

Accenture's Investor & Analyst Conference

April 8, 2010

New York

William D. Green
Chairman & CEO

Good morning, everyone. I can't see a soul, especially you guys in the cheap seats, but thank you for being here. Before we get started, and Richard will kick us off, I just wanted to welcome everybody. We have not been together since November of 2008. We were reflecting as a team yesterday on the world as it was in November of 2008, and I think you guys were feeling it a little bit more than the rest of the world, in that everybody drafted right in behind the financial services industry, and we'd been through an interesting time.

Today, here, we're talking about looking ahead. And that's what you'll hear. And I'll describe in a little more detail what we're going to do this morning. But let's start with a video, because I think it does a good job of reminding people what we're really about. So, to the video.

[VIDEO]

Richard Clark
Managing Director – Investor Relations

Good morning, and welcome. I'm Richard Clark, I'm the Senior Managing Director of Investor Relations. It is my pleasure to welcome you this morning. The theme of our conference today is "Driving Growth." We have an outstanding program planned and have brought together some of our best business leaders for you today.

Let me remind you that some of the matters we will discuss in today's conference constitute forward-looking statements relating to Accenture's operations and results. We wish to caution investors not to place undue reliance on any such forward-looking statements. These forward-looking statements involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied in the presentations, including that our results of operations, including our ability to grow our revenue, could be adversely affected by economic and other conditions, and the effects of these conditions on our clients' businesses and the levels of business activity.

The risks also include, without limitation, the risks, uncertainties and other factors discussed under the Risk Factors heading in our most recent annual report on Form 10-K and other documents filed with or furnished to the Securities and Exchange Commission. As always, Accenture undertakes no duty to update any statements made in these presentations, or to conform such statements to actual results or changes in Accenture expectations.

I would also like to remind you that we will not be providing you with an update for or making comments related to our third quarter of fiscal 2010, or our business outlook for the rest of this fiscal year. So again, thanks for coming. I'm pleased to see you all here this morning. And it's my pleasure to introduce Bill Green, our Chairman & CEO.

William D. Green
Chairman & CEO

Thank you, Richard, for that inspiration to get the morning going. Let me just take a few minutes before we get started. We have spent a lot of time preparing for this, because it's really important to us, and it's always a good opportunity for us to really check where we are, and I think we found we had four days worth of stuff to tell you in four hours. So we did the best we could with some people that can be long-winded — not all of them, but some of them — to jam it in there tight and get at the stuff that is particularly relevant to you.

If you go back to November 2008, we were heading into the uncertainty and of course, when we went into 2009 calendar, the economy just started—and the wheels kept coming off. And I think it was a challenging time for every company and every industry in the end. And it was a challenging time for Accenture, and so we set our sights on how do we navigate through an incredibly tough environment? And what they say, you know, that which doesn't kill you makes you stronger. As we sit here, we look at our company today, we are a stronger and a better company than we've ever been in our history. But maybe more important than that, we're a better positioned company than we've ever been in our history. Because you learn a lot about yourself as you face the challenges. You learn a lot about how to compete, you learn a lot about how to be relevant, you learn a lot about how to win. And the other thing we did during the challenging time was invested in our business, because we operate with our business with a simple philosophy that we keep one foot in today and one foot in tomorrow. The foot in today is driving the business we have to deliver the best results we can. And the foot in tomorrow says we play a long-term game here. We've been at this a long time. We have had all kinds of threats, all kinds of new entrants, all kinds of challenges, and we stay the course and we overcome, and we continue to take this business forward. So, my mental model of where we are as a company right now is this. We had a great run from being a new public company to this last period of time, where growth slowed or stopped. When we look at our company today, I mean, really hard, look at our company, we got a hand that is better than we've ever had, in terms of the talent we have, our global footprint, the client relationships we have, the offerings, the new things we're doing, the nature of our business, our respect in doing high-performance delivered.

What you saw on that video this morning, that wasn't about coding or testing, it wasn't about selling hours. That was about delivering results. That was about companies and industries that

bet on us serving them. And that's the business we're in. All the other stuff is a means to an end. We make money doing it, but the thing we deliver in the end are business outcomes, and that's what differentiates us.

So, my mental model is: okay, we had a great run, we've just gone through this downturn. We're in a space right now where we can feel the growth coming back. We're at a time with the intersection of improving economies, incredible demands, competitive demands for our clients, to change, to evolve, to reposition, to reinvent, and to position for their next run. And it also intersects with a time where we spent 18 months building new assets, new offerings, new products, and doing a lot of things around human capital that it's going to take to power this business in the future. So that's the space that we're in right now. So when I look at our 2010, our 2010 is about delivering the results that we promised, but more importantly, it's about getting the momentum and being on a trajectory as we hit our 2011, to return us to the traditional Accenture trajectory of growth. And that's what we're focused on.

We planned it that way, even when it was a little harder to see where we were, and we've executed to it so far in this year. And that is the trajectory that we're on. And what you're going to hear today are proof positive about why we're well-positioned to do that.

I'd ask you to listen on three dimensions, because I think the growth is going to come from three different dimensions.

The first one is the core of Accenture, the stuff that we do every day, the stuff that the 181,000 people get out there and do, serving our clients. Our core is vibrant, it's healthy, we constantly reinvent it and tune it and refocus it, and raise our game. And you'll find that our core business, the flywheel that drives this company, is alive and well.

And then we're going to talk about some of the things we've added on top of that, which are new initiatives, new businesses, things that many of which can grow to be billion-dollar pieces of the rock one day, at different paces and different rates around the world, but a whole set of new services and capabilities that sit on top of the core.

And then the third thing we've been focused on in the last 12 months is our geographic expansion agenda. I've been in Mexico, Abu Dhabi, South Africa, China, all around the place. The opportunities we have to do what we do in our core and our new offerings, in a much broader geographic sense, are just incredible. And the interesting thing about those geographies is, those are the markets of the future. And we invested in those 20 years ago, to plant our flag, to start building capability, to build the relationships.

Entering emerging markets is always a question of timing, but I think we're at a time right now, where in 2010, you can feel power shift from north to south and from west to east. This is an excellent time for us to dial up the focus we have on taking all we do at Accenture to a whole new set of clients and a whole new set of markets, as well as continue to consistently serve our global clients in the markets where their business is going to grow in the future.

So we're pushing on the growth thing from every angle. And we feel incredibly good about where we're positioned. It's hard work, it's not easy, timing is a challenge, logistics are a challenge. I mean, this is not like falling off a log. But I think, importantly, it's about seeing the future, and positioning the company for the next trajectory of a run of growth, and improving economic performance. And so that's what we're all focused on as a leadership team, that's what the 180,000 men and women of Accenture are focused on, and that's what we wanted to give you a little bit of a peek under the hood at how we see all that unfolding today.

We'll get started right away. We're going to start by looking at this whole agenda through a couple of different lenses. I think the first lens is, we want to look at it through our growth platforms. As I say to the guys, you're not called growth platform for nothing. You're the guys that grow the business, and so, we've got our growth platform leaders here to talk about that. First, we're going to talk about management consulting. And I'd just like to make this distinction. We're going to talk about Accenture management consulting, because I think one of the things we realize is that it's important to get people to understand — everyone uses the term, management consulting — but it's important to understand our brand of that, and why it's different and why it matters.

Then we're going to talk through technology and outsourcing. I would ask you to think about what you hear on three dimensions. A strong, highly relevant core business, with growth and incredible headroom, even in our most penetrated markets. Incredible headroom, even in our most penetrated markets. The second is, you'll hear a series of new initiatives, offerings, call them what you will. We've talked about those on some of the last few earnings calls, in the areas of advanced technology, analytics, digital marketing, the cloud, so give you a sense for that. The thing that rides on top of that, that'll be the business for tomorrow, that we're already underway at doing today, and we're going to explain some of that to you.

Then we're going to touch on the dramatic momentum we have in our geographic expansion agenda. We have a board meeting, week after next. It has one agenda topic: geographic expansion. Our Board, being global travelers, are incredibly aligned with this, and they're going to be the stewards of how well we take Accenture to the next level in the markets of tomorrow, and position our business for the long haul. And the demand in those markets is incredible. So let's get started with Mark Foster, the brain trust of Accenture in many ways, the pioneer. We affectionately call him "the tip of the spear." So I'll let the tip of the spear come on up here and get you started.

Growth Platforms

Mark Foster

Group Chief Executive – Global Markets & Management Consulting

Thank you, Bill, and good morning, everyone. Delighted to be back with this group again. Particularly pleased, also, to be in this location. For those of you who don't know, I have a background in ancient history and archaeology, and I found some of the exhibits outside there pretty interesting.

But I'm mainly delighted to be here, because I'm talking about Accenture Management Consulting, and to Bill's point overall, this is a part of our business where we're already seeing great momentum. In fact, as he used the phrase, we have already got our "mo" back. I must admit, that's not a phrase that classicist from Oxford would normally use, but apparently, we have our mo back, and we very much do see momentum back in our business, but more importantly, also, a growth trajectory for very significant growth in this part of our business. Now, as Bill said, we want to focus on what we're talking about in terms of, what is Accenture Management Consulting?

I've been a management consultant now for 27 years. I spent most of that time trying to explain to my friends and family what it is I do for a living. And for some of you, you imagine management consultants as being that group of white shirt individuals, cloistered in the corner office by the CEOs, churning out slides and special studies. Some of you will think about management consultants as a boutique of specialist skills, coming up with ideas, but with no execution capability. And some of you will think of them as the extension of the advisory skills performed by audit companies, or the business consulting additions to technology organizations.

Well, certainly, we do do strategic work. We do have specialist skills and ideas. We are the trusted advisors of our clients. But fundamentally, at our heart, we are operational management consultants, with a very strong focus on getting things done, and a targeted emphasis on delivering the economic and stakeholder outcomes for our clients.

So when we look at our service lines — and these are the service lines you see presented on the slide here — when our strategists are engage in M&A activity, they're rolling up their sleeves, they're deep the divisions of the functions of clients, helping to bring and integrate those parts of the business.

When they're doing market-entry strategies, they're out in the marketplace opening up the channels for our clients as they look into new marketplaces. Our CRM teams are shaping and building and recruiting new sales forces. They're doing the marketing analytics, and they're helping to make interventions that actually do improve the customer experience for our clients.

Our finance and performance management people are building and creating shared services, they're streamlining the finance functions for our clients, and they're rolling out and deploying deep enterprise performance management capabilities across their global organizations. And our supply chain guys are in there designing and building logistics networks. They're planning and forecasting inventory, they're negotiating and sourcing contracts for suppliers, for our clients, as part of procurement transformation.

Every single one of our service lines has the same pragmatic focus, both the existing traditional service lines, and the newer service lines of Process Innovation & Performance and Risk Management, of which more are [*inaudible*]. And all of these also do this in the context of industry, and you'll hear later from Shawn how many of our people are so strongly also aligned to industry and do this work, this pragmatic work, in the context of the industries which our clients operate in.

So, we do, we compete with McKinsey, BCG, Bain. We compete with the Big Four. We compete with the regional players around the world in this management consulting space. But what is unique about our brand of Accenture Management Consulting is shown by this periodic table here, and the elements that are on it. The first is actually our value proposition, and I've touched on this already. But fundamentally, our value proposition is to help our clients go from issues to outcomes with pace, certainty and strategic agility.

We focus on issues, because we are able to listen to our clients, also bring insights from what we see around the world in terms of the right issues they should be focusing on. We are then focused on what kind of outcome they should achieve. Economic outcomes, broader stakeholder outcomes for their customers, for their employees and for their shareholders. And then we help them go on that journey with pace — pace is important, because the window of opportunity, to grab and seize opportunity, is shortening all the time. Certainty, because the risk of failure, both individually and corporately, is such a big issue these days, and with strategic agility, because we know that, when they get to the end of the journey, they need to have built the capabilities internally to be ready for the next jump they need to make. And that is at the heart of how we think about all that we do, every day, at Accenture Management Consulting. And that creates a unique client experience. We stand in their shoes, and we work effectively from the C-suite to the shop floor, and all levels in between, acting as a change transmission vehicle that helps them move change across functions, across geographies around the world, to achieve the goals they want to achieve.

We do this with an end-to-end approach that does work from diagnosis and exploration, through blueprinting, into execution, and into operations as well. You'll see later how much we're finding ourselves engaging our management consulting skills, not just in a project mode, but as part of the rhythm and the fabric of our clients' business models on a multi-year basis.

All of this is reinforced, and the speed and the pace and the certainty comes from the fact that we have proven assets. You will hear from Shawn later on about some of our industry assets, but our industry assets, our functional diagnostics, our technology tools, all these things help us to actually have a very strong and robust approach in the way that we work. And at the end of the day, all of this is brought to life through our talent and our culture, the 13,000 management consulting individuals around the world, the largest group of management consulting individuals of any organization, in industry, and in functional centers of excellence, linked together through a common culture. Trained together, working together with collaboration tools that allow us to really bind and drive our work collaboratively around the world in a very effective way.

And we're beginning to see ourselves taking the lead in the reinvention of this industry. Management consulting, rather ironically, for an industry that deals in change, is one of the least-changed industries that there has been, and we're starting to see through our new partnering models reports, our focus on value-based arrangements, our confidence in putting skin in the game with our clients, and seeing our rewards come back from that, is something that has been rising up as a very differentiated factor. During the downturn, well that was the only way the clients were going to pay for our services. But actually, there's a durable shift in buyer values. And we're right in the center of that, confident in that model, because of our executional, pragmatic operational heritage. So we see also, the new partnering models that come from

binding ourselves into the management rhythms of our clients. And with our analytic skillsets, combined with some of our BPO teams — and Mike's going to talk about that — our ability to help our clients, be part of their weekly rhythms, their monthly rhythms, their quarterly rhythms in terms of the insights we bring to them, and not just a project-based intervention.

And finally, of course, our differentiation comes from the fact, that we do all of this in the context of Accenture overall, and our ability to use the dynamics that we see here, to act as the tip of the spear, to pull through the rest of Accenture, our vision to work alongside our systems integration and BPO and other colleagues, to actually help transform our clients in the round. So those are the things that help us step out from the crowd, and how we define Accenture Management Consulting.

All of this, this differentiation, is why we've got the momentum that we have in our business. We have seen the momentum come back tremendously, quickly, in the past couple of quarters. We're already back at the levels we were at in terms of business activity before the downturn, and we had great resilience during the downturn. We stuck with our clients, and our clients stuck with us. There was some drop-off in the amount, the way they were biting off the work, and the size of the projects they were undertaking. We redirected our services to be relevant to the times they were in. But fundamentally, the number of transactions we undertook with our clients was actually the same throughout this period. And it means, we also, of course, captured new clients. So along with staying with the current clients, new clients came to us for the first time, because the pressures they faced in the downturn, the relevance of the offerings that we had.

But beyond our resilience is the growth trajectory that we're really excited about. We can see our way to a doubling of this part of our business over the next few years. The reason we can see that is because there's so much white space. There's white space in our core. Bill mentioned the power of our core. Each of our service lines, that list I put up there earlier on, has already returned to very substantial growth, and each of them has a huge amount of headroom in front of them, as well. We are actually the least penetrated of the growth platforms in our Foundation and Diamond clients. Therefore, we have upside for further penetration, further cross-fertilization of our skills. So we do see the opportunity for us to drive a great deal more work in our current clients with our core offerings.

We also have new offerings. Last time, I spoke to you about the launch of our sustainability offerings and our process & innovation performance offerings. Both of these have been thriving, particularly our process & innovation performance group, which we seeded with the acquisition of the George Group three years ago. That group has already doubled in size, growing its footprint from North America into Europe and proving to be really powerful in the whole operational excellence, Leading Six Sigma, operating model and innovation space. A very timely acquisition, we've been able to show the power of Accenture in scaling that. And you've seen recently the announcement of our new Risk Management service line. This is because we do see, already, in the financial services industry — and Pierre will reference this later on — but also in resources and trading, and more broadly, across industries, in a volatile world, risk management — pragmatic approaches to mitigating and planning and managing risk — is becoming a really powerful offering. And we see a real opportunity to grow in that space.

And of course, there's also geographic expansion, and I'll talk a little bit more about that in a moment, because we, too, are at the heart of thinking around how we can expand our services into the strategic growth marketplaces that are out there. But at the end, the real reason why we feel so confident about the growth potential is because of the client demand for our services that we can foresee out there in the period ahead, given the range of issues these clients are facing. Around the outside of this picture, you can see the macro trends that the world is dealing with right now, what we call the multi-polar worlds — I've become famous in Accenture for the multi-polar world, I think I even mentioned it last time I was here, I've even been called Mr. Multi-Polar occasionally, I think that's what they call me — and certainly, but what we see there is this dramatic globalization, two-way globalization, a shift of power, but it's playing itself out across a whole range of issues. It's also playing itself out in terms of technology, too, and you'll hear some of that from my technology colleagues later on, and the coming together of that technology and that wider business change around the world is creating new business models. It is leading industries to converge, and you'll hear about some of the convergence of retail from Janet later on. It's creating new models out there. And fundamentally, it's putting the T-word back on the table: transformation. We are very much, in our work that we've seen over the past quarter, and the sales we're seeing looking forward, we're seeing transformation return in the scale of the work our clients are asking us to do, and the nature of the projects and programs that we're embarking on with them.

And that transformation manifests itself in some really hot areas. The current hot areas, and we see them being durably hot over the period ahead, business restructuring. You've seen the reference earlier in the video about the fact that we've done over 570 M&A projects over the past five years, for more than 500 clients. We are the de facto standard for the deep integration around M&A. We're seeing that M&A world, though, expand into the world of de-mergers, as much as the world of M&A, and there's going to be a wider world in front of us, of new business models, consortia, joint ventures, and we're seeing that rising up as an area of massive growth for us around business restructuring.

In terms of profit and cash optimization, clearly, a massive topic for us while we've been helping clients to manage in the downturn. There's one global pharmaceutical company, who, over the last 18 months, we've driven out [\$]2 billion of working capital for them, all over the last 18 months, bringing together a cross-functional team, drawn from our different service lines, all on a value-based arrangement, leveraging analytics, leveraging speed of deployment with that organization, and also, building in them, the capability to go after the next billion themselves.

