

Accenture plc  
Form 10-K  
October 21, 2011  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended August 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the  
transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission File Number: 001-34448

**Accenture plc**

(Exact name of registrant as specified in its charter)

**Ireland**  
(State or other jurisdiction of  
incorporation or organization)

**98-0627530**  
(I.R.S. Employer Identification No.)

**1 Grand Canal Square,  
Grand Canal Harbour,**

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**Dublin 2, Ireland**

**(Address of principal executive offices)**

**(353) (1) 646-2000**

**(Registrant's telephone number, including area code)**

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>
Class A ordinary shares, par value \$0.0000225 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Class X ordinary shares, par value \$0.0000225 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the common equity of the registrant held by non-affiliates of the registrant on February 28, 2011 was approximately \$33,404,979,311 based on the closing price of the registrant's Class A ordinary shares, par value \$0.0000225 per share, reported on the New York Stock Exchange on such date of \$51.48 per share and on the par value of the registrant's Class X ordinary shares, par value \$0.0000225 per share.

The number of shares of the registrant's Class A ordinary shares, par value \$0.0000225 per share, outstanding as of October 11, 2011 was 640,910,459 (which number does not include 89,072,938 issued shares held by the registrant). The number of shares of the registrant's Class X ordinary shares, par value \$0.0000225 per share, outstanding as of October 11, 2011 was 49,200,177.

## DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A relating to the registrant's Annual General Meeting of Shareholders, to be held on February 9, 2012, will be incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III. The definitive proxy statement will be filed with the SEC not later than 120 days after the registrant's fiscal year ended August 31, 2011.



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**PART I**

**Disclosure Regarding Forward-Looking Statements**

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act) relating to our operations, results of operations and other matters that are based on our current expectations, estimates, assumptions and projections. Words such as may, will, should, likely, anticipates, expects, intends, plans, projects, believes, estimates and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to, the factors discussed below under the section entitled Risk Factors. Our forward-looking statements speak only as of the date of this report or as of the date they are made, and we undertake no obligation to update them.

**Available Information**

Our website address is [www.accenture.com](http://www.accenture.com). We use our website as a channel of distribution for company information. We make available free of charge on the Investor Relations section of our website (<http://investor.accenture.com>) our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission (the SEC) pursuant to Section 13(a) or 15(d) of the Exchange Act. We also make available through our website other reports filed with or furnished to the SEC under the Exchange Act, including our proxy statements and reports filed by officers and directors under Section 16(a) of the Exchange Act, as well as our Code of Business Ethics. Financial and other material information regarding us is routinely posted on and accessible at <http://investor.accenture.com>. We do not intend for information contained in our website to be part of this Annual Report on Form 10-K.

Any materials we file with the SEC may be read and copied at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC, 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

In this Annual Report on Form 10-K, we use the terms Accenture, we, the Company, our and us to refer to Accenture plc and its subsidiaries prior to September 1, 2009, to Accenture Ltd and its subsidiaries. All references to years, unless otherwise noted, refer to our fiscal year, which ends on August 31.

**ITEM 1. BUSINESS**

**Overview**

We are one of the world's leading management consulting, technology services and outsourcing organizations, with approximately 236,000 employees; offices and operations in more than 200 cities in 54 countries; and revenues before reimbursements ( net revenues ) of \$25.51 billion for fiscal 2011.

Our high performance business strategy is to use our expertise in consulting, technology and outsourcing to help clients perform at higher levels so they can create sustainable value for their customers, stakeholders and shareholders. We use our industry and business-process knowledge, our

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service offering expertise and our insight into, and understanding of, emerging technologies and new business and technology trends to formulate and implement solutions for our clients. Our strategy is focused on helping clients improve operational performance, deliver their products and services more effectively and efficiently and grow their businesses in existing and new markets.

We operate globally with one common brand and business model designed to enable us to provide clients around the world with the same high level of service. Drawing on a combination of industry expertise, functional capabilities, alliances, global resources and technology, we seek to deliver competitively priced, high-value services that help our clients measurably improve business performance. Our global delivery model enables us to provide a complete end-to-end delivery capability by drawing on our global resources to deliver high-quality, cost-effective solutions to our clients.

In fiscal 2011, we continued to implement a strategy focused on three dimensions: our core business, which includes the vast majority of management consulting, technology and outsourcing services that we have traditionally provided through our operating groups and growth platforms; strategic initiatives including analytics, digital marketing, mobility, and smart grid, as well as technology areas such as cloud computing that we are building on top of our core business; and geographic expansion. Our geographic expansion strategy focuses on emerging and mature markets with significant growth potential for us. Our priority emerging markets are the ASEAN (Association of Southeast Asian Nations) countries, Brazil, China, India, Mexico, the Middle East, Russia, South Africa, South Korea and Turkey.

***Consulting, Technology and Outsourcing Services and Solutions***

Our business is structured around five operating groups, which together comprise 19 industry groups serving clients in major industries around the world. Our industry focus gives us an understanding of industry evolution, business issues and applicable technologies, enabling us to deliver innovative solutions tailored to each client or, as appropriate, more standardized capabilities to multiple clients.

Our three growth platforms management consulting, technology and business process outsourcing are the innovation engines through which we build world-class skills and capabilities; develop our knowledge capital; and create, acquire and manage key assets central to the development of solutions for our clients. The professionals within these areas work closely with those in our operating groups to develop and deliver integrated services and solutions to clients. Client engagement teams which typically consist of industry experts, capability specialists and professionals with local market knowledge leverage the capabilities of our global delivery model to deliver price-competitive services and solutions. In certain instances, our client engagement teams include subcontractors, who supplement our professionals with additional resources in a specific skill, service or product area, as needed.

**Table of Contents****Operating Groups**

The following table shows the current organization of our five operating groups and their 19 industry groups. Our operating groups are our reportable operating segments. We do not allocate total assets by operating group, although our operating groups do manage and control certain assets. For certain historical financial information regarding our operating groups (including certain asset information), as well as financial information by geography (including long-lived asset information), see Note 16 (Segment Reporting) to our Consolidated Financial Statements under Item 8, Financial Statements and Supplementary Data.

Operating Groups and Industry Groups				
Communications & High Tech*	Financial	Health & Public Service	Products	Resources
	Services			
Communications	Banking	Health	Air, Freight & Travel Services	Chemicals
Electronics & High Tech	Capital Markets	Public Service	Automotive	Energy
Media & Entertainment	Insurance		Consumer Goods & Services	Natural Resources
			Industrial Equipment	Utilities
			Infrastructure & Transportation Services	
			Life Sciences	
			Retail	

\* On Sept. 1, 2011, the Communications & High Tech operating group changed its name to Communications, Media & Technology.

**Communications & High Tech\***

Our Communications & High Tech operating group serves the communications, electronics, high technology, media and entertainment industries. Professionals in this operating group help clients leverage innovation and enhance their business results through industry-specific solutions and by seizing the opportunities made possible by the convergence of communications, computing and content. Examples of our services and solutions include the application of mobile technology software and services; broadband and Internet protocol solutions; advanced advertising solutions; product innovation and digital rights management; as well as systems integration, customer care, supply chain, analytics, global operations and workforce transformation services. In support of these services, we have developed an array of assets, repeatable solutions, methodologies and research facilities to demonstrate how new technologies and industry-leading practices can be applied in new and innovative ways to enhance our clients' business performance. Our Communications & High Tech operating group comprises the following industry groups:

**Communications.** Our Communications industry group serves most of the world's leading wireline, wireless, cable and satellite communications and service providers. We provide a wide range of services designed to help our communications clients grow revenues, increase profitability and improve customer satisfaction. We offer a comprehensive solutions portfolio designed to address major business and operational issues related to sales and service channels, new product innovation, network functions, corporate functions and information technology. Our Communications industry group represented approximately 55% of our Communications & High Tech operating group's net revenues in fiscal 2011.

