MANAGEMENT REPORT

PRESENTED BY THE BOARD OF DIRECTORS
TO THE COMBINED SHAREHOLDERS' MEETING OF MAY 27, 2010

I - GENERAL COMMENTS ON THE GROUP'S ACTIVITY OVER THE PAST YEAR

Demand for consulting and IT services, which had demonstrated remarkable resistance through 2008, suffered a marked slowdown in 2009, as the desire to make savings in discretionary expenditure led to the postponement and sometimes even the cancellation of numerous investment projects. This trend intensified in the second half of the year across all economic sectors, with the exception of the "banking and insurance" sector, already in sharp decline for over a year.

In this difficult context, Capgemini Group reported revenues of €8,371 million in 2009, down 3.9% on last year (and 5.5% like-for-like, that is, at constant exchange rates and Group structure). This amount reflects highly contrasted trends (across regions, businesses and sectors), which confirm the soundness of the choices made in recent years: in this way, for example, Outsourcing Services proved particularly well adapted to the current concerns of contractors, also – another example - public sector clients (and to a lesser extent "Energy and Utility" sector clients) maintained investment levels. Note also that this fall in revenues had only a relatively limited impact on Group profitability, as the operating margin rate is still 7.1%, down only 1.4 points. The fall in operating profit was more substantial (down 2.7 points to 4.0%), but this was due to a particularly high level of non-recurring expenses, generated by measures taken to adapt to the deterioration in the environment.

After an income tax expense which fell in line with the drop in profitability (and part of which does not correspond to actual cash outflows thanks to the offset of existing tax losses carried forward in certain countries) and after net finance costs up significantly due to the sharp fall in short-term interest rates, and therefore the return on cash investments, net profit for the year is €178 million.

The payment of last year's dividend (€1 per share, or a total of €144 million) was more than offset by several operations to strengthen equity, amongst which the subscription of three million redeemable share subscription or purchase warrants (BSAARs) by 629 key managers of the Group and the €165 million share capital increase realized by the set-up of the first global employee share ownership plan. Both these operations reflect the confidence managers and employees place in the future outlook of the Group. After including the net profit for the year and thanks also to the excellent management of working capital requirements, net cash and cash equivalents total €1,269 million at December 31, 2009. The solidity of Cap Gemini S.A.'s balance sheet was further strengthened during the first half of the year by a new issue of OCEANE bonds convertible or exchangeable for new or existing shares, aimed at ensuring upstream the refinancing of the OCEANE bond issue maturing on January 1, 2010 and enabling the Group to extend the maturity of its debt.

1.1 Operations by region

France retained its number one spot in 2009 among the Group's regions (revenues of €1,949 million, 23.3% of the Group total), despite a slump of 6.1%. Technology Services resisted well, reporting a slight increase. While Outsourcing Services reported a slight downturn, this was mainly due to the marked reduction in a major contract (which was forecast and in line with expectations) rendering any comparison unfavorable. As would be expected, Local Professional Services and Consulting Services reported the least favorable trend (both reporting a decrease in revenues of approximately 9%): the former offers clients a common means of leverage whenever they decide to reduce day-to-day expenditure, while Consulting Services are penalized by a short sales cycle and substantial exposure to the telecoms sector. Nonetheless, France reported a limited downturn in its operating margin: at 6.2% it is down less than one point, thanks to Outsourcing Services which improved its performance on 2008 and Consulting Services which managed to maintain its margin at a remarkable level.

The **United Kingdom and Ireland** region (revenues of €1,852 million, 22.1% of the Group total) was the only major region of the Group to report an increase in like-for-like revenues (+7.5%), while published revenues fell 3.6% due to the substantial depreciation of the pound sterling. This remarkable growth is mainly tied to the fact that Outsourcing Services account for over three-quarters of activity in the region. Another characteristic particularly favorable in the current context, is its substantial presence in the public sector: while not completely indifferent to the crisis, this sector continues to invest and outsource part of its functions to optimize costs. This being said, the advantage drawn from the "double-digit" growth of Outsourcing Services and the robustness of the public sector is partially offset by the weakness of other sectors and particularly financial services. The operating margin was €165 million (8.9% of revenues, up 0.4 points), enabling the United Kingdom and Ireland region to be the most profitable of the Group's four major regions in 2009, in both percentage and value terms.

North America reported revenues of €1,590 million in 2009 (19.0% of the Group total) down 8.5% like-for-like, but only 4.7% on published figures due to the appreciation of the US dollar. The activities most tied to the economic cycle (Consulting Services, Technology Services and Local Professional Services) bore the full brunt of a crisis which had the United States at its epicenter, posting slumps of close to 10%. Outsourcing

Services enjoyed numerous successes, in particular in Business Process Outsourcing (BPO), but was penalized by the substantial downsizing of a major contract entering the final phase, resulting in a marked drop in business volume in this sector, particularly in the second half of the year. Conversely, this second half also enjoyed a net improvement in Technology Services activities in the financial services sector (with fourth-quarter growth on the same quarter in 2008). Profitability resisted well in the North America region (although at a low level: 4.9%), falling only 0.6 points thanks to the stability of Outsourcing Services which were not affected by the decrease in revenues.

Benelux (€1,397 million, 16.7% of Group revenues) reported, thanks to the acquisition of BAS BV at the end of 2008, good growth in business volume (+7.3%), although on a like-for-like basis revenues fell 12.9%. This marked decrease is mainly due to the particularly high percentage of financial services clients. These clients made major adjustments to their demand for services from the beginning of the year and again in the second half, resulting in substantial over-capacity. All our four businesses were affected by the downturn, with only Local Professional Services showing better resistance. With an operating margin of €122 million, the region continues to enjoy high profitability (8.7% of revenues), although down significantly on prior years. Faced with this situation, a number of measures were implemented from the first half of 2009 to preserve margins (change in management and layoffs in certain units, etc.), which enabled a return to a double-digit operating margin in the second half.

The **Germany/Central Europe** region (Switzerland, Austria and Eastern European countries) is the Group's leading "small" business unit: €531 million, 6.3% of total revenues, down 10.3% (and even 11.0% like-for-like). Outsourcing Services and Sogeti remain marginal businesses in this region and their relative stability only partially offset the substantial downturns reported by Consulting Services and Technology Services. Region profitability also fell significantly (especially in the second half), although remains at a quite satisfactory level (9.7%, the best of the four "small" regions).

The **Nordic countries** (Sweden, Denmark and Finland) reported revenues of €488 million (5.8% of total revenues) some 15.7% below 2008 (9.9% excluding exchange rate impacts). This decrease is above all due to a less diversified activity portfolio than in the other regions and in particular the extremely limited role played by Outsourcing Services. At 7.3%, profitability is down over two points, although the good resistance of Sogeti is of note at this level.

The **Southern Europe/Latin America** region (€434 million, 5.2% of revenues) suffered a slight downturn of 3.3% (and 3.6% like-for-like), as a result of contrasted trends: while Spain and Portugal suffered a marked drop, Italy enjoyed growth of close to 7%, confirming the high quality of local management. However, the improvement in the operating margin in Italy was insufficient to offset the downturn reported in the rest of the region, which overall reports a disappointing operating margin (€10 million, 2.3% of revenues).

The **Asia/Pacific** region (€130 million, 1.6% of revenues) enjoyed growth of 6.7% (4.4% like-for-like), thanks in particular to sustained activity in the local Indian market and the renewed dynamism of the "financial services" sector in the second half of the year. The operating margin (€69 million) must not be compared directly to revenues, as only sales to local clients are recognized in this region (internal sub-contracting revenues for clients belonging to other Group regions are recorded in the accounts of the region which invoices the client). Furthermore, part of the margin realized with clients of other regions is recorded in the accounts of the Asia/Pacific region, slightly complicating the direct interpretation of profitability figures for the different Group units.

1.2 Operations by business segment

Technology Services accounted for exactly 40.0% of total revenues in 2009 and therefore remained the Group's powerhouse, despite a slump of 7.4% like-for-like, particularly marked in the second half of the year. This downturn was not uniform across all regions, although client unwillingness to launch major projects was a constant. This resulted in a marked decrease in management indicators and particularly the utilization rate. The active management of employees - recruitment freeze, transfers, layoffs when no other solution exists - helped in the fourth quarter to return this utilization rate to an acceptable level (81%). Prices resisted well in a rather prejudicial context, falling 4% on average, with pressure particularly aggressive in certain market sectors. At 6.9%, the operating margin rate is down 3.3 points on 2008.