In terms of driving growth, growth is back on the agenda. We look at the work that our strategy guys and our CRM teams are doing now. We're seeing, people are back thinking around, how do I build new sales forces around the world in the consumer goods industry? We are seeing people look to build and develop new products and services, as we are for many of the telecoms companies around the world, and we're seeing, again, many of our value-based propositions are now shifting from not just being incented on taking out cost, but being incented on really building the businesses for our clients as well.

Operational excellence is the other side of the coin. Everyone wants to drive growth while remaining operationally excellent. And this is a really big theme for us. We've always been

experts around global operating models. If you look across the oil industry, all the oil majors, we've helped pretty much every single one of them think about how they get the balance right between global, regional and local; how they empower their local upstream teams to be truly entrepreneurial; but also, how they have process excellence running right the way through their businesses.

But we're also seeing, of course, the whole theme of Lean Six Sigma, and process reengineering returning as a very powerful theme, and our Process & Innovation Performance teams really help to bring that to life. Talent is really back on the agenda, too. Whether it's the re-skilling of our current workforces, whether it's around trying to find new talent pools around the world, and digging into those — you'll hear some of that from Adrian [Lajtha] later on — or indeed, around the whole issue of leadership, because this picture I've painted is an unbelievable leadership challenge for our clients, so whether you are a U. S. Government agency, an Indian conglomerate, a European chemicals company, all of them are looking to us to help them build their next generation of leaders, to help drive and manage in this world we see in front of us.

And of course, the emerging markets, the strategic growth markets, are a big part of this world. Bill mentioned all the places around the world that he has been traveling, well I also get, in this job, to travel a fair bit. In fact, I have been in the top 10 for B[ritish]A[irways] rather longer than I'd like as a result of it. When they are flying, of course. They have saved me that problem recently, so now I have been spreading myself a bit around some other players.

I was in India the other week. *[pointing to projected photo]* This is me standing beside a Tata Nano in Mumbai. For those of you who don't know about the Tata Nano, this is the \$3,000 car, designed bottom up to meet the bottom of the pyramid automotive need in India. You might think it is a bit of a small car, can a 6'3" man get inside it? The answer is yes, I can... with ease, but also look inside and you will see that the level of finish, the comfort. This has already been approved for sale in the U.K. This is going to be giving us all a run for our money. What this talks to is the emerging-market multinationals as our customers and clients. We already have many of them, I am pleased to say, on our Diamond client list, and in our Foundation client list. And if you see the confidence in the eyes of businessmen in Brazil, in India, in China, these are going to be coming out around the world, and we are working with them as they think about their global ambitions as well as helping our existing clients play and compete in these marketplaces. But this is a huge opportunity. This is a marketplace starting by being very much more value-based and skin-in-the-game focused than any other. So we are already helping some of these companies to actually even grow and sell more cars, but purely on a value-based model, and helping mobile phone companies in China up-sell their services to millions of customers around Shanghai.

At the end of the day, management consulting is all about talent. Our focus right now is on retaining and motivating the 13,000 men and women we have in management consulting around the world. The market for talent is "hotted" up dramatically. We are making sure that we have a career model, training and development that is really focused on keeping that group motivated and charging in the marketplace. But we are also adding a further two-and-a-half-thousand into that group in the course of this year, with a particular focus on more-senior skills. We are

bringing in some 50+ senior executives to help bolster our C-suite presence and our ability to help shape some of those transformational opportunities we see in front of us.

We are also leveraging other talent pools. Two or three years ago I talked to you about the launch of our Global Talent Innovation Network in India. That group has just hired its 500th person, 60% of that team are now working in on-shore teams. It is a talent play, they have great CVs, they are fitting in completely, and we are quite finding them to be a super form of talent but also a great center for our deep analytic capabilities as well. They have already served over 100 of the [Fortune] Global 500 in the past two or three years out of that group.

As we look forward, we also see that Accenture Management Consulting therefore does have a very robust story in its own right. We can see that trajectory towards very significant growth, but we also see the ability for that growth to pull through the rest of Accenture. We are working alongside Kevin [Campbell] and his colleagues, helping to do the process re-engineering, the change management, the journey navigation, that sits across our major ERP implementations. We are working alongside Mike [Salvino] and the BPO teams in doing the process transformation work and continuous improvement work that underpins their propositions.

And more importantly, looking forward to some of the new sources of growth, which you will hear about later on — whether it's analytics, mobility, plays in smart energy, connected health, which you will hear about from Steve [Rohleder] — all of these have our management consulting brainpower sitting inside. So I see a very, very positive story for our own growth, but also the role we will play in catalyzing the growth of Accenture overall. Thank you very much.

William D. Green
Chairman & CEO

Thank you, Mark. If you just listen to that, nobody has that stuff. You tell me who does that? I don't know who they are, because it's people that are out there that do that in their profession, they do it with us. So that just gives you a little sense for the tip of the spear. Now we are going to sort of turn over to Technology and Outsourcing. Let me start by asking Kevin and his band of merry men to come up. I will make a couple of comments while they are coming up here.

These are the horses. I don't know any other way to put it. That's a compliment. These guys have game, these guys have edge, these guys agitate, these guys are never satisfied with where we are, what we're doing, how much we're investing, and most important, these are client guys at heart. It's always said the E-Street band without Clarence Clemmons would be nothing, and I got my Big Man here that carries the band, if you will. So I will turn it over to you, Kevin, to introduce your guys and we will go from there. Thanks.

Kevin Campbell
Group Chief Executive – Technology

Thanks, Bill. Thanks everybody for attending. I think we have got a great story to tell and one that hopefully you will be excited about. I am thrilled to share with you what I consider to be one of the best hands in the technology marketplace. I couldn't be more proud of the team and the business I have the privilege to lead.

Seven months ago, Bill asked me to take over responsibility for technology and outsourcing. Since then, I am often asked, "What's different about Accenture technology?" In short:

- Our global reach — high touch, locally responsive, plus the efficiency of our global network, A.K.A., our footprint.
- Second, practical innovation — riding the waves of disruption and teaming with our alliance partners; the benefit of being the largest independent implementer of technology.
- Our combination of technology consulting and the deep industry and functional specialization that Mark talked about and you will hear more about as we go forward.
- Industrialized breadth of capability — costs on par with the competition, and industry-defining productivity levels, plus assets — assets that offer true differentiation and leverage.
- Plus the world's best people.

This is why we remain the firm that people like BMS, Pepsi and Unilever turn to when they want results and they want to drive change. This is what sets us apart. This combination, along with our experience, puts us right at the intersection where business, as Mark talked about, meets technology, positioning us uniquely to help clients drive business value and fuel our growth for the future.

Today what we want to cover with you — and we are covering a pretty big business in a short period of time, so we are going to move quickly — and we tried to pull out what we thought was the most relevant of the questions that you had on your minds, and if you don't mind, we will be direct in some of our answers, to cut through to what you want to hear. I am going to start out by sharing how we have revitalized our core offerings, how we're positioning our application development and application maintenance [AD/AM] business, also known to many of you as systems integration and application outsourcing, and how we're positioning it for significant profitable growth.

Next, Don Rippert, our CTO and one of the best and most recognized technology minds in the business, will share how we're investing in the future now. Then John Kaltenmark, leader of Technology Consulting, who I have also asked now to lead our combined [Infrastructure] Consulting and Infrastructure Outsourcing businesses, will share highlights of how we are driving the future today on such hot areas as virtualization, security and application renewal.

Then, Mike Salvino, one of the most experienced and savvy people in the world of BPO, will focus on leveraging our unique industry and function skills, along with growing our BPO business. Mike is truly sitting on top of a rocket.

So let me start by talking about our core offerings. One of the questions that I get often, and we mull ourselves, was, to what extent is there still growth in what is our core application development and application maintenance business? One of the first things I did when I got the job was I collected a lot of input — a good thing about Accenture is input is readily available, in all forms. I talked to our clients, I probably talked to about 70 CIOs during that time. Then I sat down with the leadership team and assessed what we had right, what we needed to improve, and we also wanted to make sure that we were positioned for growth, which we in our hearts believe is there.

We had a strong hand, but as you know, our competition is tough, so we set out to up our game. We started with the application development maintenance business, because it's the heart of what we do, and the largest part of what we do. We referred to it previously as Systems Integration and Application Outsourcing; most of you refer to it as Application Development and Maintenance. We took it apart, we looked at the pieces, and we refreshed what we had. We put it in the shop, we overhauled it, and we sent it back out, newer, better and stronger. As this picture shows, application development and maintenance follows what is called the V-model that you've probably seen from numerous people in software development. The bottom half of the V is the design, code, test and maintain. That's the piece that gets a lot of play from some of our Indian competitors and is often talked about by CIOs. It's an area, we have now established and verified, by an independent third party, that we are on par, and in some cases, ahead of our competition, all of our competition, in terms of cost. Cost and quality are the basis of competition in that bottom half of the V, and we are there, which was not true 12 to 18 months ago.

In the top of the V is where we've worked to increase our differentiation. We worked closely with Mark [Foster] and Shawn [Collinson] and the O[perating] Group leaders like Pierre [Nanterme] and Steve [Rohleder], to make sure that the industry, functional and process skills are driving real business change. That's where this is, where the hard work comes of deploying the systems, rolling them out across the globe, doing it in many countries. It's the complex program management that Mark talked about.

So in the end, with this, we believe we know that we have quality and cost on par or better than our competitors, and we have increased our differentiation that comes from our unique scale and experience. Plus, we now have the ability to sell in small bites, as clients might want to, or in projects, as we think we have a unique capability to do the hardest stuff that is out there, or to contract over a long period of time, to do the development and maintenance for a client.

Before I go much further, we've talked — and most of you have written about — our Global Delivery Network: 88,000 people, 50 centers, and we are very, very proud of this network, which has become the delivery engine for our company. But rather than me tell you about the clients and the network, we have put together a short video to let you see for yourself what we are so incredibly proud of. Roll the video.

[VIDEO]

As you can see from the video, we have a great story to tell. Maybe you didn't see as much, but the industry differentiation and the functional differentiation that is in those centers today is huge. We will hear today as we hear from Pierre [Nanterme] and Steve [Rohleder] and my friend Sander [van 't Noordende] there, that we have deep expertise in those centers, that we can demonstrate, so that they're not just centers where people come in and look at what theoretically could be. It is real live work that we are doing for clients.

With all of this, we are still not resting in the AD/AM space. We have very ambitious goals to continue to reduce our costs, increase our differentiation, and we are pushing productivity to new levels. For example, this year — and we believe productivity will become the differentiator in the years ahead — we did a significant pilot and had a third party confirm the productivity results. This third party said that we improved productivity 13% year on year, and we were one of the most productive teams in their entire database. We are going to spread this to all centers, to all projects, and we continue to believe that we have significant productivity gains to be had over the coming years.

So after improving our AD/AM offering, of course that wasn't it, we had a lot of input in lots of other areas that we needed to work on, and one of the questions we asked ourselves was, "Can application outsourcing return to significant growth?" I think some of you have asked that same question. Our answer is an emphatic "Yes." One of the key reasons is vendor consolidation. During the past 18 months we have participated in many competitions, not just on paper, but providing pricing, credentials, doing what-ifs on projects, lasting many times for six months and longer, and these were all very, very competitive.

We believe that we've won more than our fair share of these, and we refer to these as framework contracts. These framework contracts generally give the winners the right to maintenance and project work, either for specific functional areas within the company or for specific business units. We are starting to see these framework contracts, and the share we've gained there, generate revenue growth. Contracts for the like of BP, Henkel, BMW, Telefonica.

Another area that we focused on was that of our assets, and we wanted to change the way we develop and maintain our assets, and continue to increase the focus on that. We have a wide range of assets, from accelerators — for SAP, Oracle, SharePoint and so on — to software, to serve specific industry verticals. Pierre, this afternoon, will talk about how software assets are one of the key planks in our financial services strategy. We also have software in freight and logistics, human capital management, and we have several others that are on the drawing board or in the process. Today, we have a re-vamped group of over 1,800 dedicated people maintaining our assets.

The next question we asked ourselves, "Is ERP dead?" There are lots of questions on the license revenue, there are lots of questions on software as a service, about the SAP, Oracles, Microsofts, and even the open systems, and the answer we came up with is "No." And we were right, as we are starting to see those projects come back.

Most of our clients, during the downturn, reduced levels of spend on their projects, and some of them even stopped them, but now there is pent-up demand for accelerating roll-outs, so taking what might have taken a company five years and cutting three years off of it, something we think we are one of the few people that can do [this] for people.

There has been a lot of software sold that is what we call shelfware, and there is a lot to be done with that in driving the change, and there's a lot of expansions to new geographies, as Bill talked about earlier, that we can drive.

In the end, it only matters if these systems help the company operate better and drive business benefit. So together with Mark's team, we are very focused on programs that help people drive more business benefit. So ERP is alive and well and will drive our business for the years to come.

The next set of questions that we asked ourselves was how we could improve the yield — okay, we didn't ask this, Bill kept asking us — how can we improve the yield from our alliances, our Labs, which are a real asset, that not a lot of you know about, and in general, our emerging technologies like the cloud, software as a service, are they a threat or an opportunity?

Let me ask Don [Rippert] —AKA our birthday boy today, you can all wish him a happy birthday and go easy on him—to talk about this. Don?

Don Rippert
Chief Technology Officer and Managing Director – Technology

Thank you, Kevin. I appreciate it. I am the CTO of Accenture, and I am going to talk a little bit about what's coming up, what we're developing that will be areas of growth for the future.

One of the challenges you have in a position like mine, is that you have to balance between creativity and discipline. If you get too creative, then all you do is sit around a white board for months at a time, drawing Venn diagrams about how things are going to be. If you get too disciplined, you don't chase things that might pan out because you'll only chase them if they will pan out. So our Accenture Technology Labs are built to balance creativity and discipline. They are built to look around the corner at what's coming down the road. They are built to prevent us from being surprised, and they are built to allow us to capitalize on new technical trends.

We achieve the balance by having a fairly disciplined six-step process: Vision, Research, Prototyping, Pioneering Engagement, Limited Deployment and Full Deployment. The goal in taking anything through that process is to get a few things to full deployment, which means a billion dollars or more per year in revenue, so that is our end goal for the things we are working on. A lot more comes in the funnel than comes out at that scale, but enough has to come out at that scale that we are continuing to help Accenture grow.

I am going to give you a couple of examples of things that have been going through the funnel, and are getting toward the end of the funnel, I won't say exactly where they are, but they are not

at the very beginning. But before I do, I want to assure you that we have a lot of topics in the beginning of the funnel, a lot of work that we are doing in research and prototyping around near-field communication, software-defined radio, etc., things that we believe, at a high level, have opportunity for Accenture's growth several years from now.

But having said that — and I will invite any of you in the room to any one of our four labs, at any time you want to come; let me know and we will set it up and walk through any area of interest you have got in detail. But for now, let me talk about two things that have gone well into the funnel.

In 2002, we had predictive analytics in our vision statement for the first time. So we said to ourselves, “Sometime in the next five years, predictive analytics are going to be important to our customer base, and we need to start working on them.” In 2003, we went through the research stage, basically found that the analytics would only be as good as the data, and spent a fair amount of time on the structure and nature of data and meta-data during the research phase.

In 2004 to 2007, we did the pioneering engagements. We analyzed sensor data from bus systems, we analyzed sensor data from power turbines, we created re-routing procedures for oil and gas tanker shipping, in case of bottlenecks, and we continued to talk to our colleagues. We continued to talk with people like Mark Foster, with people in Accenture Marketing Sciences, with people like John Kaltenmark, who you are going to hear speak after me, about what we were learning and how we were finding these analytics to work and what we thought would be a successful application. And around 2008 the idea of a dynamic website that predicted customer intentions with a rule base came to coalition, came to fruition. It was between the Accenture Technology Labs and Marketing Sciences. This was a case where we had been looking around the corner for six years, working for six years, and we all, almost on the day that we had this discussion said to ourselves, “This is it. This is why we been doing it.” We’ve since then created Accenture Interactive. It’s a group within Accenture dedicated to building this next generation of customer marketing. We’ve purchased Maximine, we’ve purchased Memetrics. We’ve bought into Alchemy. We’ve added the analytics algorithms we’ve built over those years in the Labs. We transferred people in the Labs into Accenture Interactive. And we have built a reusable platform that can work at many difference companies, primarily on the foundation of Microsoft’s products. So we capitalized on one of our long-standing alliances with Microsoft to build this engine that’s now a big part of driving technically advanced growth and revenue for Accenture.

The second one I’ll give you, and a little more quickly moving, is Cloud. In 2007 we had Cloud in our vision for the first time. In 2008, we began to write prototypes to turn up and down environments on Amazon’s EC2. We developed a system for one of our federal customers that allowed bar-code duplications to be detected, run entirely in the Cloud. We’ve developed the Accenture Cloud success model, which is where we look at a client’s applications and decide which one would have the greatest economic impact if they were moved into one of the clouds. We’ve become a huge integrator for software as a service. We have project after project going right now with salesforce.com. We have a 10,000-seat project with Workday that we’re working on right now. We resell and implement BPOS with Microsoft. We have agreements with 30 difference companies that are in the Cloud space. Specific written, contractual agreements

between us and them. Our revenues are growing geometrically. I can only say so much, but our pipeline, or I should say our opportunity set, now is twice what it was last quarter at this time. So this thing is raining. The opportunities are raining. The engagements are raining. The size and velocity of the projects are getting bigger. We're getting more of them and they're getting bigger: \$40 million, \$50 million, \$60 million SaaS implementations are fairly common in our opportunity pipeline. These are not tiny little advisory-role projects, they are full-grown systems integration projects. And I think just as the architecture moved to client server, as the architecture moved to Internet-based, as the architecture moves to Cloud, we're going to be fully engaged helping our clients move to the Cloud, and we are fully engaged helping our clients move to the Cloud.

Looking forward, I'll take both of those things — analytics and Cloud. On the analytics side, kind of looking down the road, we have what we think is an absolutely knockout idea around analytics and security. It's a fairly arcane area, but when we talk about it with our partner companies that are in the security space, they're very excited about it. We're filing the patent paperwork now on it. We think we've got a tiger by the tail in a particular area of security around analytics. We're doing brute-force analytics. We take products like Cisco's UCS that has huge internal memory, we get all of the data in core, and we just crack the data against the data. We say we don't care why there's a relationship, we want to find every relationship between every data element and every other data element in the database. Then we are growing to sequence them based on the strength of that relationship, and then try to say, "Why is that relationship there?"