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***Electronics & High Tech.*** Our Electronics & High Tech industry group serves the communications technology, consumer technology, enterprise technology, semiconductor, software, medical equipment and aerospace/defense segments. This industry group provides



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services in areas such as strategy, enterprise resource management, customer relationship management, integrated mobile solutions, embedded software solutions, product lifecycle management, sales transformation, supply chain management, human performance and merger/acquisition activities. We also offer a suite of reusable solutions designed to address the industry's major business and operational challenges, such as new product innovation and development, global operations, sales and marketing, enterprise and consumer channel operations, and customer support. Our Electronics & High Tech industry group represented approximately 35% of our Communications & High Tech operating group's net revenues in fiscal 2011.

**Media & Entertainment.** Our Media & Entertainment industry group serves the broadcast, entertainment, print, publishing and portal industries. Professionals in this industry group provide a wide range of services, including digital marketing, performance advertising, digital rights management, and digital content and media technologies designed to help clients effectively manage, access, distribute and protect content across multiple platforms and devices. We also provide additional comprehensive turn-key solutions through Origin Digital and Digiplug, specialized Accenture units that help content owners and distributors adapt business processes and systems to enable digital monetization.

### **Financial Services**

Our Financial Services operating group works with clients in a dynamic and increasingly global market environment to address cost and profitability pressures, industry consolidation, regulatory changes and the need to continually adapt to new technologies. We offer services designed to help our clients increase cost efficiency, grow their customer bases, manage risk and transform their operations. Our Financial Services operating group comprises the following industry groups:

**Banking.** Our Banking industry group works with retail and commercial banks and diversified financial enterprises. We help these organizations develop and execute strategies to lower operating costs; acquire and retain customers more effectively; expand product and service offerings; manage risk; comply with new regulatory initiatives; support integration related to mergers and acquisitions; and leverage new technologies and distribution channels. Our Banking industry group represented approximately 55% of our Financial Services operating group's net revenues in fiscal 2011.

**Capital Markets.** Our Capital Markets industry group helps investment banks, broker/dealers, asset-management firms, depositories, exchanges and clearing and settlement organizations transform their businesses to increase competitiveness. We help clients develop and implement trading, wealth and asset-management, and market infrastructure systems and solutions.

**Insurance.** Our Insurance industry group helps property and casualty insurers, life insurers, reinsurance firms and insurance brokers improve business processes, modernize their technologies and improve the quality and consistency of risk selection decisions. We offer claims and policy management software and services designed to enable insurers to provide better customer service while optimizing costs and to deliver innovative products to market more quickly and efficiently. We also provide a variety of outsourcing solutions designed to help insurers improve working capital and cash flow, deliver cost savings and enhance long-term growth.

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### ***Health & Public Service***

Our Health & Public Service operating group serves healthcare payers and providers, as well as government agencies and public service organizations, around the world. The group's service offerings and research-based insights help clients deliver better social, economic and health outcomes to the people they serve. Our Health & Public Service operating group comprises the following industry groups:

***Health.*** Health-service organizations are under enormous pressure to reduce costs, improve the access and quality of healthcare services, and meet ever-growing government and regulatory requirements. Through our Insight-Driven Health initiative, our Health industry group works with healthcare providers, government health departments, policy-making authorities/regulators, managed care organizations, health insurers and other industry-related organizations around the world to improve the quality, accessibility and affordability of healthcare. Our key offerings address a variety of areas, including electronic medical records; health insurance exchanges; back-office services for hospitals and health plans; sales and marketing; core administration services; care management services; claims excellence/cost containment; and corporate functions, including human resources, finance, procurement and information technology.

***Public Service.*** Our Public Service industry group helps governments position themselves for the future by transforming the way they deliver public services and engage with citizens. We provide services designed to help them increase the efficiency of their operations, improve service delivery to citizens and reduce their overall costs. We work primarily with defense, revenue, human services, public health, postal, justice and public-safety authorities or agencies, and our clients are generally national, state or local-level government organizations, as well as pan-geographic organizations. Our Public Service industry group represented approximately 74% of our Health & Public Service operating group's net revenues in fiscal 2011. In addition, our work with clients in the U.S. federal government represented approximately 32% of our Health & Public Service operating group's net revenues in fiscal 2011.

### ***Products***

Our Products operating group serves a set of increasingly interconnected consumer-relevant industries. Our Products operating group comprises the following industry groups:

***Air, Freight & Travel Services.*** Our Air, Freight & Travel Services industry group serves airlines, freight and logistics companies, and travel services companies, including hotels, tour operators, rental car companies and cruise operators. We help clients increase organizational effectiveness by developing and implementing more efficient networks, optimizing back-office functions, integrating supply chains, developing procurement strategies and building improved customer relationship management capabilities. We also offer industry-specific solutions, such as Navitaire for the airline industry and a proprietary end-to-end shipment-management solution for the freight and logistics industry.

***Automotive.*** Our Automotive industry group works with automotive companies, including original equipment manufacturers and tier-one and tier-two supplier manufacturers. We have a range of end-to-end industry-specific offerings, including sales and marketing and performance engineering services.

***Consumer Goods & Services.*** Our Consumer Goods & Services industry group serves food and beverage, alcoholic beverage, household goods, personal care, tobacco, fashion/apparel, agribusiness and consumer health companies around the world. Our offerings are designed to help companies improve their performance by addressing critical elements of success, including large-scale enterprise resource planning, channel and revenue management, multi-channel marketing,

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working-capital productivity improvement and supply chain collaboration. We also help clients build operating models that support end-to-end processes needed to improve business results. Our Consumer Goods & Services industry group represented approximately 30% of our Products operating group's net revenues in fiscal 2011.

***Industrial Equipment.*** Our Industrial Equipment industry group serves the industrial and electrical equipment, automotive supplier, consumer durable and heavy equipment industries. We help our clients increase operating and supply chain efficiencies by improving processes and leveraging technology, and also help clients generate value from strategic mergers and acquisitions. In addition, our Industrial Equipment industry group develops and deploys solutions in the areas of cloud computing, channel management, collaborative product design, remote field maintenance, enterprise application integration and outsourcing.

***Infrastructure & Transportation Services.*** Our Infrastructure & Transportation Services industry group serves companies in the construction, infrastructure management (ports, airports, seaports and road-tolling facilities) and mass transportation industries. We help clients develop and implement strategies and solutions designed to improve their information technology and customer relationship management capabilities, operate more efficient networks, integrate supply chains, develop procurement and electronic business marketplace strategies, and more effectively manage maintenance, repair and overhaul processes and expenses—all in the context of increasing priorities around mobility services and sustainability.

***Life Sciences.*** Our Life Sciences industry group works with biopharmaceutical, medical technology and life-sciences services companies. We provide services in large-scale business and technology transformation, business performance improvement, post-merger integration, and business process and technology outsourcing. Our life sciences expertise covers the key business areas of research and development, marketing and sales, supply chain, manufacturing and select back-office functions.

***Retail.*** Our Retail industry group serves a wide range of companies, including supermarkets, hardline retailers, mass-merchandise discounters, department stores, and fashion and other specialty retailers. We provide offerings designed to help clients drive value and differentiation with consumers through analytics-based marketing and merchandising, optimized integration of new channels, faster delivery and improved relevance of offerings to customers, effective use of advanced and core technologies and services, and improved cross-functional integration and operations.

***Resources***

Our Resources operating group serves the chemicals, energy, forest products, metals and mining, utilities and related industries. With market conditions driving energy companies to seek new ways of creating value for shareholders; deregulation and climate change fundamentally reforming the utilities industry and yielding cross-border opportunities; and an intensive focus on productivity and portfolio management in the chemicals and natural resources industries, we work with clients to create solutions designed to help them differentiate themselves in the marketplace and gain competitive advantage. We also work with clients across all industry segments on sustainability to help them meet emission targets and increase energy efficiency. Our Resources operating group comprises the following industry groups:

***Chemicals.*** Our Chemicals industry group works with a wide cross-section of industry segments, including petrochemicals, specialty chemicals, polymers and plastics, gases and agricultural chemicals, among others. We help chemical companies develop and implement new

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business strategies, redesign business processes, manage complex change initiatives, and integrate processes and technologies to achieve higher levels of performance.