Outsourcing Services (36.4% of total revenues) is the only business to report slight growth in 2009 (+0.3% like-for-like) underlining the contribution of this discipline to the overall balance of the Group. Employee numbers increased nearly 7%, primarily to accompany the strong development of BPO activities. Outsourcing Services is also the only business to report a (marked) improvement in profitability, with an increase in the operating margin rate from 5.4% in 2008 to 7.2% this year.

Local Professional Services (Sogeti) represents the third largest Group business, with revenues equal to 16.9% of total revenues, but down 8.3% on a like-or-like basis. After a substantial drop in the first quarter, utilization rates improved steadily each quarter to finish the year at a level very close to that of last year (82%). This improvement was partially due to a reduction in employee numbers (close to 8% at December 31, 2009) and the remarkable resistance of prices, which fell only 1%. These different indicators explain the maintenance of the operating margin rate at a satisfactory level (9.7%), although down significantly on last year.

Consulting Services now represents only 6.7% of total revenues, down 14.7% like-for-like. Due to short sales cycles and the discretionary nature of a number of its assignments, Consulting Services was the only one of our four businesses to suffer the effects of the crisis from the fourth quarter of 2008. Extremely strict employee management (11% reduction in employee numbers year-on-year) and the transfer of a number of consultants to assignments closer to new client concerns (primarily cost reduction), enabled a remarkable turnaround in the utilization rate, which increased to 71% in the fourth quarter, five points above that in the fourth quarter 2008. Selling prices fell significantly (8%), although part of this decrease was due to the dynamism of Consulting Services in Latin America, where the business more than doubled revenues but selling prices are considerably below those in other countries, thereby diluting the average. Despite this fall in revenues, Consulting Services successfully maintained its operating margin rate at 11.4%, down only 1.4 points on 2008.

1.3 Headcount

At December 31, 2009, the total Group headcount was 90,516 compared to 91,621 one year earlier, representing a relatively limited decrease of 1,105 employees (-1.2%), reflecting:

- 13,615 additions, comprising:
  - 13,072 new hires (including 5,762 in India, 1,287 for Sogeti and 942 in Poland);
  - and 543 transfers in connection with (i) small Group acquisitions (particularly the acquisition of IACP which provides the Group with a presence in Vietnam) and (ii) Outsourcing Services contracts signed with certain clients;
- and 14,720 departures comprising:
  - 9,467 resignations (as is usual in periods of economic crisis, the attrition rate fell 7 points to 10% from 17% in 2008);
  - 250 transfers outside the Group following business divestments or the end of certain Outsourcing Services contracts;
  - 5,003 layoffs and unsuccessful trial periods.

1.4 Order book

New orders recorded during the year totaled €9,280 million, down 2% like-for-like on 2008. Activity remained particularly dynamic in Outsourcing Services (+14%) and was maintained at an acceptable level in the other businesses, where the book-to-bill ratio remained greater than 1.

1.5 Other significant events

- The **redeemable share subscription or purchase warrants** (BSAAR) issue launched by the Group in May 2009 and targeting key managers of the Group was a great success, as evidenced by a subscription rate of 130%. All 2,999,000 warrants issued were therefore purchased by 629 managers from 22 countries. The majority of eligible managers thus risked a personal investment of €15,000 on average, to be more closely tied to the development of the Group and its stock market performance. These 629 managers included all members of the Executive Committee and close to 90% of the 100 top managers of the Group.

- On **September 17, 2009,** Capgemini Australia announced the signature of an agreement to acquire the Australian software testing company Nu Solutions. Thanks to this acquisition, Capgemini is now the leader in the Australian managed testing services market, has enriched its client portfolio in the "financial services" sector and has strengthened its presence in the Australian public sector.

- On **October 29, 2009,** following five years of successful service and program delivery, Capgemini Group strengthened its partnership with its main client, Her Majesty's Revenue & Customs (HMRC), the UK's tax authority, which undertook to channel its main IT expenditure through the Aspire contract in return for a reduction in its IT running costs.

- On **November 5, 2009,** Capgemini announced the launch of five global service offerings in highly promising market segments, aimed at increasing the order book by €800 million in 2010. Two new service lines were created, one in November regarding data management (Business Information Management) and one in December dedicated to applications development and maintenance (Application Lifecycle Services). Before the end of March 2010, three additional offerings will be launched focusing on applications testing (Testing, undertaken jointly by Capgemini and its subsidiary Sogeti), smart meters and networks (Smart Energy Services), and assisting clients with virtualization and cloud computing (Infostructure Transformation Services).

- On **December 16, 2009,** Cap Gemini increased its share capital as part of an international share ownership plan reserved for employees and concerning 6 million new shares, ranking for dividends from January 1, 2009 and issued at a price of €27.58. These shares were subscribed for a total amount of €165,480 thousand. Here again, the success of this issue represents a major sign of employee confidence in the Group's future and resulted in a substantial increase in the portion of Group share capital held by employees (close to 4% on December 16). It also bears witness to the truly multi-cultural nature of Capgemini, as there were subscribers in all countries (19) where the plan was available. Quite naturally, the majority of subscribers belong to the four major regions of the Group (France, the United States, the Netherlands and the United Kingdom) however, it is interesting to note that 10% of our Indian employees and 7% of our Chinese employees subscribed to the share issue.

II - COMMENTS ON THE CAPGEMINI GROUP CONSOLIDATED FINANCIAL STATEMENTS

2.1 Consolidated Income Statement

Consolidated revenues totaled €8,371 million for the year ended December 31, 2009, down 3.9% on 2008 (and 5.5% like-for-like that is, at constant exchange rates and Group structure), while **operating expenses** (€7,776 million) fell only 2.4%.

An analysis of costs by nature reveals:

- a decrease of €148 million (-2.8%) in personnel costs despite an increase in the average headcount of 3,743 employees (4.3%): this was the direct consequence of the expansion of our resources in low production cost countries, generating a fall in the gross average salary of a Group employee from €3,813 per month in 2008 to €3,575 per month in 2009, a decrease of 6.2%. Three years ago, in 2006, the gross average salary was €4,440 per month, 25% higher. Overall for 2009, the "Salaries and payroll taxes" account (excluding travel expenses) represented 58% of consolidated revenues compared to 56.7% last year, an increase of 1.3 points. Conversely, travel expenses, which are tightly controlled, now represent only 3.9% of revenues compared to 4.5% in 2008 and 4.5% in 2007,
- an increase of 0.3 points in the "purchases/sub-contracting" account (24.9% of revenues) and the "rental expenses" account (3.6% of revenues).

An analysis of costs by function reveals that:

- the cost of services rendered fell only €112 million, while revenues fell €339 million; the weight of this account therefore increased from 74.4% to 76.1% of revenues;
- gross margin is therefore only 23.9% compared to 25.6% in 2008;
- selling costs are unchanged in amount on 2008 and represent 7.5% of revenues;
- measures rolled-out in recent years to scale back administrative expenses produced a further decrease of €75 million (-8.8%): these expenses now represent only 9.3% of revenues, compared to 9.8% in 2008 and 10.7% in 2007.

The **operating margin** is €595 million (7.1% of revenues), compared to €744 million (8.5% of revenues) last year.

Other operating income and expense represented an overall net expense of €262 million in 2009, up 66% on the 2008 net expense of €158 million. Restructuring costs alone increased €110 million on 2008 (€213 million compared to €103 million), 70% of these costs correspond to layoffs necessitated by an unfavorable economic climate, particularly in the Netherlands and Spain. The remaining balance comprises:

- costs of €52 million associated with streamlining the Group's real estate assets, mainly in the Netherlands, the United Kingdom and France;
- industrialization and migration costs of €10 million associated with the implementation of "rightshoring" solutions, mainly in the Netherlands and the United States.

Other operating expenses include costs of €16 million for the integration of companies acquired in 2008 (mainly the integration of BAS B.V. purchased on December 1, 2008) and an impairment of €12 million on goodwill in respect of a German subsidiary.

The combination of the fall in the operating margin and the hike in other operating income and expenses produced a substantial drop in **operating profit** (€333 million in 2009, compared to €586 million in 2008, a fall of 43%).

Net finance costs represented 1.2% of revenues in 2009 (€93 million against €19 million last year), compared to an average of 0.2% over the last three years. This poor result is partly due to the marked drop in the rate of return on cash investments and partly to the additional financial expenses generated by the OCEANE bond issue performed on April 20, 2009 pursuant to the "principle of precaution". This downturn was further accentuated by an increase (particularly in the United Kingdom) in the finance cost on defined benefit pension obligations, itself due to the substantial fall at the end of 2008 in the value of financial assets combined with a decrease in the average rate of return expected on plan assets.