So rather than having a theory and pursuing it, you ask for everything. In Cloud, clearly, we're going to continue the systems integration work we're doing. We're getting the first projects of design, build, run in the Cloud. So we're picking up some AO work around Cloud-based applications. We will be working on remote infrastructure operations, something that's enabled by the Cloud, to allow our offshore capability to run infrastructure anywhere in the world.

We're the onramp for the industry Cloud. If you want to do a healthcare Cloud, you want to build one, you want to use one, and you need a company that understands technology, you need a company that understands that industry — you call us.

You say to us, "Hey, we want to build a Cloud that will help bring together the energy industry in the Middle East or that'll help bring together the healthcare industry in Asia. How do we do it?" And we're being asked that again and again. It plays to our twin strengths of technology and industry knowledge. And these are big projects. These are big, sweeping projects that I think are going to make, probably — the biggest difference that Cloud makes will be on the industry Cloud front.

Those are the things that are going on. There's a lot more but I've been asked to be relatively brief.

The final thing that I'd like to say is on the alliance side, we have alliances. You'll hear smart grid alliances. You'll hear alliances like Accenture Interactive with Microsoft. April the 5th was our 10th-year anniversary of Avanade, our joint venture between Accenture and Microsoft. We

have a privileged position with the core technology community; one reason for that privilege is that we're good at what we do. One reason for that privilege is we don't directly compete with them at what they're good at what they do. That privileged position means we get, kind of, a force multiplier. Now, I think, from a technology perspective, we carry the weight of a \$75 billion-a-year company because of that privileged position, because we can capitalize on their research development, their sales force, their opportunities, etc.

So bottom line, we've got a lot in the pipeline. We have a number of examples of things that have gone through the pipeline and are getting to that point of high yield in revenue. There are a number of others I'm pretty confident of. You never quite know until it gets through the pipeline a bit.

Our alliances are working well. We're projecting power beyond our already large size. We're punching above our weight class, and I see this upturn in the economy as a major opportunity for us to catalyze that technological innovation.

Thank you very much. Kevin?

Kevin Campbell
Group Chief Executive – Technology

Thanks, Don. And I have to say that, you know, I believe one of the underappreciated aspects of what we have is what Don and the team do with alliances and with the Labs. And it's practical innovation. It's innovation that finds its way into solving the hard problems for our clients.

One of the other areas when we were, you know, kind of, looking at what we had in the old bag, that we looked at was John and technology consulting.

What we wanted to do was we said to John, you know, "We know you've had good growth, but we need more. We want more." And that growth, right, can also drive a lot of other things in the rest of our business. So how do we get that more integrated? How do we drive the remote managed opportunity that Don just talked about with that? So John?

John Kaltenmark
Managing Director – Technology Consulting

Thanks, Kevin. So you probably got the idea, I think, my objectives are growth, growth and growth. And Bill emphasizes that. Kevin emphasizes it. A lot of things Don talked about, my team's job in technology consulting is to then scale them and scale them aggressively. Over the past three years since we've launched technology consulting, our CAGR has been over 20%. So we've had great growth.

Bill and I and Kevin sat down earlier this year. And they said, of course, "We need more growth." And being the corporate employee I am, I said, "Sure, we'll give you more growth."

That's our job." So that's where we're at. So what's the good news? The good news is, if you listen to the Q2 earnings call, as all of you did, I'm sure, you heard technology consulting had record bookings in the quarter. So we're off to a great start. We've got a lot of really positive momentum in the marketplace.

Now, why is that? So what's happening with our clients? I think it fundamentally comes down to this. Our clients, now, the business is talking about expansion, about revenue growth. IT has been in this massive cost-cutting mode on the infrastructure side, on the application side. You name it.

And what we've really started to see in our Financial Services industry and Communications industry in particular have really led this — and it started nine, 10 months ago, actually in Financial Services here in North America was kind of the leader. It said, "We've got a lot of legacy. We've got a lot of pent-up demand. And if we're going to get back into growth, we need to move from just pure cost-cutting to starting to make some investments." It started slowly, but as you can see from, our bookings and the pipeline, they've really picked up.

So they've turned to us really for two reasons. One, our clients view us as very independent. We're not tied to hardware or software solutions. There's a whole wave of technologies — Don talked about some of them, the Cloud, analytics — but there's so much out there. And the question is, "What's my IT strategy? What's my vision? What's the roadmap that we need to enable our business to drive that growth and not have IT, basically, be a chain with a big ball connected to it?"

And then, secondly, with what they've done in terms of cost-cutting and staff reductions, they need help, then, in implementing that roadmap, which is one of our key differentiators in the market, is not just defining the strategy and the roadmap, but taking through implementation and then running it.

So I'm going to hit on three areas very quickly that are some of the hottest areas in technology consulting. Let me first start on the infrastructure side.

So all of our clients have gone through some amount of infrastructure cost-cutting, consolidation, data center, server storage optimization, network optimization. What we've started to see, though, is really, the move to do some level of investment around the whole virtualization space in the infrastructure. You often hear this referred to as the "private cloud," but it's basically inside a company's firewall to really drive much more efficiency, there's a ton of cost takeout available by virtualizing their infrastructure. And then, on the flipside of that, virtualizing that infrastructure starts to drive a much more agile environment that can actually respond to the business and the amount of time it takes to deploy new solutions onto servers. Things like that are significantly reduced once you virtualize that infrastructure.

So in the market today, we're seeing a very significant move. And we believe every one of our clients, major companies and governments over the next two to three years, are going to be on this infrastructure virtualization bandwagon. They have to do it. And we're out there talking to them. We're out there working with them.

One of my favorite stories is the work we've done with Telstra. Interestingly, they outsource their infrastructure to one of our competitors. About 18 months ago, we got a call from their CIO, and he was concerned they weren't getting the value out of the contract. They felt they had a lot of legacy infrastructure and it wasn't moving, and their availability of their systems was very poor.

We did an assessment. And what that's led to, then, has been us working with them to virtualize a big chunk of their server environment. We took out over 900 servers that drove their internal IT server costs down by over 30%. And as we implemented this new technology, it gave us the opportunity to bring in our remote managed services and our team — in this case, one of our infrastructure outsourcing teams in India that has very, since deep skills in running virtualized environments — and we've since won a five-year outsourcing deal that has taken away that piece of work from a competitor.

We've got many, many projects like that happening all over the globe with many, many companies. And as I said, over the next two to three years, we expect that to significantly increase as every one of our clients goes through this transition.

The second area I'll talk about real quickly is the whole area of application portfolio optimization. So the business problem is this: Many of our clients have acquired many different companies; their application portfolios have just grown and grown. I can sit here and tell you some personal experiences I have, for example, with some of the telcos and wireless carriers I use, that they know me today as three different customers, because the systems they've bought or the companies they've bought, the systems have not changed. It's very, very difficult. It's a multi-year journey. But, what we've really seen that started even before the downturn, but it's really picked up as we've started to see over the last several months, is that companies understand, both from an agility perspective, but also from the perspective of, when they look at where they spend their IT money, there is a massive amount of money spent in that maintenance of all these redundant systems and solutions. So what we're seeing the most-progressive companies do is look at how they optimize that application portfolio. As I said, it's usually a three- to five-plus-year journey that they go on. And it looks at, "What do we consolidate? What do we retire? What do we renew? Where do we need enhancements? Should we move part of our portfolio to the Cloud?" And then, as a service type of model, all of that comes through.

An example of where I've worked at a large transportation company, in the HR area alone, when we did the assessment, there were over 600 applications. We've put a plan and are working with them now to bring that down to 17. Now, what's very interesting, you say, "Well, that's just a big application project." Well, guess what? Along with those 600 applications comes a whole set of business processes from all the different companies they've acquired over the last decade. And you have to rationalize, reengineer the business processes, bring in many of the things that Mark talked about to life in this company, just in the HR world, and you have to make the system changes to enable you to get to the end game and really realize those benefits and drive the cost out.

The third area is cyber security, the whole security world, which is not just the denial of attack and all you read about every day in the newspaper. It's also all the areas around data privacy and data protection. We're seeing significant uptick there. It's only going to pick up more as you get into the whole area of securing the Cloud.

What we believe uniquely positions Accenture in this space is it's not just a technology or security problem. It's absolutely part of that. But as you look at, not only the government sector, but protecting critical infrastructures around the globe — the utilities, the banks, the telcos — the solutions are very industry-specific. And what we're bringing to market is a combination of our industry expertise and our technology expertise that uniquely positions us to develop the right solutions for our clients.

Examples of the type of work we're doing — for example, on the data privacy side for a large retailer in North America, done a multi-year, over \$100 million program to remediate and enhance many of their applications that's enabled them to pass the PCI, the payment card infrastructure compliance that they must go through. So that's an example of a major initiative.

For U.S. VISIT, as part of the Department of Homeland Security, we're doing full-scale security, from the identity and access management around their applications for their employees and contractors to all the data-privacy components and border protection — you can imagine, there's a lot of very private data flowing back and forth — to, as they move in the Cloud, how do we best secure the Cloud?

So I've just highlighted three areas very quickly that we are seeing significant demand. They're very hot. And the charter around growth going forward that we have, and the opportunities there, has never been better. Our pipeline just keeps growing.

What we believe differentiates us, what we hear from our clients, really comes down to, Number 1, our independence from the hardware and software players; we come in with independent advice. Number 2, everything we do is focused on business outcomes; we have a transformational mindset. What's the value you're getting for your investment, driving towards those business outcomes? And Number 3, the Global Delivery Network we offer, we have it across the whole of the technology space, the industrialization it brings to drive those highly repeatable, high-quality solutions at speed, at the right price point for our clients.

So with all of that, I feel good about the commitments. We're charging full speed ahead. And back to you, Kevin.

Kevin Campbell
Group Chief Executive – Technology

Good. Thanks. And we know that 40% was the number we worked on. Okay. Although we've established BPO as a separate growth platform this year, we remain very tightly linked. And BPO was where we take the process work and the functional and industry expertise and our

technology skills to run processes on the behalf of our clients. So, Mike, why don't you tell us about why BPO is positioned for growth?

Michael Salvino
Group Chief Executive – Business Process Outsourcing

Thanks, Kevin. What I'd like to do is talk about how BPO is returning back to growth and how we're poised to take advantage of that growth.

I think what I see is I see we can take advantage of that growth in two dimensions. The first one is our core business, what Bill calls our core. And for BPO, that's F&A — finance and accounting — it's procurement, HR, learning, and our call-center offerings. And what we're seeing in the marketplace right now is we're seeing increased demand for those offerings. And what's awesome from an Accenture standpoint is the fact that those are the offerings that we execute very well on.

And more importantly, those are the offerings that we have highly referenceable clients that tell incredibly compelling stories to prospective buyers, which I think is critical in the marketplace to win.

The other thing that the experts say about the BPO market is one of the offerings that will grow the most in the near term is finance & accounting. And that's one of our stellar offerings. And I say this because, one, we've been in this space since 1991, when we signed our first contract with BP — and by the way, they're still a client of ours. And second is we continue to be recognized as a market leader in that space and get awards. In fact, recently, we just won an award for the work that we do at Microsoft in the F&A and BPO space, and this is a second award that that contract has won. So there is demand; we have solid offerings.

The next thing I want to highlight about our core offering business is we have delivery scale. We have 31,000 men and woman as part of that Global Delivery Network that are focused on BPO, across over 50 locations. And what that means to our clients is that anywhere in the world, we can provide the same look and feel from a service standpoint and also make sure that we can scale quickly, which is huge in this marketplace.

On the next thing that I want to talk about is I want to talk about cost to serve, because it's been mentioned a couple of times around our core business. And what we've done is we've worked very hard over the last couple of years to focus on cost to serve, which makes us incredibly price-competitive from a BPO standpoint in the marketplace. We continue to pull on the levers, such as onshore and offshore mix, such as the whole scalability of our pyramid, and also what we call seat utilization, which allows us to run processes across multiple shifts.

Now, the reason I highlight those levers is, when you have those levers, you're incredibly flexible in the marketplace to compete on price.

Now, having said that, our core business, we deliver very well on. And what we've been able to do because we deliver so well on that, we've been able to move our value proposition from the traditional BPO value proposition of saving clients costs and processing transactions better, we've been able to move that to what we call business value. You've heard that word, now, multiple times. What that means for us at BPO is it means driving revenue for our clients. And let me give you an example, playing off the example that John mentioned of Telstra.

As the marketplace comes back, our clients need to hire people. And as soon as they hire that staff, the next thing they need to do is they need to train them. So at Telstra, they hire roughly 500 folks a month. And what those folks are to do is to sell their products out in the marketplace. And we're using our learning BPO to take the speed, the competency of that staff, down by 13 weeks. And what that means is that staff can hit the marketplace 13 weeks sooner than they ever have before to generate more revenue for Telstra. That's a huge business value proposition that we have that differentiates us.

The last thing I'd like to highlight about our core business is we're also building the next generation of our BPO platform. And what this does is it takes all of our great self-service tools, it takes our operational metrics that show the continuous improvement that we do on our client's process, and it takes our analytics tools that we've developed over the years, and integrates them into one platform so that we can better bundle these core offerings together and provide back office solutions.

So that's why you guys can see why I'm so excited about our core business, or what Kevin refers to as the rocket that I'm sitting on. Okay?

The second dimension is industry-specific offerings. Those are also hot, what Bill affectionately calls the icing on the cake, because we've got the core BPO business, and then on top of that we're putting these industry-specific offerings. What we're doing is we're partnering with Mark and Shawn to really highlight the industry-specific offerings and combine that with our BPO ability, and launch businesses like our Navitaire business. Our Navitaire business serves the low-cost airlines marketplace, and it basically delivers everything but the plane to those airlines. And what I mean by that is it processes all the back-office transactions; it schedules the crews; it schedules the maintenance of the planes; and it also does all the reservation and ticket processing for those airlines.

So that's a perfect example of how we can take our industry skills from our consulting brethren and bundle that together with BPO operations to drive industry-specific offerings.

So in closing, I think our core business is awesome, and I think it's absolutely ready to grow. And I say this because we've got the offerings. We've got the scale of delivery. We're price-competitive. And we've got a differentiated value proposition.

So along with that business, that core business, along with our ability to launch industry-specific offerings, hopefully that shows you how we're going to be able to grow BPO in the future. Thanks.

Kevin Campbell
Group Chief Executive – Technology

Thanks. And let me just take one more minute and wrap up. I hope you can see why we're optimistic about our growth story and why we think we're well positioned for the future.

We see demand coming back. We plan to leverage the additional footprints that we've gained. We can sell in small deals, or we can do the most-complex work. And we have the broadest and deepest capabilities, and we're highly relevant in the technology ecosystem.

While we have formidable competitors out there, we are and remain the team to beat. I wouldn't bet against this team. Bill?

William D. Green
Chairman & CEO

Okay. I love these guys. Not pretty, but all power.

That's kind of my thing. At 11:00, we've got a webcast. My job is to make sure I got all this stuff from the morning in before 11:00. I'm not worried about you guys being angry at me, but I am worried about my CFO being angry at me. So we're just going to punch right through it. I think, what did we hear? When I listen to Mark's thing, I think we just get a sense for why we're different, who we are and what we're about. I think a lot of times people lose that, and looking at our competitors and us and, you know, people put you in a category in a class.

We are at an interesting time, really a defining time, I think, in terms of the economy, in terms of industries, and in terms of companies getting their game back, and in terms of companies deciding whether they're going to compete, win, and lead, or they're going to fade.

And that's the world we're in, and that drives tons of the consulting work. The other thing I think that's exciting is Mark mentioned the T word, the transformation word, which I guess it wasn't dead, but it was certainly asleep. But if you look at the challenges of the companies out there, to get from where they are to where they need to be, these are giant efforts that require strategy, process, technology and people talent to get them done.

I think, if you look at the technology side, you look at the engine of Accenture, in many ways. And that engine has been tuned up. It's relevant. We are incredibly well positioned as it relates to where technology is going. And we're doing the work now, right, that's going to be the work that defines the future of technology going forward.

So I want to thank you guys for that and thank you Mark. And we'll move right along here. Okay?

Industry Differentiation

William D. Green
Chairman & CEO

We're going to jump to the next section now, and this is going to be about driving industry growth. You know, we gave you a growth-platform view, and I look at the growth platform view as a horizontal view, right? And you could listen to us. You could listen to some of our competitors. You could decide, you know, where we are in the food chain and all of that. But one of the things that is incredibly interesting about the recovery, is a set of emerging buyer values. And those buyer values are focused on two things. They're focused on industry relevance. I know you can do that, but can you do it in my industry? And they're focused on been there/done that experience. Point at where you've done it before. I think that's where our industry dimension, which is incredibly unique to Accenture, comes out.

So I'll invite Shawn and the next crew to walk up to the stage here. Our industry skills and experience are in a class by themselves. They're unique to us. They're incredibly important for differentiation. They are the key to winning consulting business. And if you believe consulting is the tip of the spear and what we do in consulting we carry forward to execution and operation, our industry skills are indispensable for winning that business. They are also absolutely required for transformation. You don't do transformation — real transformation, outcomes-based transformation — without industry-relevant skills and been-there/done-that experience.

So what we've got up here are some of the campus celebrities, if you will, an interesting mix. Shawn here is one of my favorite guys, because he's a client partner at heart, a client guy like I, and he continues to lead one of our largest and most important clients. He also worked extensively in Resources and built one of the best industry programs on the planet. And no good deed goes unpunished, so we asked him to lead our industry program globally.

And then, we have Janet Hoffman here, who I see more on CNN than I see around the office. But Janet is very widely known and regarded in the retail industry. And then we, you know, brought up a couple of guys from the lines. The first one, Pierre Nanterme, my own Sarkozy, who's going to talk about financial services. You know, if you're financial services, you know, we might as well go right to the core of the calamity, right, ground zero. And I want you to hear what's going on in financial [services]. And then, of course, all of you know Steve, who helped me carry the business around for five years, and then he wanted something really fun to do, and we put him in, sort of, the next major space of huge change, Health & Public Service.

So, Shawn, let me just turn it over to you, and you can take it from here. And be conscious of my CFO and the time for me. Okay? Thank you.