**Energy.** Our Energy industry group serves a wide range of companies in the oil and gas industry, including upstream, downstream, oil services and clean-energy companies. We help our clients optimize production, manage their hydrocarbon and non-hydrocarbon supply chains, streamline marketing operations and realize the potential of third-party enterprise-wide technology solutions. Our Energy industry group represented approximately 30% of our Resources operating group's net revenues in fiscal 2011.

**Natural Resources.** Our Natural Resources industry group serves the metals, mining, forest products and building materials industries. We help our clients which include mining companies in the coal, iron ore, copper and precious metals sectors; steel and aluminum producers; and lumber, pulp, papermaking, converting and packaging companies develop and implement new business strategies, redesign business processes, manage complex change initiatives, and integrate processes and technologies to achieve higher levels of performance.

**Utilities.** Our Utilities industry group works with electric, gas and water utilities around the world to respond to an evolving and highly competitive marketplace. We help utilities transform themselves from regulated, and sometimes state-owned, local entities to international deregulated corporations. We also develop diverse products and service offerings designed to help our clients deliver higher levels of service to their customers. These offerings include customer relationship management, workforce enablement, smart-grid development, supply chain optimization, and trading and risk management. We also provide a range of outsourced customer-care services to utilities and retail energy companies in North America. Our Utilities industry group represented approximately 35% of our Resources operating group's net revenues in fiscal 2011.

### ***Growth Platforms***

Our management consulting, technology and business process outsourcing ( BPO ) growth platforms are the skill-based innovation engines through which we build world-class skills and capabilities; develop our knowledge capital; and create, acquire and manage key assets central to the development of solutions for our clients. The professionals within these areas work closely with those in our operating groups to develop and deliver integrated services and solutions to clients.

### ***Management Consulting***

Our management consulting growth platform is responsible for the development and delivery of our strategic, operational, functional, industry, process and change consulting capabilities, working closely with the professionals in our operating groups and the other growth platforms. Our management consulting professionals help large, complex organizations design and execute changes to their business and operating models, either for one or more critical business units or across the entire organization. This growth platform comprises six function-based service areas, as well as industry-focused teams of management consulting professionals with deep skills in the numerous industry segments that we serve. The majority of management consulting professionals have a primary focus on either one of the six service areas or on an industry, with a secondary focus on the other (i.e., industry or service area).

The six service areas are as follows:

**Customer Relationship Management.** The professionals in Customer Relationship Management ( CRM ) help companies acquire, develop and retain more profitable customer relationships. We offer a full range of capabilities that address every aspect of CRM, including marketing, pricing strategy and profitability assessment, direct and indirect sales, customer

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service, field support and customer contact operations. These capabilities include rigorous approaches to improving the return on marketing investment, methods for building insight into customers' purchase habits and service preferences, tailoring offers and service treatment based upon that insight, and unique methods of optimizing the quality, cost and revenue impact of sales and service operations. We use these skills to help our clients accelerate growth, improve marketing and sales productivity and reduce customer care costs, thus increasing the value of their customer relationships and enhancing the economic value of their brands.

***Finance & Enterprise Performance.*** The professionals in Finance & Enterprise Performance work with our clients' finance and business unit executives to develop financial transaction processing, corporate finance and business performance reporting capabilities. Among the services we provide are strategic consulting on the design and structure of the finance function and the establishment of shared service centers. Our finance capability services also address revenue cycle management, billing, credit and collection effectiveness, electronic invoicing and settlement, tax processing, treasury operations, trading operations, lending and debt recovery, and benchmarking. Our performance management services address shareholder value targeting, scorecard and performance metrics development, performance reporting solutions and applied business analytics to improve profitability. Our professionals work with finance executives to develop and implement solutions designed to help them align their companies' investments with their business objectives and establish security relating to the exchange of information with reporting institutions.

***Operations.*** Operations is a new service area that was formed in September 2011. The professionals in Operations work with clients across a broad range of industries to develop and implement measurable, lasting improvements in all aspects of operations to enable profitable growth in new and existing markets. Our professionals combine global industry expertise and skills in a variety of areas, including operations and process transformation; sourcing and procurement; innovation and product development; manufacturing strategy and operations; service strategy and operations; integrated planning and fulfillment; and supply chain education. We work with clients to help align underlying process and operating models to support business strategies; optimize global operations; support profitable product launches; and enhance the skills and capabilities of the operations and supply chain workforce.

***Risk Management.*** The professionals in Risk Management work with clients to develop risk management capabilities to help protect and grow the economic value of their organizations. Our Risk Management services help our clients align business strategy and risk capabilities to evaluate market options and drive profitable growth; develop a risk-conscious culture across their organizations; adapt to industry and geographic regulations to drive positive business impact; and develop capabilities to collect, model and analyze business information for better risk-based decision-making.

***Strategy.*** Our Strategy professionals combine their strategy and operating model experience to help clients turn insights into results at both the enterprise and business unit level. With deep skills and capabilities in corporate strategy, corporate restructuring, growth and innovation strategies, mergers and acquisitions, and merger integration, we help clients develop and execute pragmatic ways to transform organizations and drive sustained high performance.

***Talent & Organization.*** The professionals in Talent & Organization work with clients on a wide range of talent management, human resources, organizational effectiveness, human capital, learning and change issues to deliver improved business and operational results. Our integrated approach and end-to-end capabilities include services and solutions in organization and change management, human resources administration, learning and collaboration,

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organizational performance management, talent management and overall transformation of key workforces. We help companies and governments improve the efficiency and effectiveness of talent and organization capabilities while lowering associated costs; deliver improvements in employee, workforce and business performance; and transform organizations through project-, program- and enterprise-level change management.

In addition to our function-based service areas, we have specialized teams that provide industry-specific management consulting services, which draw from our functional service areas but are customized and adapted to each industry. The majority of our management consultants whether in a function-based service area or on an industry management consulting team has a specific industry alignment, underscoring the strength of our industry assets and experience.

### ***Technology***

Our technology growth platform comprises three service areas: systems integration consulting, technology consulting and information technology ( IT ) outsourcing.

### ***Systems Integration Consulting***

Our key systems integration consulting services and solutions include:

***Enterprise Solutions and Enterprise Resource Planning ( ERP )***. We implement a variety of application software including SAP and Oracle, among others to consolidate operations, streamline business processes, connect geographies and manage and exploit data to make more informed business decisions.

***Industry and Functional Solutions***. We provide clients with industry and functional solutions that streamline, integrate and manage business processes, systems and information, based on other vendors' software assets or our own assets. These are typically add-ons to our clients' core ERP systems or software to support industry-unique functions such as trading solutions, billing systems and health exchange solutions. From design to implementation, these end-to-end services help our clients improve analytics-based decision-making, financial management, customer service excellence, supply chain management and human resource management.

***Information Management Services***. We provide services to help organizations manage the full range of their information needs to improve data quality, enhance decision-making capabilities and meet compliance requirements. Our services include business intelligence; content management and portals; data management; and data quality solutions.

***Cloud Computing***. We help clients use cloud computing to improve their IT efficiency and agility. Typically, we use platforms and infrastructure such as Microsoft Azure, Salesforce Force, Amazon EC2 and Google Apps.

***Custom Solutions***. With deep skills and expertise in both J2EE (Java-based) and .NET technology architectures, we work with clients to develop custom solutions that meet unique business needs, often using open-source technology products and platforms.

***Software as a Service ( SaaS )***. We help clients implement SaaS solutions to meet their business needs with the added benefits of increasing flexibility and reducing total cost of ownership. Our SaaS methodology and toolset enables rapid, agile delivery of SaaS solutions across a wide range of services and leading SaaS solutions including Salesforce.com, Workday and NetSuite.

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***Mobility Services.*** We provide mobility and embedded software services across a wide range of industries and platforms, including Symbian, WinMo (Microsoft Windows Mobile), Windows Phone, Android, Blackberry, iPhone, Java, Linux and Meego. These are designed to help organizations tap the full potential of mobility across the business-to-employee, business-to-consumer, business-to-business and machine-to-machine environments.

