***761***	***1,080***	***1,189***

(*) Net of dividends paid to Cap Gemini SA.

b) Stock option plans

The Board of Directors was authorized by the June 3, 1993 and the May 23, 2000 Annual Shareholders' Meetings, and the Directoire by the Annual Shareholders' Meeting of May 24, 1996 to set up one or several employee stock option plans over a five-year period.

Details of the three stock option plans in force at December 31, 2001 are summarized in the table below:

	1993 Plan	1996 Plan	2000 Plan	
Date of Shareholders' Meeting	June 3, 1993	May 24, 1996	May 23, 2000	
Total number of options available for grant	4,000,000	6,000,000	12,000,000	
Beginning of exercise period	July 1, 1993	July 1, 1996	September 1, 2000	October 1, 2001
Exercise period	6 years	6 years	6 years	5 years
Exercise price as a % of average quoted market price for the 20 trading days preceding the date of grant	95%	80%	80%	100%
Exercise price per share in €				
. Low	18.65	22.79	139.00	60.00
. High	28.61	178.00	161.00	60.00
Number of shares subscribed As of December 31, 2001	3,313,033	1,169,359	-	-
Potential number of shares to be created on exercise of options outstanding as of December 31, 2001	238,950	(1) 4,117,169	(2) 2,712,635	3,395,000
Of which options held by four of the eleven members of the Board of Directors	3,090	170,000	-	15,000

(1) i.e. 50,944 shares at a price of € 22.79, 571,241 shares at a price of € 29.31, 388,652 shares at a price of € 39.52, 548,942 shares at a price of € 56.98, 521,515 shares at a price of € 87.96, 11,250 shares at a price of € 121.81, 213,200 shares at a price of € 114, 499,625 shares at a price of € 118, 528,800 shares at a price of € 178, 425,000 shares at a price of € 161 and 358,000 shares at a price of € 144.
(2) i.e. 1,460,535 shares at a price of € 161, 1,252,100 shares at a price of € 139.

In the event of an authorized tender offer to acquire the Company's shares and other securities giving access to the Company's capital or voting rights, all outstanding stock options would become immediately exercisable.

c) Minority interests

Minority interests, corresponding to third parties' equity in the net assets of Cap Gemini Ernst & Young subsidiaries, can be analyzed as follows:

(in millions of euros)	1999	2000	2001
As of January 1	***176***	***27***	***75***
Minority interests in increase in share capital of subsidiaries	12	(*) 38	-
Minority interests in net income of subsidiaries	22	7	-
Purchase of Cap Gemini NV minority interests	(156)	-	(29)
Minority interests in cumulative translation adjustment and other	1	5	(3)
Dividends paid by subsidiaries to minority shareholders	(28)	(2)	(4)
As of December 31	***27***	***75***	***39***

(*) Mainly corresponding to the issuance of shares to Cisco Systems for € 171 million net of the related dilution gain of € 134 million.

Following the 1999 public tender offer for the remaining Cap Gemini NV shares, minority interests in this subsidiary were reduced to approximately 5.8% as of December 31, 2000.

On October 31, 2000 Cisco acquired a 4.9% stake in Cap Gemini Telecom S.A, the holding company for the Cap Gemini and Gemini Consulting telecommunications, media and networks businesses. Cisco's minority interest in the reserves of Cap Gemini Telecom SA as of December 31, 2000 amounted to € 40 million.

On April 28, 2001 Cap Gemini SA purchased a further 5.6% stake in Cap Gemini NV bringing its total interest in the company to 99.8%. Minority interests as of December 31, 2001 totaled € 39 million, principally reflecting Cisco Systems' minority interests in Cap Gemini Telecom SA.

15 - Net debt

As of December 31 *(in millions of euros)*	1999	2000	2001
Debt	241	154	177
Cash and cash equivalents	(749)	(1,003)	(875)
Net debt	***(508)***	***(849)***	***(698)***

Net debt comprises:

- long-term debt and short-term debt, with short-term debt referring both to the current portion of long-term debt and amounts originally due within one year. Debt, which is analyzed in a) below, comprises:

As of December 31 *(in millions of euros)*	1999	2000	2001
Long-term debt	143	91	120
Short-term debt	98	63	57
Total Debt	***241***	***154***	***177***

- Cash and cash equivalents which include financial receivables, short-term investments and cash, less bank overdrafts, break down as follows:

As of December 31 *(in millions of euros)*	1999	2000	2001
Financial receivables and short-term investments	569	666	503
Cash	193	463	484
Bank overdrafts	(13)	(126)	(112)
Total cash and cash equivalents	***749***	***1,003***	***875***

- Short-term debt and bank overdrafts are therefore as follows:

As of December 31 *(in millions of euros)*	1999	2000	2001
Short-term debt	98	63	57
Bank overdrafts	13	126	112
Total short-term debt and bank overdrafts	***111***	***189***	***169***

a) Debt

• Change in debt

(in millions of euros)	1999	2000	2001
As of January 1	***425***	***241***	***154***
Translation adjustments	10	5	1
Movements for the period	(242)	(112)	(76)
New borrowings	48	20	98
As of December 31	***241***	***154***	***177***

As of December 31, 2001 variable rate debt accounted for 75% of Group debt and fixed rate debt 25%.

• Analysis of debt

As of December 31 *(in millions of euros)*	1999	2000	2001
Bank borrowings	104	56	61
Drawdowns against lines of credit and other borrowings covered by lines of credit	62	26	-
Obligations under capital leases	75	72	116
Total	***241***	***154***	***177***

• Fair value of borrowings

The fair value of short-term debt and obligations under capital leases is close to their book value.

• Bank borrowings

This item corresponds primarily to various foreign currency loans totaling € 25 million as of December 31, 2001 (2000: € 24 million; 1999: € 43 million), taken out mainly to finance the acquisition of companies in Europe and the United States.

• Drawdowns against lines of credit and other borrowings covered by lines of credit

On July 31, 2001, the Company obtained a € 600 million multi-currency line of credit from a banking syndicate, canceling and replacing the previous € 412 million muti-currency line of credit obtained on December 27, 1996 for a five-year term. The new line of credit expires on July 31, 2006.

The main characteristics of this line of credit are as follows:
- Term: 5 years,
- Interest: Euribor and Libor (1-3-6-12 month),
- Fee on undrawn amount: 0.125%,
- Fee on drawdowns: 0.275% to 0.325% depending on the amounts utilized.

During 2001, both of these facilities were used mainly to back up commercial paper issued for periods of 1 to 3 months, essentially for non-material and occasional financing requirements.

- **Obligations under capital leases**

As of December 31, 2001, obligations under capital leases relate primarily to the financing of leasehold improvements to the Cap Gemini University buildings at Behoust and Les Fontaines, and of IT equipment acquired by Cap Gemini Ernst & Young UK for its outsourcing business. The capital lease on the Issy les Moulineaux property was sold on December 31, 2001, generating a € 21 million gain.

The main characteristics of the leases are as follows:

(in millions of euros)	Inception date	Maturity	Rate	Obligation as of Dec. 31, 1999	Obligation as of Dec. 31, 2000	Obligation as of Dec. 31, 2001
Issy-les-Moulineaux (France)	Nov. 1989	Sold in 2001	3-month Euribor +0.6%	26	22	-
Cap Gemini University (Behoust)	April 1992	March 2012	3-month Euribor +0.7%	36	34	32
Cap Gemini University (Les Fontaines)	Dec. 2001	June 2014	3-month Euribor +0.75%	-	-	44
Cap Gemini Ernst & Young UK		Dec. 2001 to July 2010	Fixed rates (3.6% to 9.7%)	13	16	40
Total				***75***	***72***	***116***

- **Interest rates**

The average interest rate paid on Group debt stood at 4.8% in 2001 (2000: 4.9% and 1999: 4.2%).

- **Maturities of debt**

Maturities of debt are as follows:

As of December 31 *(in millions of euros)*	**1999**		**2000**		**2001**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
y + 1	98	41	63	41	57	32
y + 2	84	35	17	11	19	11
y + 3	14	6	16	10	18	10
y + 4	6	2	15	10	13	7
y + 5	6	2	12	8	10	6
y + 6 and subsequent years	33	14	31	20	60	34
Total	***241***	***100***	***154***	***100***	***177***	***100***

- **Breakdown by currency**

The breakdown of debt by currency is as follows:

As of December 31 *(in millions of euros)*	**1999**		**2000**		**2001**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
French franc	62	26	56	36	-	-
Pound sterling	13	5	16	11	40	23
US dollar	63	26	11	7	19	11
Deutsch Mark	3	1	32	21	5	3
Euro	91	38	25	16	82	46
Other currencies	9	4	14	9	31	17
Total	***241***	***100***	***154***	***100***	***177***	***100***

53% of total debt is denominated in euro zone currencies.

- **Collateral**

As of December 31, 2001, borrowings were secured by collateral totaling € 116 million (2000: € 72 million; 1999: € 75 million).

b) Financial receivables and short-term investments

As of December 31 *(in millions of euros)*	1999	2000	2001
Financial receivables	1	11	10
Short-term deposits and marketable securities	568	655	493
Total	***569***	***666***	***503***

Financial receivables mainly represent the proceeds receivable from the disposal of shares in non-consolidated companies.

The fair value of financial receivables is not materially different from their book value.

16 - Provisions and other long-term liabilities

As of December 31 *(in millions of euros)*	1999	2000	2001
Long-term deferred tax liabilities	84	82	73
Employee profit-sharing reserve	45	44	69
Provisions for retirement benefit obligations	39	67	73
Provisions for contingencies and charges	11	18	22
Total	***179***	***211***	***237***

Long-term deferred tax liabilities are analyzed in note 19.

17 - Accounts and notes payable

As of December 31 *(in millions of euros)*	1999	2000	2001
Trade accounts payable, net	198	698	478
Accrued personnel costs	362	743	800
Accrued taxes	169	270	243
Other	38	120	187
Total	***767***	***1,831***	***1,708***

18 - Financial instruments

• Interest rate hedges

At December 31, 2000, the only hedging contract in progress was an interest rate swap on an amount of € 15 million for a period of one month, related to commercial paper issues, whereby a fixed rate (4.98% paid by Cap Gemini SA) has been swapped for a variable rate (Eonia, capitalized).

No interest rate hedges were outstanding as of December 31, 1999 or 2001.

• Currency hedges

As of the 1999 year-end, forward purchases/sales of foreign currencies amounted to € 10 million and covered receivables and debts denominated in US dollars, euros and Singapore dollars.

As of December 31, 2000, currency hedges totaled € 213 million, as follows:
- hedges of commercial transactions expiring in 2001, including forward sales of USD 19 million (€ 21 million),
- currency swaps expiring in 2001, acquired as hedges of intercompany financing transactions, including:
- USD 123 million (€ 144 million),
- GBP 19 million (€ 30 million),
- SGD 28 million (€ 18 million).

As of December 31, 2001, currency hedges totaled € 53 million made up of currency swaps expiring in 2002, acquired as hedges of intercompany financing transactions, including:
- GBP 32 million (€ 52 million),
- AUD 2 million (€ 1 million),
- MXN 1 million (€ 0.1 million).

19 - Deferred taxes

a) Changes in deferred taxes

Deferred tax assets and liabilities can be analyzed as follows:

As of December 31 *(in millions of euros)*	**1999**	**2000**	**2001**
Tax loss carry-forwards	122	214	421
Temporary differences arising from the acquisition of the Ernst & Young consulting businesses	-	1,377	1,204
Other	9	37	46
Provisions against deferred tax assets	(45)	(842)	(808)
Total deferred tax assets (long-term)	**86**	**786**	**863**
Tax loss carry-forwards	-	1	15
Temporary differences arising from the acquisition of the Ernst & Young consulting businesses	-	33	101
Provisions for vacation pay	10	14	14
Restructuring provisions	-	62	2
Other	34	27	46
Provisions against deferred tax assets	(7)	-	(1)
Total deferred tax assets (short-term)	**37**	**137**	**177**
Total deferred tax assets	***123***	***923***	***1,040***
Restated amortization of goodwill	(57)	(57)	(66)
Capitalization and amortization	(8)	(9)	(3)
Provisions	(9)	(6)	(4)
Other	(10)	(10)	-
Total deferred tax liabilities (long-term)	**(84)**	**(82)**	**(73)**
Revaluation of work-in-progress	(2)	(10)	(7)
Restructuring provisions	-	(30)	(18)
Other	(8)	(4)	(5)
Total deferred tax liabilities (short-term)	**(10)**	**(44)**	**(30)**
Total deferred tax liabilities	***(94)***	***(126)***	***(103)***

The bulk of deferred tax assets arise from the contribution of the Ernst & Young consulting businesses in North America. The main characteristics of this deferred tax asset are as follows:

The € 4,776 million difference between the acquisition price of the Ernst & Young consulting businesses in North America and the historical cost of the assets and liabilities acquired is being amortized over 15 years for tax purposes. Based on an analysis of the recoverability of the tax benefit corresponding to the tax deductible amortization, the Group recognized a deferred tax asset of € 698 million in 2000. Based on an update of this analysis the net deferred tax asset totaled € 762 million at December 31, 2001. This amount was determined according to the same assumptions as for 2000:

- in view of earnings visibility in North America at December 31, 2001, 100% utilization in the next five years (2002 to 2007), representing a deferred tax asset of € 487 million after discounting at the rate of 5.6% (rate of 30-year US treasury bonds). Out of this amount € 101 million are classified as short-term in the above table and the balance as long-term.
- as from the sixth year, probable recoveries covered by provisions calculated at a standard rate of 35% in 2007; provision rate increased by five points per year up to 70% as of 2014. The total provision amounts to € 773 million and is included in provisions against long-term deferred tax assets. Reversals will be made as and when each annual tax benefit can reasonably considered as being fully recoverable, based on earnings visibility for that year. Recognized deferred tax assets discounted at the rate of 5.6% and not covered by provisions total € 275 million and are recorded as long-term deferred tax assets.

The € 64 million net increase in these deferred tax assets includes € 36 million due to the strengthening of the dollar against the euro, € 20 million reversed from the discounting provision and credited to other revenues and expenses and € 12 million representing the net impact of adjustments to the tax basis of amortization and the timing of recoveries, partly offset by a € 4 million decrease corresponding to deferred tax assets recovered during the year.

b) Tax losses

(in millions of euros)	1999	2000	2001
Tax loss carry-forwards temporarily available	235	446	999
Tax loss carry-forwards available without time limit	81	150	197
Total tax loss carry-forwards	***316***	***596***	***1,196***
Related potential tax saving	118	215	436
of which recognized deferred tax asset	77	177	407

The increase in tax loss carry-forwards for 2001 is primarily due to the amortization which the Group is able to apply for tax purposes as a result of the acquisition of Ernst & Young's consulting businesses in North America.