Shawn Collinson

Managing Director – Industries & Market Innovation

Thank you very much, Bill. Thank you for that introduction. And good morning, everyone.

Bill mentioned I'm a client guy. I look after one of our clients. I also have responsibility now for driving our industry programs across Accenture. And I guess one of the things which Bill referred to there which is absolutely key, is [that] clients value industry skills in our people. It's a huge source of our differentiation. So what we as a group are going to do in the next little session here is tell you a little bit about how we do industry in Accenture and the focus and the emphasis which we put on it. And that focus is simple. It's a key part of our differentiation. It helps us to drive profitable growth and it helps us to outperform the markets and to beat the competition.

In a nutshell, I guess what I'm going to try and summarize at the front here and then we'll get some explanation to it, is what is special, unique or different about the way we do industry in Accenture? I mean, firstly we cover just about every industry and market combination you can think of around the world. Secondly, we have a structured and systematic approach to the way in which we manage industry throughout our organization and operating model. And you've heard quite a few cross-references to that already in the presentations already this morning.

Thirdly, we invest a lot of time and effort in understanding what are the change drivers and dynamics which are affecting all of our clients' industries and markets, so that we can be relevant to them, relevant in a way in which we invest in the right differentiation in terms of assets, offerings, solutions, knowledge capital, innovation centers, technology labs, and also how we can then tie together in an industry context, if you like, the core consulting, technology and outsourcing capabilities that Mark, Kevin and Mike talked to already this morning.

And lastly, what's special is our people. We have more industry-skilled people, we believe, than anybody else out there, and that's a huge part of our differentiation.

Clients sit at the heart of our business, clearly, and the way we organize ourselves to face off to those clients is through our five operating groups. Two of our operating group chief executives this morning are going to talk about the way we are bringing industry differentiation to bear in their verticals: Financial Services and Health & Public Service.

The way which we organize ourselves within those five operating groups is with an industry managing director responsible for each of those industries — from automotive through to utilities, if you go through the alphabet — whose job is to drive differentiation. Those people are my team who work jointly with me and the operating group chief executives in driving that differentiation.

You heard, if you saw on the video at the start of the presentation this morning, a little fact that was flashed up, a couple of facts actually. We work for 96 of the 100 companies in the Fortune Global 100 and we work for 75% of the Fortune Global 500. I mean, as I said already and the

little photographs here just illustrate that breadth of industry depth, all the different verticals which we work in. And it means that we have a huge relevance to the market.

The way in which I ask our industry managing directors to drive differentiation is around four simple things. Firstly, we need to have a clear strategy about what are the key forces which are impacting each of our clients in the verticals they serve—capital markets, automotive, utilities, health and public service—the themes and issues are different in each one. We invest — you see it on our logo, High Performance Delivered — insights around what makes a particular company a winner, what are the characteristics of a high-performing company. And that is a key part of the way in which we frame our industry strategies. That helps us decide where we should be making our investments, with whom, how and what, either building ourselves or through alliance partners so we can have differentiated capability to bring to the market. We connect that very rigorously through our sales channels so that we connect differentiation to the frontline, to our client partners — people like me, in my other role. And then lastly, we invest hugely in skills. And I'll say a bit more about that.

If I look at the opportunity space and growth — the G-word is the key theme of this presentation to all of you this morning — the number of verticals that we serve and the opportunities for change and our ability to be relevant for that is huge. It's just an enormous marketplace that we have in front of us. But I want to bring to life three themes. One is about new space within particular industry verticals. The second is about white space in existing industry verticals. And a third is about convergence space. And I'll explain what I mean by those.

You're going to see at some point I think in our presentation today a little video, which will showcase Sander [van 't Noordende] talking about the work we do with smart grids for utility companies. That is a great example of a new space. And the little logo there is one of the utility companies, providers of power generation, distribution, transmission to all of us.

Through our utilities industry strategy a couple of years ago, we pinpointed this as a huge opportunity area for Accenture. Power companies needed to deal with the twin demands, if you like, of energy policy, sustainability, and have better management of their power grids, both on the demand side and the supply side, so they could be more efficient. To do that, there's a lot of sensing automation, measurements, management of data so you can optimize and plan how you manage those grids better. That is very data-intensive. And we saw that as something, which we could be very relevant to.

We created a global team. We call it a foundation offering in our language, Accenture's Smart Grid Solutions for dedicated leadership. We set them the task of growing this business with a clear strategy around sales and building assets. We anchored it around the client — in this case it was Xcel Energy — and in particular, one of the leading smart-grid cities in the world, Boulder, Colorado. And we wanted to invest in building assets as well, so we could lock in some intellectual property and have a differentiation in the market.

We announced last month one of those assets, one of several, a thing we call Intelligent Network Data Enterprise. And basically that is like the central nervous system, which collects all of this

data from these vast amounts of sensors so that our utilities clients can then manage that and optimize the way they manage their grids.

From a cold start two years ago we've grown that business. I think you saw the headline; we have 75 projects in 15 different countries. It's a global approach. The money that's going into building out power grids is as much in the emerging world as in the mature. In fact, it's more so. We have projects in China, in Brazil, as well as US, Canada, Australia and Western Europe. And that business has gone from a cold start to some \$250 million today, and we see that as a \$1 billion-plus business, which we're well on the path to achieving.

So that's new space in a relatively dull and mature, in some people's books, industry — utilities. I hope none of you work for utility companies.

White space, my own industry is oil and gas, so just we looked again through an industry lens at what was going on in the oil and gas sector over the last sort of 12 to 18 months. And we pinpointed a particular segment of that around oilfield service companies, which we thought we could be very relevant to. There was latent demand for them to be cost-competitive. As the rollercoaster ride of what's happened to crude prices over the last two years, it's caused them to look at how they can take costs out on a massive scale so they can be competitive.

We constructed an industry-based proposition, which pulled together, if you like, our functional skills around supply chain and procurement, as well as consulting, as well as our outsourcing skills around finance accounting and procurement, particularly in that type of asset-based industry, and took those to the C-level of these clients. A bold value proposition based around deep insight into where the value was in their industry and how we could be helping them to take that cost out has led to some half a billion dollars of sales in that period. So that's white space.

So in my role as I look across a picture like this and all of the industries there, I just see multiple examples of this. There's new space, there's white space.

And the third theme, which I wanted to highlight here, which we see as important to growth, is what I would call convergence space. So by convergence, I suppose what we mean is the way in which industry boundaries are starting to blur and morph, you know, as clients look for competitive advantage or technology enables new business models, so one industry starts to butt up against another. Lots and lots of examples: comm[unication]s companies and high-tech companies as the currency has moved from the transaction to the digital content, that makes them need to know about each other's value chains. An agricultural business making sugarcane and an oil company selling transportation fuels, as you get into biofuels, they need to know how they're going to sort of put those two supply chains together and blend those fuels together and move it around the world. Or in infrastructure, massive amounts of money, partly by stimulus funding, going into building roads, railways, ports, put together transportation companies, construction companies, highly information-intensive in terms of IT.

The "so what" for us from all of those sorts of things is we need to figure out where we want to put our market, if you like, and how we're going to be relevant. And one of the things you saw

in Mark's chart earlier on if you spotted it was around intelligent infrastructure. That's another theme we have here.

Convergence in the retail sector is something which Janet [Hoffman] is going to talk to. And so the little photograph there shows not just if you like sort of core retail as you might imagine in terms of Fifth Avenue and sort of that type of channel, but the way in which retailing skills are being relevant across many other verticals as well.

The last theme, which I just wanted to sort of touch on, which I think is very important for our overall differentiation story here, is our people. We are a large company and we continue to grow. We need to have people with deep functional skills, deep technical skills, and deep industry skills. We have some 60,000 of our people who are hard-aligned to one of the industry verticals shown on this page, whether that's people doing industry consulting, building industry solutions, or providing industry services in consulting, technology and outsourcing, and that we think positions us very, very well, to the point I made earlier about the buyer value around industry differentiation.

So I guess in summary, what is different about the way which we're driving industry? The fact that we are here and we're talking industry to you means that it's a pervasive part of our model and it's one of the hidden things I think which really holds Accenture together.

We have a breadth and depth in terms of the industry verticals we serve, which is unparalleled. We have a systematic and structured approach to the way which we drive industry through our firm. We invest hugely in thought leadership insight so we can be relevant and sort of at the front end of the wave of new change coming to our clients. And we invest in building assets, either our own or through partnerships and alliances, around clients, which are tailored to be relevant to a particular industry vertical, and we build that deep industry skills in our people.

So with that as a setup, what I'd like to do is to pass to Janet, who is going to talk about retail as a particular growth area for us and some of the things which are going on there.

Janet Hoffman

Managing Director – Retail

Thank you, Shawn. Hopefully you have heard about our retail capabilities and the strength of our retail practice. I lead the team of highly skilled professionals that works for any key clients like Best Buy where we have developed and run some of their most critical IT systems, as well as some of their core processes, like indirect procurement, and every day show up and help them to execute on their most critical strategic initiatives.

And in Japan, we're working with Fast Retailing, one of the fastest-growing retailers in the world. We are helping them to expand a very aggressive growth agenda to go global. And we're very proud of our long-term relationship with Carrefour, where we have worked for over 20 years to help them to become a very successful retailer in the marketplace.

We work with five of the top global retail companies, as well as 100 other retailers. And we really focus on helping them to derive innovative solutions that drive improved performance. And we've been successful helping them to be successful even in this most challenging business climate that we're pleased to see passing.

What you probably don't know is that what we also do is focus on helping take these very specific and deep retail skills and capabilities to clients across a much broader spectrum of industries. At Accenture, we call this "retailization." And we think that there is a huge opportunity around retailization, as many, many different industries pursue getting closer to their customer and appreciate the value of the retail capabilities, but also retail formats and all of what that means.

So let me bring it to life for you just a little bit. If you think about companies, cable companies, for example, and CHT industry, communications and high tech, not a place you would expect to see retail. However, we are helping cable companies today, as they are opening stores. And what role do we play? We have the opportunity to help design the stores; define the products, the prices, and the underpinning technologies — the retail technologies that will help them to be successful as they becoming increasingly customer-centric and look to connect with their consumer in a retail format.

In oil and gas, Shawn's industry, we are working with clients to design very specific industry solutions that drive increased customer experiences at the point of sale, but also help to drive improved profitability and performance in the convenience-store sector of the oil and gas industry.

Another industry where we're seeing significant interest and uptake is in the banking industry, which Pierre [Nanterme] leads and will speak to. And in this group, while we started with a desire to bring retail capabilities and insights to the retail banking operations, we've quickly moved upstream to encompass the entire retail banking value chain.

So these are just a few examples of how retailization is coming to life. And what we are seeing and what we aspire to achieve, is by taking these core retail capabilities, recognizing the demand and, quite frankly, the success that we're seeing, and applying these capabilities across a broader spectrum of industries, that we will be the frontrunner in helping many, many different industries to achieve better customer connectivity through a retail format and retail capabilities.

We are quite excited about the possibility of retailization transforming these industries. And we also are very excited about what retailization means for the growth of Accenture.

Thank you.

William D. Green
Chairman & CEO

Thank you, Shawn. Thank you, Janet. I think what Shawn described is our industry program broadly and how we look at -- we have these intellectual debates on how many industries there are. And yesterday there were 20, then there were 40, there's 60, depends on how thin you slice the salami. But what really matters is competence and experience and skills in each of those, and that's a program that Shawn drives across the firm. And then Janet took you down one of the paths, retail, which has always been something we've been famous for, quite frankly, but then also to get you to understand how these industries are coming together.

These industries sit under the hood of one [of] five vehicles. The vehicles are our operating groups. And they cluster under there. They work together as teams. It's part of the differentiation. So we want to look at sort of the industries in action through our operating groups.

And first we're going to talk about Financial Services. When we were together 18 months ago, this group was imploding. I don't know of any better way to put it than that. And it was an incredibly tough sector for two years. And just before the downturn started, I asked Pierre to lead it, which he thought was a terrific idea and a great opportunity.

But I want you to look at what we do here, right, because this is about how we position during the reinvention of an industry. I mean, we had to operate, we had to navigate, we had to do all of that stuff. But we had to not only do that, but we had to position it for the future. And now we're starting to make the future happen. And we will be a dramatically stronger and more relevant player in the financial services industry in this next round than we ever were in the last round.

So, Pierre, as I mentioned, my Sarkozy, he is a warrior. I don't know any better way to describe him. You have to be to be in financial services, I guess, in the last couple of years. He had a tough hand; he has a great team. He's a client guy like me. And so he's going to describe the anatomy of financial services as we see it today and where we're taking it from here.

So, Pierre, over to you.

Pierre Nanterme
Group Chief Executive – Financial Services

Thank you, Bill, and good morning, everybody. So it seems that now I'm, what, Pierre Sarkozy [*inaudible*] Nanterme, so I don't know exactly how I should take that. Anyway, I am extremely pleased to be today in front of all of you to take you through our FS growth strategy. And it's probably very special to deliver the presentation in that very place, which is the place of John Pierpont Morgan, and as we all know, John Pierpont Morgan almost created that industry at the beginning of that century — at least in the U.S.; capital markets had been created in Italy a

couple of centuries ago. And he almost saved that industry in the early '30s when he created the Fed. So that's a very special place, indeed, to deliver that presentation.

Needless to say that our industry — and I'm going to say “our” because, I mean, you're part of the club, probably as much as me — that industry has been through some massive transformation since September '07. And clearly it is our intent to be a leader, if not the leader, in supporting that transformation. I mean, through leveraging our client relationships, I will come back to that, our deep industry expertise as mentioned by Shawn Collinson a few minutes ago, and provide differentiated assets.

We, of course, and you can see that in our vision, we want to work with the new leaders in that industry coming out of the crisis. And wherever they operate on the planet — whether they are leaders coming from the more-mature markets or they are the emerging leaders coming from the new emerging places, and I will come back to that — we want as well to provide unique and differentiated services, which [are] going to be relevant to the core of the business of that client industry of the industries we are serving: banking, insurance, and capital markets. And, of course, at the end of the day, we want to drive significant value and tangible results for those clients.

So in the few minutes, coming few minutes, I will get you through the kind of FS tour, discussing with you why we believe we're going to provide those differentiated assets and transform that industry and why in return it's going to provide growth for Accenture.

So in Financial Services, we developed a very specific and explicit integrated strategy, which is articulated around four what we are calling strategic imperatives. If you look at those strategic imperatives and start with the first one, most clients if [not] all of the industry will require significant reinvention driven by, first, probably government creativity — and indeed, our president in France is extremely active in the marketplace to provide that creativity — but as well with all of the new regulatory requirements.

Most of our clients and the players will have to significantly transform and significantly invest in their operating model just to comply with what we are calling the “new normal,” which is being competitive in the marketplace and delivering new profits in that new context.

As we all know, the economic growth is going to be potentially significantly different — it's going to be definitely true in Europe — between the more mature markets and the emerging markets. And for our clients to capture more growth it's going to require definitely geographic expansion. And at the end of the day, if they want to execute their strategy and transform themselves, they will need solutions, assets and technology to grow and expand their customer base.

So now let's get started with the tour, if you will, of financial services, starting with the new regulations. I mean, you all know as experts in that industry that new regulation will affect all of the three industries — banking, insurance, and capital markets. You all heard about the Basel thing, the Basel II, the Basel III, now the Solvency II, as well the new directive in capital markets. All of this is going to significantly affect our industry. And as we speak and since the

beginning of this fiscal year, we are currently working for 50 clients in the risk management space. And if you take only Q2, or Q2 alone, we added 30 clients and seven in the context of Solvency II. So here we have a great momentum and are getting good traction.

If you're looking at our management consulting sales related to this risk management, they are up 40% for the first part of the year. And to shape that demand we have in the context of risk management, we are leveraging the 400 practitioners, deep experts, we have located in 10 hubs around the planet, to serve our clients.

If you're looking at some of our clients we're working with, you would find [European life insurer], you would find Credit Suisse, you would find [Europe-based global financial institution], as well as SunTrust, just to name a few.

Consolidation has been playing a big role in our industry this last 18 months. And I'm very pleased to report that [a leading industry analyst] named Accenture as the leader in the M&A service market. And I'm just going to read a quote. And they said that we are "well positioned to act as a strategic partner throughout the entire M&A deal cycle."

If you are taking financial services only in the last 12 months, we've been associated with 50 transactions around the world, from the US to the UK, from Australia to Japan, and from Germany to Latin America.

We are supporting Santander in all their acquisition integration in Latin America, as well as throughout Europe. In Latin America and especially in Brazil, we are associated with the three largest mergers: with Banco Itau, with Banco do Brasil, and Santander I mentioned. Here in that place in the US, we are working with one of the largest investment banks in their post-merger integration to create one of the largest wealth management companies on the planet.

If you're looking at our M&A sales, they doubled in the first six months of that fiscal year. And, again, we are leveraging around 350 deep practitioners with Mark Foster [that] we have located around the globe to shape those M&A transactions.

If you move into our strategic imperative number two, which was all about supporting the transformation of our clients, of course, all our clients will need to rationalize their cost. If you take a reasonably large European bank or a large bank — one of the top 20 — that kind of institution will have to reduce cost in the range of \$1 billion per annum. So this is a huge amount of money, so they will have definitely to do things extremely differently.

If you take Royal and Sun Alliance, the UK insurer, we are helping them reduce their expense by £270 million. We [help] run their customer service, we [help] run their back office, we [help] run their IT. We have implemented, as well, our own proprietary solution in claims and policy admin[istration] just to support them.

We are growing our practice in Process & Innovation Performance — Mark Foster mentioned that before — and, again, as we speak, we are working with a bank like BNP Paribas in France, leveraging our Lean Six Sigma approach in order to improve their reporting cycle.

In procurement BPO, just to play back on Mike Salvino, what he mentioned before on BPO, we are in financial services the leading provider in that space as with Everest. We are working with clients such as Deutsche Bank, Comerica, and typically we are delivering savings in the range of 25% to the 30%.

And as we speak today, we are in what I would call discussions with one of the large European banks to provide infrastructure outsourcing services that will deliver very significant savings and transform the operation of that bank.

But rationalized cost will not be enough. And as has been mentioned by all of the technology group and Don and John just before me, clients will have to invest as well in innovation. And we believe that the kind of new technology, including those mentioned by Don, by John, coming out of the [Accenture Technology] Labs, will be critical for our clients if they want to grow and expand their customer base.