The income tax expense was €61 million in 2009, close to half the 2008 expense (€116 million). The current income tax expense is €24 million (€87 million en 2008), representing the net balance of income tax paid of €53 million (€37 million in taxes on profits - mainly in the Netherlands, India, Canada and Germany - and €16 million in taxes not based on profits payable in North America, India, Italy and France) and current income tax repayments of €29 million recorded in the Netherlands, France and the United Kingdom. The remaining €37 million (€29 million in 2008) corresponds to the net deferred tax expense and primarily relates to:

- the utilization of tax loss carry forwards against taxable income (€67 million), mainly in France (€46 million), the United Kingdom and Germany;
- the recognition of net deferred tax income of €18 million on temporary differences;
- the recognition of deferred tax assets for €6 million on tax losses available for carry forward incurred during the period.

Profit for the year is €178 million in 2009, only 40% of the profit of €451 million realized in 2008. Basic earnings per share is €1.23, compared to €3.14 in 2008 (diluted earnings per share is €1.22, based on 157,065,374 shares, compared to €2.97 based on 156,466,779 shares at December 31, 2008).

2.2 Consolidated Statement of Financial Position

Total equity totaled €4,213 million at December 31, 2009, representing a €274 million increase on end-2008, chiefly attributable to:

- profit for the year of €178 million;
- the three share capital increases for a total of €225 million (net of issue costs) resulting from the set up of an employee share ownership plan named ESOP (for €164 million), the exercise of stock options (for €52 million) and finally the issue of redeemable share subscription or purchase warrants (BSAAR) for €9 million;
- the matching entry to the expense relating to stock options, performance share grants and the employee share ownership plan (ESOP) for €19 million;
- the recognition in equity of actuarial losses arising on provisions for pensions and other post-employment benefits, net of deferred tax, for €120 million and the positive change in the fair value of cash flow hedges, net of deferred tax, for €27 million;
- the recognition of the "equity" component of the convertible bond issue performed on April 20, 2009 ("OCEANE 2009"), net of deferred tax, for €42 million;

- the payment of the 2008 dividend (€143 million);
- an increase in translation reserves for €42 million.

Fixed assets totaled €3,287 million at December 31, 2009, identical to the December 2008 figure. This stability stems in reality from several movements with offsetting impacts:
- a €24 million net increase in goodwill, generated by small acquisitions during the year for €11 million (including IACP Informatique in France and Vietnam), offset by the impairment of goodwill in Germany (for €12 million) and combined with translation gains of €26 million due to the appreciation of the pound sterling against the euro;
- a net decrease of €24 million in intangible assets due chiefly to total acquisitions (€26 million) of less than the amortization expense (€42 million) and the finalization of the purchase price allocation for companies acquired in 2008 (mainly BAS B.V.) leading to a decrease of €9 million;

- stable property, plant and equipment (dip of €1 million), with the depreciation expense for the year and disposals (€121 million and €27 million respectively) more than offsetting acquisitions (€139 million) and translation gains (€8 million).

Accounts and notes receivable totaled €2,067 million at December 31, 2009 compared to €2,396 million the previous year. Net of advances from customers and amounts billed in advance (and excluding work-in-progress) the figure came to €1,406 million (against €1,682 million at end-2008), representing 60 days' worth of 2009 revenues (67 days at end-2008, an improvement of 7 days). This reduction in payment periods can be observed across all Group regions, but is particularly marked in Benelux.

Accounts and notes payable, consisting mainly of trade payables, amounts due to personnel and accrued taxes (other than on income), stood at €2,026 million at December 31, 2009, compared to €2,096 million at December 31, 2008.

Provisions for pensions and other post-employment benefits totaled €680 million at December 31, 2009, compared to €503 million at December 31, 2008. This €177 million increase was mainly due to an actuarial loss of €159 million recognized mainly in the United Kingdom and the United States and resulting from the decrease in the discount rate applied to obligations in 2009, partially offset by an increase in plan assets following the rally in the financial markets in 2009.

Consolidated cash and cash equivalents totaled €2,597 million at December 31, 2009, compared to €1,805 million at end-2008. This €792 million can mainly be attributed to:
- cash generated by operating activities during the period (€495 million);
- a net cash inflow of €564 million generated by the "OCEANE 2009" bond issue;
- a cash outflow of €263 million for the early partial redemption of the "OCEANE 2003" bond issue;
- the payment of 2008 dividends (€143 million);
- cash outflows for the purchase of property, plant and equipment, net of disposals, for €95 million and a few acquisitions of small companies for an amount net of cash acquired of €11 million;
- a positive exchange impact from the translation of the different foreign currency cash items into euros for €60 million.

Borrowings totaled €1,328 million compared to €1,032 million at December 31, 2008. This €296 million increase is mainly due to the "OCEANE 2009" bond issue (with a debt component of €510 million), partially offset by the early partial redemption of the "OCEANE 2003" bond issue (€258 million).

Consolidated net cash and cash equivalents stood at €1,269 million at December 31, 2009, compared to €774 million one year previously (+€495 million).

III - OUTLOOK FOR 2010

While the IT services market was hit, particularly in the second half of 2009, by a substantial slump in demand, it would appear to be stabilizing in the first half of 2010. The Group has, in particular, noted that clients are once again showing a certain appetite for larger projects. At the same time, we note in several geographic areas a turnaround in the attrition rate, which generally reflects an upturn in activity (employees headhunted and more ready to accept job offers). As comparative figures for the first half of 2009 remain high, Capgemini will record a further fall in revenues in the first half of 2010, before a return to growth in the second half of the year. For 2010 as a whole, the Group forecasts a slight contraction in revenues of between 2 and 4% on a like-for-like basis, with an operating margin rate of between 6 and 6.5%.

IV - COMMENTS ON THE CAP GEMINI S.A. FINANCIAL STATEMENTS

4.1 Income Statement

The Company's operating income for the year ended December 31, 2009 amounted to €199 million (including €198 million in royalties received from subsidiaries), compared with €202 million for 2008 (including €201 million in royalties).

Operating profit remained stable at €164 million in 2009, compared to €163 million last year, despite the fall in royalties received from subsidiaries, which was offset by a decline in operating expenses and particularly advertising campaign costs (deployed primarily in 2009 on Internet media).

Net financial income is significantly below the 2008 figure (mainly due to the sharp drop in rates of return on cash investments), but remained positive at €31 million, reflecting:

- €99 million in income relating mainly to dividends received from subsidiaries (€44 million), interest income on cash investments (€14 million), swap interest relating to the 2003 OCEANE bond issue (€12 million), interest on loans granted to subsidiaries (€8 million) and finally provision reversals (€19 million).
- €68 million in expenses primarily corresponding to the interest expense relating to the 2003, 2005 and 2009 OCEANE bond issues (€32 million), amortization of the bond redemption premium (€9 million) and a charge to provisions for investments in a French subsidiary (€18 million).

After net non-recurring income of €2 million (compared to a €17 million expense in 2008), which was mainly attributable to the capital gains and losses on disposal of investments and after a tax benefit of €27 million, the Company reported a net profit of €224 million in 2009, compared with €260 million in 2008.

4.2 Balance sheet

Net investments rose from €8,128 million at December 31, 2008 to €8,181 million at end-2009. This €53 million increase is mainly attributable to:

- share capital increases of certain European subsidiaries in the amount of €116 million (of which €50 million in France and €40 million in Spain);
- partial or full repayment of several loans granted to subsidiaries in the amount of €40 million;
- a provision for impairment of investments in a French subsidiary in the amount of €18 million.

Shareholders' equity stood at €8,134 million, representing a €307 million increase on the previous year-end. This rise essentially corresponds to the difference between

- profit for 2009 (€224 million) plus:
  - the exercise of 2,332,459 stock options by Group employees resulting in the payment of €52 million to the Company;
  - the share capital increase reserved for employees totaling €164 million net of expenses,
  - and the grant of redeemable share subscription or purchase warrants (BSAAR) resulting in the payment of €9 million to the Company net of expenses
- and the May 11, 2009 dividend payment of €1 per share on the 145,844,938 shares making up the Company's share capital at December 31, 2008, representing a total payment of €144 million (taking into account the 2 million treasury shares held by the Company at the dividend payment date).

Borrowings totaled €1,679 million at December 31, 2009, up €221 million compared to December 31, 2008. This increase was mainly attributable to

- the April 20, 2009 issue of new bonds convertible/exchangeable into new or existing Cap Gemini shares (OCEANE 2009) in the amount of €575 million,
- the concomitant partial redemption of the OCEANE bonds issued in June 2003 (OCEANE 2003) in the amount of €263 million,
- the €71 million decrease in bank overdrafts following the change in the Group's cash pooling arrangement (Cash Pooling International), for which the Company acts as the centralizing entity
- finally the reduction in the Group's outstanding inter-company loans in the amount of €26 million.