The expiration dates of available tax loss carry-forwards as of December 31, 1999, 2000 and 2001 were as follows:

As of December 31 *(in millions of euros)*	1999		2000		2001	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
y + 1	2	1	6	1	54	5
y + 2	5	2	5	1	6	1
y + 3	5	2	8	1	46	4
y + 4	14	4	48	8	15	1
y + 5 and subsequent years	209	65	379	64	878	73
without time limit	81	26	150	25	197	16
Total	***316***	***100***	***596***	***100***	***1,196***	***100***

20 - Guarantees received from and commitments given to third parties

a) Guarantees received

As of December 31 *(in millions of euros)*	1999	2000	2001
Guarantees received from third parties:			
- on contracts	1	1	2
- other	28	2	2
Total	***29***	***3***	***4***

As of December 31, 1999, guarantees received mainly included an amount to be received by Cap Gemini AB from a Swedish pension fund (SPP), which was paid in 2000.

b) Commitments given

As of December 31 *(in millions of euros)*	1999	2000	2001
Commitments given to third parties:			
- on contracts	28	39	35
- on non-cancelable leases (buildings and equipment)	613	1,008	1,259
- on borrowings	54	224	27
- other	16	23	44
Total	***711***	***1,294***	***1,365***

As of December 31, 2001, the Group's commitments under non-cancelable leases were as follows:

As of December 31 *(in millions of euros)*	Lease obligations
y + 1	268
y + 2	220
y + 3	155
y + 4	120
y + 5	93
y + 6 and subsequent years	402
Total	***1,259***

c) Other commitments

Under the terms of the agreements signed in connection with the acquisition of the Ernst & Young consulting businesses, former partners of Ernst & Young who worked in the consulting businesses became employees of the Cap Gemini Ernst & Young Group and as such had employment contracts. If any of these employees of the Cap Gemini Ernst & Young Group decides to leave the Group within a specific period, they are required to return all or some of the shares received at the time of sale of the Ernst & Young consulting businesses to Cap Gemini. The number of shares to be returned depends on the reason for and timing of the new employee's departure.

Under the terms of the agreement with Cisco Systems, if any of Cisco Systems' main competitors were to launch a takeover bid for Cap Gemini SA, Cisco Systems would have the right to acquire all the shares of the joint subsidiary Cap Gemini Telecom SA.

Cap Gemini SA as well as all subsidiaries and any companies at least 50%-owned, either directly or indirectly, are insured for possible financial losses resulting from general or professional liability claims arising in the course of their business. The cover has been taken out with several different insurance companies as part of a worldwide program. The program is reviewed and adjusted periodically to take into account any changes in the Group's revenues, businesses and risks.

The first line of insurance within the program, covering € 20 million in risks, is underwritten through a non-consolidated captive insurance company and is reinsured. The corresponding premiums - determined by the lead insurer - and claims settlements are recorded by the Group as expenses and revenues, respectively, in the years to which they relate.

21 - Exceptional events and litigation

The Group is not aware of any exceptional events or other claims that are likely to have or may have had, in the recent past, a material impact on its business, financial position, results of operations, assets or outlook, which are not reflected in the accounts or discussed in the notes to the consolidated financial statements.

22 - Number of employees

The average number of employees by geographic area can be analyzed as follows:

Average number of employees	1999		2000		2001	
	Employees	%	Employees	%	Employees	%
North America	4,080	10	8,217	16	11,040	18
United Kingdom and Ireland	8,145	21	8,781	18	9,014	16
Nordic Countries	4,348	11	4,613	9	5,140	9
Benelux	7,397	19	8,674	17	9,835	16
Germany and Central Europe	1,107	3	2,333	5	3,435	6
France	10,853	28	12,098	24	13,794	23
Southern Europe	2,754	7	4,193	8	5,641	9
Asia-Pacific	526	1	1,340	3	2,007	3
Total	***39,210***	***100***	***50,249***	***100***	***59,906***	***100***

The number of employees by geographic area as of December 31, is as follows:

As of December 31	1999		2000		2001	
	Employees	%	Employees	%	Employees	%
North America	3,626	9	11,428	19	9,810	17
United Kingdom and Ireland	8,217	21	9,779	16	7,906	14
Nordic Countries	4,397	11	4,877	8	5,149	9
Benelux	7,635	19	9,549	16	9,862	17
Germany and Central Europe	1,117	3	3,279	6	3,555	6
France	11,315	29	13,334	22	14,045	24
Southern Europe	2,917	7	5,291	9	5,546	10
Asia-Pacific	402	1	2,012	3	1,887	3
Total	***39,626***	***100***	***59,549***	***100***	***57,760***	***100***

23 - Geographic segment information

Operating revenue and operating income, fixed assets and trade accounts and notes receivable by geographic area are as follows:

(in millions of euros)	Operating revenue	%	Operating income	%	Fixed assets	%	Trade accounts and notes receivable	%
North America	2,848	34	178	42	500	21	420	20
United Kingdom and Ireland	1,414	17	(3)	(1)	684	28	325	17
Nordic Countries	577	7	10	2	126	5	117	6
Benelux	1,036	12	128	30	437	18	277	13
Germany and Central Europe	519	6	25	6	186	8	174	8
France	1,367	16	83	20	401	17	460	22
Southern Europe	439	5	12	3	59	2	225	11
Asia-Pacific	216	3	(10)	(2)	16	1	70	3
Total	***8,416***	***100***	***423***	***100***	***2,409***	***100***	***2,068***	***100***

24 - Joint-ventures

The Group has several joint ventures, particularly in Canada, Germany and the United Kingdom. These joint ventures contribute 2.8% of consolidated operating revenue.

25 - Subsequent events

On February 14, 2002, Cap Gemini Ernst & Young Canada signed a ten-year outsourcing agreement with Hydro One – a company operating in the Canadian energy sector – representing CAD 1 billion (approximately € 700 million). Under this agreement, Cap Gemini Ernst & Young will be responsible for the management and maintenance of Hydro One's IT systems and applications.

26 - List of the consolidated companies by country (149)

Country		% interest	Consolidation method
Germany	Cap Gemini Ernst & Young Deutschland Holding GmbH	100%	FC
	Cap Gemini Ernst & Young Deutschland GmbH	100%	FC
	Gemini Consulting GmbH and Co KG	100%	FC
	Cap Gemini Ernst & Young Services GmbH	100%	FC
	Gemini Consulting Verwaltungs GmbH	100%	FC
	Sd&M software design & management AG	100%	FC
	Media & Research GmbH	100%	FC
	Is Energie GmbH	25%	PROP
	Hochtief Software GmbH	100%	FC
	Cap Gemini Telecom Media & Networks Deutschland GmbH	95%	FC
Australia	Cap Gemini Ernst & Young Australia Pty Ltd	100%	FC
	Cap Gemini Ernst & Young One Resource Nominees Pty Ltd	50%	PROP
Austria	Cap Gemini Ernst & Young Consulting Österreich AG	100%	FC
	Cap Gemini Ernst & Young Advisory Services GmbH	100%	FC
Belgium	Cap Gemini Ernst & Young Belgium NV/SA	99.8%	FC
	Cap Gemini Ernst & Young People Systems Infrastructure NV/SA	99.8%	FC
	Gitek Software NV	99.8%	FC
	Twinsoft NV/SA	99.8%	FC
	Cap Gemini Telecom Media & Networks Belgium NV	95%	FC
Canada	Cap Gemini Ernst &Young Canada Inc.	100%	FC
	511965 N.B. Inc.	100%	FC
	New Horizons System Solutions	51%	PROP
	New Horizons System Solutions Inc	51%	PROP
China	Cap Gemini Ernst & Young China	100%	FC
Korea	Cap Gemini Ernst & Young Korea Co Ltd	100%	FC
Croatia	Cap Gemini Ernst & Young Consulting d.o.o	100%	FC
Denmark	Cap Gemini Danmark AS	100%	FC
	Cap Gemini Telecom Media & Networks Danmark AS	95%	FC
Spain	Cap Gemini Ernst & Young Espana	100%	FC
	Cap Gemini Telecom Media & Networks Espana S.A.	95%	FC
United States	BiosGroup Inc.	38.5%	EQ
	Cap Gemini America Inc	100%	FC
	Cap Gemini Ernst & Young US LLC	100%	FC
	Cap Gemini Ernst & Young U.S. Holding Inc.	100%	FC
	Cap Gemini Ernst & Young Application Services LLC	100%	FC
	Cap Gemini Ernst & Young US Consulting BV	100%	FC
	Cap Gemini Ernst & Young US Holdings LLC	100%	FC
	OneSystem Group LLC	100%	FC
	Net-Strike Worldwide LLC	100%	FC
	Cap Gemini Telecom Media & Networks US Inc.	95%	FC
Finland	Cap Gemini Ernst & Young Finland Oy	100%	FC
	Cap Programator FM Plavelut Oy, SF	100%	FC
	Cap SAM Consulting Oy	100%	FC
	Cap Gemini Telecom Media & Networks Finland Oy	95%	FC
	Racap Solutions Oy	65%	FC
France	Cap Gemini SA	Parent company	
	Cap Gemini Service SA	100%	FC
	Cap Gemini Université SA	100%	FC
	Cap Gemini Gouvieux SA	100%	FC
	SARL Immobilière Les Fontaines	100%	FC
	SCI du château de Béhoust	100%	FC
	SCI Paris Etoile	100%	FC
	APIS SA	34%	EQ
	Dalkia Informatique SA	100%	FC

FC = Fully Consolidated EQ = Accounted for by the equity method PROP = Proportional consolidation

Country		% interest	Consolidation method
France	Cap Gemini Telecom SA	95%	FC
	Cap Gemini Telecom Media & Networks France SA	95%	FC
	Gemini Telecom & Media France SA	95%	FC
	Cap Gemini Ernst & Young France SA	100%	FC
	Answork (formerly Gamifip)	15%	EQ
United Kingdom	CGS Holdings Ltd	100%	FC
	Cap Gemini Ernst & Young UK Plc	100%	FC
	Hoskyns Group Plc	100%	FC
	Hoskyns Systems Ltd	100%	FC
	Hoskyns Ltd	100%	FC
	Volmac UK Ltd	99.8%	FC
	Gemini Consulting UK Holding	100%	FC
	Gemini Consulting Ltd	100%	FC
	Cap Gemini Ernst & Young Oldco UK Ltd	100%	FC
	Ernst & Young Consulting Worldwide UK Ltd	100%	FC
	Becket Consulting Ltd	100%	FC
	Ernst & Young Working links Ltd	100%	FC
	Working Links Ltd	33%	PROP
	Ernst & Young Operating Company (n° 2) Ltd	100%	FC
	Ernst & Young Equinox BP Ltd	100%	FC
	Ciberion	50%	PROP
	Cap Gemini Telecom Media & Networks UK Ltd	95%	FC
Hong-Kong	Cap Hong-Kong Ltd	100%	FC
	Cap Gemini Ernst & Young Hong-Kong Ltd	100%	FC
	One Resource Group Hong-Kong	50%	PROP
Hungary	Cap Gemini Magyarorszag Kft	95%	FC
India	Cap Gemini Ernst & Young Consulting India Pvt Ltd	100%	FC
	Cap Gemini Ernst & Young Consulting India Services Pvt Ltd	100%	FC
Ireland	Cap Gemini Group (Ireland) Ltd	100%	FC
	Cap Gemini Ernst & Young Ireland Ltd	100%	FC
	CGEY Old Ireland Ltd	100%	FC
	Bedford House Consulting Ltd	100%	FC
	Cap Gemini Telecom Media & Networks Ireland Ltd	95%	FC
Italy	Cap Gemini Ernst & Young Italia Spa	100%	FC
	Sistemi e Telematica Spa	77%	FC
	Consorzio Business Intelligence Laboratory	22%	EQ
	Cap Gemini Telecom Media & Networks Italia Spa	95%	FC
Japan	Cap Gemini Ernst & Young Japan KK	100%	FC
Latvia	Gemini Consulting SIA (Latvia)	100%	FC
Luxembourg	Cap Gemini Ernst & Young Luxembourg SA	99.8%	FC
Malaysia	Cap Gemini Ernst & Young Consultants Sdn Bhd	100%	FC
	Cap Gemini Telecom Media & Networks Malaysia Sdn Bhd	95%	FC
New Zealand	Cap Gemini Ernst & Young New Zealand Ltd	100%	FC
	Cap Gemini Ernst & Young NZ Data Warehouse Solutions Ltd	50%	PROP
Norway	C/Computas Grad Losn A/S	100%	FC
	Cap Gemini Ernst & Young AS Norge	100%	FC
	Cap Gemini Telecom Media & Networks Norge AS	95%	FC
Netherlands	GBA Volmac BV	100%	FC
	Cap Gemini Europe BV	100%	FC
	Cap Gemini Benelux BV	100%	FC
	Cap Gemini Ernst & Young Nederland BV	99.8%	FC
	CGS/WSG Partnership CV	100%	FC
	Cap Gemini NV	99.8%	FC
	Cap Gemini Ernst & Young ISM BV	99.8%	FC
	Volmac II BV	99.8%	FC
	Iquip Informatica BV	99.8%	FC

FC = Fully Consolidated EQ = Accounted for by the equity method PROP = Proportional consolidation

Country		% interest	Consolidation method
Netherlands	BIT-IC BV	99.8%	FC
	Gimbrère & Dohmen Software BV	99.8%	FC
	Paul Postma Marketing Consultancy BV	99.8%	FC
	Twinac Software BV	99.8%	FC
	EC Gate BV	30%	EQ
	Entity Holding BV	10%	EQ
	Cap Gemini Ernst & Young Assurantien BV	99.8%	FC
	Cap Gemini Telecom Media & Networks Nederland BV	95%	FC
	Cap Gemini Ernst & Young Management Sourcing BV	99.8%	FC
	Cap Gemini Ernst & Young Sourcing BV	99.8%	FC
	PRC Ernst & Young BV	50%	PROP
	Cap Gemini Ernst & Young Global Learning Solutions BV	100%	FC
	Cap Gemini Ernst & Young Global Client Consulting BV	100%	FC
	Cap Gemini Ernst & Young Global Client Consulting Asia Pacific BV	100%	FC
Poland	Gemini Consulting Poland	100%	FC
	Cap Gemini Ernst & Young Polska Sp. Z.o.o	100%	FC
	Cap Gemini Telecom & Networks Sp. Z.o.o	95%	FC
Portugal	Cap Gemini EeY Portugal	100%	FC
Czech Republic	Cap Gemini Telecom & Networks S.r.o	95%	FC
Romania	Gemini Consulting Romania srl	100%	FC
Singapore	Cap Gemini Ernst & Young Singapore Pte Ltd	100%	FC
	Professional Outsourcing Pte Ltd	100%	FC
	Cap Gemini Ernst & Young Singapore FSI Pte Ltd	100%	FC
	Cap Gemini Ernst & Young Singapore Consultants Pte Ltd	100%	FC
	Cap Gemini Asia Pacific Pte Ltd	100%	FC
	Cap Gemini Telecom Media & Networks Singapore Pte Ltd	95%	FC
Slovakia	Cap Gemini Ernst & Young Slovensko S.r.o Slovakia	100%	FC
Slovenia	Ernst & Young Consulting Slovenia	100%	FC
Sweden	Cap Gemini Ernst & Young AB	100%	FC
	Cap Gemini Ernst & Young Sverige AB	100%	FC
	Cap Volmac Sweden AB	99.8%	FC
	Gemini Consulting AB	100%	FC
	Cap Gemini Ernst & Young Sverige Holding AB	100%	FC
	Cap Gemini Ernst & Young Sverige AB	100%	FC
	Cap Gemini Ernst & Young Travel & Logistic Sweden AB	100%	FC
	Cap Gemini Telecom Media & Networks Sweden AB	95%	FC
Switzerland	SD&M Switzerland	100%	FC
	Gemini Consulting AG	100%	FC
	Cap Gemini Ernst & Young Suisse SA	100%	FC

FC = Fully Consolidated EQ = Accounted for by the equity method PROP = Proportional consolidation

SUMMARIZED FINANCIAL STATEMENTS OF CAP GEMINI SA

The full financial statements, including the notes, may be obtained from the Company on request.
The Statutory Auditors' Reports presented below relate to full financial statements .