***Microsoft Solutions.*** Together with our alliance partner Microsoft and our Avanade subsidiary, we develop and deliver cost-efficient, innovative business solutions across the Microsoft platform and full set of software, leveraging our deep industry expertise and practical applications of leading-edge technologies. We have also helped a significant number of clients implement Microsoft's BPOS (Business Productivity Online Standard Suite) and other cloud-based tools using Microsoft's Azure platform.

***Technology Consulting***

Our key technology consulting services and solutions include:

***IT Strategy.*** We help client CEOs and CIOs link IT investments to business results and help manage those investments to ensure that the planned business impact is achieved. We also help CIOs transform how IT works, both internally and with business partners, so that IT is run like a business to deliver high performance.

***Infrastructure Consulting.*** We provide solutions to help clients optimize their IT infrastructures while reducing costs. From virtualization of servers and desktops, to data center operations engineering and enterprise network design and implementation, our services are designed to enable clients to rationalize, standardize, optimize, secure and transform their IT infrastructures for improved performance of mission-critical business processes, applications and end-users.

***IT Security Consulting.*** We help clients implement security tools and processes so they can become more agile in response to changing market forces and evolving threats. Working with us, our clients are better able to secure data and applications, protect identities, address threats and vulnerabilities, and meet compliance demands while reducing costs and improving efficiency.

***Application Modernization and Optimization.*** We specialize in defining and executing strategies that transform our clients' application portfolios into rationalized, flexible, cost-efficient and reliable assets. Our services and solutions help clients define and implement innovative approaches to extending the useful life of legacy applications at a significantly reduced cost or help to retire platforms and replace them with more modern, sustainable solutions.

***IT Outsourcing***

Our approach to IT outsourcing goes beyond traditional cost-cutting measures to help clients improve the total performance of application and infrastructure development and maintenance. We provide a full range of application outsourcing and infrastructure outsourcing services and solutions:

***Application Outsourcing.*** We provide a wide array of application outsourcing services under flexible arrangements, managing custom or packaged software applications including enterprise-wide applications such as SAP and Oracle over their complete development and maintenance lifecycles. Our scope of services ranges from standardized, discrete application outsourcing services including application testing, application management of enterprise-wide software programs, and capacity services to large-scale application enhancement and development for individual or multiple applications, or an entire portfolio of applications.

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***Infrastructure Outsourcing.*** We provide ongoing management of clients' IT infrastructure capabilities and functions, with expertise in six service areas: service desk; workplace services; data-center services; network services; security services; and IT spend management. We provide discrete skills (i.e., capacity services) as well as fully managed services. Our services offer clients a more cost-effective, secure and responsive infrastructure that can be scaled and adapted to their business needs.

### ***Business Process Outsourcing***

Our business process outsourcing growth platform provides business process services that help clients drive business value, achieve higher levels of performance and results, and/or reduce costs. Through our BPO services, we manage specific business processes or functions for clients, providing solutions that are more efficient and cost-effective than if the functions were provided in-house while also providing business insight to drive business outcomes.

We offer clients across all industries a variety of BPO services for specific business functions and/or processes, including finance and accounting, human resources, learning and procurement, among others. We also offer industry-specific BPO services designed to address the unique needs of client organizations and deliver business outcomes. We provide these services on a global basis and across all industry sectors through our Global Delivery Network.

### **Global Delivery Model**

A key Accenture differentiator is our strategic global delivery model, which allows us to draw on the benefits of using people and other resources from around the world including scalable, standardized processes, methods and tools; specialized business process and technology skills; cost advantages; foreign-language fluency; proximity to clients; and time-zone advantages to deliver high-quality solutions. Emphasizing quality, productivity, reduced risk, speed to market and predictability, our global delivery model enables us to provide clients with price-competitive services and solutions that drive higher levels of performance.

Our Global Delivery Network continues to be a competitive differentiator for us. We have more than 50 delivery centers around the world. As of August 31, 2011, we had approximately 141,000 people in our network globally.

### **Alliances**

We have sales and delivery alliances with companies whose capabilities complement our own, either by, among other things, enhancing a service offering, delivering a new technology or helping us extend our services to new geographies. By combining our alliance partners' products and services with our own capabilities and expertise, we create innovative, high-value business solutions for our clients. Most of our alliances are non-exclusive. These alliances can generate significant revenues from services to implement our alliance partners' products. We also receive some direct payments, which are not material to our business, from our alliance partners as compensation for marketing and other assistance.

### **Research and Innovation**

We are committed to developing leading-edge ideas. Research and innovation have been major factors in our success, and we believe they will help us continue to grow in the future. We use our investment in research and development on which we spent \$503 million, \$384 million and \$435 million in fiscal 2011, 2010 and 2009, respectively to help create, commercialize and disseminate innovative business strategies and technology solutions.



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Our research and innovation program is designed to generate early insights into how knowledge can be harnessed to create innovative business solutions for our clients and to develop business strategies with significant value. One component of this is our research and development organization, Accenture Technology Labs, which identifies and develops new technologies that we believe will be the drivers of our clients growth and enable them to be first to market with unique capabilities.

We also promote the creation of knowledge capital and thought leadership through the Accenture Institute for High Performance. In addition, we spend a significant portion of our research and development investment directly through our operating groups and our consulting, technology and outsourcing growth platforms to develop market-ready solutions for our clients.

## **Employees**

Our most important asset is our people. The diverse and global makeup of our workforce enables us to serve our diverse and global client base. We are deeply committed to the continued development of our employees, who receive significant and focused technical, functional, industry, managerial and leadership skill development and training appropriate for their roles and levels within our company throughout their careers with us. We seek to reinforce our employees' commitments to our clients, culture and values through a comprehensive performance management system and a career philosophy that rewards both individual performance and teamwork. We strive to maintain a work environment that reinforces collaboration, motivation and innovation and is consistent with our core values and Code of Business Ethics.

As of August 31, 2011, we had approximately 236,000 employees worldwide.

## **Competition**

We operate in a highly competitive and rapidly changing global marketplace and compete with a variety of organizations that offer services competitive with those we offer. Our competitors include:

off-shore service providers in lower-cost locations, particularly in India, the Philippines and China, that offer services similar to those we offer, often at highly competitive prices and on more aggressive terms;

large multinational providers, including the service arms of large global technology providers (hardware and software), that offer some or all of the services that we do;

niche solution or service providers or local competitors that compete with us in a specific geographic market, industry segment or service area, including companies that provide new or alternative products, services or delivery models;

accounting firms that are expanding or building their provision of some consulting services, including through acquisitions; and

in-house departments of large corporations that use their own resources, rather than engage an outside firm for the types of services we provide.

Our revenues are derived primarily from Fortune Global 500 and Fortune 1000 companies, medium-sized companies, governments, government agencies and other enterprises. We believe that the principal competitive factors in the industries in which we compete include:

skills and capabilities of people;

innovative service and product offerings;

ability to add business value and improve performance;

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reputation and client references;

price;

ability to deliver results reliably and on a timely basis;

scope of services;

service delivery approach;

technical and industry expertise;

quality of services and solutions;

availability of appropriate resources; and

global reach and scale.

Our clients typically retain us on a non-exclusive basis.

**Intellectual Property**

We provide value to our clients based in part on a differentiated range of proprietary inventions, methodologies, software, reusable knowledge capital, and other intellectual property. We recognize the increasing value of intellectual property in the marketplace and create, harvest, and protect this intellectual property. We leverage patent, trade secret, copyright and trademark laws as well as contractual arrangements to protect our intellectual property. We have also established policies to respect the intellectual property rights of third parties, such as Accenture's clients, partners, and others.

As of August 31, 2011, we had 2,718 patent applications pending in the United States and other jurisdictions and had been issued 600 U.S. patents and 524 non-U.S. patents.

Trademarks appearing in this report are the trademarks or registered trademarks of Accenture Global Services Ltd or third parties, as applicable.