Cash and cash equivalents net of financial debt came to negative €140 million at December 31, 2009, representing a substantial improvement on the negative balance of €358 million a year earlier, due to:

- the collection of brand royalties in the amount of €213 million,
- the €225 million, net of expenses, generated by the share capital increase reserved for employees (ESOP international share ownership plan), the exercise of stock options and the issue of redeemable share subscription or purchase warrants,
- payments relating to share capital increases carried out by several subsidiaries in the amount of €116 million in 2009
- the dividend payment totaling €144 million.

At December 31, 2009, external accounts payable of Cap Gemini S.A. totaled €820,000, of which €731,000 are not yet due. Group accounts payable not yet due totaled €5,654,000.

4.3 Appropriation of earnings

During its meeting of February 17, 2010, the Board of Directors decided to recommend to the Ordinary Shareholders' Meeting, the following appropriation of net profit for the year:

Net profit for 2009	€224,022,251.99
• allocation to the legal reserve which would then be entirely funded:	- €175,164.00
i.e. a balance of:	**€223,847,087.99**
• retained earnings of previous years:	€303,520,091.55
i.e. distributable earnings at December 31, 2009 of:	€527,367,179.54
therefore allocated to:	
• payment of a dividend of €0.80 per share :	€123,341,916.80
• retained earnings for the balance:	€404,025,262.74
giving a total of:	**€527,367,179.54**

It should be noted that this dividend of €0.80 for each of the 154,177,396 shares bearing interest on January 1, 2009, will be fully eligible for the 40% tax rebate referred to in Article 158.3.2 of the French Tax Code for individuals subject to personal income tax in France.

Considering the regulations set forth by Euronext Paris, the ex-dividend date will be Monday, May 31, 2010 and the dividend will be payable from Thursday, June 3, 2010. If, at the time of payment of the dividend, the Company still holds some of its own shares, the dividend amount for these shares will be allocated to retained earnings.

Pursuant to Article 243 bis of the French Tax Code, dividends paid over the past three fiscal years were as follows: €145,844,938 for 2008 (€1 per share); €145,425,510 for 2007 (€1 per share); €100,857,266.30 for 2006 (€0.70 per share). All of these dividends were fully eligible for the above-mentioned 40% tax rebate.

4.4 Share capital and ownership structure

In 2009, the Company's share capital increased from €1,166,759,504 to €1,233,419,168 following

- the issue of 2,332,459 shares through the exercise of stock options granted previously to Group employees;
- the issue of 5,999,999 shares subscribed under the share capital increase reserved for employees (ESOP).

Pursuant to Article L. 233-13 of the French Commercial Code (*Code de commerce*), the Board of Directors informs shareholders that, based on notifications received during the year, no shareholder held, directly or indirectly, more than 5% of the Company's share capital or voting rights at year-end.

During the fiscal year:

- Crédit Suisse Groupe AG reported that it successively exceeded and fell below (indirectly through its subsidiaries) the 5% disclosure thresholds for the Company's share capital and voting rights,
- Société Générale reported that it successively exceeded (directly and indirectly) and fell below (directly) these 5% thresholds,
- FMR (Fidelity Investment) LLC reported that it fell below these 5% thresholds.

The breakdown of the Company's share capital as known at December 31, 2009 is provided on page 188 of this Reference Document.

4.5 Stock options

The VIth stock options plan, as authorized by the Extraordinary Shareholders' Meeting of May 12, 2005, expired on July 12, 2008. As the Board of Directors has not since sought the plan's renewal, no new stock options were therefore granted by the Board during fiscal year 2009.

In the event of a notice of authorization of a takeover bid or exchange offer for some or all of the Company's shares published by Euronext, option holders will be entitled, if they so wish, to exercise all of their remaining unexercised options immediately without waiting for the end of the vesting period specified at the time of grant.

During 2009, 2,332,459 shares were subscribed (2,239,594 shares on exercise of options granted under the Vth Plan and 92,865 shares on exercise of options granted under the VIth Plan). No further shares could be subscribed under the first four plans, for which the subscription periods expired on November 1, 1995, April 1, 1999, April 1, 2002, and December 1, 2006, respectively.

4.6 Performance shares

The Extraordinary Shareholders' Meeting of April 17, 2008 authorized the Board of Directors to grant "performance" shares to employees of the Company and its French and non-French subsidiaries. The number of existing or new shares to be issued pursuant to this authorization may not exceed 1% of the share capital as of the date of the Board of Directors' decision to issue the shares. It is authorized that up to a maximum of 5% of this total number of performance shares (i.e., 0.05% of the share capital) may also be granted to corporate officers of the Company, it being specified that in this case, the shares may not be sold by their beneficiary until the end of their term of office. Finally, these performance shares will only vest at the end of:

- a period of two years, in which case the beneficiary will undertake to hold the shares for an additional period of at least two years from the date on which they vest, or,
- a period of four years, in which case there will be no minimum holding requirement,

The Board of Directors may decide between the above two options and apply them alternately or concurrently, depending on regulatory provisions in force in the country of residence of the beneficiaries.

The exact number of shares vesting at the end of the two- or four-year period following the date of notification of grant, will be equal to the number of shares indicated on the grant notice, multiplied by the percentage of achievement of the chosen performance measurement criteria, it being specified that: unless the Board of Directors subsequently makes a duly reasoned decision to the contrary, the performance of the Cap Gemini share compared to the average performance of a basket of ten securities of listed companies operating in the same sector as the Group in at least five countries in which the Group is firmly established (France, the United States, India, etc.) will ultimately condition the vesting of the shares. By derogation, shares not subject to performance conditions may be granted to certain employees, excluding members of senior management comprising the Group Management Board, subject to a maximum of 15% of the total number of shares granted and of 1,000 shares per beneficiary.

As you were notified last year in the Board's management report to the Combined Shareholders' Meeting of April 30, 2009, the Board of Directors used this authorization to grant 1,148,250 shares on March 5, 2009, i.e., 0.79% of the share capital duly noted at the date of this decision. This percentage is below the ceiling of 1% set by this authorization. As this was the only grant performed in this respect, it should be noted that out of this total:

- 1,083,500 performance shares were granted to 440 Group employees; and
- 64,750 shares (i.e. 5.64% of the total amount of shares granted, below the 15% maximum threshold set pursuant

to the authorization) not subject to performance conditions were granted to 69 employees, none of whom are members of the Group Management Board. The maximum number of shares not subject to performance conditions granted to each beneficiary is less than or equal to 1,000.

Out of the 1,083,500 performance shares, 50,000 shares were granted to Paul Hermelin, Chief Executive Officer of the Company, i.e. an amount well below the maximum of 5% of the total set by the Combined Shareholders' Meeting and representing a potential dilution of 0.03% at December 31, 2009. These 50,000 performance shares may not be sold by Paul Hermelin until the end of his term as corporate officer and the Capgemini grant policy strictly forbids the use of hedging instruments.

Note also, that in a desire to maintain the high level of motivation of Group employees and managers and therefore align their interests and concerns with those of the shareholders, you authorized the Board of Directors last year to grant new performance shares, for the same amounts and under similar conditions, during a maximum period of 18 months (i.e. until October 31, 2010). We confirm that the Board did not use this authorization during fiscal year 2009.

4.7 Redeemable share subscription or purchase warrants

The Extraordinary Shareholders' Meeting of April 17, 2008 authorized the Board of Directors to issue redeemable share subscription or purchase warrants (BSAAR) to employees and executive officers of the Company and its subsidiaries, with no pre-emptive subscription rights for shareholders, and under the following conditions:

- a maximum par value issue amount of €24 million, or a total maximum number of 3 million shares with a par value of €8;
- approval by the Board of Directors (after prior review by the Selection and Compensation Committee) of the list of persons authorized to subscribe, the maximum number of warrants that may be subscribed by each beneficiary and all the features of these warrants (particularly the subscription price determined – after an opinion has been issued by an independent expert – according to the various criteria impacting its value, and primarily the strike price, the period of non-transferability, the exercise period, the trigger rate, the redemption period, the interest rate, the dividend distribution policy of the Company, the share price and volatility, etc. the issue methods, as well as the terms and conditions of the issuance agreement, it being specified that a warrant shall confer entitlement to subscribe to - or purchase - one Company share at a price equal to a minimum of 120% of the average closing price of the Company's share for the 20 trading days prior to the date on which all these methods, terms and conditions have been approved).