STATUTORY AUDITORS' REPORT
ON THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 AND 2001

To the shareholders of CAP GEMINI SA,

In accordance with the terms of our appointment at the Annual Shareholders' Meeting, we hereby submit our report for the year ended December 31, 2001, on:

- our examination of the financial statements of Cap Gemini SA presented in euros, as attached to this report,
- the specific procedures and information required by law.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audits.

1. Opinion on the financial statements

We conducted our audit in accordance with the professional standards applied in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements present fairly the results of operations for the year ended December 31, 2001 and the financial position and assets of the Company at that date.

2. Specific procedures and information

We have also performed the specific procedures required by law, in accordance with the professional standards applied in France.

We are satisfied that the information given in the Report of the Board of Directors and the documents sent to shareholders on the financial position and financial statements is fairly stated and agrees with the financial statements.

Pursuant to the provisions of Articles L. 233-6 and L. 233-13 of the French Commercial Code, we have verified that all information concerning acquisitions of shareholdings and controlling interests and the identity of shareholders is given in the Report of the Board of Directors.

Paris, February 20, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIES

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

STATUTORY AUDITORS' SPECIAL REPORT
ON REGULATED AGREEMENTS-YEAR ENDED DECEMBER 31, 2001

To the shareholders of CAP GEMINI SA,

In our capacity as Statutory Auditors of Cap Gemini S.A., we present below our report on regulated agreements.

In accordance with article L.225-40 of the Commercial Code, we have been informed of agreements approved in advance by your Board of Directors.

Our responsibility does not include identifying any undisclosed agreements. We are required to report to shareholders, based on the information provided, about the main terms and conditions of agreements that have been disclosed to us, without commenting on their relevance or substance. Under the provisions of article 92 of the March 23, 1967 decree, it is the responsibility of shareholders to determine whether the agreements are appropriate and should be approved.

We conducted our review in accordance with the professional standards applicable in France. Those standards require that we carry out the necessary procedures to verify the consistency of the information disclosed to us with the source documents.

Further to an authorization granted by the Board of Directors on December 12, 2001, Cap Gemini S.A. granted non-repayable subsidies on December 21, 2001, in the amounts of € 8 million and € 15 million respectively, to its subsidiaries Cap Gemini Ernst & Young Korea and Gemini Consulting Switzerland.

Paris, February 20, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIES

Laurent Lévesque

COOPERS & LYBRAND AUDIT
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Bernard Rascle

SUMMARIZED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	1999	2000	2001
Operating revenue	108	196	184
Operating expenses	(26)	(122)	(18)
Operating income	***82***	***74***	***166***
Interest income/(expenses), net	100	88	(1,960)
Other income and expenses, net	1	188	(16)
Income tax	(34)	(32)	(64)
Net income/(losses)	***149***	***318***	***(1,874)***

SUMMARIZED BALANCE SHEETS

AS OF DECEMBER 31, 1999, 2000 AND 2001

(in millions of euros)	1999	2000	2001
Assets			
Non-current assets	2,910	13,004	11,013
Current assets	528	660	624
Other assets	1	1	1
Total assets	***3,439***	***13,665***	***11,638***
Liabilities and Shareholders' Equity			
Shareholders' equity	3,138	13,458	11,415
Provisions	-	14	14
Long and short-term debt	62	29	6
Other liabilities	239	164	203
Total Liabilities and Shareholders' Equity	***3,439***	***13,665***	***11,638***

SUBSIDIARIES AND INVESTMENTS

(in millions of euros)	Capital	Other share-holders' equity (including net income for the year) (*)	% interest	Number of shares owned	Book value of shares		Loans & advances granted by the company	Guaran-tees given	2001 revenue	Dividends received
					Gross	Net				
SUBSIDIARIES										
Cap Gemini Americ Inc (USA)	-	7,297	100.00%	1,100	6,985	4,969	-	-	225	-
511,965 NB Inc (Canada)	17	17	100.00%	266,612,979	254	254	-	-	-	-
CGS Holdings Ltd (UK)	0	11	100.00%	431,513,902	1,411	1,411	48	-	-	-
CGEY AB (Sweden)	9	131	100.00%	20,000	262	262	-	9	-	17
CGEY Norge AS (Norway)	6	15	21.00%	9,500	30	30	-	-	118	-
Cap Gemini Europe BV (Netherlands)	88	42	100.00%	194,100	253	253	-	-	-	16
Cap Gemini NV (Benelux)	5	553	99.85%	43,223,190	1,180	1,180	-	-	-	13
CGEY Deutschland Holding GmbH (Germany)	4	70	94.40%	1	571	571	22	-	1	-
CGEY Consultants Osterreich AG (Austria)	0	6	100.00%	36,791	39	38	-	-	33	-
CGEY Suisse (Switzerland)	3	(3)	100.00%	5,434	16	16	-	-	58	-
CGEY Polska Sp Z.o.o (Poland)	1	(2)	100.00%	37,000	14	7	-	-	6	-
CGEY France S.A.	40	120	100.00%	2,473,997	414	414	-	21	1,233	30
Cap Gemini Telecom S.A. (France)	142	846	95.15%	8,426,908	807	807	-	-	2	10
CGEY Italia Spa (Italy)	110	(124)	100.00%	1,038,575	348	233	21	5	198	-
CGEY Espana SL (Spain)	14	21	100.00%	132,938	112	102	2	-	162	-
Cap Gemini E e Y Portugal	9	(4)	100.00%	1,840,455	30	30	-	-	36	-
Cap Gemini Asia Pacific (Singapore)	27	72	100.00%	171,108,000	102	102	-	15	-	-
CGEY Australia Pty Ltd (Australia)	14	(6)	100.00%	631,979	139	133	-	-	95	-
CGEY New Zealand Ltd (New Zealand)	2	(3)	100.00%	1,000,000	36	17	-	-	18	-
Cap Gemini Service S.A. (France)	9	(5)	100.00%	1,500,000	43	4	-	1	142	-
SCI Paris Etoile	0	2	100.00%	9,999	48	31	-	-	3	2
Other (France)	nm	nm	nm	nm	1	1	-	76	-	-
Other	nm	nm	nm	nm	31	23	-	-	-	-

INVESTMENTS

As of December 31, 2001, investments held by Cap Gemini S.A. are not material

(*) Excluding share capital and before appropriation of income for the year.
nm: not meaningful.

The net income of subsidiaries and investments is not provided because disclosure would be prejudicial to the Company's commercial and financial strategy.
Cap Gemini S.A. is at the head of the French tax group made up of 10 companies. The impact of tax consolidation in 2001 is a benefit of € 2.6 million.

CHANGES IN SHAREHOLDERS' EQUITY

(in millions of euros)	2000	Net Income appropriaton 2000	Other changes	2001
Share capital	994	-	8	1,002
Additional paid-in-capital	11,784	-	(13)	11,771
Legal reserve	62	38	-	100
Untaxed reserves	42	-	-	42
Other reserves	172	-	-	172
Retained earnings	86	116	-	202
Dividends paid	-	149	(149)	-
Dividend equalization tax (précompte)	-	15	(15)	-
Net income / (losses)	318	(318)	(1,874)	(1,874)
Total	***13,458***	**-**	***(2,043)***	***11,415***

FIVE-YEAR FINANCIAL SUMMARY

(in millions of euros)	1997	1998	1999	2000	2001
I-Share capital at year-end					
Share capital	373	422	624	994	1,002
Number of common shares outstanding	61,198,877	69,130,658	77,945,108	124,305,544	125,244,256
Maximum number of future shares to be created through exercise of equity warrants	6,555,544	7,085,035	6,038,838	7,487,783	10,463,754
II-Operation and results of the current year					
Operating revenue	67	100	108	196	184
Operating revenue and financial revenue	156	230	258	329	301
Income before taxes, amortization and provisions	144	147	165	395	264
Income tax	16	25	34	32	64
Net income / (losses)	90	103	149	318	(1,874)
Distributed income	33	58	78	(a) 164	(b) 50
III-Earning per share (in euros)					
Earnings after taxes, but before amortization and provisions	2.08	1.77	1.68	2.92	1.60
Net earnings	1.47	1.49	1.91	2.56	nm
Dividend per share, net	0.53	0.84	1.00	1.20	(b) 0.40
IV-Employee data					
Average number of employees during the year	-	-	-	-	-
Total payroll	-	-	-	-	-
Total benefits	-	-	-	-	-

(a) Representing a dividend of € 149 million and dividend equalization tax (précompte) of € 15 million.
(b) Subject to approval by the Ordinary Shareholders' Meeting of April 25, 2002.

REPORT OF THE STATUTORY AUDITORS
ON THE CANCELING OF SHARES BOUGHT BACK BY THE COMPANY

To the shareholders of CAP GEMINI SA,

In our capacity as Statutory Auditors of Cap Gemini SA, and pursuant to the provisions of Article L.225-209, paragraph 4 of the Commercial Code, we hereby present our report on the canceling of shares bought back by the Company.

We have reviewed the proposed capital reduction and performed all the procedures that we considered necessary in accordance with the professional standards generally accepted in France.

This transaction is connected with the proposed acquisition by the Company of up to 10% of its own shares, in accordance with Article L.225-209, paragraph 4, of the Commercial Code, under an eighteen month authorization to be given at the Ordinary Shareholders' Meeting (5th resolution).

In connection with the authorization to buy back shares, the Board of Directors would be given full powers to cancel the shares acquired, provided that the aggregate number of shares cancelled in any given period of 24 months does not exceed 10% of the Company's capital. These powers would be exercisable for a period of five years.

We have no comment to make on the reasons or terms of the proposed capital reduction, the implementation of which depends on the Ordinary Shareholders' Meeting approving the buy back of the Company's shares.

Paris, April 2, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIÉS

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

REPORT OF THE STATUTORY AUDITORS
ON THE ISSUANCE OF SHARES AND SHARE EQUIVALENTS WITH DELEGATION OF POWERS

To the shareholders of CAP GEMINI SA,

In our capacity as Statutory Auditors of Cap Gemini SA and pursuant to the provisions of Articles L.228-92, L.228-95 and L.225-135 of the Commercial Code, we hereby present our report on:

- the issues of shares and other securities convertible, redeemable or otherwise exercisable for new Cap Gemini shares

submitted to shareholders for approval.

These operations are described in the table attached to this report.

If shareholders approve the related resolutions, the Board of Directors will be authorized to issue such securities in France or abroad, for a maximum nominal value of € 3 billion (€ 400 million for equity warrants and shares with equity warrants attached). The authorizations will be valid for the periods prescribed by law for each category of securities concerned.

The aggregate par value of the shares issued directly or indirectly, on conversion, redemption or exercise of share equivalents may not exceed € 400 million. As provided for in the thirteenth resolution, this amount of € 400 million is included in the € 1.5 billion limit set in the eighth resolution adopted by the Extraordinary Shareholders' Meeting of May 16, 2001.

Under the terms of the resolutions, the Board of Directors will be authorized to establish the terms and conditions of these issues.

The Board of Directors is also asking shareholders to waive their pre-emptive rights to subscribe for shares issued directly under the sixteenth and eighteenth resolutions and indirectly, on conversion, redemption or exercise of share equivalents, under the fifteenth and sixteenth resolutions.

***

We have examined the proposals to issue shares and share equivalents and performed all the procedures that we considered necessary, in accordance with the professional standards generally accepted in France.

Subject to further examination of the terms and conditions of these issues, we have no matters to bring to shareholders' attention regarding the determination of the issue price of new shares, exercise price(s) of subscription rights or the amount(s) concerned, as presented in the Report of the Board of Directors.

As the issue price of new shares, exercise price(s) of the subscription rights, and the issue price for each issue are to be determined by the Board of Directors when the operations are carried out, we are not in a position to comment on the final terms and conditions under which these issues will be conducted, nor, in consequence, on the proposed waiver of shareholders' pre-emptive rights to subscribe for the issues concerned, the principle of which is in keeping with the nature of the proposed operations.

In accordance with article 155-2 of the decree of March 23, 1967, we will issue a supplementary report at the time of each such issue conducted by the Board of Directors.

Paris, April 2, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIÉS

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

Description of the securities covered by the proposed authorizations

Resolution N°	Type of issue	Waiver of pre-emptive subscription rights: share equivalents	Waiver of pre-emptive subscription rights: shares	Authorization for valid
15	Equity warrants	No	Yes	1 year *
16	Idem	Yes	Yes	1 year *
17	Securities convertible, exchangeable redeemable or otherwise exercisable for newly-created shares at a fixed date or at any time	No	Automatic	Maximum period allowed by law
18	Idem	Yes	Automatic	Maximum period allowed by law

* Shares subscribable upon exercise of equity warrants must be issued within five years of the issue of the warrants.

REPORT OF THE STATUTORY AUDITORS
ON THE CANCELING OF RETURNED SHARES

To the shareholders of CAP GEMINI SA,

In our capacity as Statutory Auditors of Cap Gemini SA and pursuant to the provisions of Article L.225-204 of the Commercial Code, we hereby present our report on the canceling of shares returned to the Company.

We have reviewed the proposed capital reduction and performed all the procedures that we considered necessary in accordance with the professional standards generally accepted in France. We have verified that the canceling of the shares would not have the effect of either reducing the capital to less than the legally-prescribed minimum amount or affecting the equal status of shareholders.

We have no comment to make on the reasons or terms of the proposed canceling of returned shares, which would have the effect of reducing the Company's capital from € 1,001,954,048 to € 1, 000,055,232.