**Organizational Structure**

On September 1, 2009, Accenture Ltd completed a transaction in which Accenture plc, organized in Ireland, became the parent holding company of Accenture. This transaction is described below under [History](#).

Accenture plc is an Irish public limited company with no material assets other than Class I common shares in its subsidiary, Accenture SCA, a Luxembourg partnership limited by shares ( "Accenture SCA" ). Accenture plc's only business is to hold these shares. Accenture plc owns a majority voting interest in Accenture SCA. As the general partner of Accenture SCA and as a result of Accenture plc's majority voting interest in Accenture SCA, Accenture plc controls Accenture SCA's management and operations and consolidates Accenture SCA's results in its Consolidated Financial Statements. We operate our business through subsidiaries of Accenture SCA. Accenture SCA generally reimburses Accenture plc for its expenses but does not pay Accenture plc any fees. Accenture plc was elected the general partner of Accenture SCA in place of Accenture Ltd at the November 16, 2009 shareholder meeting of Accenture SCA.

*History*

Prior to our transition to a corporate structure in fiscal 2001, we operated as a series of related partnerships and corporations under the control of our partners. In connection with our transition to a corporate structure, our partners generally exchanged all of their interests in these partnerships and corporations for Accenture Ltd Class A common shares or, in the case of partners in certain countries,

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Accenture SCA Class I common shares or exchangeable shares issued by Accenture Canada Holdings Inc., an indirect subsidiary of Accenture SCA. Generally, partners who received Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares also received a corresponding number of Accenture Ltd Class X common shares, which entitled their holders to vote at Accenture Ltd shareholder meetings but did not carry any economic rights. The combination of the Accenture Ltd Class X common shares and the Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares gave these partners substantially similar economic and governance rights as holders of Accenture Ltd Class A common shares.

In fiscal 2005, we replaced the internal use of the partner title with the more comprehensive senior executive title and applied the senior executive title to our highest-level employees, including those previously referred to as partners. However, for proper context, we continue to use the term partner in certain situations and particularly when discussing our reorganization and the period prior to our incorporation.

On June 10, 2009, Accenture plc was incorporated in Ireland, as a public limited company, in order to effect moving the place of incorporation of our parent holding company from Bermuda to Ireland (the Transaction). On August 5, 2009, the shareholders of Accenture Ltd, our predecessor holding company, voted in favor of the Transaction. The Transaction was subsequently completed on September 1, 2009, following approval from the Supreme Court of Bermuda, at which time Accenture Ltd became a wholly owned subsidiary of Accenture plc and Accenture plc became our parent holding company. In the Transaction, all of the outstanding Class A and Class X common shares of Accenture Ltd were cancelled and Accenture plc issued Class A and Class X ordinary shares on a one-for-one basis to the holders of the cancelled Accenture Ltd Class A and Class X common shares, as applicable (and cash for any fractional shares). Accenture Ltd was dissolved on December 29, 2009.

Class A ordinary shares of the Irish company, Accenture plc, began trading on the New York Stock Exchange on September 1, 2009 under the symbol ACN, the same symbol under which Class A common shares of Accenture Ltd, its predecessor, were previously listed.

The Consolidated Financial Statements included in this report with respect to periods prior to September 1, 2009 reflect the consolidated operations of Accenture Ltd (the predecessor registrant of Accenture plc) and its subsidiaries. The Consolidated Financial Statements included in this report reflect the ownership interests in Accenture SCA and Accenture Canada Holdings Inc. held by certain of our current and former senior executives as noncontrolling interests. The noncontrolling ownership interests percentage was 9% as of August 31, 2011.

***Accenture plc Class A and Class X Ordinary Shares***

Each Class A ordinary share and each Class X ordinary share of Accenture plc entitles its holder to one vote on all matters submitted to a vote of shareholders of Accenture plc. A Class X ordinary share does not, however, entitle its holder to receive dividends or to receive payments upon a liquidation of Accenture plc. As described above under History, Class X ordinary shares generally provide the holders of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares with a vote at Accenture plc shareholder meetings that is equivalent to the voting rights held by Accenture plc Class A ordinary shareholders, while their economic rights consist of interests in Accenture SCA Class I common shares or in Accenture Canada Holdings Inc. exchangeable shares.

Under its memorandum and articles of association, Accenture plc may redeem, at its option, any Class X ordinary share for a redemption price equal to the nominal value of the Class X ordinary share, or \$0.0000225 per share. Accenture plc, as successor to Accenture Ltd, has separately agreed with the original holders of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares not to redeem any Class X ordinary share of such holder if the redemption would reduce the number of Class X ordinary shares held by that holder to a number that is less than the

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number of Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares owned by that holder. Accenture plc will redeem Class X ordinary shares upon the redemption or exchange of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares so that the aggregate number of Class X ordinary shares outstanding at any time does not exceed the aggregate number of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares outstanding. Class X ordinary shares are not transferable without the consent of Accenture plc.

A transfer of Accenture plc Class A ordinary shares effected by transfer of a book-entry interest in The Depository Trust Company will not be subject to Irish stamp duty. Other transfers of Accenture plc Class A ordinary shares may be subject to Irish stamp duty (currently at the rate of 1% of the price paid or the market value of the Class A ordinary shares acquired, if higher) payable by the buyer.

***Accenture SCA Class I Common Shares***

Only Accenture and our current and former senior executives and their permitted transferees hold Accenture SCA Class I common shares. Each Class I common share entitles its holder to one vote on all matters submitted to the shareholders of Accenture SCA and entitles its holder to dividends and liquidation payments. As of October 11, 2011, Accenture holds a voting interest of approximately 91% of the aggregate outstanding Accenture SCA Class I common shares entitled to vote, with the remaining 9% of the voting interest held by our current and former senior executives and their permitted transferees.

Accenture SCA is obligated, at the option of the holder, to redeem any outstanding Accenture SCA Class I common share at a redemption price per share generally equal to its current market value as determined in accordance with Accenture SCA's articles of association. Under Accenture SCA's articles of association, the market value of a Class I common share that is not subject to transfer restrictions will be deemed to be equal to (i) the average of the high and low sales prices of an Accenture plc Class A ordinary share as reported on the New York Stock Exchange (or on such other designated market on which the Class A ordinary shares trade), net of customary brokerage and similar transaction costs, or (ii) if Accenture plc sells its Class A ordinary shares on the date that the redemption price is determined (other than in a transaction with any employee or an affiliate or pursuant to a preexisting obligation), the weighted average sales price of an Accenture plc Class A ordinary share on the New York Stock Exchange (or on such other market on which the Class A ordinary shares primarily trade), net of customary brokerage and similar transaction costs. Accenture SCA may, at its option, pay this redemption price with cash or by delivering Accenture plc Class A ordinary shares on a one-for-one basis. In order to maintain Accenture plc's economic interest in Accenture SCA, Accenture plc generally will acquire additional Accenture SCA common shares each time additional Accenture plc Class A ordinary shares are issued.

Except in the case of a redemption of Class I common shares or a transfer of Class I common shares to Accenture plc or one of its subsidiaries, Accenture SCA's articles of association provide that Accenture SCA Class I common shares may be transferred only with the consent of the general partner of Accenture SCA. In addition, all holders of Class I common shares (except Accenture) are precluded from having their shares redeemed by Accenture SCA or transferred to Accenture SCA, Accenture plc or a subsidiary of Accenture plc at any time or during any period when Accenture SCA determines, based on the advice of counsel, that there is material non-public information that may affect the average price per share of Accenture plc Class A ordinary shares, if the redemption would be prohibited by applicable law, during an underwritten offering due to an underwriters lock-up or during the period from the announcement of a tender offer by Accenture SCA or its affiliates for Accenture SCA Class I common shares until the expiration of ten business days after the termination of the tender offer (other than to tender the holder's Accenture SCA Class I common shares in the tender offer).