The Board of Directors used this authorization by approving, on April 29, 2009, the principle of an issue of Redeemable Share Subscription or Purchase Warrants, the list of eligible beneficiaries (employees and corporate officers of the Group and its French and foreign subsidiaries) offered the opportunity to subscribe and the maximum number of warrants to be subscribed by each beneficiary both as of right and above and beyond such rights.

On May 13, 2009, as authorized by the Board of Directors, the Chief Executive Officer set the subscription period from May 14 through June 17, 2009, the subscription price (€3.22 per warrant) and the price for the subscription or purchase of one share through the exercise of the warrants (€34, or 129.33% of the average closing price of the Company's share, ex-dividend, for the 20 trading days prior to May 13, 2009, i.e. an average of €26.29), as well as the final terms and conditions of the issue (see Note 9 / C to the consolidated financial statements). The expert appointed by Cap Gemini issued an independent opinion on this subscription price of €3.22, and concluded that it was reasonable on the grounds that it fell within the range of market value estimates obtained from his own valuation work.

Subscription requests from eligible beneficiaries exceeded the offer and 2,999,000 Redeemable Share Subscription or Purchase Warrants were subscribed in total by 629 of the eligible beneficiaries (including 63,990 by Paul Hermelin).

4.8 Employee shareholdings

Pursuant to the 13th resolution adopted by the Combined Shareholders' Meeting of April 30, 2009, on December 16, 2009, the Company carried out a share capital increase reserved for employees and corporate officers of the Company and its French and foreign subsidiaries who are members of the Capgemini Group Savings Plan. Around 14,000 Group employees in 19 countries subscribed to this share capital increase, either directly or indirectly through the Employee Savings Mutual Fund (FCPE). Pursuant to Article L. 225-102 of the French Commercial Code, the Board of Directors notes that at December 31, 2009, the employees and officers who subscribed to the capital increase under a Capgemini Group Savings Plan together held 3.71% of the Company's share capital.

Finally, to satisfy the requirements of the laws governing employee savings plans, you are asked to authorize the Board of Directors, assuming that it shall use one of the authorizations to increase share capital, to decide whether or not to reserve a portion of such increase for members of Group Savings Plans, bearing in mind that this could only concern a maximum of 1,500,000 new shares.

4.9 Authorization to buy back the Company's shares

Shareholders are reminded that last year, the Ordinary Shareholders' Meeting renewed the authorization granted to the Company to buy back its shares. This authorization was used in 2009 in connection with the ongoing liquidity agreement with CA Cheuvreux. The purpose of this agreement is to improve the liquidity of the Cap Gemini share and stabilize the share price. In 2009, CA Cheuvreux acquired 1,146,861 Cap Gemini shares on behalf of Cap Gemini S.A., at an average price of €28.29 per share, representing 0.74% the share capital at December 31, 2009. During the same period, CA Cheuvreux also sold 1,402,861 Cap Gemini shares at an average price of €28.72 per share equivalent to 0.91% of the share capital at December 31, 2009. At the year-end, the liquidity account balance comprised 121,000 treasury shares (0.08% of the share capital) and approximately €10 million.

Shareholders are reminded that Cap Gemini S.A. purchased 2,000,000 of its own shares, representing 1.3% of the share capital, between January 17 and January 25, 2008, at an average price of €34.48 per share. These purchases were aimed at neutralizing part of the potential dilution relating to employee share-based incentive instruments.

This total of 2,121,000 shares represents €72,684,128 on the basis of their average acquisition price (€34.27) and €67,808,370 on the basis of the closing price for Cap Gemini shares on December 31, 2009 (€31.97).

As this authorization is only valid for 18 months, we are asking shareholders to replace last year's authorization with a similar authorization to allow the Company to:

- provide market-making and liquidity for the Cap Gemini share within the scope of a liquidity agreement;
- grant shares to employees and corporate officers (on the terms and by the methods provided for by law), in particular in connection with a plan involving the grant of performance shares, the company savings plan or an international employee share ownership plan;
- grant shares to holders of securities conferring entitlement to the capital of the Company upon exercise of the rights attached thereto in accordance with the applicable regulations;
- purchase shares to be retained with a view to remitting them in the future in exchange or payment for potential external growth transactions;
- cancel the shares thus purchased subject to adoption of the related resolution by the Extraordinary Shareholders' Meeting.

To this end, the Board of Directors is seeking a maximum 18-month authorization for the Company to buy back shares representing up to 10% of its share capital, at a maximum price of €51 per share, these purchases taking place within the scope of:

- Articles L. 225-209 and seq. of the French Commercial Code (which also authorize the Board of Directors to cancel some or all of the shares purchased, up to 10% of its capital by 24-month period);
- European Regulation No. 2273 of December 22, 2003 that came into effect on October 13, 2004.

4.10 Compensation of corporate officers

(amounts before taxes)

in euros	Compensation in respect of 2008			Compensation in respect of 2009		
Serge Kampf : Chairman	Paid in 2008	Paid in 2009	Total	Paid in 2009	Paid in 2010	Total
Gross fixed compensation	840,000	-	840,000	840,000	-	840,000
Variable compensation	-	617,000	617,000	-	399,000	399,000
Exceptional compensation	n/a	n/a	n/a	n/a	n/a	n/a
Attendance fees	35,000	35,000	70,000	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a	n/a	n/a
Value of options awarded	n/a	n/a	n/a	n/a	n/a	n/a
Value of performance shares	n/a	n/a	n/a	n/a	n/a	n/a
TOTAL	**875,000**	**652,000**	**1,527,000**	**840,000**	**399,000**	**1,239,000**
Paul Hermelin : Chief Executive Officer	Paid in 2008	Paid in 2009	Total	Paid in 2009	Paid in 2010	Total
Gross fixed compensation	1,320,000	-	1,320,000	1,320,000	-	1,320,000
Variable compensation	-	982,800	982,800	-	624,500	624,500
Exceptional compensation	n/a	n/a	n/a	n/a	n/a	n/a
Attendance fees	24,000	24,000	48,000	n/a	n/a	n/a
Benefits in kind	3,600	-	3,600	3,600	-	3,600
Value of options awarded	n/a	n/a	n/a	n/a	n/a	n/a
Value of performance shares	n/a	n/a	n/a	n/a	n/a	n/a
TOTAL	**1,347,600**	**1,006,800**	**2,354,400**	**1,323,600**	**624,500**	**1,948,100**

As is the case for nearly all of the Group's managers and in accordance with a formula in effect practically more than 30 years, the "theoretical" compensation (i.e. if objectives are exactly met) of the two executive corporate officers comprises:

- a fixed portion, equal to 60% of the "theoretical" total,
- a variable portion, equal to 40% of this total.

  This variable portion can be further divided into two equal halves:

  - V1 calculated based on a comparison of the Group's consolidated results for the fiscal year (revenues, operating margin, common and corporate costs) and the same results forecast in the budget (A/B). The V1 portion can be between 0% and 200% of its "theoretical" amount: it is nil when the above calculation corresponds to a weighted result of less than 50% of the budget, is limited to twice this theoretical amount when the performance is equal to or more than 120% of the Group's budget and varies on a straight-line basis between these two amounts.
  - V2 calculated based on the percentage achievement of a certain number of personal objectives set at the beginning of the fiscal year by the Board of Directors (seven for Serge Kampf and also seven for Paul Hermelin in 2009). These objectives are each assigned a coefficient, the total of which is 100: at the year-end, individual performance for each objective is graded from 0% to 200%, and the total number of points determines the actual V2 amount payable with respect to the "theoretical" amount.

Total actual compensation can therefore vary from 60% (fixed + V1 and V2 variable components both equal to nil) to 140% of the "theoretical" total (fixed of 60% + V1 and V2 variable components both equal to the maximum two-times the theoretical amount).

For 2009, the results of these calculations were as follows:

1) Theoretical variable compensation for Serge Kampf was €560,000, divided into V1 and V2 portions of €280,000 each.

- for the V1 portion, the calculation of the percentage attainment of the Group's three financial objectives used as measurement instruments gave a combined total of 70.91/100, corresponding to a V1 portion for Serge Kampf of €280,000 x 0.7091 = €198,548.
- for the V2 portion, the calculation of the degree of attainment of each of the seven personal objectives that had been set for him for the fiscal year gave a total of 107.2/100, corresponding to a V2 portion of €280,000 x 1.072 = €300,160.

Serge Kampf's 2009 variable compensation therefore came to €498,708, or 89.1% of his theoretical variable compensation (€560,000).

2) Theoretical variable compensation for Paul Hermelin was €880,000, divided into V1 and V2 portions of €440,000 each.