Paris, April 2, 2002

The Statutory Auditors
Members of the Regional Company of Paris

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REPORT OF THE STATUTORY AUDITORS
ON THE ISSUANCE OF SHARES IN CONNECTION WITH EMPLOYEE SHARE OWNERSHIP

To the shareholders of Cap Gemini SA,

In our capacity as Statutory Auditors of Cap Gemini SA and pursuant to the provisions of Articles L.225-135 and L.225-138 of the Commercial Code, we hereby present our report on the planned share issues:

- to be offered for subscription by employees of Cap Gemini and related companies within the meaning of article L.225-180 of the Commercial Code, who are members of a Cap Gemini Ernst & Young Company Savings Plan (PEE) or Voluntary Employee Savings Plan (PPESV),
- to be offered for subscription by the employees of certain foreign companies through "Cap Gemini Ernst & Young Employees Worldwide SA", a company specifically dedicated for that purpose.

as described in the thirteenth and fourteenth resolutions submitted to shareholders for approval.

1. Share issues to be offered for subscription by Cap Gemini Ernst & Young employees participating in a Company Savings Plan (PEE) or Voluntary Employee Savings Plan (PPESV) (thirteenth resolution)

In accordance with the provisions of article L.225-129 of the Commercial Code, the Board of Directors is inviting shareholders to grant it an authorization to increase the Company's capital by issuing shares in accordance with article 443-5 of the Labor Code, and to establish the terms and conditions of these issues. The authorization will expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements. Shareholders are also invited to waive their pre-emptive right to subscribe for the shares to be offered to employees for subscription.

Total capital increases resulting from shares issued under the authorization given in this resolution may not exceed € 30,400,000, representing 3,800,000 new shares with a par value of € 8.

2. Share issues to be offered for subscription by the employees of certain foreign companies through a company specifically dedicated for that purpose (fourteenth resolution)

In accordance with the provisions of article L.225-129 of the Commercial Code, the Board of Directors is inviting shareholders to grant it an authorization to increase the Company's capital by issuing shares for subscription by Cap Gemini Ernst & Young Employees Worldwide SA, and to establish the terms and conditions of these issues. The authorization will expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements.
Shareholders are also invited to cancel their pre-emptive right to subscribe for the shares to be offered for subscription by Cap Gemini Ernst & Young Employees Worldwide SA .

Total capital increases resulting from shares issued under the authorization given in this resolution may not exceed € 10,400,000, representing 1,300,000 new shares with a par value of € 8.

We have reviewed the proposed share issues and performed all the procedures that we considered necessary in accordance with the professional standards generally accepted in France.

Subject to further examination of the terms and conditions of these issues we have no matters to bring to shareholders' attention regarding the determination of the issue price of new shares as presented in the Report of the Board of Directors.

As the issue price of new shares is to be determined by the Board of Directors when the operations are carried out, we are not in a position to comment on the final terms and conditions under which these issues will be conducted, nor, in consequence, on the proposed waiver of shareholders' pre-emptive rights to subscribe for the issues concerned, the principle of which is in keeping with the nature of the proposed operations.

In accordance with article 155-2 of the decree of March 23, 1967, we will issue a supplementary report at the time of each such issue conducted by the Board of Directors.

Paris, April 2, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIÉS

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

TEXT OF THE DRAFT RESOLUTIONS PRESENTED BY THE BOARD OF DIRECTORS TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

I - Resolutions presented at the Ordinary Shareholders' Meeting

First resolution

Approval of the 2001 financial statements

After hearing the following:

- the report of the Board of Directors on the business and position of the Company for the year ended December 31, 2001 and the financial statements for the year,
- and the general report of the Statutory Auditors on their audit of the financial statements, the General Shareholders' Meeting hereby approves the financial statements for the year ended December 31, 2001, comprising the balance sheet, statement of income and notes, as presented, as well as the transactions reflected in these financial statements or summarized in these reports.

The General Shareholders' Meeting therefore gives discharge to the Board of Directors for its management during the year.

Second resolution

Presentation of the 2001 consolidated financial statements

After hearing the following:

- the report of the Board of Directors on the management of the Group as included in the Report of the Board of Directors,
- and the report of the Statutory Auditors on the consolidated financial statements, the General Shareholders' Meeting notes that the consolidated financial statements for the year ended December 31, 2001 have been submitted to it.

Third resolution

Regulated agreements

After hearing the Statutory Auditors' special report on agreements governed by article L.225-38 of the Commercial Code, the General Shareholders' Meeting approves the agreements referred to therein.

Fourth resolution

Net income appropriation and dividend

The General Shareholders' Meeting approves the recommendations of the Board of Directors and resolves to:

- write off the net loss for the year of € 1,873,798.101.74 against retained earnings,
- pay a dividend of € 0.40 per share, representing a total distribution of € 50,097,702.40, to be paid out of additional paid-in capital.

The dividend is therefore set at € 0.40 per share, payable on each of the 125,244,256 shares issued and outstanding at December 31, 2001. In accordance with the provisions of the 2002 Finance Act, the dividend will give rise to an avoir fiscal tax credit of € 0.20 (50%) per share in the case of private shareholders and legal entities qualifying for the affiliation privilege, and € 0.06 (15%) per share in the case of all other corporate shareholders. The dividend will be paid as from April 26, 2002. If any of the Company's shares are held in treasury stock when the dividend is paid, an amount corresponding to the dividends not paid out on these shares will be credited to retained earnings.

Pursuant to Article 243bis of the French General Tax Code, the General Shareholders' Meeting notes that 2000 dividends totaled € 149,166,652.80, representing a dividend per share of € 1.20 paid on 124,305,544 shares, that 1999 dividends totaled € 77,945,108, representing a dividend per share of € 1 paid on 77,945,108 shares, and that 1998 dividends totaled FRF 380,218,619 (€ 57,963,955), representing a dividend per share of FRF 5.50 paid on 69,130,658 shares.

Fifth resolution

Authorization to buy back shares

The General Shareholders' Meeting, after hearing the report of the Board of Directors and reviewing the information memorandum approved by the Commission des Opérations de Bourse, authorizes the Board of Directors to buy back the Company's shares on the open market. This authorization is given for a period of eighteen months. The related powers may be delegated by the Board of Directors in accordance with the provisions of Articles L.225-209 et seq. of the Commercial Code.

The purpose of this authorization is to allow the Company to:

- hold, exchange, sell, transfer or remit shares in payment, in particular in connection with external growth transactions;

- award shares to employees on the terms and by the methods provided for by law, including in connection with stock option plans or company savings plans;

- stabilize the Company's share price by purchasing and selling shares on the open market;

- optimize the management of the Company's financial position and assets and liabilities

- cancel shares, subject to adoption of the tenth resolution of the Extraordinary Shareholders' Meeting to be held immediately after this Ordinary Shareholders' Meeting.

The transactions described above may be carried out by any method allowed under the applicable laws and regulations, including through the use of derivative instruments. The entire buyback program may be carried out by means of a block purchase or transfer of shares.

The share buybacks may be carried out at any time, except during the suspension periods specified in Commission des Opérations de Bourse regulation 90-04.

The General Shareholders' Meeting resolves that the maximum number of shares that may be acquired under this resolution may not exceed 10% of the Company's issued capital as of December 31, 2001, corresponding to 12,524,425 shares, and that the total funds invested in the share buybacks may not exceed € 2,504,885,000.

The General Shareholders' Meeting sets the maximum purchase price of the shares at € 200 per share and the minimum sale price at € 60 per share. In the case of a bonus share issue paid up by capitalizing reserves, or a stock-split or reverse stock-split, the above prices per share will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction.

Full powers are given to the Board of Directors, including the power of delegation, to use this authorization and to:

- place any and all buy and sell orders and enter into any and all agreements for the keeping of a register of share purchases and sales or for any other relevant purposes;

- carry out any and all filing and other formalities and generally do whatever is necessary.

The Board of Directors will be required to report to each General Shareholders' Meeting on the transactions carried out during the year under this authorization.

The authorizations given to the Board of Directors in this resolution replace those given in the fourth resolution of the General Shareholders' Meeting of May 16, 2001.

Sixth resolution

Renewal of Statutory Auditors' Term of Office
The General Shareholders' Meeting renews, for a period of six years, the term of office as Statutory Auditors of Coopers & Lybrand Audit, which expired on the date of this meeting.

Seventh resolution

Appointment of new Statutory Auditors
The General Shareholders' Meeting appoints KMPG S.A., registered with the Nanterre Companies Registry under number 775 726 417, Les Hauts de Villiers, 2 bis rue de Villiers 92300 Levallois Perret, as Statutory Auditors for a term of six years, to replace Constantin Associés S.A. whose term of office expired on the date of this meeting.

Eighth resolution

Appointment of new Substitute Auditors
The General Shareholders' Meeting appoints Yves Nicolas, 32 rue Guersant, 75017 Paris as substitute for Coopers & Lybrand Audit, for a term equal to that of the Statutory Auditors.

Ninth resolution

Appointment of new Substitute Auditors
The General Shareholders' Meeting appoints Guillaume Livet, Les Hauts de Villiers, 2 bis rue de Villiers, 92300 Levallois Perret, as substitute for KPMG S.A, for a term equal to that of the Statutory Auditors.

II - Resolutions presented at the Extraordinary Shareholders' Meeting

Tenth resolution

Authorization to cancel shares acquired under the buyback program

The General Shareholders' Meeting, after hearing the report of the Board of Directors and the Statutory Auditors' special report, authorizes the Board of Directors to:

- cancel - in accordance with Article L.225-209 of the Commercial Code - on one or several occasions at its sole discretion, all or some of the Cap Gemini shares held by the Company, provided that the aggregate number of shares cancelled in any given period of twenty-four months does not exceed 10% of the Company's capital, and to reduce the capital accordingly;
- charge the difference between the purchase price of the cancelled shares and their par value to additional paid-in capital or any distributable reserves.

This authority, which is given for a period of five years from the date of this Meeting, may be delegated by the Board of Directors.

The General Shareholders' Meeting gives full powers to the Board of Directors to use the authorization given in this resolution, to amend the bylaws to reflect the new capital and to carry out all necessary formalities. These powers may also be delegated.

The authorizations given to the Board of Directors in this resolution replace those given in the sixth resolution of the Extraordinary Shareholders' Meeting of May 16, 2001.

Eleventh resolution

Capital reduction to cancel returned shares

The General Shareholders' Meeting, having heard the report of the Board of Directors and the Statutory Auditors' special report, notes that in accordance with the agreements entered into between Cap Gemini and Ernst & Young in connection with the acquisition of Ernst & Young's consulting business which was completed on May 23, 2000, 237,352 Cap Gemini shares had been returned to the Company between April 1, 2001 and March 14, 2002 by people who became employees of the Cap Gemini Ernst & Young Group and then left the Group.

The General Shareholders' Meeting resolves to cancel these shares and to reduce the Company's capital by a total of € 1,898,816, representing the number of shares cancelled (237,352) multiplied by the par value of € 8 per share.

The difference between the cost of these shares reported in Cap Gemini's balance sheet (€ 20,005,124) and their par value (€ 1,898,816), i.e. € 18,106,308 will be charged to the premium recognized on the completion of the above mentioned acquisition.

The General Shareholders Meeting grants the Board of Directors full powers to carry out all operations relating to the reduction of capital after the expiry of the period set out in article 180 of Decree 67-236 of March 23, 1967. This power may be delegated to the Chairman of the Board.

Twelfth resolution

Employee share ownership

Amendments to the twenty-fourth resolution of the Extraordinary Shareholders' Meeting of May 23, 2000

After hearing the report of the Board of Directors, the General Shareholders' Meeting resolves (i) to delete paragraph 2 of the twenty-fourth resolution of the May 23, 2000 Extraordinary Shareholders' Meeting and (ii) to limit the ceiling set in the third paragraph of the said resolution – i.e. twelve million (12,000,000) new shares with a par value of € 8 – exclusively to capital increases resulting from the exercise of stock options which the Board of Directors was authorized to grant under the terms of paragraph 1 of the said resolution.

Thirteenth resolution

Employee share ownership

Shares offered for subscription by Cap Gemini Ernst & Young employees participating in a Company Savings Plan (PEE) or Voluntary Employee Savings Plan (PPESV) in accordance with article L. 443-5 of the Labor Code

After hearing the report of the Board of Directors and the Statutory Auditors' special report, and as provided for in articles L. 443-1 et seq. of the Labor Code and L. 225-138 of the Commercial Code, the General Shareholders' Meeting:

- authorizes the Board of Directors to increase the capital on one or several occasions by issuing shares to be offered for subscription, in cash, to eligible employees of the Company and related French and foreign companies within the meaning of article L. 225-180 of the Commercial Code. Eligible employees shall be employees who are members of a Cap Gemini Ernst & Young Company Savings Plan (PEE) or Voluntary Employee Savings Plan (PPESV),

- resolves that this authorization shall expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements;

- resolves that the issue price of the new shares, determined in accordance with the provisions of article L. 443-5 of the Labor Code, will be 85% of the average of the opening prices quoted for the Company's shares on the Premier Marché of the Paris Stock Exchange over the twenty trading days preceding the date of the decision made by the Board of Directors or the Chairman of the Board to open the subscription period;

- resolves that the shares issued in accordance with this resolution may be subscribed directly by the employees concerned or through a corporate mutual fund (FCPE) or, where applicable, through an employee share ownership mutual fund (SICAVAS) governed by article L. 214-40-1 of the Monetary and Financial Code;

- notes that these decisions automatically entail the waiver by shareholders of their pre-emptive right to subscribe for the shares to be offered to employees for subscription;

- gives full powers to the Board of Directors to:

• draw up the list of companies whose employees may be entitled to subscribe for the shares;

• allow employees a specified period of time to pay up their shares;

• fix the terms and conditions of membership of the PEE or PPESV and draw up or amend the rules of the plans;

• set the opening and closing dates of the subscription period and the issue price of the shares;

• set the number of new shares to be issued and the applicable rules in the event of over subscription;

• place on record the capital increases;

• carry out any and all transactions and formalities, directly or through a duly authorized representative;

• charge the share issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to one-tenth of the new capital after each issue;

• amend the Company's bylaws to reflect the new capital and generally, take all appropriate action and do whatever is necessary to comply with the applicable laws and regulations.

- resolves that total issues under the authorization given in this resolution may not represent over three million eight hundred thousand (3,800,000) new shares with a par value of € 8.

These powers may be delegated by the Board of Directors to its Chairman in accordance with the applicable law.

Fourteenth resolution

Employee share ownership

The purpose of this resolution is to set up an employee savings plan for the employees of certain foreign companies related to Cap Gemini within the meaning of article L. 233-16 of the Commercial Code. The plan will operate through a Group company specifically dedicated for the purpose, in accordance with conditions similar to those provided to the employees under the previous resolution.

(Employees of Foreign Companies who wish to participate in this employee share ownership plan must abstain from voting on this resolution).