As an illustration, Accenture has recently launched AMOS mobile payment application. And as we speak, we are developing several conversations around the world with banking as well as with payment agencies.

For Generali, the Italian insurers, we have developed an application over the iPhone to provide services to their financial advisors so they can access their customer base and transaction through the iPhone.

As well, we are teaming with SAS in the context of predictive analytics. And in the context of financial services, this is something we want to apply in credit risk management, but as well in the context of reducing fraud.

Moving quickly to the next one, as I mentioned before, growth will come with geographic expansion. On that very specific topic, we are currently executing a program with 16 of our global clients. And those 16 clients represent a quarter of our business. What it is we are doing differently for them, we establish, and especially in Asia, hubs, Financial Services hubs. We already opened Hong Kong, we already opened Singapore, and we're going to open a Financial Services Center of Excellence in Shanghai, and I will be there next week. What it is we are doing with those hubs and Center of Excellence, we are moving extremely qualified professionals from the more mature markets to those emerging countries to provide the kind of services and deep expertise that is required by those global clients to grow in that space.

Just a number for you, 40% of the revenues we are doing with those 16 global clients is now coming outside their home geography. And this number is getting bigger. So, again, we are getting good traction with our activity with global clients.

But, as well, when you are looking at global expansion, it's as well important for us to grow in those mature markets and to some extent to be a little bit less dependent of the legacy financial services centers. I don't know whether New York is going to be a legacy financial services center, probably not. We love being in New York. I love that place personally, the same with London, of course, Paris. But anyway, we know that the world is shifting to new places — Hong

Kong, Shanghai and the other financial centers are getting bigger. Just figure out that if you take Latin America and APAC, even during the crisis, we've been growing double digits in those places. And this is our expectation to continue to grow and to have that part of the world represent a significant part of our business moving forward.

I am extremely pleased to report and that's a kind of new news, that we established in Brazil our first Diamond client relationship. You know how important it is to grow Diamond clients; I think Bill mentioned that before. And just figure out as well that during the crisis in this last 18 months, we developed nine new Diamond relationships during the crisis, adding up now to 22 Diamond clients within Financial Services.

As I'm communicating new news, as well, I'm extremely excited with the landmark win that we just signed a few days ago in South Korea, which as well is a tribute to our growth and global expansion, which is a strategic technology partnership we are signing with one of the leading conglomerates in Korea to provide financial services support in Korea, but potentially as well throughout Asia. So that's something as well very significant. And in that partnership, we are again leveraging our proprietary assets.

As I'm talking about assets, you might have noticed that for my presentation I come back a lot around assets, solutions, software. It's a very significant part of our strategy in Financial Services, and I think it's been highlighted as well by my friend Kevin [Campbell] here as being at the heart of our strategy. In Financial Services we are already a leading provider in financial services solutions. We invested many years, and it started of course with my predecessors in that role who invested many years in developing our own proprietary solutions and software, specifically in banking and insurance, as well as developing strategic partnerships with the leading providers in software such as Oracle, SAP, Murex and Calypso.

Just figure out that in banking, our Alnova core banking solution has been implemented in more than 100 banks in 20 countries and another good news as well, we are starting our first implementation of our Alnova core banking solution here in the U.S. to support the expansion of a large Spanish bank.

But as well, we are the leading implementation partner, if you will, for SAP's banking solution. Commonwealth Bank of Australia selected SAP as their core banking system. And we are making the implementation of that solution in what they are calling their 'core banking modernization' program. And they have selected us to implement SAP because of our large-scale transformation and integration skills.

Insurance: Our proprietary assets are already recognized as the market leader, and again, I'm very pleased to report that in June 2009, which is quite recent, Accenture's claim solution received a strong positive, which is the highest ranking delivered by Gartner¹. And just a few

¹ Source: Gartner, MarketScope for North American Property & Casualty Insurance Claims Administration Systems, June 9, 2009. The MarketScope is copyrighted June 9, 2009 by Gartner, Inc. and is reused with permission. The MarketScope is an evaluation of a marketplace at and for a specific time period. It depicts Gartner's analysis of how certain vendors measure against criteria for that marketplace, as defined by Gartner. Gartner does not endorse any vendor, product or service depicted in the MarketScope, and does not advise technology users to select only those vendors with the highest rating. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

numbers: this solution is used by 65,000 claims professionals managing 40 million insurance claims per year, almost a third of all the insurance claims you have in the U.S. The good news, as well, is that we expanded outside of the U.S. and now we are providing our solution to Sompo, which is the leading property and casualty insurance company in Japan.

And, again, in life insurance, I'm very pleased to report to you that Aegon has selected our life insurance platform called ALIP to provide policy admin[istration] services in the United States, as well as Singapore and Hong Kong. And if you take just our asset sales in fiscal year '09, they represent a quarter of our business and 40% of our sales [are] asset-based.

So, as I'm getting quite late now, just to wrap up, we are in Accenture very proud of this. I mean, first, I believe that the industry dynamic is presenting the opportunity now for us to grow and to develop and I would say F[inancial] S[ervices] is back. And we are working very hard every day to earn the trust and the confidence from our clients. Just look at this quote, and I'm very pleased with what you can read, which is a comment from the group's COO, Mr. Fuster, from Santander and probably Santander now is evaluated as the best bank in the world, or at least in the top three or four best banks in the world. I think this is just demonstrating that indeed we are indeed bringing differentiation and value.

So at the end of the day I'm confident that we have the right strategy in place, and I'm confident that that strategy will drive the kind of growth you should expect from us as the leader in the marketplace. Thank you for your attention.

William D. Green
Chairman & CEO

Thank you, Pierre. Now we're going to switch over and take you through another example. And I think if you think about where financial services was, how do you position it, it was a short time ago we asked Steve [Rohleder] to suit up again, I guess, and get back on the field and lead another piece of the economy, which whether we like it or not, is becoming a bigger piece of the economy. But there's incredible transformation on the horizon. So why don't you take us through it, Steve.

Steve Rohleder
Group Chief Executive – Health & Public Service

Thanks Bill. It's a pleasure to be back amongst you guys. I can tell you honestly I don't miss the earnings calls and all your great questions, but it is fun to come back and talk to y'all.

What I thought I'd do for the next 15 minutes or so is take you through a quick ride of both Health and Public Service, give you an idea of some of the market context and the trends that we're seeing, and then talk to you about what we're going to do to respond to the market. And it's a market that is evolving, changing and reforming, and I think that puts us right in the center of a lot of opportunity.

So there are some common characteristics between the two markets. First of all, as you probably know, both industries are under a tremendous amount of cost pressure. Whether it's budget deficits and the capital structure in the public service side or the cost structure in the health care side. Both industries are increasingly relying on technology as a source of productivity improvements and improved outcomes. And both industries are focused on new business models that are brought about by public policy and, as Bill said, public policy is increasingly playing an active role in the shaping of both of these industries as we move forward in the next two or three years.

So let me talk a little bit about health. I want to cover four trends that we're seeing and then I want to talk about, in the context of those four trends, what our response to those trends is going to be.

First of all, cost pressure. I talked a little bit about the tremendous cost pressure that the health care industry is undergoing right now. Let me just give you some context. Eight of the G-20 countries in the world right now spend over 10% of their GDP on health care. That number is going to increase by over 50%, to 13, by 2012. Every [day], 10,000 more people in the United States, are eligible for Medicare.

The current legislation that was passed, according to the Congressional Budget Office, is not going to do much to reduce this cost escalation. In fact, they estimate that it'll be about a \$143 billion reduction over 10 years on a multi-trillion-dollar deficit.

So the fact is our clients, our payers and providers, are increasingly have to deal with cost pressure. So what are we doing to respond to it? First, on the payer side, we have an application called our Core Administration System. That package and that solution, if you will, involves eligibility, enrollment and payment claims processing. We've installed that for eight of the top 10 payers in the United States. And on average we've achieved a 40% reduction in operating costs and a 10% increase in operating margin for those clients. Our goal is to push that into a broader footprint within the United States — the nonprofits and the Blues — as well as expand outside the United States in Europe and Asia Pacific.

On the Provider side, we have opportunity in the revenue cycle management process. This process handles everything from scheduling, appointments, execution and billing, and it's one of the most inefficient processes right now that providers run. We believe, based on our experience to date in this industry, that we can generate 3-4% additional revenue for provider communities and increase their cash flow by 10%. Our ability to bring consulting, technology and BPO outsourcing together to provide an outsourced service will be at the heart of this solution.

The second trend that we have is health care going digital. You see a lot of press around electronic medical records, and really, this is the first step in terms of our clients really being able to capture and manipulate data in the electronic medical records field. We've installed over the last 10 years over 100 electronic medical records systems. We've done that in the U.S. and in Canada, in the U.K., in South Africa, in Singapore and Australia. We've got opportunities now outside of the U.S. in Abu Dhabi, in Israel, in the Nordic and in the Netherlands. I will tell you that I say that because while we believe that electronic medical records is important in the United

States, it's just as important outside of the United States, and it gives you a sense of our global breadth and reach in this area. Of the organizations that have achieved Level 7 — which is the highest level that you can achieve in EMR installations — we've been involved in 70% of those installations.

So I share this with you to give you a sense that we've not only worked in this area but we're going to expand in this area. My goal is to triple the number of clinicians that we have on staff by 2012 to support the growth in this area.

We've also begun to invest in building out capabilities in the areas of Cerner, Meditech and Epic — leading-edge EMR technology providers. We are going to build the capability using the Global Delivery Network that Kevin described, in Chennai and in Manila, to support this wave of implementations that will be occurring over the next three to five years.

The third trend is connected health. Once we have the data input into the medical record system, it's going to be a very important trend — and we're already seeing this emerge — to connect providers, payers and other members of the health care community, if you will. This provides the highway, if you will, the data highway to really achieve monumental change. It also provides the foundation for tele-medicine and other mobile computing applications that could transform this industry. Right now we have an opportunity with the Ministry of Health in an Asia Pacific country. We have 15 opportunities that we're looking at in the States with three active proposals under way in the health information exchange arena. And this will take hold. It's done it in other countries. You can see in some of the Nordic countries and in Israel, where they've moved from EMR to connected health to the fourth trend, which is decisions based on evidence.

So you can see the waves of change happening in the health care industry right now. Health care organizations want to be able to make decisions based on evidence. If we're going to change the way health care is provided and drive down costs and drive up the quality of care, we will have to standardize treatment protocols.

One of the early stories I got from one of our clients when I took this job was from a chief medical officer at Stanford. He was educating me a little bit on the industry and he said, Steve one of the key things is to really standardize processes and protocols around things like diabetes and heart disease. He said do you know how long it takes once a standard treatment procedure has been authorized and blessed by the AMA to work its way into the U.S. health care system? I said, no. It takes 13 years. Think about it. Thirteen years to standardize protocols. What we have to do is be able to help share information and drive evidence-based medicine based on analytics. And data analytics, I believe, is going to be the foundation of how this change really occurs. And we are going to invest and move into this area right now. It's still very early stage, but I can assure you that it's one of the top three investment areas that we're going to be making in the health care business.

So in summary, we have a global deliver network of health professionals and we have centers in Manila and Chennai right now. We're going to be building another one in Singapore. Those centers of excellence are focused on specific areas of health. We have experience in deploying

health IT systems globally. And most importantly, we're able to drive issue to outcome and then get paid on that basis. That's a really important point in this market.

Let me move real quickly to public service. I'll give you a little bit of context in our Public Service business. Over the last 24 months, over \$2 trillion has been spent in the 10 largest countries in stimulus. So think about pumping \$2 trillion of stimulus money out into the economies of the 10 largest countries.

Those same countries, if you look at how their revenue collection has moved over that same period, it's actually gone down 37%. So think about that. I call it bipolar government. You give out a lot of money and you don't take in as much as you need. So it has created an incredible deficit gap, not only in the United States, but in other countries. You see it in Greece, you see it in Portugal, you've seen things happening in Ireland and other European countries. That is an important trend that we have to recognize that is going to drive business for Accenture.

We go to market in five different industries in Public Service. I've picked two to talk about, our two largest, both Revenue and Human Services, because I think it will actually give you some insight into some of the trends that we're seeing around revenue maximization, a greater demand for social services, and a real focus to reduce costs and drive streamlined operations.

So our push for revenue maximization. We've been in the revenue industry for about 30 years. We do work for 57 different agencies in 28 countries, and \$500 billion of revenue is either collected or managed by systems that Accenture has put in. So it's safe to say we have some deep industry experience in this area.

What do I see as the trends that are going to drive our growth? First of all, we're going to see a stronger push using some of our commercial applications to value-based arrangements in the revenue area. We've got experience in this, two of which I'd cite. In the United States; one in Arizona, where we've been working for the last six years and delivered over \$400 million of savings to the state. Another one in Maryland, just recently we've begun working with in the last eight months; we've been able to deliver \$24 million of additional revenue.

So the deep industry expertise, coupled with our technology capability and our outsourcing capability, allow us to go into these clients, analyze their operations and drive substantive outcomes on a value basis.

The second trend in [the] revenue area will be all about new systems and modernizations of the existing systems. We just recently converted a system for the Australian Tax Office, an agency that's celebrating 100 years of existence and just went through the first major modernization.

The commissioner sat down and he said, "Steve, I just want to tell you where we're headed and what our journey is. Now that we have this foundation of technology, what I believe we need to do is take it another step in terms of analytics and apply predictive analytics to the revenue-collection process, because we're not going to be able to add new taxes. What we have to do is squeeze productivity around the revenue collection activities that we have right now." He said, "I want you guys to be involved, because you have the experience, you have the reach, you know

what's happening in this industry.” And I think that's very telling about how we're going to be part of the fabric of a number of these public-service segments as we move forward.

In human services, I want to talk a little bit about the trend that we're seeing in terms of what we're calling a demand for social welfare or the safety net. When we define human services, we include unemployment, health care, pensions, child support, and child welfare all under one basket. I've got three examples that I'll use real quickly to describe what's happening there.

Number one, in our federal health space. In August we made a decision to really get focused on going after the U.S. federal health space and pulling in skills from our payer and provider environment, or our industry, I should say. We've been able to create over \$1.5 billion of opportunities in three primary agencies: the Social Security Agency, HHS [Health & Human Services] and VA [Veterans Administration]. We expect in the next two to three months to hear the early returns on proposals that have already been submitted and are under evaluation. I believe that kind of focus and that kind of synergy between these two industries has helped us create a market and take advantage of a market and bring some commercial skills that we never would have been able to bring in our old structure.

The second area I'll talk about is unemployment. That's top of mind for every politician in the United States. Six years ago we started working with the German federal government. We put in a job-matching system to address increasing unemployment. Since then, we've put 10 million Germans to work. We do 3 million job matches every single day, and we've reduced their processing costs by 20%. That system has been transferred to West Virginia, and we believe that we can take that to other states in the United States to really address a creative way of hitting the unemployment issue in this country. So stay tuned for more on that.

The last point I'll make in human services is around cross-jurisdictional delivery systems. We designed a concept that we call “Family First.” Basically what it does is it breaks down the individual stovepipes of human services and takes a holistic family or individual view. We really patterned this after some of our experience with the Norwegian Social Security Agency, the City of New York and the 39 counties in California that we worked with in the human services area. Here in New York, we've combined 35 different social services programs across 15 agencies and eight different federal funding streams to deliver streamlined human services to the individuals within the city. I think it's a really unique trend that we're going to be able to take and apply to other municipal jurisdictions, but more importantly, state jurisdictions as they look to cut costs.

So in public service, while it is a very volatile market right now — we've got 30 some odd gubernatorial races happening, we've got the election in the U.K. and we have a potential election in Japan — I believe we are taking our existing solutions into the market, pulling from our commercial experience and really going into the market very aggressively to address and create demand in this changing market.

So just to close, overall the health and public service markets are two markets that are under tremendous pressure. There's no question about that. They're highly fragmented and they're ripe for new business models. The industries are starving for innovative ideas right now, and they

look for an ability to execute above all. Our clients are demanding new ways to rationalize their costs as they look to deliver more-efficient services and better outcomes. These industries are transforming under necessity. I'll sit here and tell you that they're looking for a partner that they can count on, a partner that has skin in the game, a partner that has industry experience, and a partner that delivers outcomes. Going forward, more often than not, I believe that partner of choice is going to be Accenture. Thank you, Bill.

William D. Green
Chairman & CEO

Thank you, Steve. I think you can see that the best jobs in Accenture are driving the business, and I think I've picked two of our best people to drive these businesses. They don't happen by themselves. These businesses in themselves are bigger than many of our competitors. And if you get what we just went through, then you get Accenture. If you understand the industry, the depth, the breadth, the skills, the content, and how you drive the thing, then you get it about us and why we're confident in our future. So I want to thank this group for all you've done here and all you continue to do. I'm delighted to get them back to work, frankly, now that they've done this. But I think this says a lot about the heart and soul of our company. Thank you.

I'm going to bring up the next group right now. I'm going to try to punch through this. I'm going to play a video while I give you guys a 10-minute stretch break, and then that's all I can do to land the thing at 11:00.

Performance Excellence

William D. Green
Chairman & CEO

Let me just talk about what we got going on right here. We talk a lot about differentiation in this company. A lot about differentiation. I think what you saw this morning — our growth platforms, what we're doing, how we're driving the business and what you saw on our industry programs and what we're doing there and how you see how all that, the intersection of growth platforms and industries, intersect in terms of how we drive business, we outlined — those are powerful differentiators.

But there's another thing about Accenture and why we lead, and that is the category I would call the secret sauce. This is the stuff that you can't articulate particularly well. You can't put your finger on. There's no idea how to replicate it. It's something that comes in the DNA of the company. It's something that comes in our history and our heritage and our core values and what we think about people and what we think about talent and what we think about high performance as a company.

All that other stuff is incredibly important, but I think one of the things that makes things different is this. Differentiation at the end of the day in our business, there's two things. It's talent, better talent pound for pound, person for person, country by country, than the other guys. The other thing it is is superior execution. Better at doing what we do than the other guys. Those are the things that set you apart, and the people that drive that setting apart at Accenture are these three.