- for the V1 portion, the calculation of the percentage attainment of the Group's three financial objectives used as measurement instruments gave the same combined total of 70.91/100, representing a V1 portion for Paul Hermelin of €440,000 x 0.7091 = €312,004;
- for the V2 portion, the calculation of the degree of attainment of each of the seven personal objectives that had been set for him for the fiscal year gave a total of 106.5/100, corresponding to a V2 portion of €440,000 x 1.065 = €468,600.

Paul Hermelin's 2009 variable compensation therefore came to €780,604, or 88.7% of his theoretical variable compensation (€880,000).

Following these calculations, Serge Kampf and Paul Hermelin, aware of the impact of the 2009 results – which are below the budget set at the beginning of the year – on the compensation of other Group managers, proposed to symbolically waive 20% of their respective variable compensation. The Board thanked them for this proposal which was finally accepted after discussion: the 2009 variable compensation of Serge Kampf and Paul Hermelin was therefore reduced to €399,000 (71.2% of theoretical variable compensation) and €624,500 (71.0% of theoretical variable compensation) respectively. As such, Serge Kampf's total compensation for 2009 was €1,239,000 (88.5% of his theoretical compensation of €1,400,000) and Paul Hermelin's total compensation for 2009 was €1,944,500 (88.4% of his theoretical compensation of €2,200,000).

It should be noted that:

- Serge Kampf and Paul Hermelin's performance appraisals for 2009 were discussed and assessed by the Selection & Compensation Committee (as in previous years), which submitted its recommendations to the Board of Directors where they were debated, approved and adopted;
- Serge Kampf and Paul Hermelin waived their right to collect attendance fees as Cap Gemini S.A. directors from January 1, 2009;
- as has always been the case, Serge Kampf and Paul Hermelin did not receive any benefits in kind (medical assistance, housing, private use of company car, cell phone, products or services free of charge, etc.) during 2009, nor did they benefit from any specific provision related to minimum indemnities for termination for any reason whatsoever (removal from office, retirement, etc.). The only exception was the contributions paid by the Company for Paul Hermelin's unemployment insurance for entrepreneurs and business owners (these contributions totaling €3,600 are presented in the preceding table in "Benefits in kind");
- for the 21st consecutive year, Serge Kampf decided not to ask the Company to reimburse the expenses he incurred in 2009 in the performance of his duties (business travel, entertainment, etc.), with the exception of the TGV train travel between Paris and Grenoble, the historical headquarters of Cap Gemini, where he has kept his main office and where part of the Group's corporate affairs are still conducted;
- Serge Kampf has never requested and has never been awarded any stock options or performance shares;
- in 2009, Paul Hermelin was granted 50,000 performance shares by the Board of Directors;
- Paul Hermelin exercised during 2009, 70,000 of the options he had received as part of the October 2004 grant, that expired in September 2009.

Employment contract of executive corporate officers

The Board of Directors decided, based on the conclusions of the Selection and Compensation Committee, to continue to provide Paul Hermelin after the date of renewal of his current term as corporate officer, with the benefit of the employment contract which he signed with Cap Gemini in 1993. This contract was suspended in its entirety on May 24, 1996, the date on which Paul Hermelin received and accepted his initial term of office as member of the Management Board. The Board of Directors' decision not to terminate his employment contract is based on the sole desire to protect – given his seniority and the excellent services he has rendered to the Company over the last 17 years – Paul Hermelin's entitlement to pension benefits. This decision, which is in accordance with the AMF recommendation which states that "an issuer is in compliance with the code where the retention of the employment contract of an executive is justified by his length of service as an employee within the company and his personal position", is in no way made so that Paul Hermelin would be entitled to any severance pay stipulated in his employment contract, since his contract does not contain any such entitlement and is subject only to the general provisions of his collective bargaining agreement. In this respect the Board would highlight that

- neither the Chairman nor the Chief Executive Officer of the Company enjoy any specific compensation clause should they be asked to take early retirement as a result of one of its decision;
- Paul Hermelin has made a commitment to the Board of Directors to waive his employment contract when he reaches the age at which he may legally exercise his right to retire.

Executive corporate officers: position regarding employment contract and deferred remuneration	Employment contract	Supplementary pension scheme (please see below)	Indemnities and benefits following appointment, termination or change in function	Indemnities in respect of non-compete clause
Serge Kampf **Chairman** Term of office renewed on May 11, 2006 and ending at the 2010 Combined Shareholders' Meeting called to approve the 2009 accounts	No	Yes	No	No
Paul Hermelin **Chief Executive Officer** Term of office renewed on May 11, 2006 and ending at the 2010 Combined Shareholders' Meeting called to approve the 2009 accounts	Yes (March 1993)	Yes	No	No

Other compensation

In 2006, Cap Gemini set up a supplementary collective defined benefit pension scheme for certain senior executives regarded as having made a significant and lasting contribution to the Group's development. A review was carried out of this scheme to ensure that it complied with AFEP-MEDEF's subsequent recommendations: the beneficiaries of this scheme are persons deemed to have made a major contribution to the Group's results over a long period of at least ten years. To be eligible for this scheme, beneficiaries must have ended their career within the Company. This scheme stipulates, in addition, certain limits: the amount of the supplementary pension may not exceed 40% of the beneficiary's reference earnings and the beneficiary's cumulative pension benefits from all mandatory and top-up schemes may not exceed 50% of his/her reference earnings. Reference earnings are calculated by taking average compensation over a number of years capped at 60 times the annual ceiling for social security. In order to receive the maximum pension amount, beneficiaries must have between 25 and 30 years' service depending on the circumstances. An external firm was asked to review this scheme and confirmed that it complied with the recommendations published by AFEP-MEDEF on October 6, 2008 concerning the compensation of executive corporate officers of publicly listed companies. It should be noted that based on corporate officers' number of years' service upon retirement, the projected replacement rate will be between 34% and 40.5% of their final salary and that the estimated cost of one year of service for all corporate officers of the Company is €0.8 million for 2009.

Fiscal year 2010

Serge Kampf, noting the considerable pressure exercised on companies with a "dissociated" Chairman to remove any variable component from the latter's compensation (despite the existence of a variable component in a manager's compensation previously being considered as evidence of good man-management) and noting that an increasing number of these companies would appear ready to bow down to this pressure, he decided to propose to the Board of Directors a change to his 2010 remuneration structure to comprise only a fixed component. He also proposed to cap this fixed compensation at less than €1 million. The Board of Directors congratulated Serge Kampf and thanked him for this proposal and after finally accepting it, set Serge Kampf's compensation for 2010 at €960,000, highlighting that this represents a reduction of 31.4% on his 2009 "theoretical" compensation. It was also decided, at the recommendation of the Selection & Compensation Committee, to maintain Paul Hermelin's theoretical compensation unchanged (fixed + objective-based variable).

Attendance fees and other compensation received by corporate officers

Other than the attendance fees indicated below the thirteen non-executive corporate officers received no additional compensation (the rules governing the allocation of these attendance fees are presented on page 49 of the Registration Document).

in euros	**Amount awarded in respect of 2008**	**Amount awarded in respect of 2009**
Serge KAMPF	70,000	none
Daniel BERNARD	45,000	30,000
Yann DELABRIERE	59,000	53,000
Jean-René FOURTOU	50,000	34,000
Paul HERMELIN	48,000	none
Michel JALABERT	54,000	45,000
Phil LASKAWY*	45,000	27,000
Bernard LIAUTAUD *	n/a	31,000
Thierry de MONTBRIAL	51,000	51,000
Ruud van OMMEREN*	65,000	62,000
Terry OZAN*	45,000	42,000
Pierre PRINGUET	n/a	30,000
Bruno ROGER	45,000	39,000
TOTAL	**577,000**	**444,000**

* as required by law, the Company deducted withholding tax on the amounts paid to these four non-resident beneficiaries.

The Board of Directors decided to continue to pay attendance fees to the three non-voting directors for 2009 (as in previous years), who therefore received the following compensation in respect of the last two years:

in euros	**2008**	**2009**
Pierre HESSLER	45,000	39,000
Marcel ROULET *	39,000	18,000
Geoff UNWIN **	33,000	33,000
TOTAL	**117,000**	**90,000**

* Marcel Roulet did not seek the renewal of his term of office by the Combined Shareholders' Meeting of April 30, 2009
** as required by law, the Company deducted withholding tax on the amounts paid to this non-resident beneficiary.

Attendance fees paid to directors and non-voting directors for 2009 amount therefore to €444,000 + €90,000 = €534,000 (or €485,250 after deduction of withholding tax on the amounts paid to non-resident beneficiaries) only 75% of the total amount of €700,000 authorized by the Combined Shareholders' Meeting of May 2006.