The General Shareholders' Meeting, after hearing the report of the Board of Directors and the Statutory Auditors' special report:

1. notes that the employees of foreign Cap Gemini Ernst & Young Group companies related to Cap Gemini within the meaning of article L. 233-16 of the Commercial Code whose head offices are in countries where it would be difficult to implement the employee share ownership plan set out in the previous resolution due to local tax or legal provisions, shall be hereinafter referred to as "Employees of Foreign Companies";

2. as provided for in article L 225-138 of the Commercial Code, authorizes the Board of Directors to increase the capital on one or several occasions by issuing shares to be offered for subscription by Cap Gemini Ernst & Young Employees Worldwide SA, a French société anonyme with capital of € 150,000 euros, whose registered office is at 11, rue de Tilsitt, 75017 Paris, registered with the Paris Companies Registry under number 440 330 090, hereinafter referred to as the "Beneficiary";

3. resolves to cancel shareholders' pre-emptive rights to subscribe for the shares to be offered to the Beneficiary for subscription under the terms of this authorization;

4. in accordance with article L-225-206 I of the Commercial Code, resolves that the Board of Directors may not use this authorization until full title to 100% of the share capital of Cap Gemini Ernst & Young Employees Worldwide SA is transferred to one or more credit institutions or investment service providers;

5. resolves that the issue price of the new shares subscribed by the Beneficiary under the terms of this authorization shall be the same as the issue price of the shares offered to other Group employees in accordance with the authorization granted in the previous resolution, i.e. 85% of the average of the opening prices quoted for the Company's shares on the Premier Marché of the Paris Stock Exchange over the twenty trading days preceding the date of the decision made by the Board of Directors or the Chairman of the Board to open the subscription period;

6. resolves that this authorization shall expire on the date of the Ordinary Shareholders' Meeting to be called to approve the 2002 financial statements;

7. resolves that the amount of the capital increase or each tranche of capital increase through shares offered for subscription by the Beneficiary shall equal the total aggregate amount subscribed by Employees of Foreign Companies based on the leverage formula (after any applicable reductions), multiplied by 9. The par value and premium of shares subscribed by each employee concerned may not exceed 2.5% of the employee's annual gross salary, with an overall ceiling of € 2,000;

8. resolves that total issues under the authorization given in this resolution may not represent over one million three hundred thousand (1,300,000) new shares with a par value of € 8;

9. that if any share issue is not taken up in full by Employees of Foreign Companies, the capital increase subscribed by the Beneficiary will be limited to the amount calculated in paragraph 7 above.

10. resolves that if the amount calculated in accordance with paragraph 7 above exceeds the amount of each tranche of capital increase, subscriptions by Employees of Foreign Companies shall be reduced in accordance with the principles set out in the Board of Directors' report;

11. gives full powers to the Board of Directors to use this authorization on one or several occasions, to:

- decide the maximum number of shares to issue, in accordance with the ceilings set down in this resolution and to place on record the final amount of each capital increase;
- to set the dates and all other terms and conditions of such capital increases, including the threshold below which subscriptions would not be reduced;
- charge the share issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to one-tenth of the new capital after each issue;
- and generally, to enter into any and all agreements, take all appropriate steps and carry out all formalities necessary for the issue and servicing of the shares issued under this authorization and to exercise the rights attached thereto, to place on record the capital increase resulting from share issues in accordance with this authorization and to amend the bylaws accordingly.

These powers may be delegated by the Board of Directors to its Chairman in accordance with the applicable law.

Fifteenth resolution

Public issue of equity warrants with pre-emptive subscription rights

After hearing the report of the Board of Directors, and the Statutory Auditors' special report, compiled in accordance with the law, the General Shareholders' Meeting authorizes the Board of Directors to issue, on one or several occasions, equity warrants exercisable for shares and to increase the share capital by a maximum amount of € 400 million, plus the par value of any shares to be issued in order to protect the rights of warrant-holders.

The equity warrants will be offered to existing shareholders on a pre-emptive basis, pro rata to their existing interest in the Company's capital, said pre-emptive right also applying to warrants not taken up by other shareholders.

For each and every issue carried out pursuant to this authorization, the Board of Directors will be required to specify the method applied to set the price of the securities.

The General Shareholders' Meeting resolves to cancel shareholders' pre-emptive rights to subscribe for the shares to be issued on exercise of the warrants.

The General Shareholders' Meeting grants the Board of Directors full powers to carry out the equity warrant issue or issues authorized above and to fix the terms and conditions of issue thereof, including:

- the date or dates and terms of issue of the equity warrants and the number of warrants to be included in each issue;
- the number of warrants required to subscribe for one share;
- the periods during which the rights attached to the warrants may be exercised;
- the conditions under which the Company may buy back the equity warrants, at any time or within specified periods;
- the issue price of the shares to be issued on exercise of the warrants and the dividend entitlement accrual date thereof;
- the basis to be used to adjust the terms of exercise of the equity warrants if, while any warrants are still outstanding, the Company carries out any operations which, by law, can be effected only without prejudicing the rights of warrant-holders;
- place on record the number and par value of the shares issued on exercise of the warrants, carry out the formalities related to the corresponding capital increases and amend the bylaws accordingly, pursuant to the law;
- charge the capital increase costs against the related premiums; and
- generally, enter into any and all agreements, take all appropriate steps and carry out all formalities necessary for the issue and exercise of the warrants.

The present authorization is valid for one year. The shares to be created on exercise of the warrants must be issued within five years of the date of issue of the warrants.

Sixteenth resolution

Public issue of equity warrants without pre-emptive subscription rights

After hearing the report of the Board of Directors, and the Statutory Auditors' special report, compiled in accordance with the law, the General Shareholders' Meeting authorizes the Board of Directors to issue, on one or several occasions, equity warrants exercisable for shares and to increase the share capital by a maximum amount of € 400 million, plus the par value of any shares to be issued in order to protect the rights of warrant-holders.

The General Shareholders' Meeting resolves that the issue price of the shares to be subscribed on exercise of the warrants shall be at least equal to the average of the opening prices quoted for Cap Gemini shares on the Paris Stock Exchange for any period of ten consecutive trading days chosen from among the twenty trading days preceding the date of issue of the equity warrants.

For each and every issue carried out pursuant to this authorization, the Board of Directors will be required to specify the method applied to set the price of the securities.

The General Shareholders' Meeting resolves to cancel shareholders' pre-emptive rights to subscribe for:

- the equity warrants to be issued pursuant to this resolution; and
- the shares to be issued on exercise of the warrants.

If the issue or issues take place in the French market, the Board of Directors may grant existing shareholders a priority right to subscribe for the equity warrants, during a period and on terms to be decided at the discretion of the Board of Directors. Said priority right shall be non-transferable. Any warrants not subscribed by shareholders exercising their priority right will be placed on the market.

The General Shareholders' Meeting grants the Board of Directors full powers to carry out the equity warrant issue or issues authorized above and to fix the terms and conditions of issue thereof, including:

- the date or dates and terms of issue of the equity warrants and the number of warrants to be included in each issue;
- the number of warrants required to subscribe for one share;
- the periods during which the rights attached to the warrants may be exercised;
- the conditions under which the Company may buy back the equity warrants, at any time or within specified periods;
- the issue price of the shares to be issued on exercise of the warrants and the dividend entitlement accrual date thereof;
- the basis to be used to adjust the terms of exercise of the equity warrants if, while any warrants are still outstanding, the Company carries out any operations which, by law, can be effected only without prejudicing the rights of warrant-holders;
- place on record the number and par value of the shares issued on exercise of the warrants, carry out the formalities related to the corresponding capital increases and amend the bylaws accordingly, pursuant to the law;
- charge the capital increase costs against the related premiums; and
- generally, enter into any and all agreements, take all appropriate steps and carry out all formalities necessary for the issue and exercise of the warrants.

The present authorization is valid for one year. The shares to be created on exercise of the warrants must be issued within five years of the date of issue of the warrants.

Seventeenth resolution

Public issue of hybrid securities with pre-emptive subscription rights

After hearing the report of the Board of Directors and the Statutory Auditors' special report, compiled in accordance with the law, the General Shareholders' Meeting authorizes the Board of Directors to issue securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company, at any time or at fixed dates. The securities may be issued on one or several occasions.

The securities will be offered to existing shareholders on a pre-emptive basis, pro rata to their existing interest in the Company's capital, said pre-emptive right also applying to securities not taken up by other shareholders.

The securities that may be issued pursuant to this resolution shall include:

(i) securities representing a portion of the Company's share capital combined with warrants entitling the holder to subscribe for shares in the Company; in this case, the aggregate par value of the securities to which said warrants are attached may not exceed € 400 million;

(ii) securities other than convertible debentures, debentures with equity warrants or the securities referred to in (i) above; in this case, the aggregate face value of the securities issued may not exceed € 3 billion.

In all cases, the aggregate par value of the shares issued on exercise of the warrants referred to in (i) above, or on conversion, redemption, exchange or exercise of the securities referred to in (ii) above, or on presentation of a warrant or otherwise shall not exceed € 400 million, not including any potential adjustments.

The present authorization entails the waiver by the shareholders, in favor of the holders of any of the above securities, of their pre-emptive right to subscribe for the shares to be issued on conversion, redemption or exchange of the securities, on exercise of a warrant or otherwise.

For each and every issue carried out pursuant to this authorization, the Board of Directors will be required to specify the method applied to set the price of the securities.

The General Shareholders' Meeting grants the Board of Directors full powers to fix the dates and the amounts of the issues, determine the terms and conditions of issue and the form of the securities, to effect all necessary adjustments in accordance with the law and, generally, to take any and all appropriate measures and enter into any and all agreements to ensure the success of the proposed issues, all in accordance with the applicable regulations and laws.

In the case of an issue of securities entitling holders to a portion of share capital on exercise of a warrant, the Board of Directors will have full powers to set the procedures by which the Company will be able to buy back the warrants, at any time or within specified periods.

The General Shareholders' Meeting grants the Board of Directors full powers to make any amendments to the bylaws required by the use of the powers described above.

Issues covered by this authorization may be carried out by the Board of Directors within the maximum period allowed by law.

Eighteenth resolution

Public issue of hybrid securities without pre-emptive subscription rights

After hearing the report of the Board of Directors, and the Statutory Auditors' special report, compiled in accordance with the law, the General Shareholders' Meeting authorizes the Board of Directors to issue securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company, at any time or at fixed dates. The securities may be issued on one or several occasions, in France or abroad, and may be denominated in euros or foreign currency.

The securities that may be issued pursuant to this resolution shall include:

(i) securities representing a portion of the Company's share capital combined with warrants entitling the holder to subscribe for shares in the Company; in this case, the aggregate par value of the securities to which said warrants are attached may not exceed € 400 million;

(ii) securities other than convertible debentures, debentures with equity warrants or the securities referred to in (i) above; in this case, the aggregate face value of the securities issued may not exceed € 3 billion.

In all cases, the aggregate par value of the shares issued on exercise of the warrants referred to in (i) above, or on conversion, redemption, exchange or exercise of the securities referred to in (ii) above, or on presentation of a warrant or otherwise shall not exceed € 400 million, not including any potential adjustments.

The present authorization entails the waiver by the shareholders, in favor of the holders of any of the above securities, of their pre-emptive right to subscribe for the shares to be issued on conversion, redemption or exchange of the securities, on exercise of a warrant or otherwise.

The amount received or likely to be received subsequently by the Company for each share issued or created by subscription, or on conversion, redemption or exchange of securities, exercise of a warrant or otherwise shall be at least equal to the average of the opening prices quoted for Cap Gemini shares on the Paris Stock Exchange for any period of ten consecutive trading days chosen from among the twenty trading days preceding the date of issue of the relevant securities.

For each and every issue carried out pursuant to this authorization, the Board of Directors will be required to specify the method applied to set the price of the securities.

The General Shareholders' Meeting resolves to cancel shareholders' pre-emptive rights to subscribe for the securities to be issued pursuant to this resolution.

If the issue or issues take place in the French market, the Board of Directors may grant existing shareholders a priority right to subscribe for securities, during a period and on terms to be decided at the discretion of Board of Directors. Said priority right shall be non-transferable. Any securities not subscribed by shareholders exercising their priority right will be placed on the market.

The General Shareholders' Meeting grants the Board of Directors full powers to fix the dates and the amounts of the issues, determine the terms and conditions of issue and the form of the securities, to effect all necessary adjustments in accordance with the law and, generally, to take any and all appropriate measures and enter into any and all agreements to ensure the success of the proposed issues, all in accordance with the applicable regulations and laws.

In the case of an issue of securities entitling holders to a portion of share capital on exercise of a warrant, the Board of Directors will have full powers to set the procedures by which the Company will be able to buy back the warrants, at any time or within specified periods.

The General Shareholders' Meeting grants the Board of Directors full powers to make any amendments to the bylaws required by the use of the powers described above.

Issues covered by this authorization may be carried out by the Board of Directors within the maximum period allowed by law.

Nineteenth resolution

General ceiling on financial authorizations
The General Shareholders' Meeting resolves that the total amount of capital increases that may be carried out pursuant to the authorizations given in the fifteenth, sixteenth, seventeenth and eighteenth resolutions above will be covered by the blanket authorization given to the Board of Directors in the eighth resolution of the Extraordinary Shareholders' Meeting of May 16, 2001 to increase the capital to a maximum nominal amount of € 1.5 billion.

The authorizations given to the Board of Directors in the fifteenth, sixteenth, seventeenth and eighteenth resolutions above replace those given in the fourteenth, fifteenth, sixteenth and seventeenth resolutions of the Extraordinary Shareholders' Meeting of May 16, 2001.

Twentieth resolution

Inclusion of specific disclosure thresholds in the bylaws
After hearing the report of the Board of Directors, the General Shareholders' Meeting resolves to add to the Company's bylaws a specific requirement for shareholders to notify the Company if they hold a percentage of the capital or voting rights representing less than the 1/20th interest required to be disclosed by law. The new article ten of the bylaws will therefore read as follows:

"Article 10 - Disclosure thresholds"

Where an individual or corporate shareholder crosses the disclosure threshold of 1% of the Company's capital or voting rights, the said shareholder must inform the Company of their total number of shares or voting rights held upon the crossing of each threshold of 1%, up to one third of the Company's capital or voting rights. Said disclosure must be made within fifteen days of the date when the shares causing the threshold to be crossed are recorded in the shareholder's account, by registered letter with return receipt requested.

This duty of disclosure applies in the same way when a threshold is crossed by virtue of a reduction in the shareholder's interest in the Company's capital or voting rights.

Disclosure thresholds are assessed taking into account shares held by (i) companies which own over 50% of the disclosing company, either directly or indirectly, (ii) companies which are over 50%-owned by the disclosing company, either directly or indirectly, and (iii) companies which are over 50%-owned either directly or indirectly by a company which itself directly or indirectly owns over 50% of the disclosing company.

In the case of failure to comply with these disclosure rules, at the request of one or several shareholders with combined holdings representing at least 1% of the Company's capital or voting rights, the undisclosed shares will be stripped of voting rights. Said sanction shall apply for all General Shareholders' Meetings for a period of two years from the date on which the failure to disclose is rectified. Said request and the decision of the General Shareholders' Meeting must be recorded in the minutes of the Meeting."