So Jill Smart, I don't know what we call Jill Smart, although she looks after 181,000 people, so I guess HR by trade but spiritual leader and so forth. And then Adrian Lajtha, who is our chief leadership officer and has a variety of roles, but we want to talk about our human capital strategy, because it's not just about people today, it's about a people agenda, the assets of Accenture. Other companies will talk to you about their products or their plants, and we talk to you about our people, because that's what makes us go.

And then Jeff Osbourne, our chief performance officer, which is about raising our game and putting distance between ourselves and our competitors in terms of how we execute. So Jill, it's over to you.

Jill Smart
Chief Human Resources Officer

[VIDEO]

Those are some very big numbers — 50,000 [new recruits], 11 million [CVs each year] — very big numbers. Last night I was actually looking at the script from the last time I was here with you. I wasn't with you the last time, it was two conferences ago. And some of the words that I used about the numbers we were hiring then, which was about 40,000 people, were “overwhelming,” “a little startling,” “a little bit nervous.” Well, I'm not nervous or startled or overwhelmed anymore about those numbers because we've done it for several years now. Yes, last year with the economic downturn it wasn't quite as high, but this will be the third year that we will recruit more than 50,000 people. So we know how to do it. Now there are some differences now. When I talk to my peers at other companies, they are still overwhelmed by those numbers and they're in awe of it, but we're not anymore. You saw in the video today some of our clients talk about how what differentiates us is our talent. And they were very specific; it was about the size, the number of people we have to be able to serve them, the global reach, and the deep skills. So while Bill talks about how some of the best jobs are in the growth and leading the industry, personally, I think I have the best job. How much better could it be, how more jazzed could you be to have to hire 50,000 people, and as Bill says I have to go find 50,000 more of the best people on the planet to join those that we have.

So let's talk a little about how we have to do that, how can I hire 50,000 people this year, 2 million CVs and resumes. I really think there's two things, I'll try and simplify it. One is we have to offer a career experience that is compelling, attractive and outstanding, and there has to be a variety of those, because now the kinds of people we hire are very different than the kinds of people we used to hire. A number of years ago, where the majority of our people were off of

universities, that's not true anymore. The majority of our people, even though we still hire in the universities, the majority of the people that we hire are coming to use from somewhere else and are typically very happy at the job they have already. So we have to find ways to attract them and to get them to even see us.

This year we're hiring some very senior, very seasoned people, so it is a different approach that we have to do. So we have to have the career opportunities and we have to have a world-class, best-on-planet recruiting machine, and we have that. But it has to change, it has to evolve. So yes, we use a lot of the traditional recruiting mechanisms. But you saw from the video that we're really moving into some new space so we can get to people and get them to see us while they're on the move. Whether it's using Linked In to create communities. Our recruiters even Tweet — my kids love that I can talk about this and I can also prove to them why you don't put things on Facebook that you don't want a recruiter to know someday.

We have to be relevant, so we're using those kinds of things and we're creating our own applications, and an example of the tweeting is where we might put some information out and start tweeting about offerings that we have, what we're doing for our clients, and the community comes to us. So those are the kinds of things we need to do.

The other thing that we're really focused on is our Accenture family. We have a lot of alums out there and we have a lot of employees, and they know what it takes to be successful at Accenture, and typically they will not refer someone to us that they don't think would be good for Accenture. So our goal by 2012 is to have the social media and this Accenture family of referrals be the top two mechanisms for us to get our recruits. So that's a goal that we've set for ourselves.

Once we get our people we have to make sure we can integrate them and develop them, and so we continue to have a relentless — relentless — focus on developing our people. The most important and effective way to develop people is their job experience. So we make sure that we are very focused on the blend of industry and technical assignments, repeat assignments in industries, or the variety, depending on what the person wants. But the relentless focus on development does also include our training and our professional development.

Year after year, we've spent hundreds of millions of dollars on development. You saw the numbers of hours. But we have to really keep re-inventing that development, because the population of people that we have is evolving. There are some things that we will not let go, so for example, we still do a lot of classroom training and we still bring people together from all over the world, because that's how they go to market. And so we need to train them that way. They can't learn everything virtually. But yet we also have to be able to get those nuggets out there, so we're using mobile apps a lot more than we did before, moving a lot to e-learning, but finding the right balance.

Cost is also a factor. With a population this big, we have to be very conscientious about how we spend our development dollars.

We're also doing a lot of very specific industry training. You heard a lot of talk today about the industry, so we keep re-inventing the training that we have. So when we get the people, and then we develop them, we want to retain them. Yes, our attrition — and you saw from our quarterly earnings — our attrition is going up. That is not unique to us. During a recession, just like we had you will see attrition plummet, go way down. And when you get out of the recession it does start to go back up. For us it actually is not yet at, and hopefully it won't be, at pre-recession levels. But you also have to understand that our business model actually needs attrition in order to have accelerated career paths and in order to have relevant deep skills, we have to have some of that turnover to make sure that we are keeping up with what our clients need. So there's a healthy amount, but we want to make sure it never becomes unhealthy. So what do we do to make sure we are retaining the right people that we need, with the right skills.

Marketplace-competitive rewards is something that it's almost kind of a foundation, you have to offer that. Typically, I know there might be a few exceptions, but that's not what differentiates. It's really for us — our people tell us this over and over again — it's the career experience; it's the work they do; the difference they make at clients and the opportunities for them to learn and grow. With a population of people we have now, not everyone wants one career path right, up or out, not everyone wants that. So what we've had to do is really differentiate the career paths that we have. So we still have very accelerated career paths, but for example, one of the career paths that we just are implementing in the last year or so is called the consulting expert career path, where someone who is a very, very deep — by qualifications — expert in a particular area, can continue to keep that expertise even if they would like to have a landing point and stay at a certain level but yet reap the premium rewards for that experience and that expertise that they have.

We've also been working with Mark to renew the Management Consulting accelerated career path. So there's a lot that we're doing to make sure that we're keeping and getting the best people on the planet. We're not afraid of our numbers anymore, and in fact it jazzes us up every day. The growth that we have is dependent on the talent growth, and we have the machine in place, we're back up, to be able to recruit those numbers. We've never lost our focus on our development. And we never lose our focus on this much-more-differentiated career opportunity for our people. So thank you.

William D. Green
Chairman & CEO

Thank you, Jill. Let's move to Adrian. On the earnings call I mentioned — I think on the last two calls — that in the last year we completed a human capital strategy, not only did we complete it, but we executed against and are. And as I mentioned earlier, other companies talk about their product plans for the future or they are talking about their plants and infrastructure plans, and we talk about human capital, 'cause that's what makes us go. And here is the man...

Adrian Lajtha
Chief Leadership Officer

Thank you very much, indeed. I'm a rather large bit of ham in an otherwise rather good-looking sandwich here. But, I'm delighted to have a chance to just give you a snapshot of what we mean by human capital strategy. You heard Bill's remarks earlier. You heard our passionate belief in great companies about one foot in today, one foot in tomorrow. You just heard from Jill about the unbelievable talent engines we have in place for today at Accenture, for recruitment, for development. We're very proud of them. We think they're incredibly differentiating and truly world-class.

But we're not satisfied with just addressing today's talent and leadership needs, we are simultaneously focused on the future. And over the next several years, defining our future talent, future leadership needs, and then, crucially, as Bill says, starting to put in place the building blocks to realize that future set of talent and leadership needs, to get them in place.

A key part of my role the past couple of years as Chief Leadership Officer has been leading in our development of our human capital strategy work. But I'll tell you, every single member of the Executive Leadership Team has played a role in the development of our human capital strategy. And we've gone about it with the same level of rigor, the same level of seriousness and purpose, as we would for the refreshment of our business strategy as a whole. And we've done that because we believe, for the subject matter of talent and leadership and culture is an important part of human capital strategy, are just a critical piece of the differentiation for Accenture, not just for today, but for the foreseeable future.

So where we are today with Accenture's human capital strategy, we have in place now today a comprehensive, very confident, very robust picture of the future for our talent, our leadership and our culture out over the next several years. This strategy also describes the changes we need to put in place to realize that future vision, to take advantage of some of the opportunities you heard from the guys earlier on today, in a dramatically shifting global landscape, and to capitalize on this stunning platform we already have in place today, with its global footprint, and the talent engines that we can take advantage of to win disproportionate share of future talent and position ourselves for that next generation of leaders.

So the story is very much one of — as you heard from Mark, you heard from Shawn, you heard from the teams — a huge dialing up in the specialization agenda, more specialized skills, accelerating much more rapidly the development of the next generation of leaders in Accenture. It's also about, ever strong as you heard from Jill, value propositions for our people across all of the different businesses that we have within Accenture. And perhaps above all, the human capital strategy is a story about substantial future growth.

The strategy has been endorsed by the Board. All of our energies now as a leadership team are around implementation of the strategy. We're well on the way with that execution. And what the team here up front thinks we have with this, is actually, the language we use is, it's a means of future-proofing our differentiation. And I think that's quite a neat way of thinking about the unique and distinctive predictive strategic approach we've taken to looking into the future. I

may have that view, I'm of course biased, but I'll tell you we're also now taking it out into client land. And we're doing that for two reasons. We're doing it to go to all of our clients around the world, across all industries to compare notes and to assess the uniqueness of the proposition as it relates to Accenture. But of course, also, crucially, we're doing it to actually get to our clients with a view about how we apply human capital strategy disciplines to their own human capital agendas, their own talent needs, and as you heard from Mark, a critical, critical rising area of need for them. And I'll tell you what one client said to me. He said, "What you have here," with what we presented, "is truly a blueprint for how the world's largest global companies need to think, plan and act on human capital strategy to drive their differentiation and growth."

We thought that was pretty cool. What we're now doing is actually turning our attentions to the commercial opportunity with our clients, which are substantial. So what do we actually have? What we have against the dimensions of talent, leadership and culture. For talent, we now know what our critical talent segments, our critical talent needs will be as over the next several years, and, crucially, we will know where we need that talent. And as you heard from Jill, we're now building those distinctive talent management processes, the talent management approaches, for this different talent needs out into the future, with the dialing up of industry skills, function skills, technical skills, across our geographies everywhere.

On leadership, we now know what we're looking for, we know what we want in terms of that next generation of Accenture leaders. And again, crucially, we know where we want those leaders. We have programs now in flight with a particular emphasis on the strategic growth markets that you heard about, where the agenda for the acceleration of leaders to develop is probably the all-important, elusive prize for many organizations. Well we're going to crack that. We have programs in place around succession planning, around recruitment, as you heard, but also about fast-forwarding high-potential leadership development in those markets and also around global mobility: moving our leaders to where they need to be to help lead and drive this growth of ours in to the future.

Just in the past two months, members of this leadership team up here have been in many of these growth markets — in Russia, in China, in Brazil, in South Africa. In fact, next month, Bill and I go back to China, where we will co-lead the Leadership Development Program there. In fact, this will be the fourth year we've done that together for our high potential leadership candidates coming through in China. So, all over the world, that leadership bench is growing. And I can tell you that when we look at the quality of the bench strength of that next generation of leaders coming through, we're thrilled with what we see.

And, finally, around our culture. Not always the easiest thing to get one's arms around, but such a really, really important part of what makes the magic and the character of this company of ours. We've looked at that hard. We've tested its relevance for the future. We've looked at our core values. We've actually thought about the needs of that next younger generation of professionals joining us now and yet to join us. And I can tell you that we've been able to validate the resilience of what we have in place. We know we need to adapt some things in our culture. And we've started those cultural shifts already in hand.

So across those dimensions, what I hope you have is a sense of the power of that future vision. And I know that with the clarity that we now have of the future picture, together with the quality of our current footprint and our current platforms, we have what nobody else has out in the marketplace. No competitor. No clients we've come across yet, in terms of a real basis for believing we can future-proof our differentiation.

William D. Green
Chairman & CEO

Thank you, Adrian. And, lastly, 'cause these two folks have talked about superior talent, and I'll ask Jeff to talk about superior execution.

Jeff Osborne
Chief Performance Officer

Thanks, Bill. We just have a couple of minutes and that's really all I need to really tee up what we're doing around superior execution. If you think about our culture of high performance, it's superior execution that really distinguishes us from the rest of the pack. We do execution extremely well.

If you think about it, if we were to promise our clients high performance, we'd set an expectation, we'd create an expectation. But when we deliver high performance, we create a brand. And that's what we've done. So what we're going to do is continue as we drive the growth in the market that you've heard today. We bring on board 50,000 new recruits. It's critical that we maintain that culture of delivering high performance to our clients and to our shareholders.

One of the ways that we're going to do that is a program we're calling Performance Excellence. And that's really an approach for us to really have a disciplined and robust way of how we think, how we make leadership decisions, and how we run the place, frankly. Now that's not new to us. Performance excellence is something we've been doing quite a while. In fact, the last four or five years, we've really seen this take off in several areas of our business. Let me just give you a couple of examples.

One that I'm most familiar with, in our outsourcing business. Now business process outsourcing has really taken this approach to operational maturity across those 50 delivery centers, and we're now operating at our highest, best-ever levels of service quality, efficiency and productivity.

In our consulting business, in the Process & Innovation Performance practice that Mark talked about, we've been extremely successful in taking our Lean Six Sigma expertise and helping our clients really drive cost-competitiveness, differentiation and growth. So whether it's internal, for our own operation, or external, this stuff works, okay. So we've figured out how to make it work and what we're doing is we're really expanding it to really be a company-wide focus. So we're now going to penetrate every area of our business with performance excellence.

And when we do that, there are really three things that we're going to focus on: One, our culture of innovation and first-time excellence. Everybody knows that it cost 10 times more to fix a problem downstream. Get it right the first time. Continue for us to eliminate re-work, eliminate false starts and do-overs. Getting a mindset and a DNA around first-time excellence and continuing to drive that within our firm. That's one of our qualities that we're going to continue to push. The second one is around our end-to end delivery engine. That Global Delivery Network that's scalable that we talked about. The wide variety of offerings that we have. It's time for us to continue to shift from sort of an inspection-based quality to more of a designed-in quality. So when we look at those offerings — the way we design them, the way we solution them, the way we deliver them — making sure that those offerings are capable, they're repeatable and they're profitable.

And the final area will be around process and functional excellence. We got a large company. We've have a lot of business processes and functions. We need to make sure that those are lean, those are efficient and those are simple. Being simple to do business with internally and externally is what we're all about. Bottom-line, performance excellence is about how we're going to take our superior execution and we're going to raise our game. It's about Accenture on its best day, every day. And I'm personally excited and privileged to be able to lead this effort as we drive and increase our high performance game.

William D. Green
Chairman & CEO

Thank you, Jeff. Evangelist by day, ninja at night, that's Osborne. I like him because he's focusing on how we raise our game with the clients, and he's going to work with Pam and her team and others on how we raise the game internally. So you'll see a lot more from Jeff as we go.

I think we have time for a quick stretch break. We're going to play a video while you're on your way out – it's a good video but I don't have the six minutes to make you sit in the seats, so get up, do what you need to do, get back in and we're going to get going.

Thank you panel; excellent.

[VIDEO]

Financial Presentation

Richard Clark

Managing Director – Investor Relations

Good Morning, I'm Richard Clark, Senior Managing Director of Investor Relations. Let me welcome those of you that are joining us on the webcast, as well as welcome those of you back from your brief break.

Those of you that are joining us today via the webcast will be able to find the remarks from the earlier part of our session posted to the Investor Relations section of our website. We expect to have that posted over the next day.

Before I introduce our Chairman & CEO Bill Green, I would like to remind you that some of the matters we will discuss in today's investor conference constitute forward-looking statements relating to Accenture's operations and results. We wish to caution investors not to place undue reliance on any such forward-looking statements. In particular, our financial goals concerning local-currency revenue growth, earnings-per-share growth and our intent to return cash to shareholders through dividends and share buybacks are forward-looking statements. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in this presentation, including that our results of operation, including our ability to grow our revenue, could be adversely affected by economic and other conditions and the effects of these conditions on our clients' businesses and the levels of business activity. The risks also include, without limitation, the risks, uncertainties, and other factors discussed under the Risk Factors heading in our most recent annual report on the Form 10-K and other documents filed or furnished to the SEC.

As always, Accenture undertakes no duty to update any statements made in these presentations or to conform such statements to actual results or changes in Accenture's expectations.

Today's presentations will reference certain non-GAAP financial measures, which we believe provide useful information for investors. We will include reconciliation of those measures to GAAP on the Investor Relations section of our website at Accenture.com.

I would also like to remind you that we will not be providing you with an update for or making any comments related to our third quarter of fiscal 2010 or our business outlook for the remainder of this fiscal year. With that, let me turn it over to Bill Green, our Chairman & CEO.

William D. Green

Chairman & CEO

Thank you, Richard, and I know this is the part that you guys have really been waiting for. In fact, yesterday when we were making all our guys rehearse, when we finally got to Pam I said, "They're just waiting for Pam." But I hope this morning gave you a sense for what's underneath

the hood of this place, what makes it go, and why as we stand back and look at the future we feel good about it. Why our core business is rich and vital and filled with energy. Why we have a series of new initiatives, products, programs, enhancements that will extend the services that we provide our clients. And how we're going to take all the things we have and do today and establish leadership positions in all the markets of the future.

And so, that's what we're all about, and that's what we show up to do every day and drive this business. A lot of that is our foot in today, but a lot of it is also our foot in tomorrow. But one of the things we also take a lot of pride in is, we can't hold ourselves out to help other companies achieve high performance if we're not a high-performance company ourselves. And some of the things you saw about what we do around people, what we do around performance excellence, are about that. But one of the other things has to do with our financial management and our financial leadership as a company. So how does one take 181,000 people worth of stuff, a business that operates in 120 countries, that serves between 20 and 40 industries — depending on whatever we resolved the other day — and boil it down into a game plan, and something we can put a stake in the ground and lead with and follow. So that's what Pam and her team have done on your behalf over the last bit of time. So I'm going to turn it over now to our CFO, and in my mind the industry's best CFO, Pam Craig, to take you through how we see the future.

Pamela Craig
Chief Financial Officer

Good Morning, it's always exciting for me to see our top leaders together showcasing the great things we are doing to drive growth around the world, across so many dimensions in pretty much every industry. Now my job is to try to pull all this together, all the compelling things you've heard this morning, through a financial lens. And I will get to some specifics on our financial goals and insights into our expectations for fiscal year 2011 for you in a moment.