Stock subscription options, stock purchase options and performance shares

The tables below provide an overview of the performance shares granted to executive corporate officers in 2009 and historical information concerning stock options, bearing in mind no stock options were granted in 2009.

Performance shares granted during the year to executive corporate officers by Cap Gemini SA or other Group company	Plan number and date	Theoretical maximum number of shares granted during the year	Valuation of shares using the method adopted in the consolidated financial statements	Potential vesting date	Potential availability date
Serge KAMPF	n/a	n/a	n/a	n/a	n/a
Paul HERMELIN	1st plan	50,000	809,500	March 5, 2011	Obligation to hold shares definitively granted until the termination of corporate officer duties

Note also that the regulations of this first plan expressly forbid entering into any hedging arrangements in respect of the corresponding shares before the end of the holding period, equivalent to the restriction which also applies to stock option plans. Furthermore, all these plans reiterate the ban on selling shares during a period of one month and one day before the publication of the half-year and annual financial statements.

Historical information concerning stock options granted to corporate officers

Date of Shareholders' Meeting	05/23/00	05/12/05	05/12/05	05/12/05	05/12/05	05/12/05
Grant date	04/01/05	10/01/05	10/01/06	04/01/07	10/01/07	06/01/08
Plan number	5th plan	6th plan	6th plan	6th plan	6th plan	6th plan
Total number of shares granted	1,623,000	1,915,500	2,067,000	400,000	1,932,500	219,000
o/w granted to Serge Kampf	*0*	*0*	*0*	*0*	*0*	*0*
*o/w granted to Paul Hermelin **	*0*	*50,000*	*50,000*	*0*	*0*	*0*
o/w granted to the ten employees receiving the greatest number of shares	*220,000*	*109,000*	*200,000*	*86,000*	*114,000*	*60,000*
Start of exercise period	04/01/06	10/01/06	10/01/07	04/01/08	10/01/08	06/01/09
Expiry date	04/01/10	09/30/10	09/30/11	04/01/12	10/01/12	06/01/13
Subscription price (in euros)	27	30	43	55	44	40.5
Exercise conditions	10% after 1 year, 30% after 2 years, 60% after 3 years and 100% after 4 years					

* i.e. 0.06% of the maximum dilutive effect.

Complete historical information concerning stock options granted and share buy-backs is provided on pages 156 and 157 of the Registration Document.

The tables below provide an overview of stock options exercised and/or performance shares that became available to executive corporate officers during the year

Stock options exercised during the year by executive corporate officers	Plan date and number	Number of options exercised during the year	Strike price	Exercise period
Serge KAMPF	n/a	n/a	n/a	n/a
Paul HERMELIN	5th 01/10/04	70,000	21	n/a

Performance shares newly available during the year to executive corporate officers	Plan date and number	Number of shares available during the year	Vesting conditions	Year of grant
Serge KAMPF	n/a	n/a	n/a	n/a
Paul HERMELIN	1st Plan	n/a	n/a	2009

Stock options granted by Cap Gemini S.A. to the ten employees (non-corporate officers) having received/exercised the greatest number of options are as follows:

Stock options granted to/exercised by the ten employees (non-corporate officers) having received the greatest number of shares	Total number of Stock options granted/ exerciced	Weighted average price	Plan number
Options granted during the year by Cap Gemini S.A. to the ten employees of all eligible companies having received the greatest number of shares	n/a	n/a	n/a
Options exercised (held previously by Cap Gemini S.A.), by the ten Group employees having exercised the greatest number of shares	236,750	23.08	5th and 6th plans

Performance shares granted by Cap Gemini S.A. to the ten employees (non-corporate officers) having received/exercised the greatest number of options are as follows:

Performance shares granted to/exercised by the ten employees (non-corporate officers) having received the greatest number of shares	Total number of shares granted / exercised	Plan number
Performance shares granted during the year by Cap Gemini S.A. to the ten employees of all eligible companies having received the greatest number of shares	130,000	1st Plan
Shares exercised (held previously by Cap Gemini S.A.), by the ten Group employees having exercised the greatest number of shares	n/a	n/a

4.11 Directorships and other functions held by corporate officers

The list of directorships and other functions held by each of the corporate officers in other companies is provided on pages 189 to 194 of the Registration Document.

4.12 Renewal of the terms of office of eight directors

The terms of office of 9 of the 13 directors comprising the Board of Directors were renewed for four years by the Combined Shareholders' Meeting of May 11, 2006: these terms of office therefore expire today.

Of these 9 directors, 8 have decided to seek renewal of their terms of office by the Combined Shareholders' Meeting. The ninth director, Mr. Jean-René Fourtou, has decided not to seek renewal due to the heavy workload associated with the role he continues to play within Vivendi, combined with numerous other commitments he has been unable to avoid elsewhere.

You are therefore asked today, to renew for a period of four years the terms of office of these 8 directors, by adopting each of the 8 resolutions submitted later in alphabetical order: Messrs. Yann Delabrière, Paul Hermelin, Michel Jalabert, Serge Kampf, Phil Laskawy, Ruud van Ommeren, Terry Ozan and Bruno Roger.

4.13 Appointment of a new director

You are asked to appoint Mrs. Laurence Dors as director for a period of four years, to replace Mr. Jean-René Fourtou.

After nine years (1990 to 1998) with the public sector (in the Ministry of Economy with Mr. Alphandéry, in the Cabinet Office of Mr. Juppé, Prime Minister and in the Ministry of Economy and

Finance with Mr. Strauss-Kahn), Mrs. Laurence Dors successively held executive management positions with Aérospatiale Matra, EADS and Dassault Systèmes before recently joining the Renault Group, as part of the CEO office.

4.14 Renewal of the terms of office of the two non-voting directors

The terms of office of the 2 non-voting directors currently sitting on the Board (Messrs. Pierre Hessler and Geoff Unwin) were renewed for two years by the Combined Shareholders' Meeting of April 17, 2008: these two terms of office therefore expire today and the Board of Directors propose their renewal for a period of two years.

4.15 Addition to the Bylaws

To enable the Board of Directors to appoint a Vice-Chairman from among its members, whose role would be to chair meetings of the Board of Directors or Shareholders' Meetings in the absence of the Chairman, you are asked to add this possibility to the Company's Bylaws.

4.16 Transactions carried out in 2009 by members of the Board of Directors and other senior managers involving Cap Gemini shares

Transactions carried out in 2009 by directors and senior managers involving the Company's shares, based on AMF disclosures and on Article 223-26 of the AMF's General Regulations, may be summarized as follows:

- Serge Kampf: did not perform any operations

- Paul Hermelin (Chief Executive Officer):
  - on June 26, 2009 sold 70,000 shares at a price of €25.45
  - on June 30, 2009 exercised 70,000 stock options at a price of €21;
  - on July 23, 2009 subscribed to 63,990 redeemable share subscription or purchase warrants at a price of €3.22.
  - on December 16, 2009 subscribed to Cap Gemini shares in the amount of €43,789.58 through the Capgemini Employee Savings Mutual Fund in connection with the employee share ownership plan for all eligible employees and corporate officers.

- Nicolas Dufourcq (Senior Executive Vice-President/Chief Financial Officer):
  - on June 3, 2009 exercised 25,000 stock options at a price of €21 and sold 25,000 shares at a price of €26.76;
  - on June 25, 2009 exercised 25,000 stock options at a price of €21 and sold 25,000 shares at a price of €25.11;
  - on July 23, 2009 subscribed to 63,990 redeemable share subscription or purchase warrants at a price of €3.22.
  - on December 16, 2009 subscribed to Cap Gemini shares in the amount of €23,787.57 through the Capgemini Employee Savings Mutual Fund in connection with the employee share ownership plan for all eligible employees and corporate officers.

- Alain Donzeaud (General Secretary):
  - on June 3, 2009 exercised 22,000 stock options at a price of €21 and sold 22 000 shares at the price of €27.51;
  - on July 23, 2009 subscribed to 28,064 redeemable share subscription or purchase warrants at a price of €3.22.
  - on December 16, 2009 subscribed to Cap Gemini shares in the amount of €8,099.72 through the Capgemini Employee Savings Mutual Fund in connection with the employee share ownership plan for all eligible employees and corporate officers.

V - ENVIRONMENTAL AND SOCIAL IMPACT OF THE GROUP'S OPERATIONS

A specific section of the Reference Document (see pages 23 to 43) entitled "Corporate Responsibility and sustainability", explains Group policy with regard to human resources (changes in headcount, career development, role of the Capgemini University), the environment, and its relations with external business partners (customers, suppliers and the general public at large).