Twenty-first resolution

Alignment of the bylaws with the provisions of Act no. 2001-420 dealing with new economic regulations
As recommended by the Board of Directors and based on the provisions of the Act of May 15, 2001 dealing with new economic regulations, the General Shareholders' Meeting resolves to amend the Company's bylaws as follows:

- The title of article 7 of the bylaws will read:

"Article 7 - Form of shares - Shareholder identification"

- The following new paragraph will be inserted after paragraph 4 of article 7:
"Therefore as provided by law, the Company may request from the share transaction clearing organization, the name of a person or company, as well as the date of registration for a company, and the address of any holders of shares and securities convertible, exchangeable, redeemable or otherwise exercisable for shares carrying voting rights at General Shareholders' Meetings. The Company may also be informed of how many shares are held by each shareholder and any applicable restrictions on the said shares."

- Paragraph 1 of article 11 (formerly article 10) will be amended to read as follows:
"The Company shall have a Board of Directors comprised of a minimum of three and a maximum of eighteen members. Members of the Board of Directors must be individuals."

- The following paragraph will be inserted after paragraph 1 of article 12 (formerly article 11) and will become paragraph 2:
"Directors participating in meetings by way of continuously broadcast video-conferencing technologies shall be included in the determination of quorum and majority. The above provision shall not apply to Board Meetings where the agenda concerns the appointment or remuneration of the Chairman or Chief Executive Officer or their removal from office, the basis of the Company's General Management, the annual accounts closing and review of the consolidated financial statements, or the drafting of the resolutions or the Report of the Board of Directors to be presented to the General Shareholders' Meeting."

- The current paragraph 2 of article 12 will be amended as follows and will become paragraph 3:
"The legal quorum and majority conditions shall apply to Board Meetings, except for the decision concerning the two possible methods for the Company's General Management, in which case special conditions shall apply (see article 15). Where voting is tied, the Chairman of the Company shall have the casting vote."

- The title of article 13 (formerly article 12) of the bylaws will read:

"Article 13 - Roles and responsibilities of the Board of Directors"

- Three new paragraphs will be inserted into article 13 as follows:
"1) The Board of Directors shall determine overall strategies for the Company's business and oversee their implementation. Subject to the powers expressly granted to the General Shareholders' Meeting and in accordance with the corporate purpose, the Board of Directors shall deal with any questions relating to the proper operation of the Company and deliberate on issues relating thereto in Board Meetings.

2) In accordance with the rules of procedure mentioned in article 16 below, prior authorization is required from the Board of Directors for any major strategic decisions or any decisions which could have a material effect on the financial position of the Company or its subsidiaries.

3) The Board of Directors shall perform or obtain performance of any checks and controls which it may think fit."

Paragraph 2 of the former article 12 will become paragraph 4 of article 13.

- A new article 14 will be inserted as follows:

"Article 14 - Chairman of the Board of Directors"

1) The Board of Directors shall choose one of its members to be Chairman, who shall be appointed for a term of office not exceeding his term of office as director. The Chairman, who must be an individual, may be re-appointed.

The Chairman may not remain in office beyond the first Annual Shareholders' Meeting held after he reaches the age of seventy-five.

2) The Chairman of the Board of Directors is the Chairman of the Company. He shall represent the Board of Directors and fix the agenda for its meetings. He shall organize and manage the work carried out by the Board and report to General Shareholders' Meetings thereon. He shall also oversee the Company's management bodies and ensure that the directors are in a position to carry out their functions.

3) When the Chairman of the Board of Directors is also responsible for the Company's General Management, he shall be subject to all laws and regulations applicable to the Chief Executive Officer.

- A new article 15 will be inserted as follows:

"Article 15 - Basis of the Company's General Management"

1) The Chief Executive Officer is responsible for the General Management of the Company. This position may either be held by the Chairman, in which case he shall hold the title of Chairman and Chief Executive Officer, or by another person appointed by the Board of Directors.

2) The Board of Directors shall choose one of the two possible methods for the Company's General Management. A majority of two-thirds of the directors is required and the issue must be contained in the agenda of the applicable Board Meeting.

3) If the positions of Chairman and Chief Executive Officer are held by different people, it is not compulsory for the Chief Executive Officer to be a director. In such a case he shall be appointed for a period fixed by the Board of Directors. If, however, the Chief Executive officer is a director, he shall be appointed for a period which may not exceed his term of office as director. In both cases, the Chief Executive Officer may not be over seventy five years of age.

4) The Chairman and Chief Executive Officer, or the Chief Executive Officer, as applicable, shall have the broadest powers to act in the name of the Company in all circumstances. These powers shall be exercised subject to the limits of the corporate purpose and subject to the powers expressly granted by law to the General Shareholders' Meeting or the Board of Directors. He shall represent the Company in its dealings with third parties."

- A new article 16 will be inserted as follows:

"Article 16 - Board of Directors - Rules of Procedure"

"The Board of Directors shall draft rules setting out the terms and conditions according to which the Board of Directors, the Chairman and the Chief Executive Officer perform their roles and responsibilities, in accordance with the law, applicable regulations and these bylaws. These rules shall also set down operating regulations for the Committees created by the Board of Directors and explain how the different roles and responsibilities are allocated between all of these persons and bodies."

- As a result of these amendments the former article 13 will be deleted and the former articles 14, 15, 16, 17, 18 and 19 will become respectively articles 17, 18, 19, 20, 21, and 22.

Twenty-second resolution

Powers to carry out formalities
The General Shareholders' Meeting authorizes the bearer of a copy or extract of the minutes of this meeting to execute all filing, publication and other formalities required under French law.

OTHER INFORMATION

Company name and head office

Name: Cap Gemini

Head office: 11, rue de Tilsitt, 75017 Paris

Legal form and governing law

"Société anonyme" governed by the French Companies Act of July 24, 1966 and Decree no. 67-236 of March 23, 1967.

Date of incorporation and term
The Company was incorporated on September 17, 1984. It was registered on October 4, 1984.

The Company was set up for a period of ninety nine years from the date of its registration. It may be wound up in advance or its term extended by decision of the Extraordinary Shareholders' Meeting.

Corporate purpose (article 3 of the bylaws)

The Company's purpose is to assist companies in France and abroad to manage and develop their businesses by providing them with the benefit of its knowledge of their industry, its know-how in the area of business process engineering and re-engineering, and its expertise in the area of information technologies.

To fulfil this purpose, the Company carries out on behalf of customers, either directly or through its subsidiaries or affiliates, one or other of the following activities, on an individual or integrated basis:

1. Management consulting

Working closely with customers, the Company assists in transforming companies by helping them to redefine or redirect their strategy, change their product and service lines, re-engineer their structures and business processes, restore staff motivation and achieve other changes. To this end, the Company uses all the possibilities offered by the latest information technologies wherever appropriate.

2. Information systems development

The Company designs and installs information systems. Its services include the development of customized software, the installation of market or internally-developed software applications, the integration of systems incorporating hardware, communication systems, customized software, software packages and other components. The Company also supports customers' IT projects by providing consulting, project management, training and assistance services.

3. Outsourcing

The Company manages all or part of its customers' IT resources on their behalf. Where requested by customers, the Company may perform all or part of this service using its own hardware, telecommunications systems and other equipment.

The Company may also manage the IT-based services offered to its customers' own clientele. In addition, it may work in partnership with customers within a structure conducting all or some of these activities.

In order to fulfil its corporate purpose, the Company may decide to:

- create specialist subsidiaries or acquire interests in the capital of other companies and manage their business in exchange for a fee. Management services include the provision of technical, marketing, legal and financial assistance, promotion of a common image, organization of financial structures, assistance in negotiations to help these companies to win new contracts, training, research and development support, etc.,
- invest and manage the Company's available funds, make cash advances, and give any and all guarantees or collateral on behalf of subsidiaries and affiliates,
- obtain or acquire and use any and all patents and manufacturing processes and sell, contribute or license any such patents and processes.

In broader terms, the Company's purpose is to carry out any and all commercial, industrial, securities, real estate or financial transactions related directly or indirectly to any of the above purposes or any similar or associated purpose or which are likely to facilitate the fulfillment or furtherance of said purposes.

Incorporation details

330 703 844 RCS Paris

APE Code: 741 J

Consultation of legal documents

Documents relating to the Company, including the bylaws, the financial statements, the reports of the Board of Directors (or the Directoire, from May 24, 1996 through May 23, 2000) to the General Shareholders' Meetings and the Statutory Auditors' reports are available for consultation at the Company's head office at 11, rue de Tilsitt, -75017 Paris

Fiscal year

The Company's fiscal year commences on January 1 and ends on December 31.

Appropriation and distribution of earnings

The General Shareholders' Meeting has sole discretionary powers to decide the appropriation of distributable income, as defined by French company law. Consequently, the General Shareholders' Meeting may decide to appropriate all or part of distributable earnings to revenue reserves, special reserves or retained earnings, or to distribute all or part of the amount to shareholders.

The General Shareholders' Meeting shall also decide the terms and conditions of payment of dividends. In particular, shareholders may be offered a stock dividend alternative, in which case the related dividends will be paid in the form of new shares credited as fully paid, issued in compliance with the provisions of the applicable laws and regulations. The above provisions also apply to the distribution of interim dividends, subject to compliance with French company law.

In addition, the General Shareholders' Meeting may decide to distribute a dividend out of distributable reserves, subject to compliance with French company law.

General Shareholders' Meetings

Shareholders may participate in general meetings in person, by proxy or by casting a postal vote, subject to submitting evidence of their identity and their title to the shares – which may be held in either registered or bearer form – to the address indicated in the notice of meeting. This formality must be completed at least five days prior to the date of the Meeting.

If shareholders attend general meetings in person, any proxies given by them to third parties or any votes cast by post will be canceled.

To be taken into account, postal votes must be received by the Company at least three days prior to the date of the Meeting.

Where a shareholder has given proxy to a third party and has also sent in a postal voting form, if there is any difference in the two votes, the postal vote will be taken into account and the proxy ignored.

Disclosure thresholds

The bylaws do not currently provide for any disclosure thresholds other than those provided for by French company law.

The Extraordinary Shareholders' Meeting of April 25, 2002 will be asked to add to the Company's bylaws a specific requirement for shareholders to notify the Company if they hold a percentage of the capital or voting rights representing less than the 1/20th interest required to be disclosed by law. Under the new clause of the bylaws, shareholders would be required to notify the Company if their interest in the Company's capital or voting rights is increased to above (or reduced to below) 1% or any multiple thereof. In the case of failure to comply with these disclosure rules, at the request of one or several shareholders with combined holdings representing at least 1% of the Company's capital or voting rights, the undisclosed shares will be stripped of voting rights. Said sanction shall apply for all General Shareholders' Meetings for a period of two years from the date on which the failure to disclose is rectified. Said request and the decision of the General Shareholders' Meeting must be recorded in the minutes of the Meeting.

Shareholder identification

The Company is authorized to obtain details of identifiable holders of bearer shares.

The Extraordinary Shareholders' Meeting of April 25, 2002 will be asked to add a new article to the Company's bylaws according to which the Company may request from the share transaction clearing organization, the name, address, nationality and year of birth for an individual or the name, address and date of registration for a Company, of any holders of shares and securities convertible, exchangeable, redeemable or otherwise exercisable for shares carrying voting rights at General Shareholders' Meetings. The Company may also obtain details of how many shares are held by each shareholder and any applicable restrictions on said shares.

Voting rights

The voting right attached to shares is proportionate to the capital represented by the shares. All shares have the same par value and they therefore all carry one voting right.
No shares carry more than one voting right.

Changes in share capital and related rights

Changes in the capital or the rights attached to shares may be carried out subject to compliance with French company law and the specific provisions of the bylaws, summarized below.

Share capital

As of December 31, 2001, the Company's capital amounted to € 1,001,954,048, represented by 125,244,256 common shares with a par value of € 8, all fully paid-up.

The potential number of shares to be created on exercise of options outstanding as of December 31, 2001 amounted to 10,463,754:

- if all of these options were exercised at December 31, 2001 - irrespective of whether the exercise price is higher than the market price - the dilutive effect would be 7.71%.
- including only the 5,193,729 "in-the-money" options, i.e. those whose exercise price is less than or equal to the average Cap Gemini share price during first quarter 2002 (€ 81) and whatever the exercise date, on the basis of the number of shares at December 31, 2001, the dilutive effect would be 3.98%.

Shares may be issued in either registered or bearer form, at shareholders' discretion.

Authorized, unissued capital

The Extraordinary Shareholders' Meeting of May 16, 2001 authorized the Board of Directors to issue various types of shares and share equivalents (see table below):

Type of securities (1)	Amount (in euros)	Date	Expiry date of authorization
Common shares with PSR	1.5 billion (par value)	05/16/2001	05/16/2006
Common shares paid up by capitalizing retained earnings, income or additional Paid-in capital	1.5 billion (par value)	05/16/2001	05/16/2006
Common shares without PSR	1.5 billion (par value)	05/16/2001	05/16/2004
Debentures	1.5 billion	05/16/2001	04/16/2006
Convertible debentures without PSR	3 billion (debentures)	05/16/2001	05/16/2003
Convertible debentures with PSR	3 billion (debentures)	05/16/2001	05/16/2003
Debentures with equity warrants without PSR	3 billion (debentures) 400 million (par value of shares)	05/16/2001	05/16/2003
Debentures with equity warrants with PSR	3 billion (debentures) 400 million (par value of shares)	05/16/2001	05/16/2003
Equity warrants without PSR	400 million (par value of shares)	05/16/2001	05/16/2002
Equity warrants with PSR	400 million (par value of shares)	05/16/2001	05/16/2002
Hybrid securities without PSR	400 million (shares with warrants) 3 billion (securities other than convertible debentures and debentures with equity warrants) and 400 million (shares in secondary issue).	05/16/2001	period prescribed by law
Hybrid securities with PSR	400 million (shares with warrants) 3 billion (securities other than convertible debentures and debentures with equity warrants) and 400 million (shares in secondary issue).	05/16/2001	period prescribed by law

(1) securities issued pursuant to these authorizations may not have the effect of increasing the share capital to more than € 1.5 billion.

PSR: pre-emptive subscription rights

In the case of the issuance of securities without pre-emptive subscription rights, shareholders may be given a priority right to subscribe for the securities for a period and on terms to be determined by the Board of Directors.
If shareholders at the Extraordinary Shareholders' Meeting of April 25, 2002, approve the related resolutions, the Board of Directors will be authorized to issue various types of shares and share equivalents (see table below):

Type of securities (1)	Amount (in euros)	Date of authorization	Expiry date
Equity warrants without PSR	400 million (par value of shares)	04/25/2002	04/25/2003
Equity warrants with PSR	400 million (par value of shares)	04/25/2002	04/25/2003
Hybrid securities without PSR	400 million (shares with warrants) 3 billion (securities other than convertible debentures and debentures with equity warrants) and 400 million (shares in secondary issue).	04/25/2002	period prescribed by law
Hybrid securities with PSR	400 million (shares with warrants) 3 billion (securities other than convertible debentures and debentures with equity warrants) and 400 million (shares in secondary issue).	04/25/2002	period prescribed by law

(1) securities issued pursuant to these authorizations may not have the effect of increasing the share capital to more than € 1.5 billion.