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***Accenture Canada Holdings Inc. Exchangeable Shares***

Holders of Accenture Canada Holdings Inc. exchangeable shares may exchange their shares for Accenture plc Class A ordinary shares at any time on a one-for-one basis. Accenture may, at its option, satisfy this exchange with cash at a price per share generally equal to the market price of an Accenture plc Class A ordinary share at the time of the exchange. Each exchangeable share of Accenture Canada Holdings Inc. entitles its holder to receive distributions equal to any distributions to which an Accenture plc Class A ordinary share entitles its holder. The exchange of all of the outstanding Accenture Canada Holdings Inc. exchangeable shares for Accenture plc Class A ordinary shares would not have a material impact on the equity ownership position of Accenture or the other shareholders of Accenture SCA.

**ITEM 1A. RISK FACTORS**

In addition to the other information set forth in this report, you should carefully consider the following factors which could materially adversely affect our business, financial condition, results of operations (including revenues and profitability) or stock price. Our business is also subject to general risks and uncertainties that may broadly affect companies, including us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also could materially adversely affect our business, financial condition, results of operations or stock price.

***Our results of operations could be adversely affected by volatile, negative or uncertain economic conditions and the effects of these conditions on our clients' businesses and levels of business activity.***

Global economic conditions affect our clients' businesses and the markets they serve, and volatile, negative or uncertain economic conditions may have an adverse effect on our revenue growth and profitability. Volatile, negative or uncertain economic conditions in our significant markets could undermine business confidence, both in those markets and other markets and cause our clients to reduce or defer their spending on new technologies or initiatives or terminate existing contracts, which would negatively affect our business. Growth in the markets we serve could be at a slow rate, or could stagnate, for an extended period of time. Differing economic conditions and patterns of economic growth and contraction in the geographical regions in which we operate and the industries we serve may affect demand for our services. A material portion of our revenues and profitability is derived from our clients in Europe and North America. Weakening in these markets as a result of high government deficits, credit downgrades or otherwise, could have a material adverse effect on our results of operations. Ongoing economic volatility and uncertainty affects our business in a number of other ways, including making it more difficult to accurately forecast client demand beyond the short term and effectively build our revenue and resource plans, particularly in consulting. This could result, for example, in us not having the level of appropriate personnel where they are needed, and could have a significant negative impact on our results of operations.

***Our business depends on generating and maintaining ongoing, profitable client demand for our services and solutions, and a significant reduction in such demand could materially affect our results of operations.***

Our revenue and profitability depend on the demand for our services with favorable margins, which could be negatively affected by numerous factors, many of which are beyond our control and unrelated to our work product. As described above, volatile, negative or uncertain global economic conditions could negatively affect client demand for our services and solutions. In addition, developments in the industries we serve, which may be rapid, could shift demand to services and solutions where we are less competitive, or might require significant investment by us to upgrade, enhance or expand our services

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and solutions to meet that demand. Companies in the industries we serve sometimes seek to achieve economies of scale and other synergies by combining with or acquiring other companies. If one of our current clients merges or consolidates with a company that relies on another provider for its consulting, systems integration and technology, or outsourcing services, we may lose work from that client or lose the opportunity to gain additional work if we are not successful in generating new opportunities from the merger or consolidation. Many of our consulting contracts are less than 12 months in duration, and these contracts typically permit a client to terminate the agreement with as little as 30 days notice. Longer-term, larger and more complex contracts, such as the majority of our outsourcing contracts, generally require a longer notice period for termination and often include an early termination charge to be paid to us, but this charge might not be sufficient to cover our costs or make up for anticipated profits lost upon termination of the contract. If a client is dissatisfied with our services and we are unable to effectively respond to its needs, the client might terminate existing contracts, or reduce or eliminate spending on the services and solutions we provide. Additionally, a client could choose not to retain us for additional stages of a project, try to renegotiate the terms of its contract or cancel or delay additional planned work. When contracts are terminated or not renewed, we lose the anticipated revenues and it may take significant time to replace the level of revenues lost. Consequently, our results of operations in subsequent periods could be materially lower than expected. The specific business or financial condition of a client, changes in management and changes in a client's strategy also are all factors that can result in terminations, cancellations or delays. For example, in fiscal 2009, we experienced a higher volume of contract terminations and restructurings as a result of challenging economic conditions and clients being acquired, which negatively affected our results of operations. It could also result in pressure to reduce the cost of our services. For example, during fiscal years 2009 and 2010, challenging economic conditions led to our moving work more quickly into our Global Delivery Network than planned in order to respond to client demand to reduce costs, which resulted in our revenues being less than anticipated.

***If we are unable to keep our supply of skills and resources in balance with client demand around the world and attract and retain professionals with strong leadership skills, our business, the utilization rate of our professionals and our results of operations may be materially adversely affected.***

Our success is dependent, in large part, on our ability to keep our supply of skills and resources in balance with client demand around the world and our ability to attract and retain personnel with the knowledge and skills to lead our business globally. Experienced personnel in our industry are in high demand, and competition for talent is intense. We must hire, retain and motivate appropriate numbers of talented people with diverse skills in order to serve clients across the globe, respond quickly to rapid and ongoing technology and industry developments and grow and manage our business. For example, if we are unable to hire or continually train our employees to keep pace with the rapid and continuing changes in technology and the industries we serve, we may not be able to develop and deliver new services and solutions to fulfill client demand. As we expand our services and solutions, we also hire and must retain an increasing number of professionals with different skills and professional expectations than the majority of our personnel. If we are unable to successfully integrate, motivate and retain these professionals, our ability to continue to secure work in those industries may suffer.

We are particularly dependent on retaining our senior executives and other experienced managers, and if we are unable to do so, our ability to develop new business and effectively lead our current projects could be jeopardized. We depend on identifying, developing and retaining key employees to provide leadership and direction for our businesses. This includes developing talent and leadership capabilities in emerging markets, where the depth of skilled employees is often limited and competition for these resources is intense. Our geographic expansion strategy in emerging markets depends on our ability to attract, retain and integrate both local business leaders and people with the appropriate delivery skills.



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Similarly, our profitability depends on our ability to effectively utilize personnel with the right mix of skills and experience to perform services for our clients, including our ability to transition employees to new assignments on a timely basis. If we are unable to effectively mobilize our employees globally on a timely basis to fulfill the needs of our clients, our ability to perform our work profitably could suffer. If the utilization rate of our professionals is too high, it could have an adverse effect on employee engagement and attrition, the quality of the work performed as well as our ability to staff projects. If our utilization rate is too low, our profitability and the engagement of our employees could suffer. The costs associated with recruiting and training employees are significant. The mobility of our employees also contributes to the effective operation of our global business model. Increased regulation of immigration or work visas, including limitations placed on the number of visas granted, limitations on the type of work performed or location in which it can be performed, and new or higher minimum salary requirements, could make it more difficult to deploy our employees on client engagements and could increase costs.

There is a risk that at certain points in time and in certain geographical regions, we will find it difficult to hire and retain a sufficient number of employees with the skills or backgrounds to meet current and/or future demand. In these cases, we might need to redeploy existing personnel or increase our reliance on subcontractors to fill certain labor needs, and if not done effectively, our profitability could be negatively impacted. Additionally, if demand were to escalate at a high rate, we may need to adjust our compensation practices, which could put upward pressure on our costs and adversely affect our profitability if we are unable to recover these increased costs. At certain times, however, we may also have more personnel than we need in certain skill sets or geographies. In these situations, we must evaluate voluntary attrition and use increased involuntary terminations and reduced levels of new hiring as means to keep our supply of skills and resources in balance with client demand in those geographies.

***The consulting and outsourcing markets are highly competitive, and we might not be able to compete effectively.***

The markets in which we offer our services are highly competitive. Our competitors include:

off-shore service providers in lower-cost locations, particularly in India, the Philippines and China, that offer services similar to those we offer, often at highly competitive prices and on more aggressive contractual terms;

large multinational providers, including the services arms of large global technology providers (hardware and software), that offer some or all of the services that we do;

niche solution or service providers or local competitors that compete with us in a specific geographic market, industry segment or service area, including companies that provide new or alternative products, services or delivery models;

accounting firms that are expanding or building their provision of some consulting services, including through acquisitions; and

in-house departments of large corporations that use their own resources, rather than engage an outside firm for the types of services we provide.