Before we do that, let's take stock of where we are. In the eight years we've been a public company, we've seen more economic headwinds than tailwinds — and despite that, have powered through and delivered very strong results. We have been, and remain, laser focused on superior financial execution, with superior financial returns. So to set the stage for our financial goals, let me briefly reflect on how Accenture has performed over the last eight years.

As most of you know, we've been operating as a public company since July 2001, so we've completed eight fiscal years as a public company. We're very proud of what we've accomplished over that eight-year period. We've grown revenue at a compound annual growth rate of 9% in US dollars, even after taking into account the down years at the beginning and at the end of the period, and that represented 7% in local currency.

We've grown EPS at a 23% compound annual growth rate. We've generated [\$]15 billion in free cash flow and returned [\$]13.5 billion, or just shy of 90%, to shareholders through share repurchases and dividends. And repurchased 440 million shares and increased our public ownership from 14% in 2002 to 84% today.

Looking more closely at our historical revenue growth rate in local currency, we took a look at how we've performed relative to an estimate of the market over the last cycle, which is fiscal '03 to fiscal '09. The market estimate was based on IDC data of growth in local currency in the IT services industry. At a compound annual growth rate of 9% in local currency, which includes 0% in 2009, we consistently grew above the market on average by 4%, which is almost twice the estimate of market growth.

So, while we're proud of our history so far, let's look forward. The first thing to look at is our addressable market. And that market is currently estimated to grow in total 4% in FY2011, 5% in FY2012, and 5.6% in FY2013, for a three-year compounded annual growth rate of approximately 5%. This forecast does reflect GDP estimates across our addressable markets.

Now here, you can see our projected addressable market specifically includes forecasts of management consulting, technology and BPO. We rely on external analyst data from IDC and Gartner for these estimates, and then consolidated a view that aligns as close as we can get it to our addressable market. And as you can see, higher market growth is predicted in both management consulting and BPO. And as Mark Foster shared with us this morning, we're already seeing signs in management consulting of this momentum, or "mo" as he called it.

So, our first financial goal is for revenue growth in local currency, and our goal is to grow faster than the market. You just saw the estimated market growth rate, with 4% in FY11. We believe that we can grow faster, and are therefore targeting 7-10% net revenue growth in local currency for FY11 — which means we see our revenue growth coming from both growth in our addressable market and increased share of wallet.

The past five quarters have been challenging to forecast. As we move toward recovery and into a growth market, we do have better visibility into our business. Our focus, as our speakers communicated this morning, remains on delivering value, expanding the breadth and depth of our services with current clients, attracting new clients to Accenture, and leveraging our very strong global marketplace position. You've heard a lot of evidence today about the strength of our business, how we are differentiated, and the multitude of opportunities to drive growth. We are confident that we have the space to grow our business by 7-10% in FY11.

We've run a lot of analytics on this potential growth. We first looked at GDP in the countries where we operate as a way to triangulate on our expected market growth. We then cross-checked this analysis across our global industries, geographies, the three growth platforms, the areas for expansion, and even clients in order to build our confidence in our visibility. Also our target of 7-10% growth includes any modest-scale acquisitions, which, as we have said before, we see as strategic for enhancing skills or expanding geographic capabilities. So let me just break this down a little, the revenue.

As Bill mentioned earlier this morning, we see the growth coming first and foremost from our core, as well as from new businesses we're building on top of that and from geographic expansion. But we see, and you heard this morning, about what we see, a lot of white space in our core. Taking those value for money ideas and services to existing clients, new clients, and helping re-invent industries like financial services. Taking special skills in stand-alone industries

like retail into white space in all the other industries that serve consumers. Doing ERP rollouts and then running them as core BPO businesses and other big chunks like the, I think Mark said, the 570 merger integration projects we have going, and what John talked about, virtualizing infrastructures around our client base. So we therefore continue to feel good about the opportunities for growing and extending the core in fiscal year '11 and beyond.

Now you saw a couple of slides ago that the market growth for technology is a little under what we see as our market overall. For the three-year period it was 4%, and the market around 5%. When it comes to our business, we've taken that into account that more of the work we will do will continue to shift to lower-cost locations. You can see in this slide that we are in different stages, largely driven by demand in that evolution. In the BPO business, the shift is for all intent and purposes, complete. In application outsourcing — a big part of our technology growth platform — we are well along the way in that journey. And in systems integration — another big part of our technology growth platform — we have some ways to go. We've factored that in to our projection of 7-10% for fiscal year '11.

So turning from the core now to the emerging markets, new geographies, we are excited about the prospects for strong revenue growth in our strategic markets — Brazil, Greater China, Mexico, South Korea, India and Russia. These six geographies represent a major part of our Accenture growth story, and we are driving them to grow at a compound annual growth rate of almost 20% over the next few years. The additional revenue from these, we estimate, will contribute at least 15% of the total incremental revenue that we are targeting to add over the next three years. We have a huge commitment in our organization, starting from the top, to be successful in these markets. We are committing significant leadership time and talent as well as other types of investments to ensure that we achieve our goals.

Recently I was in Brazil, and I think our Brazil story is one of the best examples for really bringing this to life. When we think Brazil, we think potential: an abundance of natural resources, a good source of talent and skilled workers, an expanding consumer base, and a number of large domestic and multi-national companies. In many ways Brazil has represented our most serious focus on developing a strong local presence in a strategic growth market, and our success over the past six years demonstrates our ability to rapidly respond to a high-potential market and to build a strong domestic business. Consider this: In the last six years, we've achieved five times our revenues while growing at a compounded annual growth rate of 30% and are getting closer to a billion-dollar business there. During that same period we have more than doubled our local workforce, adding 4,000 employees. We serve 17 of the 19 Global 2,000 companies in Brazil, and we have developed three Diamond clients there and, as we heard from Pierre this morning, we have just added a fourth. But with all of that success, we aren't even close to being done. If anything, our success has raised the game. Looking forward, Brazil will continue to be a dynamic country and economy. Think about infrastructure; you have the Olympics coming and an ever-expanding presence of domestic and multinational companies, with a lot of M&A activity going both ways, which further reinforces the potential. Based on the external data, the market in Brazil is estimated to grow by 11% — more than double the rate of the overall estimated market growth of 5% over the next three years. And we are all over this opportunity. We have strong local leadership and are expanding it. We are investing heavily in building our local capability, from our senior executives down to our newest employee. We are

leveraging the power of global Accenture: our capabilities and our growth platforms; our global delivery network; our industry skills; our relationship with global clients who want to expand. So, while our track record in Brazil has been great, the best is yet to come, and we think we can leverage this template for success in the other strategic growth markets.

So let me turn now to the subject of new businesses — and you heard a lot about those today. These are another area where I'm excited about the potential to accelerate top-line growth. You heard about Accenture Mobility on the video, Accenture analytics and Accenture Smart Grid services, Accenture software, and my favorite: speeding up the onramp to the Cloud. Our innovation doesn't stop with the ones highlighted, and there will be more to come. Each of these represents an area where we believe we are uniquely positioned. We've committed some of our best leaders to these and we intend to direct a significant portion of investment funding — which as you know is generally reflected in the sales and marketing line of our income statement — to accelerating the take-up of these businesses. Each of these will develop at its own pace. And I'm sure we'll have some bumps in the road along the way. But several have the potential to be billion-dollar businesses for Accenture.

So that's what I have on revenue. Let me turn now to earnings per share. As it has been since our IPO, our focus remains on driving double-digit growth in earnings per share. For fiscal year 2011, our target is 12-15% growth in EPS. Now you may be wondering what our underlying assumptions are around earnings-per-share growth. We just covered revenues, where one of our financial goals is to grow revenues faster than the market. So let's turn to operating margin expansion. Let me first state that we continue to aspire to expand our operating margins over time and to do it in a thoughtful and sustainable way as part of EPS growth. It has been and will continue to be a primary performance objective for the leadership team. How we'll do it: First, by having rigor that our portfolio of contracts, starting with pricing right through contract profitability, meets our financial objectives. Second, we continue to focus significant energy on our industrialization agenda: our methods, process, tools, and of course, leveraging our Global Delivery Network. Third, we continue to focus on labor costs, our biggest operating expense. This means strong management, and balancing, of market-relevant compensation, the right utilization levels, and payroll efficiency.

Finally we are redoubling our efforts to drive down our SG&A. SG&A as a percentage of net revenue has been challenged in recent quarters, given our revenue trajectory, but we believe that there are still many opportunities to drive down our selling costs and our G&A. Again, we have many levers to improve operating margin but we need to pull the levers in a way that is balanced and supports the business for the long term. So we are working on this and will be prepared to give you an update by September, when we at this point plan to give our guidance for fiscal year '11.

Now let's turn to income tax efficiency. We are expecting some efficiency in the near term in our tax rate. Our tax rate before non-recurring final determinations has ranged from 31-33% over the last few years. With projected benefits from internal restructuring combined with changes in our geographic mix of business and tax rates, we now see it leveling off at 28-29% for at least the next couple of years, starting in fiscal 2011. This does not include the impact of

future final determinations, geographic mix changes, and any other items that may impact the tax rate each year.

Finally, share count. We expect a 2% reduction at least in our average diluted shares outstanding, as we plan to buy back stock at a faster pace than share issuances over the next few years.

Finally, our third financial goal is to deliver a strong balance sheet and cash flow and to return a substantial portion of our cash to shareholders through dividends and buybacks. In fiscal '11 we expect to return cash to shareholders of at least [\$]2.2 billion through share repurchases and dividends. This is one area that really differentiates Accenture from the pack. When you look at our history, we've been a cash-generating machine. Culturally, cash has always been king in this company. As Bill would say, it's in our DNA. We learn it from the get-go here, and it's part of what we do every day. It is a priority to continue to tightly manage our cash as an organization going forward, allowing us to generate strong free cash flow. Our goal of returning cash to shareholders assumes that we will continue on a similar path with M&A and cap[ital] ex[penditures] that we have in the past. We are committed to these goals and believe they truly differentiate Accenture's performance from its competitors.

Also note, we will continue to provide our normal annual guidance; there is no change in that approach.

So, I'm excited about our future. We're well positioned for profitable growth, with clear white space to pursue. We've managed well through the downturn and we're now well positioned to fuel growth. So to summarize, we have financial goals:

- To grow faster than the market growth, with 7-10% as the objective for next fiscal year, vs. a current market projection of 4%;
- Achieve earnings per share growth in the double digits, with 12-15% as the objective next fiscal year;
- Continue to have a solid balance sheet while maintaining our ability to generate strong free cash flow; and
- Return a substantial portion of that cash to shareholders in the form of share buybacks and dividends, with an objective of at least [\$]2.2 billion next fiscal year.

So I think for the first time this morning, we can take some questions. Bill is going to come up, and we're going to attempt to do that as well as include others as appropriate.

Question & Answer Session

Bryan Keane
Credit Suisse

Hi it's Bryan Keane, Credit Suisse. Thanks for the detail. I guess one thing that always comes up is FX. Can you talk about how you guys think about FX and the movement of currency and how that might affect the guidance in fiscal year '11.

Pamela Craig
Chief Financial Officer

It doesn't affect it at all because we're not predicting that. We're going to keep doing what we've been doing, which is every quarter, give you the assumption we're using, and when we do set the plan for next year we will set it at that point and then compare against it, but at this point it's not factored in. Because it's 7-10% in local currency.

Bryan Keane
Credit Suisse

...if currency is against you, will you offset it with other levers like margin in order to keep the 12-15% EPS?

Pamela Craig
Chief Financial Officer

At this point we haven't worked the details of the other income and expense part of the thing. We're not concerned about it, but the EPS numbers that I gave you just now do reflect giving us some room. There's a lot of levers there.

Rod Bourgeois
Bernstein

Rod Bourgeois here with Bernstein. Thanks for the guidance. The 7-10% revenue growth outlook for fiscal '11, can you tell us what your economic assumptions are and not in every country, maybe just Europe and US would be helpful. In other words, if there's a stable economy, there's no real improvement or even maybe the risk of a double dip, is that what puts you at the low end of the range, or would that actually lower the whole range if the assumptions about the economy are a little less optimistic than what the overall stock market might be assuming right now?

Pamela Craig
Chief Financial Officer

We just basically took into account what we're hearing now in terms of economic growth, because you have to sort of snap the line and put a stake in the ground. So it is our normal wishy range, so there's probably a little in there Rod, but we didn't do a lot of scientific scenarios about what if current forecasts are way off.

Rod Bourgeois
Bernstein

But it assumes the current recovery that we seem to be seeing, it assumes that continues to progress?

Pamela Craig
Chief Financial Officer

Correct.

William D. Green
Chairman & CEO

Yeah, on a portfolio basis, because we source that growth into the operating groups. This is client by client, country by country, so there's still lots of ups and downs by country; there's lots of waves, and when certain waves — technology, for instance — are gonna hit; there's questions about financial services coming back; about public services, the healthcare rethinking itself, and when that hits. So I think we sourced it all into the things, but it is at the intersection of countries and industries to say here's the hand we have now, some are going to ride hot, some are going to be rough for a couple of years, but the net-net was being very comfortable in the 7-10%.

Rod Bourgeois
Bernstein

On that same note, related to what's assumed in the guidance, right now we're seeing clearly a rebound in a lot of the smaller deals, both in consulting and outsourcing. In the past you've had a healthier mix of small and large deals. Does the fiscal '11 outlook assume large deals come back? For instance, in systems integration, instead of doing a lot of ones and twos type deals, do you hit some home runs on some large-scale transformational deals. Is that assumed in that fiscal '11 outlook?

William D. Green
Chairman & CEO

Pam can talk to the numbers, but philosophically, you guys all remember the days when we'd all stand back and watch the one billion-dollar thing and go quarter to quarter waiting for it to sign. We're way more mature than that, we're past that. So we look at a portfolio of business and consistency and there'll be one or two big ones that just sort of land on top, but when you build those into your plan you end up with a really fragile plan. So those things that are going to happen and big things that are going to come down with the B's in front of them like they use to, there will be some of those, but we're not counting on those. We're counting on consistent, predictable set of business across our portfolio. And then Pam translates that into the economic implications of that.

Pamela Craig
Chief Financial Officer

I think that's a pretty complete answer, Bill.

Jason Kupferberg
UBS

Hi, Jason Kupferberg from UBS. I have a question about acquisition strategy. Sounds like for fiscal '11 its gonna be kinda more of the same in terms of very modest contributions to growth from M&A. But as you think out longer term and perhaps aspire to get back to a 9-12% growth corridor for the company, given your current size, do you think more actively about deploying that tremendous balance sheet capacity perhaps on some larger M&A and perhaps in pursuit of some of these newer growth areas that you highlighted?

William D. Green
Chairman & CEO

I think that we hoped that in the downturn there would be some good economic transactions to be had. Turned out they cost half as much, but they're only worth 10 cents on the dollar, right? We just went through that space, so we continue to be very active there and we continue to know how to do our tactical tuck-in thing, and even that has slowed quite a bit in terms of finding things that really work. What we ask our businesses to do is to build up the organic growth profile, and that's how we think through the thing, and then we can on top of that, if we find the right transactions for Accenture, use our balance sheet to bolster that as we go.

Jason Kupferberg
UBS

And just a quick follow up on margins, to clarify, sounds like we have to wait till September to get some greater clarity on fiscal '11 specifically. I know that the objective over time is to increase the margin. I didn't go through all the math yet but it sounded like for fiscal '11 the delta between the revenue growth and the EPS growth may be largely because of the lower tax rate and the reduction in share count, so is it the kind of thing where flat"ish" margins may be at the lower end of your EPS growth range and perhaps a little bit of margin expansion at the higher end. Any color you can give us there? Thanks.

Pamela Craig
Chief Financial Officer

I know this is sort of the question du'jour, is operating margin, but as we look forward to fiscal year '11, assuming we come in around 13.4% this year, which as you know we've been consistently guiding, I am comfortable that we will be guiding that the Accenture business can post up some level of expansion in operating margin in fiscal '11 barring anything unexpected. We just haven't done the work yet to drill that out. So I'm not going to give you anything more than that today.

Bruce Zessar
Advisory Research, Inc.

Hi. Bruce Zessar from Advisory Research. I had a question regarding the dividend. You initiated a dividend about five years ago and have grown it substantially. I was wondering if you had any target growth rate on the dividend through fiscal '11 or target payout ratio, where you'd like the dividend payout ratio to be in the next couple of years?

Pamela Craig
Chief Financial Officer

We don't have a target at this point for fiscal year '11; we're going to be working with the board on that over the summer and into the fall, and as I mentioned on the earnings call, our intent is to do this as an annual process, so we just had the stub period one, and then we will be announcing what we'll be doing with the dividend in the fall.

Bruce Zessar
Advisory Research, Inc.

On the second half of the question, does the company have any place where it would like the payout ratio to get over the next few years? It's grown substantially. I'm wondering whether you want to get into, say, the 30-50% range where some companies are?

Pamela Craig
Chief Financial Officer

Stay tuned.

Jamie Friedman
Susquehanna

Thanks; it's Jamie Friedman at Susquehanna. So Pam, the reference to Forrester and Gartner had some, I guess, theological relevance to how we approach the market, but you didn't reference your own bookings growth, and I was wondering to what extent the company even uses its bookings growth to predict its revenue growth? If you could give us some structure, because the book-to-bill was 1.3, if memory serves, last quarter; similar acceleration the prior quarter. How should we think about the waterfall of bookings into revenue as it informs your comments about fiscal '11?

Pamela Craig
Chief Financial Officer

Well it is very much something that we've taken into account. The market growth is based on data from IDC and Gardner, but -- with bookings, we look at what's already contracted, what's closed, and that's one of the triangulations we do. So that's reflected in the 7-10% that I gave you for next fiscal year, to the degree that those bookings apply to next fiscal year, and as you know, bookings do include multiple years, especially in outsourcing, where deals are multiple years.

Moshe Katri
Cowen

Going back and talking more about bookings, so obviously consulting bookings have been picking up nicely in the past few quarters; outsourcing bookings have been picking up, but very, very slowly. Maybe Kevin can talk a bit about the pipeline? Maybe his outlook on outsourcing bookings for the next few quarters. And Pam, can you make any statements about bookings in fiscal 2011?

Pamela Craig
Chief Financial Officer

No I won't give you anything on bookings today on 2011, but I think the characterization is fair. We were very pleased with how outsourcing bookings came in in the second quarter. Kevin, you want to add some color?