PSR: pre-emptive subscription rights
In the case of the issuance of securities without pre-emptive subscription rights, shareholders may be given a priority right to subscribe for the securities for a period and on terms to be determined by the Board of Directors.

Share equivalents

Stock options

The Board of Directors was authorized by the June 3, 1993 and the May 23, 2000 Annual Shareholders' Meetings, and the Directoire by the Annual Shareholders' Meeting of May 24, 1996 to set up one or several employee stock option plans over a five-year period.

Details of the three stock option plans in force at December 31, 2001 are summarized in the table below:

	1993 Plan	1996 Plan	2000 Plan	
Date of Shareholders' Meeting	June 3, 1993	May 24, 1996	May 23, 2000	
Total number of options available for grant	4,000,000	6,000,000	12,000,000	
Beginning of exercise period	July 1, 1993	July 1, 1996	September 1, 2000	October 1, 2001
Exercise period	6 years	6 years	6 years	5 years
Exercise price as a % of average quoted market price for the 20 trading days preceding the date of grant	95%	80%	80%	100%
Exercise price per share in €				
. Low	18.65	22.79	139.00	60.00
. High	28.61	178.00	161.00	60.00
Number of shares subscribed As of December 31, 2001	3,313,033	1,169,359	-	-
Potential number of shares to be created on exercise of options outstanding as of December 31, 2001	238,950	(1) 4,117,169	(2) 2,712,635	3,395,000
Of which options held by four of the eleven members of the Board of Directors	3,090	170,000	-	15,000

(1) i.e. 50,944 shares at a price of € 22.79, 571,241 shares at a price of € 29.31, 388,652 shares at a price of € 39.52, 548,942 shares at a price of € 56.98, 521,515 shares at a price of € 87.96, 11,250 shares at a price of € 121.81, 213,200 shares at a price of € 114, 499,625 shares at a price of € 118, 528,800 shares at a price of € 178, 425,000 shares at a price of € 161 and 358,000 shares at a price of € 144.
(2) i.e. 1,460,535 shares at a price of € 161, 1,252,100 shares at a price of € 139.

In the event of an authorized tender offer to acquire the Company's shares and other securities giving access to the Company's capital or voting rights, all outstanding stock options would become immediately exercisable.

Stock options granted to and exercised by directors of Cap Gemini S.A. during the year were as follows:

	Number of options granted/shares subscribed	Exercise price (in euros)	Expiry of exercise period	Plan
Options granted to Directors during the year				
Terry Ozan	15,000	60.00	September 30, 2006	Plan 5
Options exercised by Directors during the year				
Paul Hermelin	15,450	18.65	-	Plan 3
	3,090	23.53	-	Plan 4
Pierre Hessler	21,630	18.65	-	Plan 3
	8,034	23.53	-	Plan 4
Michel Jalabert	6,180	18.65	-	Plan 3
Geoff Unwin	72,100	18.65	-	Plan 3
	26,780	23.53	-	Plan 4

Serge Kampf does not currently hold, and has never been granted any stock options.

Stock options granted by Cap Gemini SA and exercised by the top ten employees (non director) are:

	Number of options granted/shares subscribed	Weighted average exercise price (in euros)	Plan
Options granted to the top ten employee grantees during the year, by the Company and other Group companies entitled to grant options.	226,000	85.87	Plan 5
Options exercised during the year by the top ten employee grantees of the Company and other Group companies entitled to grant options	215,124	21.32	Plans 3-4

No other securities are outstanding that are convertible, exercisable, redeemable or otherwise exchangeable for Company shares.

Changes in capital

	Number of shares	Share capital (in euros)	Additional paid-in capital (in euros)
As of January 1, 1997	***60,356,666***	***368,052,577***	***690,221,391***
Issuance of shares for cash:			
- shares issued upon exercise of stock options	842,043	5,134,745	14,211,730
- shares issued upon conversion of debentures	168	1,024	10,104
As of December 31, 1997	***61,198,877***	***373,188,346***	***704,443,224***
Gemini consulting holding SA merger	–	–	20,056
Issuance of shares for cash:			
- issuance of 6,823,741 shares at FRF 550 (€ 83.85)	6,823,741	41,610,904	530,539,031
Share issuance costs charged against the premium	–	–	(11,181,879)
- shares issued upon exercise of stock options	1,108,040	6,756,784	18,208,188
As of December 31, 1998	***69,130,658***	***421,556,035***	***1,242,028,620***
Issuance of shares:			
- by conversion of the share capital from French francs into euro and rounding up of the par value of the shares to € 8.0	–	131,489,229	(131,489,229)
- upon public tender offer for minority interests in Cap Gemini NV	7,304,001	58,432,008	944,261,249
Share issuance costs charged against the premium	–	–	(5,647,677)
Issuance of shares for cash:			
- shares issued upon exercise of stock options	1,510,449	12,083,592	26,225,526
As of December 31, 1999	***77,945,108***	***623,560,864***	***2,075,378,489***
Issuance of shares:			
- shares issued in payment for the contribution of Ernst & Young's consulting business	42,737,107	341,896,856	9,060,266,684
Share issuance costs charged against the premium	–	–	(53,147,828)
Issuance of shares for cash:			
- shares issued to Cisco	2,597,764	20,782,112	680,614,168
Share issuance costs charged against the premium	–	–	(2,254,552)
- shares issued upon exercise of stock options	1,025,565	8,204,520	23,340,953
As of December 31, 2000	***124,305,544***	***994,444,352***	***11,784,197,914***
Capital reduction:			
- by cancellation of shares returned by former Ernst & Young partners who have left the Group.	(208,370)	(1,666,960)	(34,278,002)
Issuance of shares for cash:			
- shares issued upon exercise of stock options	1,147,082	9,176,656	21,368,417
As of December 31, 2001	***125,244,256***	***1,001,954,048***	***11,771,288,329***

No material changes in capital have occurred between December 31, 2001 and April 10, 2002.

Current ownership structure

The current ownership structure is presented on page 10. All shares carry one voting right.
In accordance with the agreements entered into between Cap Gemini and Ernst & Young in connection with the acquisition of Ernst & Young's consulting business which was completed on May 23, 2000, 237,352 Cap Gemini shares had been returned to the Company between April 1, 2001 and March 14, 2002 by people who became employees of the Cap Gemini Ernst & Young Group and then left the Group. In accordance with French company law, these shares are stripped of their rights.

As of December 31, 2001, there were 1, 545 holders of registered shares.

As of December 31, 2001 CGIP held over 10% of the Company's capital and voting rights, directly or indirectly, and Serge Kampf held over 5% of the capital and voting rights. As far as the Company is aware, no other shareholder held over 5% of the Company's capital.

Shares held by members of the Board of Directors represent less than 10% of the Company's capital.

Changes in ownership structure over the last three years

In July 1999, CGIP launched a simplified public offer to exchange the Cap Gemini shares held in its portfolio for CGIP shares. Following this transaction, CGIP still held over 20% of the Company's capital.

In August 1999, the Company issued 7,304,001 new shares in exchange for the Cap Gemini NV shares tendered to the offer made by Cap Gemini in June 1999 for all the Cap Gemini NV shares not already held by the Company. The share issue was described in an information memorandum approved by the Commission des Opérations de Bourse on June 24, 1999 under visa no. 99-876.

On May 23, 2000, the Company issued 42,737,107 shares in payment of the contribution of Ernst & Young's consulting business.

In October 2000, the Company issued 2,597,764 shares to Cisco Systems Inc.

In 2001, the Company issued 1,147,082 new shares upon the exercise of stock options granted to group employees in prior years.

Ownership structure at December 31, 1999, 2000 and 2001

	CGIP	S. Kampf	Public(1)
December 31, 1999	20% (2)	12% (2)	68%
December 31, 2000	12.7% (3)	5.2% (3) (4)	82.1%
December 31, 2001	11.6%	5.2%	83.2%

(1) Including capital held by managers, particularly those who have exercised stock options in the past and retained their shares, as well as shares received in May 2000 by former Ernst & Young Consulting partners who became Group employees after the acquisition of the Ernst & Young consulting businesses.
(2) after the August 1999 share issue in connection with the tender offer for minority interests in Cap Gemini N.V.
(3) after the two share capital increases regarding Ernst & Young (May 2000) and Cisco (November 2000).
(4) after the sale in January 2000 (at the price agreed in January 1996) of around 2,000,000 shares to 200 managers of the Group.

At December 31, 2001, the Company held 23,654 shares returned by the former partners of Ernst & Young who left the Group.

Shareholders' agreements

The shareholders' agreements entered into between Cap Gemini and the contributors of Ernst & Young's consulting businesses (both "consulting" and "non-consulting" partners and entities) were published by the French Conseil des Marchés Financiers (CMF) on May 3, 2000 under reference no. 200C0662. These agreements set out the conditions under which all or some of the 42,737,107 new Cap Gemini shares issued in payment for the contributions made by Ernst & Young would be sold in a gradual and controlled manner over a five-year period ending in mid-2005, in order to avoid any adverse effect on the market price of Cap Gemini shares.

The Conseil des Marchés Financiers considered that the agreements between Cap Gemini and a) the partners and entities of the Ernst & Young network and b) the former partners of Ernst & Young who had become employees of Cap Gemini Ernst & Young, did not constitute an action in concert by the signatories thereto.

The terms and conditions of disposal of Cap Gemini shares were made more flexible by an amendment to the agreements published by the CMF on April 10, 2001 under reference no. 201C0384. This amendment modified both the volume and timetable of share disposals, but retained the original controlled sale procedure in order to minimize the effects on the share price. The amendment provided for the implementation of a procedure to regularly ask shareholders whether they intend to sell their Cap Gemini shares and created a shareholders' committee to decide when sales should be initiated, as well as the terms and conditions thereof. According to the amendment, Cap Gemini is responsible for coordinating the preparation and initiation of sales in relation to these Cap Gemini shares. These amendments do not have any effect on the provisions of the original agreements concerning the lifting of lock-up conditions.

Board and Managing Directors

The Board of Directors

The eleven current members of the Board of Directors were elected by the Ordinary Shareholders' Meeting of May 23, 2000 for a period of six years. The Board met six times during 2001, with a meeting attendance rate of 98.5%.

The members are:

Serge KAMPF, Chairman	Ruud van OMMEREN
Ernest-Antoine SEILLIÈRE, Vice-Chairman	Terry OZAN
Christian BLANC	Bruno ROGER
Paul HERMELIN	Geoff UNWIN
Pierre HESSLER	Guy de WOUTERS
Michel JALABERT	

The Ordinary Shareholders' Meeting of May 23, 2000 also elected two non-voting directors: Chris van Breugel and Phil Lasawy.

List of Directorships and other functions held by the eleven members of the Board of Directors **during 2001:**

Serge KAMPF

France

Chairman of:	CAP GEMINI SA CAP GEMINI SERVICE SA CAP SOGETI SA CAP SOGETI.COM SA
Director of:	CAP GEMINI TELECOM SA CAP GEMINI GOUVIEUX SA CAP GEMINI FRANCE SA CAP SOGETI FRANCE SA
Permanent representative of CAP GEMINI SA on the Board of Directors of:	CAP GEMINI ERNST & YOUNG UNIVERSITE SA
Member of the Supervisory Board of:	AVENTIS SA

Outside France

Chairman of:	CAP GEMINI ERNST & YOUNG (SUISSE) SA
Managing Director of:	CAP GEMINI EUROPE BV CAP GEMINI BENELUX BV
Director of:	CAP GEMINI AMERICA INC. (USA) CGA TRANSMILLENNIUM, INC. (USA) CAP GEMINI ERNST & YOUNG UK, PLC

Ernest-Antoine SEILLIÈRE

France

Chairman of the Board of Directors of:	MARINE-WENDEL COMPAGNIE GENERALE D'INDUSTRIE ET DE PARTICIPATIONS - CGIP
Vice-Chairman of the Board of Directors of:	CAP GEMINI SA
Vice-Chairman of the Supervisory Board of:	BIOMERIEUX PIERRE FABRE SA - BMPF
Director of:	SOCIETE GENERALE SOCIETE LORRAINE DE PARTICIPATIONS SIDERURGIQUES - SLPS SOFISAMC
Member of the Supervisory Board of:	HERMES INTERNATIONAL (S.C.A.) PEUGEOT SA VALEO
Permanent representative of SOFISERVICE on the Supervisory Board of:	BUREAU VERITAS
Permanent representative of COMPAGNIE FINANCIERE DE LA TRINITE on the Board of Directors of:	STALLERGENES

Outside France

Chairman of the Supervisory Board of:	TRADER.COM N.V.
Member of the Supervisory Board of:	ORANGE-NASSAU GROEP BV
Director of:	CAP GEMINI AMERICA, INC. (USA) CGA TRANSMILLENNIUM, INC. (USA)

Christian BLANC

France

Chairman of:	MERRILL LYNCH FRANCE SA
Member of the Board of Directors of:	CAP GEMINI CARREFOUR COFACE JC. DECAUX THOMSON Multimedia

Paul HERMELIN

France

Chairman and CEO of:	CAP GEMINI ERNST & YOUNG FRANCE SA CAP GEMINI FRANCE SA
Group Managing Director and Director of:	CAP GEMINI SA
Director of:	CAP GEMINI TELECOM SA CAP GEMINI TELECOM MEDIA & NETWORKS FRANCE SA GEMINI TELECOM & MEDIA FRANCE SA CAP GEMINI ERNST & YOUNG UNIVERSITE SA CAP GEMINI SERVICE SA CAP SOGETI SA CAP SOGETI.COM SA CAP GEMINI GOUVIEUX SA CAP SOGETI FRANCE SA
Permanent representative of Cap Gemini SA on the Board of Directors of:	GEMINI CONSULTING SA

Outside France

Director of:	CAP GEMINI AMERICA, INC. (USA) CGA TRANSMILLENNIUM, INC. (USA) CGS HOLDINGS LTD (UK) CAP GEMINI ERNST & YOUNG UK PLC CAP GEMINI ERNST & YOUNG SVERIGE AB CAP GEMINI ERNST & YOUNG NEDERLAND BV CAP GEMINI ERNST & YOUNG BELGIUM CAP GEMINI ERNST & YOUNG LUXEMBOURG CGEY ITALIA CAP GEMINI ERNST & YOUNG ITALIA CAP GEMINI ERNST & YOUNG ESPANA CAP GEMINI ESPANA CAP GEMINI TELECOM MEDIA & NETWORKS ESPANA CAP GEMINI ESPANA HOLDING ERNST & YOUNG CONSULTORES (PORTUGAL) CAP GEMINI ERNST & YOUNG PORTUGAL CAP GEMINI ERNST & YOUNG Sdn Bhd (MALAYSIA) CAP GEMINI ERNST & YOUNG JAPAN KK CAP GEMINI ERNST & YOUNG CONSULTING INDIA Pvt Ltd CAP GEMINI ERNST & YOUNG AUSTRALIA Pty Ltd CAP GEMINI ERNST & YOUNG NEW ZEALAND Ltd
Member of the Supervisory Board of:	CAP GEMINI N.V CAP GEMINI ERNST & YOUNG DEUTSCHLAND HOLDING GmbH