VI - FINANCING POLICY AND MARKET RISKS

6.1. Financing policy and financial rating

Financing policy

Cap Gemini's financing policy is intended to provide the Group with adequate financial flexibility and is based on the following main criteria:

- a moderate use of debt leveraging: over the last ten years Cap Gemini has strived to maintain a limited level of net debt (and even a positive net cash position) including the manner in which it finances its external growth. By paying for the bulk of its acquisitions in shares, Cap Gemini S.A. has pursued the dual aim of maintaining a solid financial structure and, to the extent possible, allowing the employees transferred to the Group as a result of these acquisitions to share in their success:
- a high degree of financial flexibility: Capgemini aims to ensure a good level of liquidity as well as durable financial resources, which means maintaining:
  - a high level of available funds (€2,597 million at December 31, 2009), which could be expanded further by a €500 million

undrawn multi currency syndicated line of credit (expiring on November 14, 2011) backed by a €550 commercial paper program;
- durable financial resources: at December 31, 2009, only 23% of the Group's financial liabilities (excluding accounts payable) fall due within twelve months;
- diversified financing sources adapted to the Group's financial profile: Capgemini seeks to maintain a balance between bank financing (including the syndicated credit line, use of leasing to finance property and IT equipment) and market financing (issue of OCEANE bonds convertible and/or exchangeable for new or existing shares for €437 million in June 2005 and €575 million in April 2009 (see Note 16.II to the consolidated financial statements). Lastly, the appropriate balance between the cash cost of financing and the return on cash investments, net of tax, as well as the potential dilutive impact for Cap Gemini S.A. shareholders, are determining factors for the Group in its choice of financing source.

Financial rating

The Group's ability to access financial and banking markets and the cost of accessing such markets for the implementation of its financing policy is partly dependant on its credit rating. The Company currently – and since January 21, 2008 – has a long-term credit rating of BBB- (stable outlook) attributed by the rating agency Standard & Poor's.

6.2. Market risks

Currency risks, interest rate risk, equity risk, liquidity risk and credit risk are set out in Note 23 to the consolidated financial statements of the Capgemini Group for the year ended December 31, 2009 in this Reference Document.

VII - FINANCIAL AUTHORIZATIONS

7.1 Authorization to cancel shares acquired under the buyback program

As stated above, the Board of Directors is seeking shareholders' authorization to cancel some or all of the shares purchased pursuant to Articles L. 225-209 et seq. of the French Commercial Code (the authorization to buy back shares is described in section 4.9 of this report), for up to 10% of its capital by 24-month period.

7.2 Delegations of authority to increase the share capital

Pursuant to the delegations of authority given to the Board of Directors by the Extraordinary Shareholders' Meeting of April 17, 2008, the Board was granted a 26-month authorization (expiring therefore July 17, 2010) to:
- increase the share capital by capitalizing reserves;
- issue new shares and/or securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company or granting a right to allocation of debt instruments, with or without pre-emptive subscription rights;
- increase the amount of the issues if the requests for shares exceed the number of shares on offer, up to 15% of the initial issue at the same price as for the initial issue ("Greenshoe" options);
- issue shares and/or securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company, or granting a right to allocation of debt instruments, as payment for shares tendered to a public exchange offer made by the Company or contributions in kind to the Company of shares or securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company.

The overall limits on the amounts of the issues that could be decided pursuant to the delegations of authority given to the Board were set at:
- a maximum par value amount of €1.5 billion for capital increases paid up by capitalizing reserves;
- a maximum par value amount of €465 million for capital increases with pre-emptive subscription rights, enabling the share capital to be increased to a maximum par value amount of approximately €1.6 billion, and a maximum of €3.5 billion in total issuance amounts;
- a maximum par value amount of €200 million for capital increases without pre-emptive subscription rights, enabling the share capital to be increased to a maximum par value amount of approximately €1.35 billion, and a maximum of €1.5 billion in total issuance amounts;
- a maximum aggregate par value amount of €465 million and an aggregate issuance amount of 3.5 billion for securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company, or granting a right to allocation of debt instruments.

In 2009, the Board of Directors used one of these delegations of authority to issue 16,911,765 bonds convertible or exchangeable into new or existing shares (OCEANE) of the Company representing a nominal amount of €135 million (68% of the authorized amount of €200 million) and an issue amount of €575 million. The features of these bonds are described in detail in Note 16.11 to the consolidated financial statements.

In order that your Board remains in a position to initiate, should it appear useful or necessary and at the time it deems appropriate, the financial transactions best suited to the Company's requirements and at market conditions, we recommend that you replace its existing authorizations with several new similar authorizations but with adjusted dates and also supplement the system with two new authorizations to provide greater flexibility for market transactions:
- one authorization, for a maximum par value amount of €185 million, (approximately 15% of the share capital), to issue shares or securities conferring access to the share capital or granting a right to allocation of debt instruments, without pre-emptive subscription rights, in the form of a private placement and in accordance with the new provisions of Article L.225-136 of the French Commercial Code, as amended by Decree 2009-80 of January 22, 2009;
- the other authorization, for up to 10% of share capital annually, to issue shares or securities conferring access to the share capital or granting a right to allocation of debt instruments, without pre-emptive subscription rights, at a price at least equal to the weighted average of the last three stock market trading days preceding the price setting and less a potential maximum discount of 10%.

Lastly, in accordance with the AMF recommendation of July 6, 2009 – and eager as we are to always both comply with the principles of transparency and sound governance and respect shareholder rights – we ask you to approve specific resolutions for each type of transaction, namely:

- two separate resolutions involving on the one hand issues without pre-emptive subscription rights, with a public offering and, on the other hand, issues in the form of a private placement;
- two separate resolutions involving issues without pre-emptive subscription rights to provide payment for shares/securities tendered to a public exchange offer initiated by the Company (for up to €185 million or approximately 15% of share capital), or as payment for contributions-in-kind to the Company (for up to 10% of share capital).

The overall limits on the amounts of the issues that could be decided pursuant to these new delegations of authority would be slightly increased with respect to share capital increases with pre-emptive subscription rights (€500 million instead of the €465 million under the previous delegation), to take into consideration the significant increase in share capital over the last two years, bringing share capital to a maximum par value amount of approximately €1.7 billion (the maximum issuance amount remaining set at €3.5 billion).

Conversely, the maximum par value amount of a share capital increase without pre-emptive subscription rights would be reduced from €200 million to €185 million, bringing share capital to a maximum par value amount of approximately €1.4 billion, with the maximum issuance amount being reduced from €1.5 billion to €1.25 billion.

In other words, in the event the pre-emptive subscription right is eliminated, the maximum par value amount of share capital increases (the amount being reduced since the previous delegation) would be capped at approximately 15% of the share capital (as of December 31, 2009), a percentage also adopted for the new delegation of authority to increase share capital by a private placement.

Finally, the authorization to increase share capital by capitalizing reserves would not be changed, the maximum par value amount not exceeding €1.5 billion.

Accordingly, the share capital increases that could be performed under the delegations of authority you are asked to approve would be capped as follows:

- a maximum aggregate par value amount of €185 million, or approximately 15% of the share capital, and a maximum issuance amount €1.25 billion for all issues without pre-emptive subscription rights, i.e. (i) issues carried out by a public offering or by private placement at a price that is at least equal to the weighted average of the last three stock market trading days preceding the price setting and less a potential maximum discount of 5%, (ii) issues carried out at a price that is at least equal to the weighted average of the last three stock market trading days preceding the price setting and less a potential maximum discount of 10%, and (iii) issues in payment for shares/securities tendered to a public exchange offer initiated by the Company, or as payment for contributions-in-kind to the Company;
- a maximum aggregate par value amount of €500 million (instead of €465 million under the previous delegation) and a maximum issuance amount of €3.5 billion (unchanged) for all issues, with or without pre-emptive subscription rights, for securities convertible, redeemable, exchangeable or otherwise exercisable for new shares of the Company, or granting a right to allocation of debt instruments.

Any Greenshoe option will of course be included in these caps.

In the event that securities are issued without pre-emptive subscription rights, the Board of Directors may grant shareholders a non-transferable preferential right to subscribe for the securities within the timeframe and terms and conditions that it will determine.

Should the Board of Directors use one or more of these delegations of authority, the statutory auditors shall draw up a special report for the Combined Shareholders' Meeting.

A table summarizing the delegations of authority and powers granted by the Combined Shareholders' Meeting to the Board of Directors with regard to share issues is provided on pages 183 to 186 of the Reference Document.