Kevin Campbell
Group Chief Executive – Technology

I think we had strong bookings in the second quarter and I think looking forward, as we mentioned on the call, the pipeline continues to be significant, and I think we're optimistic about what our bookings will be in the next few quarters, with the normal caveat that bookings are always lumpy. But certainly we have a lot of activity, a lot of good quality activity going on.

Pamela Craig
Chief Financial Officer

Mike, do you have anything on BPO you'd like to add?

Mike Salvino
Group Chief Executive – Business Process Outsourcing

So I referenced in my remarks the fact that we are seeing demand in the core offerings of F&A, procurement and HR. And the one that we're seeing most is F&A, which is what I said in the remarks and one that I think we're very bullish and strong in terms of that offering capability.

William D. Green
Chairman & CEO

I would just wrap that up. We were a little surprised by outsourcing, frankly, because our history had been and everyone's instinct was in times of tight costs, the outsourcing would accelerate. And a lot of the interest did, but we were in an economic period where people were just frozen in place, just not initiating anything. So I think what we've seen in the last several quarters is the initiation come back, which is the activity level and the opportunities, and then get in the pipeline and get them over there. As a business practice, as a way to improve business performance, outsourcing broadly has become globally accepted and relevant. It used to be it was a US phenomenon, and then it was here and then it was there. Now it's just the way to do business. So I am very bullish on that business because I just see it on everybody's radar. Our job is to make sure we have the distinctive proposition, and that's the thing that when we tie the consulting brain trust to the execution capability, we think that's what's going to give us a lot of momentum.

David Togut
First Manhattan

Thanks. Could you address recent competitive trends vs. IBM and the Indian companies? Sort of head-to-head success. And then also going forward, IBM is targeting a lot of the same areas you are, certainly you put that up on the screen today. How do you see the competitive environment evolving over the next couple of years, particularly versus IBM? And are Indian companies succeeding in moving up the value chain?

William D. Green
Chairman & CEO

I'll give my view. As it relates to Indian companies doing bigger projects, they are succeeding. As it relates to them moving up the food chain, they aren't succeeding. That's a generalization, and on any dimension there's something else. But moving up the food chain is incredibly hard to do, because people are betting their business. There's tons of business moving meat. I mean just straight up. Putting resources in places, putting bodies in places, there's lots of businesses there. When you're about delivering outcomes, it's a different sort of thing. It's a different collection of skills you need and a different outcome focus you need, and a skin-in-the game focus. One of the things in consulting, since the last time we did this we looked at how many of our deals are value-based, skin in the game; it's gone up dramatically. So I think there is no question that there are a few things there, where they're Cloud or analytics or what have you that are sort of the buzz words of the day. They're the consulting thing of the day, and everybody's flaunting them. I think IBM's focus in those things is about, for the most part, the software and the iron to make the stuff happen. And we work with them on a lot of projects. When we do our smart grid stuff, they supply some things in that ecosystem. And we tend to be the program managers and the architects, and we do our thing. All of those projects have a whole ecosystem of suppliers, and we fit into each other's world that way, many ways. I think when you stand back from it, the analytics thing is interesting because a lot of companies are focused on that. The software guys will talk a lot about it. SAP's business objects thing and how all that's going to work. Obviously, IBM will talk a great deal about it. There's garden-variety analytics, and then there's the stuff that matters. And what we have chosen to do is put our focus on the predictive analytics, because we think that's where the value is, and the de facto standard, best guys on the planet — have been, are today, and always will be — is SAS. And that's why our alliance with them is so distinctive and important. So we will have our spot, other people will have their spots, I'm sure. But it will be interesting as it sorts out not only just competitively, but where in the food chain of analytics, for instance, or smart grid, the companies find their place.

Joe Foresi
Janney Montgomery Scott

Hi. Joe Foresi, Janney Montgomery. I was wondering, just going back to the booking questions. Is the bookings conversion rate staying the same? And maybe you could address utilization, you

talked about running a little bit hot. Is that holding you back in anyway, shape or form at this point from addressing the turnaround in the market?

Pamela Craig
Chief Financial Officer

The bookings, there hasn't been a big change in that recently. We just looked at that for the last quarter. So there really hasn't been, and I think I answered a question similar to that on the call. Sorry what was the second piece?

Joe Foresi
Janney Montgomery Scott

Your utilization rate; you talked about it running back relatively hot. I'm wondering if that's keeping you from addressing any potential deals at this particular point.

Pamela Craig
Chief Financial Officer

Well I think that when it's that hot you always get a little concerned that there's probably some revenue left on the table, but it's more on the margin; it's not the significant deals as you mentioned. I mean, we have the ability to move people around, and so it's more just on the margin, the onesie twosie stuff, where you'd be a little bit more worried about that. And we are addressing it, as we told you, it just doesn't move overnight. But we are very focused. We think the utilization is a little bit hot or it was at the end of the second quarter.

William D. Green
Chairman & CEO

And we thought it was important for you to hear from Jill and Adrian, because that makes the machine go. And if you think about it, we've been at this 88% — which is in my world really hot — and we've been chasing it. We've been bringing people in. We've brought in over 20+ thousand people so far this year, and we're still running hot. So sooner or later the supply thing has to come in. We need to build a little bench in places. Plenty of our business runners will tell me that if they had more people -- we know exactly how many open seats we have past due, how many open seats we need to fill in the next 30/60/90 days. So continuing to have the machine, as Jill described, producing the talent that can execute has an impact on our economics, and that's why we're so focused on making sure supply and demand balancing is sort of an art and a science, and we did a great job as we navigated through the challenging times. Now we're in the up times and it has to work the other way, so it is something we spend a lot of time on. And I personally will go out and do the work if Pierre tells me that he can't do a great profitable opportunity because he doesn't have enough people.

Louis Miscioscia
Collins Stewart

Hi. Lou Miscioscia here, Collins Stewart. Can you give us some more color. Everyone has talked about this \$2 trillion of stimulus money that's coming out. Can you maybe mention how much of it might be going into either technology or management consulting or outsourcing and when will it hit, is it starting to hit now or is it more a next year kind of thing?

William D. Green
Chairman & CEO

When you guys draw me over towards politics then I get excited. Stimulus comes directly, but it also comes indirectly, so it's not just about what the government might be spending, it's what's going on and then how it trickles forward. I think by and large anyone who says stimulus is going to save their day is nuts, because in the system, the stuff is held up, and a lot of the stimulus money quite frankly has been used to top-up budgets that used to be there then disappeared because of lower revenues and things like that. But there are things that matter. Certainly smart grid is one. In some cases, stimulus actually slowed down smart-grid initiatives, as people waited to see if they could get stimulus money to spend that instead of their own money. So there are some interesting phenomenons. The health thing really hasn't hit yet. How the money transfers into education hasn't hit yet, and in other public services, and then I think that people's disappointment in North America is how long it's taking to transfer into the infrastructure build-out. Whereas, China... on Friday they say they are going to stimulate, and on Monday they start building bridges. So if you look at stimulus around the world, it's having a different impact in different ways. Maybe what's more important isn't the stimulus per se, it's the focus on what we need to be investing in. And one of the things we've done is we believe there's a wave of infrastructure spending across the globe. And one of the things Mark [Foster] did this year is create a new industry group to focus on — whether it's energy projects and wind projects, whether it's transportation systems — focus on the huge infrastructure projects that are going to be front and center in the developed markets just to renew and refresh, and in the emerging markets, just to give them the infrastructure and the backbone to be a leading country going forward. So we tend to just look at it as, what's the change that's out there regardless of how its funded, and how do we position ourselves to help lead these organizations through that change. And some of that is where the convergence, which Janet talked about, of the industries come together.

Adam Frisch
Morgan Stanley

Good morning, Bill

William D. Green
Chairman & CEO

Welcome back, Chief.

Adam Frisch
Morgan Stanley

Good to be back. Question for you on -- you guys did a real good job today of reminding people what your corporate identity is and where you are in the market place and what you're doing. And maybe this is a little bit more of a theoretical question in the sense of every quarter you get asked about margins, you got asked about margins a couple of times today, you got growth rates, and you got a phenomenal return of cash to shareholders, which I think a lot of companies are really envious of. But maybe there's a little bit of a disconnect or maybe there's a bit of a misunderstanding in our part of the world about what Accenture's identity is going to be in terms of financial metrics. A lot of the businesses you spoke about are higher margin than 13.5%. But where are you going long term? Where is the model going long term? Do you need to stay at that margin in order to facilitate better top-line growth? If that is the story, okay, I can figure out how to value that, along with all the buy backs and the dividends. Is this the story that longer term is going to be about growth and margin expansion and giving back cash? Well, that's a different kind of valuation exercise. So I guess, we constantly ask about margins and it's about the quarter and stuff on the calls, but this is a meeting today that I think to take a look at a bigger-picture kind of thing of over the next several years, what is Accenture's financial identity going to be to the street? And that might help clear up a lot of the....

William D. Green
Chairman & CEO

Well let me start spiritually, if you will, all right? And then Pam, we always do this. Do we believe we need to continue to expand operating margins as a company? Yes. Now there are a lot of valves and levers, right? What we believe is that we need to be one of the world's great companies. What we believe is we need to have the best people on the planet. And if the best people on the planet and margin expansion that makes you happy don't jive, I got to reconcile those things. And so, even last year we had an expansion of operating margin. Do we mentally believe that this is where we need to go? Yes. Do we want to find businesses that give us better lift and leverage? Yes. And maybe more importantly, we want to crack the code on how we do what we do. Because at the end of the day, we can deliver huge value for money, but we got to figure out, through performance excellence, through the stuff the Labs are doing, is how to do that stuff in a different and unique way. And I think that the opportunity to really put distance in that thing is reinventing, which is coming. The Cloud and SaaS and all of those things are little pieces of it. Kevin's discussion about productivity improvement and those measures of his 13% in the last X, those are all pieces of it. That thing there, as we get our institutionally around reinventing how what we do at a different price point, probably gives us more lift, rather than tinkering at 10 basis points at a time around the outside. So we're very spiritually committed to

it, and yet balancing a lot of things that we have to get right in order to continue to lead. But now I'll transfer it over to here [Pam], because we have this discussion daily. Right?

Pamela Craig
Chief Financial Officer

Yes, yes we do. And just sort of sticking to a philosophical point, I mean you know that we've been committed to expanding margins over time. Last year was 50 basis points, but we do want to do it sustainably, in a way that Bill just said. And I know there's sort of a lot of point-in-time comparisons going on right now, but you don't necessarily know the vectors of how those are going, and whether they're sustainable or not; who knows? All I can look at, or we can look at — my team's right here — is our thing and balancing all the stuff so that we can sustainably do that over time. Could we just generate 15%? Yep, we could sweat everything out of the place and do that. But I don't think that that's really what you want. Because you want us to also grow and sustain that over time. So we're going to be putting work into this. I just told you I thought I see some expansion on the horizons for fiscal year '11. So we're going to be working on this, but we are going to keep in mind that this is about sustaining it and also think about the kind of company we are with this global footprint everywhere. We're not just bodies for money. We have a management consulting practice where we do need to offer market-relevant compensation and make sure that we grow that thing nicely over time, so there's all of these many pieces that go into this, and it's not just as simple as saying, Well Gee, can you be a 15% operating margin company. So we're really serious about it, Adam. We get it that both matter. They always have, they always will. Now we've given you the top-line and will be working on this and stay tuned.

Adam Frisch
Morgan Stanley

I just want to clarify though its not like I'm always looking for 50 bps [basis points] or 70 bps or 20 bps year on year...

William D. Green
Chairman & CEO

Yeah, you are.

Adam Frisch
Morgan Stanley

I've only been back for a couple of quarters, so I'm not that repetitive yet. But seriously, if you were going to be a 13.5% margin company for the next five years but your growth was going to be so far exceeding the rest of your peer group because you were investing extra profits in better

growth initiatives that yield more on the top line, which ultimately flows to the EPS line and obviously generate all that cash, that's still a great story. But I think the problem is we don't really know kind of where you're falling out and how to balance. So that was the point of the question.

William D. Green
Chairman & CEO

Alright. In all honesty, we listen a lot to what you guys ask — some to what you say, but everything to what you ask, because in those questions are the insights, just like this thing you're just asking. It would have been easy for us to just punt and have our true investor analyst thing, where we're usually in a quiet period and we can't talk about a thing, right? We've done that for eight years. I just timed it exactly perfectly. And we're still in a funky economic environment. But the thing is, that this is our business. Who we are as people; the people in the front row — their identity is in Accenture. And it's pride in what you do. If you're going to be one of the leading companies of the world, these are the thresholds you have to hit. So I understand exactly what you're saying. And as we work forward, as we get momentum in the business, we get more clarity on some of those opportunities, and we make choices that are in the best interest of our shareholders, at the end of the day over the long term.

Adam Frisch
Morgan Stanley

That's the most important thing.

William D. Green
Chairman & CEO

Thanks for the question.

George Price
Stifel Nicolaus

A lot of good questions. I just wanted to ask something a little bit more straightforward, I guess. You gave us a good growth profile. I wondered, Pam, if you could maybe give us a sense of how the different segments and the different pieces underneath that top-line growth are going to move. I'm assuming consulting is going to see a sharper rebound, or continue to see a sharper rebound, than outsourcing, but maybe also along the lines of geographically in fiscal '11, maybe even verticals. Might be bit early for that, but if you could give us some of the details underneath the top-line growth, that would be great. Thanks

Pamela Craig
Chief Financial Officer

Well I will just give you some qualitative color. You heard the Management Consulting story today from Mark. You also heard from John on the Technology Consulting story, where we had our highest bookings in the 2nd quarter ever. These are clearly, tip-of-the-spear things, where we're looking at higher growth than the average that we put out for Accenture. So clearly, these are higher-growth areas. And Technology, I mentioned a little bit about the headwind that we see in system integration, so you could assume that that one's on the lower side. And the others are in the mix — application outsourcing which, as Kevin mentioned, had very good bookings in the second quarter; good pipeline. And then BPO, which hit us hard in the downturn. We had the cancellations; we're largely through that. So as you heard from Mike today, we're really poising that up for higher growth at this point. And geographically, I did mention in the comments I just made about the strategic growth markets, the six of those, that we're really looking at much higher growth from those, off of smaller bases, as part of the mix.

George Price
Stifel Nicolaus

How do you see it between the US and Europe?

Pamela Craig
Chief Financial Officer

We're probably not going to go into that right now, but we see very good pipeline activity and bookings in the US.

William D. Green
Chairman & CEO

Yeah, the U.S., just let me wrap that up. The US; I don't know if we're going to be the first country in and the last one out, or the first one in and the first one out, or somewhere in between, but the thing that we really looked at is the headroom for growth that we have in the U.S. We have 30,000 people here. We seem to be everywhere, but in some ways we haven't scratched the surface. And even though we work for 96 of the top Fortune 100 companies, what we do for them could expand 5x. Just those 100 relationships could expand 5x, and half of those are in North America. So if you think about the market opportunity, we're feeling better and better about North America. You know, Europe is a tough environment. For 20 years, Europe carried the growth of Accenture in a dramatic way. And I think right now if you look at some of those countries, they're in the pause mode. So the things need to have sharper value propositions, more focused, but we also have incredible penetration in Europe, which serves us very well, because we're sort of the go-to guys in many of the big countries.

Pamela Craig
Chief Financial Officer

And opportunity to really leverage the Global Delivery Network more.

William D. Green
Chairman & CEO

So let me just wrap up. First, thank you for coming. We planned more time for Q & A during the session, and it was eaten alive by our presenters. Hopefully, when they spoke they answered questions you would've otherwise had. As you know, we're a very open company. Our people love to talk about who we are and what we do, and we like to listen and learn as well. And so if you have questions on any dimension, talk to Richard [Clark] and his team.

You know we had a leadership meeting at the beginning of the year, Global Leadership Council. It's about 150 of the top leaders in the firm. And in true Accenture fashion, day 1, we talk about everything that's wrong with the company, because that's in our genes. We're just engineered to find stuff that needs to be fixed and then squawk about it for a while, and then fix it. So, day 1, we did that. Then, day 2, in a typical Accenture meeting, you sort of get a grip of like the hand you have. When you look at the talent we have around the world, it's second to none. When you look at the client base we have, and have had, some of them — Carrefour, 20 years; the folks from Verizon were in the office the other day, 25 years — these relationships continue to expand. You listen to Pierre adding Diamond clients during the worst meltdown in financial services in its history. If you just think about that, and you think about the skills, knowledge and know-how we have in our consulting business. You think about our delivery capability. You think about what the [Accenture Technology] Labs are doing. Then you look at how we run the place, focused on being a high-performance company in ourselves. And you look at the fact that our results and our balance sheet are pristine, in terms of durability and focus and making the right decisions. I wouldn't trade our hand with anybody in this industry. Now, we're not what some of our competitors are; we're something else. We're Accenture. This is what we do. This is what our game is. This is what matters to us. This is why we're different. And we think this why we're better.

I think we're at a very interesting time, because the business environment is coming back. And if people learned anything during the challenging times, it's they have to raise their game. And when you're talking about not just service, but you're talking about outcomes, we're the guys. Now we've got to work really hard to earn that. We've got to work really hard to convince clients that we're the people. We've got to win, and it's hand-to-hand combat in some places. But the environment is also going to move again. We went into a dip... I think our outsourcing guys call it I think cheap and cheerful — let's just find the cheapest service we can get and do it. There's something interesting going on out there. And a lot of the people that did that got cheap, and they didn't get any results. And we've seen this happen before. It happened in the dot.com era. It happened when the Indian pure plays were first on the scene, and I think we're at the juncture again. So we're going to stay the high road. We're going to not lose sight of what we are and who we're about. We're going to capture the clients to keep for decades that are the

world's best companies. And we're going to work our tails off to make sure Accenture is one of the world's great companies.

We appreciate your support. We appreciate your input. We listen hard. Thank you, Adam, because we'll be debating operating margin all the way back to the office again, which we just finished yesterday. But it's good for us, because it challenges us to be better. And as I always say, you can criticize, and companies raise their defenses; you can challenge, and companies raise their game. And Accenture is a company that is always up for a challenge. So you challenge us to be a better company, and we will do that. Thanks for your support.

[END]