Pierre HESSLER

France

Group Managing Director and	
Director of:	CAP GEMINI SA
Director of:	CAP GEMINI SERVICE SA
	CAP GEMINI TELECOM SA
	CAP GEMINI TELECOM MEDIA & NETWORKS FRANCE SA
	GEMINI TELECOM & MEDIA FRANCE SA
	CAP SOGETI SA
	CAP SOGETI.COM SA
	CAP GEMINI GOUVIEUX SA
	CAP GEMINI FRANCE SA
Permanent representative of CAP GEMINI SERVICE SA on the Board of Directors of:	CAP GEMINI ERNST & YOUNG UNIVERSITE SA

Outside France

Chairman of the Supervisory Board of:	CAP GEMINI ERNST & YOUNG DEUTSCHLAND HOLDING GmbH
Vice-Chairman of:	CAP GEMINI ERNST & YOUNG AUSTRIA
Director of:	CAP GEMINI ERNST & YOUNG U.K., PLC
	GEMINI CONSULTING LTD (UK)
	CAP GEMINI ERNST & YOUNG AB (SWEDEN)
	CAP GEMINI ERNST & YOUNG SWEDEN AB
	CAP GEMINI ERNST & YOUNG FINLAND OY
	GEMINI CONSULTING NORGE AS
	CAP GEMINI ERNST & YOUNG NORGE AS
	CAP GEMINI POLSKA SP. Z.O.O.
	CAP GEMINI ESPANA HOLDING
	GEMINI CONSULTING SA (PORTUGAL)
	GEMINI CONSULTING (JAPAN) INC
Member of the Supervisory Board of:	CAP GEMINI N.V.

Michel JALABERT

France

Director of:	CAP GEMINI SA

Ruud VAN OMMEREN

France

Director of:	CAP GEMINI SA

Outside France

Chairman of the Supervisory Board of:	CAP GEMINI N.V.
	GAK ONROEREND GOED V.O.F.
	DELFTS INSTRUMENTS N.V.
Member of the Supervisory Board of:	ANWB
	KONINKLIJKE GROLSCH N.V.
	GTI N.V.
	WILLEM VAN RIJN B.V.

Terry OZAN

France

Group Managing Director and Director of:	CAP GEMINI SA

Outside France

Chairman of:	CAP GEMINI ERNST & YOUNG MEXICO, S. de R.L. de C.V.
Director of:	CGEY HOLDING INC. CAP GEMINI ERNST & YOUNG U.S. LLC CAP GEMINI ERNST & YOUNG US HOLDINGS LLC CAP GEMINI TELECOM MEDIA & NETWORKS US, INC. CAP GEMINI ERNST & YOUNG CANADA INC. CAP GEMINI ERNST & YOUNG U.S.A. CONSULTING COMPANY (CANADA) NB INC. (CANADA) NOVA SCOTIA LTD (CANADA) CAP GEMINI TELECOM MEDIA & NETWORKS UK CAP GEMINI TELECOM MEDIA & NETWORKS NEDERLAND CAP GEMINI ERNST& YOUNG U.S. CONSULTING B.V. CAP GEMINI TELECOM MEDIA & NETWORKS SWEDEN KANISA CORPORATION

Bruno ROGER

France

Senior Manager of:	LAZARD, PARIS
Chairman and CEO of:	EURAZEO
Vice-Chairman and CEO of:	EURAFRANCE
Director of:	CAP GEMINI SA COMPAGNIE DE SAINT-GOBAIN THALES
Member of the Supervisory Board of:	AXA PINAULT PRINTEMPS REDOUTE

Outside France

Member of the Executive Committee of :	LAZARD
Director of:	SOFINA (BELGIQUE)

Geoff UNWIN

France

Chief Executive Officer of:	CAP GEMINI SA
Chief Executive Officer of:	CAP GEMINI SERVICE SA
Director of:	CAP GEMINI TELECOM SA CAP SOGETI SA CAP SOGETI.COM SA GEMINI TELECOM & MEDIA FRANCE SA CAP GEMINI FRANCE SA

Outside France

Chairman of:	CAP GEMINI ERNST & YOUNG HOLDING, INC. (USA) CAP GEMINI ERNST & YOUNG US LLC (USA) CAP GEMINI AMERICA, INC (USA) CGA TRANSMILLENIUM, INC (USA) CAP GEMINI ERNST & YOUNG CANADA, INC. CAP GEMINI ERNST & YOUNG MEXICO Sde RL de CV CGS HOLDINGS Ltd (UK) CAP GEMINI ERNST & YOUNG UK, PLC CAP GEMINI ERNST & YOUNG UK LTD CAP GEMINI ERNST & YOUNG IRELAND Ltd CAP GEMINI AB (SUEDE) CAP GEMINI ERNST & YOUNG SINGAPORE FSI Pte Ltd CAP GEMINI ERNST & YOUNG SINGAPORE CONSULTANTS Pte Ltd CAP GEMINI ERNST & YOUNG HONG-KONG Ltd CAP GEMINI ERNST & YOUNG MALAYSIA Sdn Bhd
Director of:	CAP GEMINI ERNST & YOUNG USA CONSULTING COMPANY (CANADA) NB INC. (CANADA) NOVA SCOTIA Ltd (CANADA) CAP GEMINI ERNST & YOUNG US CONSULTING BV CAP GEMINI ASIA PACIFIC Pte Ltd GEMINI CONSULTING (JAPAN) INC. CAP GEMINI TAIWAN CAP GEMINI ERNST & YOUNG KOREA CAP GEMINI ERNST & YOUNG JAPAN KK CAP GEMINI ERNST & YOUNG AUSTRALIA Ltd CAP GEMINI ERNST & YOUNG NEW ZEALAND Ltd CAP GEMINI ERNST & YOUNG CONSULTING INDIA Pvt Ltd CAP GEMINI TELECOM MEDIA & NETWORKS US, INC. CAP GEMINI TELECOM MEDIA & NETWORKS UK CAP GEMINI TELECOM MEDIA & NETWORKS SINGAPORE UNITED BUSINESS MEDIA, PLC (UK)
Member of the Supervisory Board of:	CAP GEMINI N.V.

Guy de WOUTERS

France

Chairman of the Board of Directors of:	COMPAGNIE FINANCIERE DE LA TRINITE
Chairman of the Board of Directors of:	ALPHA ASSOCIES
Chairman of the Board of Directors of:	ALPHA VENTURES
Director of:	CAP GEMINI EUROTUNNEL GIP SA MARINE-WENDEL

Outside France

Chairman of the Supervisory Board of:	ORANGE-NASSAU GROEP B.V.

Non-voting Directors ("Censeurs")

The Ordinary Shareholders' Meeting of May 23, 2000 also elected two non-voting Directors for a period of six years:

- Chris van Breugel
- Phil Laskawy
  Chairman and Chief Executive Officer of Ernst & Young LLP and Ernst & Young US LLP.

Committees

The Board of Directors has created three specialized committees:

- **Strategy and Investments Committee** (five members)
  Chairman: Ernest-Antoine Seillière
  Members: Christian Blanc, Chris van Breugel, Terry Ozan, Geoff Unwin
- **Audit Committee** (four members)
  Chairman: Bruno Roger
  Members: Pierre Hessler, Michel Jalabert, Guy de Wouters
- **Selection and Compensation Committee** (four members)
  Chairman: Serge Kampf
  Members: Paul Hermelin, Phil Laskawy, Ruud van Ommeren

Directors' interests

Compensation of Directors

The total compensation paid by the Company and other Group companies to the five managing directors in 2001 is analyzed as follows:

(in euros)	**Total gross compensation**
Serge Kampf	683,426
Paul Hermelin	875,511
Pierre Hessler	501,159
Terry Ozan	2,060,626
Geoff Unwin	1,222,324

1 euro = 0.8813 US dollar 1 euro = 0.6085 pound sterling

Half of the variable portion of these managing directors' compensation is based on Group performance (growth, operating income) and half on the attainment of personal objectives.

Total fees paid by the Company and other Group companies to the eleven members of the Board of Directors were as follows in 2001:

(en euros)	Amount
Serge KAMPF	41,900
Ernest-Antoine SEILLIÈRE	61,900
Christian BLANC	21,900
Paul HERMELIN	21,900
Pierre HESSLER	21,900
Michel JALABERT	16,900
Ruud van OMMEREN	48,188
Terry OZAN	12,675
Bruno ROGER	41,900
Geoff UNWIN	14,550
Guy de WOUTERS	16,425

1 euro = 2.2037 Dutch guilder
These amounts include compensation for their duties as members of the three committees of the Board of Directors.

Stock options

Information concerning stock options granted to and exercised by directors of Cap Gemini S.A. during the year is provided on page 79.

Regulated agreements

As of December 31, 2001, no specific agreements had been entered into other than those mentioned in the Statutory Auditors' special report.

Loans or guarantees given to directors of the Company

None

Employee profit-sharing and incentive plans

Profit-sharing and incentive plan agreements

All the French companies in the Group have signed profit-sharing agreements in accordance with French law.

Stock options

Information concerning stock options granted by Cap Gemini SA and exercised by the top ten employees (non director) is provided on page 79.

Persons responsible for the audit of the accounts

Statutory Auditors

- CONSTANTIN ASSOCIES
  26, rue de Marignan, 75008 PARIS,
  represented by L. Lévesque
  First appointed at the Ordinary Shareholders' Meeting of May 16, 1990.
  Current term: expiring at the close of the Ordinary Shareholders' Meeting to be called to approve the 2001 financial statements.

- COOPERS & LYBRAND AUDIT, member of PricewaterhouseCoopers
  32, rue Guersant, 75017 PARIS,
  represented by B Rascle
  First appointed at the Ordinary Shareholders' Meeting of May 24, 1996.
  Current term: expiring at the close of the Ordinary Shareholders' Meeting to be called to approve the 2001 financial statements.

Substitute Auditors

- Mr Jean-Claude SAUCE
  114, rue Marius Aufan, 92300 LEVALLOIS-PERRET,
  Substitute for CONSTANTIN ASSOCIES
  Term renewed by the Ordinary Shareholders' Meeting of May 24, 1996.
  Term expiring at the close of the Ordinary Shareholders' Meeting to be called to approve the 2001 financial statements.

- Mr Pierre-Bernard ANGLADE
  32, rue Guersant, 75017 PARIS,
  Substitute for COOPERS & LYBRAND AUDIT,
  appointed at the Ordinary Shareholders' Meeting of May 24, 1996.
  Term expiring at the close of the Ordinary Shareholders' Meeting to be called to approve the 2001 financial statements.

At the Extraordinary Shareholders' Meeting to be held on April 25, 2002, shareholders will be invited to:

- renew the term of office as Statutory Auditors of Coopers & Lybrand Audit
- appoint KMPG S.A. as new Statutory Auditors to replace Constantin Associés
- appoint Mr Yves Nicolas as substitute for Coopers & Lybrand Audit
- appoint Mr Guillaume Livet as substitute for KPMG S.A.

Person responsible for information

Frédéric LEMOINE
Group Vice President in charge of Finance
11, rue de Tilsitt, 75017 Paris
Tel: +33 (1) 47.54.50.00

2002 provisional financial calendar

Quarterly revenue announcements:
– 1st quarter 2002 (January to March): April 25, 2002
– 2nd quarter 2002 (April to June): August 14, 2002
– 3rd quarter 2002 (July to September): November 15, 2002
– 4th quarter 2002 (October to December): February 14, 2003

2002 first half results: August 8, 2002.

Statement by the person responsible for the reference document

"To the best of my knowledge, the information contained in this Reference Document is correct. It includes all the information required by investors to form an opinion concerning the assets and liabilities, business, financial position, results and outlook of the Company and no information has been omitted that would be likely to alter an investor's opinion"

Serge Kampf
Executive Chairman

Statement by the auditors

In our capacity as statutory auditors of Cap Gemini SA and as required by Commission des Opérations de Bourse regulation COB 98-01, we have examined in accordance with French professional standards the information about the financial position and the historical accounts included in this "reference document".

This "reference document" is the responsibility of Serge Kampf, Executive Chairman of Cap Gemini SA. Our responsibility is to express an opinion on the fairness of the information about the financial position and the accounts contained in this "reference document".

Our procedures, which were performed in accordance with French professional standards, consisted of assessing the fairness of the information about the financial position and the accounts and verifying that this information agrees with the audited financial statements, reading the other information contained in the "reference document" in order to identify any material inconsistencies with the information about the financial position and the accounts, and reporting any manifestly incorrect information that came to our attention, based on our overall knowledge of the Company, as acquired during our audit. When reading the forward looking information determined according to a structured process, we took into account the assumptions used by management and the amounts obtained by applying these assumptions.

We also audited the financial statements of the Company and the Group for the year ended December 31, 1999, as approved by the Directoire, and for the years ended December 31, 2000 and 2001, as approved by the Board of Directors, in accordance with French generally accepted auditing standards. Our reports on these financial statements were free from qualifications and observations.

Based on the procedures described above, we have nothing to report concerning the fairness of the accounting and financial information included in the "reference document".

Paris, April 10, 2002

The Statutory Auditors
Members of the Regional Company of Paris

CONSTANTIN ASSOCIES

Laurent Lévesque

COOPERS & LYBRAND AUDIT
Member of PricewaterhouseCoopers
Bernard Rascle

COB

In application of regulation COB 98-01/95-01, the Commission des Opérations de Bourse registered this "reference document" on April 11, 2002 under no. R. 02 - 052. This "reference document" may not be used in connection with a financial transaction unless it is accompanied by an Information Memorandum approved by the Commission des Opérations de Bourse. This "reference document" has been prepared by the issuer and is the responsibility of the persons whose signatures appear herein. This "reference document" has been registered following an examination of the relevance and consistency of the information provided on the Company's position, without any assurance being given as to the authenticity of the accounting and financial information.

CHECKLIST

(COB regulation no. 98-01)

The annual report has been registered as a Reference Document with the Commission des Opérations de Bourse. The following checklist shows the different sections required to be included in a Reference Document in application of regulation 98-01 and the numbers of the pages on which the corresponding information is presented.

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Cap Gemini Ernst & Young / Financial Department
Production: Gutenberg on line

CAP GEMINI ERNST & YOUNG