Some competitors are companies that may have greater financial, marketing or other resources than we do and, therefore, may be better able to compete for new work and skilled professionals.

Even if we have potential offerings that address marketplace or client needs, competitors may be more successful at selling similar services they offer, including to companies that are our clients. Some competitors are more established in certain emerging markets, and that may make our geographic expansion strategy in these markets more challenging. Additionally, competitors may also offer more aggressive contractual terms, which may affect our ability to win work. Our future performance is largely

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dependent on our ability to compete successfully in the markets we currently serve, while expanding into additional markets. If we are unable to compete successfully, we could lose market share and clients to competitors, which could materially adversely affect our results of operations.

In addition, we may face greater competition due to consolidation of companies in the technology sector, through strategic mergers or acquisitions. Consolidation activity may result in new competitors with greater scale, a broader footprint, or offerings that are more attractive than ours. For example, there has been a continuing trend toward consolidation among hardware manufacturers, software developers and vendors, and service providers, which has resulted in the convergence of products and services. Over time, our access to such products and services may be reduced as a result of this consolidation. Additionally, vertically integrated companies are able to offer as a single provider, more integrated services (software and hardware) to clients than we can, and therefore may represent a more attractive alternative to clients. If buyers of services favor using a single provider for an integrated technology stack, such buyers may direct more business to such competitors, and this could materially adversely affect our competitive position and our results of operations.

***We could have liability or our reputation could be damaged if we fail to protect client and Accenture data or information systems as obligated by law or contract or if our information systems are breached.***

We are dependent on information technology networks and systems to process, transmit and store electronic information and to communicate among our locations around the world and with our clients, alliance partners, and vendors. The breadth and complexity of this infrastructure increases the potential risk of security breaches. Such breaches could lead to shutdowns or disruptions of our systems and potential unauthorized disclosure of confidential information.

In providing services to clients, we often manage, utilize and store sensitive or confidential client or Accenture data, including personal data. As a result, we are subject to numerous laws and regulations designed to protect this information, such as the national laws implementing the European Union Directive on Data Protection and various U.S. federal and state laws governing the protection of health or other personally identifiable information. These laws and regulations are increasing in complexity and number, change frequently and sometimes conflict among the various countries in which we operate. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to client or Accenture data, or otherwise mismanages or misappropriates that data, we could be subject to significant monetary damages, regulatory enforcement actions, fines, and/or criminal prosecution in one or more jurisdictions. These monetary damages might not be subject to a contractual limit of liability or an exclusion of consequential or indirect damages and could be significant. Unauthorized disclosure of sensitive or confidential client or Accenture data, whether through systems failure, employee negligence, fraud or misappropriation, could damage our reputation and cause us to lose clients. Similarly, unauthorized access to or through our information systems or those we develop for our clients, whether by our employees or third parties, including an attack by computer programmers and hackers who may develop and deploy viruses, worms or other malicious software programs, could result in negative publicity, legal liability and damage to our reputation and could have a material adverse effect on our results of operations.

***Our Global Delivery Network is increasingly concentrated in India and the Philippines, which may expose us to operational risks.***

Our business model is dependent on our Global Delivery Network, which includes Accenture personnel based at more than 50 delivery centers around the world. While these delivery centers are located throughout the world, we have based large portions of our delivery network in India, where we

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have the largest number of people in our delivery network located, and the Philippines, where we have the second largest number of people located. Concentrating our Global Delivery Network in these locations presents a number of operational risks, many of which are beyond our control. India and the Philippines have experienced natural disasters and are subject to pandemics, severe weather conditions, including earthquakes, volcanoes, cyclones, typhoons, floods and other storms, which may occur again and could impair the ability of our people to safely travel to and work in our facilities. Additionally, both countries have experienced political instability and worker strikes. India in particular has experienced civil unrest and hostilities with neighboring countries, including Pakistan. Military activity or civil hostilities in the future, as well as terrorist activities, natural disasters and other conditions, which are described more fully below, could significantly disrupt our ability to perform work through our delivery centers. Our business continuity and disaster recovery plans may not be effective, particularly if catastrophic events occur. If any of these circumstances occurs, we have a greater risk that the interruptions in communications with our clients and other Accenture locations and personnel, and any down-time in important processes we operate for clients, could result in a material adverse effect on our results of operations and our reputation in the marketplace.

*As a result of our geographically diverse operations and our growth strategy to continue geographic expansion, we are more susceptible to certain risks.*

We have offices and operations in more than 200 cities in 54 countries around the world. One aspect of our growth strategy is to continue to expand globally, and particularly to seek significant growth in our priority emerging markets. We cannot guarantee that our growth strategy will be successful. If we are unable to manage the risks of our global operations and geographic expansion strategy, including fluctuations in foreign exchange and inflation rates, international hostilities, natural disasters, security breaches, failure to maintain compliance with our clients' control requirements and multiple legal and regulatory systems, our results of operations and ability to grow could be materially adversely affected. In addition, emerging markets generally involve greater financial and operational risks, such as those described below, than our more mature markets. Negative or uncertain political climates in countries or geographies where we operate could also adversely affect us.

*Our results of operations could be materially adversely affected by fluctuations in foreign currency exchange rates.* Although we report our results of operations in U.S. dollars, a majority of our net revenues is denominated in currencies other than the U.S. dollar. Unfavorable fluctuations in foreign currency exchange rates could have a material adverse effect on our results of operations.

Because our consolidated financial statements are presented in U.S. dollars, we must translate revenues, expenses and income, as well as assets and liabilities, into U.S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, changes in the value of the U.S. dollar against other currencies will affect our net revenues, operating income and the value of balance-sheet items originally denominated in other currencies. These changes cause our growth in consolidated earnings stated in U.S. dollars to be higher or lower than our growth in local currency when compared against other periods.

As we continue to leverage our global delivery model, more of our expenses are incurred in currencies other than those in which we bill for the related services. An increase in the value of certain currencies, such as the Indian rupee, against the U.S. dollar could increase costs for delivery of services at off-shore sites by increasing labor and other costs that are denominated in local currency. There can be no assurance that our contractual provisions will offset their impact, or that our currency hedging activities, which are designed to partially offset this impact, will be successful. This could result in a decrease in the profitability of our contracts that are utilizing

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delivery center resources. In addition, our currency hedging activities are themselves subject to risk. These include risks related to counterparty performance under hedging contracts and risks related to currency fluctuations. We also face risks that extreme economic conditions, political instability, or hostilities or disasters of the type described below could impact our underlying exposures, perhaps eliminating them. Such an event could lead to losses being recognized on the currency hedges then in place, not offset by anticipated changes in the underlying hedge exposure.

*We could be subject to strict restrictions on the movement of cash and the exchange of foreign currencies.* In some countries, we could be subject to strict restrictions on the movement of cash and the exchange of foreign currencies, which would limit our ability to use this cash across our global operations. This risk could increase as we continue our geographic expansion in emerging markets, which are more likely to impose these restrictions than more established markets.

*International hostilities, terrorist activities, natural disasters, pandemics and infrastructure disruptions could prevent us from effectively serving our clients and thus adversely affect our results of operations.* Acts of terrorist violence, political unrest, armed regional and international hostilities and international responses to these hostilities, natural disasters, like the earthquake and resulting tsunami in Japan in March 2011, global health risks or pandemics or the threat of or perceived potential for these events could have a negative impact on us. These events could adversely affect our clients' levels of business activity and precipitate sudden significant changes in regional and global economic conditions and cycles. These events also pose significant risks to our people and to physical facilities and operations around the world, whether the facilities are ours or those of our alliance partners or clients. By disrupting communications and travel and increasing the difficulty of obtaining and retaining highly skilled and qualified personnel, these events could make it difficult or impossible for us to deliver services to our clients. Extended disruptions of electricity, other public utilities or network services at our facilities, as well as system failures at, or security breaches in, our facilities or systems, could also adversely affect our ability to serve our clients. We might be unable to protect our people, facilities and systems against all such occurrences. We generally do not have insurance for losses and interruptions caused by terrorist attacks, conflicts and wars. If these disruptions prevent us from effectively serving our clients, our results of operations could be adversely affected.

*Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.* We are subject to numerous, and sometimes conflicting, legal regimes on matters as diverse as anticorruption, import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, immigration, internal and disclosure control obligations, securities regulation, anti-competition, data privacy and labor relations. This includes in emerging markets where legal systems may be less developed or familiar to us. Compliance with diverse legal requirements is costly, time-consuming and requires significant resources. Violations of one or more of these regulations in the conduct of our business could result in significant fines, criminal sanctions against us or our officers, prohibitions on doing business and damage to our reputation. Violations of these regulations in connection with the performance of our obligations to our clients also could result in liability for significant monetary damages, fines and/or criminal prosecution, unfavorable publicity and other reputational damage, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws might be insufficient to protect our rights.

In particular, in many parts of the world, including countries in which we operate and/or seek to expand, practices in the local business community might not conform to international business standards and could violate anticorruption laws, or regulations, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010. Our employees, subcontractors, agents, alliance or joint venture partners

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and other third parties with which we associate, could take actions that violate policies or procedures designed to promote legal and regulatory compliance or applicable anticorruption laws or regulations. Violations of these laws or regulations by us, our employees or any of these third parties could subject us to criminal or civil enforcement actions (whether or not we participated or knew about the actions leading to the violations), including fines or penalties, disgorgement of profits and suspension or disqualification from work, including U.S. federal contracting, any of which could materially adversely affect our business, including our results of operations and our reputation.

Changes in laws and regulations could also mandate significant and costly changes to the way we implement our services and solutions or could impose additional taxes on our services and solutions. For example, because outsourcing and systems integration represent a significant portion of our business, changes in laws and regulations to limit using off-shore resources in connection with our government work, which have been proposed from time to time in various jurisdictions, could adversely affect our results of operations. Such changes may result in contracts being terminated, or work being transferred on-shore, resulting in greater costs to us and could have a negative impact on our ability to obtain future work from government clients.

***Our results of operations could materially suffer if we are not able to obtain sufficient pricing to enable us to meet our profitability expectations.***

If we are not able to obtain sufficient pricing for our services to enable us to meet our profitability, our revenues and profitability expectations could materially suffer. The rates we are able to charge for our services are affected by a number of factors, including:

general economic and political conditions;

the competitive environment in our industry, as described below;

our clients' desire to reduce their costs;

our ability to accurately estimate, attain and sustain contract revenues, margins and cash flows over the full contract period, which includes our ability to estimate the impact of inflation and foreign exchange on our margins over long-term contracts; and

procurement practices of clients and their use of third-party advisors.

The competitive environment in our industry affects our ability to obtain favorable pricing in a number of ways, all of which could have a material negative impact on our results of operations. The less we are able to differentiate our services and solutions and/or clearly convey the value of our services and solutions, the more risk we have that they will be seen as commodities, with price being the driving factor in selecting a service provider. In addition, the introduction of new services or products by competitors could reduce our ability to obtain favorable pricing for the services or products we offer. Increased competition from companies located in lower-cost locations has reduced the prices we can charge for some of our services, particularly in the outsourcing and systems integration markets. Competitors may be willing, at times, to price contracts lower than us in an effort to enter the market or increase market share. Further, if competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer services similar to ours at lower prices.

***If our pricing estimates do not accurately anticipate the cost, risk and complexity of performing our work or third parties upon which we rely do not meet their commitments, then our contracts could have delivery inefficiencies and be unprofitable.***

Our pricing for our services and solutions is highly dependent on our forecasts and predictions about the level of effort and cost necessary to deliver such services and solutions, which might be based on

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limited data and could turn out to be materially inaccurate. If we do not accurately estimate the effort, costs or timing for meeting our contractual commitments and/or completing projects to a client's satisfaction, our contracts could yield lower profit margins than planned, or be unprofitable. Our pricing, cost and profit margin estimates on our consulting work and frequently on our outsourcing work, include anticipated long-term cost savings for the client that we expect to achieve and sustain over the life of the contract. We may fail to accurately assess the risks associated with potential contracts. This could result in existing contracts and contracts entered into in the future being less profitable than expected or unprofitable, which could have an adverse effect on our profitability.

If we experience unanticipated delivery difficulties due to our management, the failure of third parties to meet their commitments, or for any other reason, our contracts could yield lower profit margins than planned or be unprofitable. In particular, large and complex arrangements often require that we utilize subcontractors or that our services and solutions incorporate or coordinate with the software, systems or infrastructure requirements of other vendors and service providers, including companies with which we have alliances. Our profitability depends on the ability of these subcontractors, vendors and service providers to deliver their products and services in a timely manner and in accordance with the project requirements, as well as on our effective oversight of their performance. Some of this work involves new technologies, which may not work as intended or may take more effort to implement than initially predicted. In some cases, these subcontractors are small firms, and they might not have the resources or experience to successfully integrate their services or products with large-scale projects or enterprises. In addition, certain client work requires the use of unique and complex structures and alliances, some of which require us to assume responsibility for the performance of third parties whom we do not control. Any of these factors could adversely affect our ability to perform and subject us to additional liabilities, which could have a material adverse effect on relationships with our clients and on our results of operations.

***Our work with government clients exposes us to additional risks inherent in the government contracting environment.***

Our clients include national, provincial, state and local governmental entities. Our government work carries various risks inherent in the government contracting process. These risks include, but are not limited to, the following:

Government entities typically fund projects through appropriated monies. While these projects are often planned and executed as multi-year projects, the government entities usually reserve the right to change the scope of or terminate these projects for lack of approved funding and at their convenience. Changes in government or political developments, including budget deficits, shortfalls, uncertainties or other debt constraints, such as those recently experienced in the U.S. and certain countries in Europe, could result in our projects being reduced in price or scope or terminated altogether, which also could limit our recovery of incurred costs, reimbursable expenses and profits on work completed prior to the termination. Furthermore, if insufficient funding is appropriated to the government entity to cover termination costs, we may not be able to fully recover our investments.

Government entities, particularly in the United States, often reserve the right to audit our contract costs and conduct inquiries and investigations of our business practices with respect to government contracts. If these audits conclude that the costs are not reimbursable, then we will not be allowed to bill for them, or the cost must be refunded to the government if it has already been paid to us. Findings from an audit also could result in our being required to prospectively adjust previously agreed rates for our work, may affect our future profitability or may prevent us, by operation of law or in practice, from receiving new government contracts for some period of time. In the U.S., pending final audit determinations, the government may require us not to bill a

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percentage of our costs, and we may be subject to such requirement with respect to current open audits or future audits. U.S. government agencies, including the Defense Contract Audit Agency, routinely audit our contract costs, including allocated indirect costs and compliance with the Cost Accounting Standards, and conduct system reviews, investigations and other inquiries of our performance and business practices with respect to our government contracts. In addition, if the government auditors find, and the Defense Contract Management Agency (which has administrative authority over our U.S. government contracts) concludes, that certain costs are not reimbursable, have not been properly determined or are based on outdated estimates of our work, then we will not be allowed to bill for such costs or may have to refund money that has already been paid to us.

If a government client discovers improper or illegal activities in the course of audits or investigations, we may become subject to various civil and criminal penalties, including those under the civil U.S. False Claims Act, and administrative sanctions, which may include termination of contracts, forfeiture of profits, suspension of payments, fines and suspensions or debarment from doing business with other agencies of that government. The inherent limitations of internal controls may not prevent or detect all improper or illegal activities.

U.S. government contracting regulations impose strict compliance and disclosure obligations. Disclosure is required if certain company personnel have knowledge of credible evidence of a violation of federal criminal laws involving fraud, conflict of interest, bribery or improper gratuity, a violation of the civil U.S. False Claims Act or receipt of a significant overpayment from the government. Failure to make required disclosures could be a basis for suspension and/or debarment from federal government contracting in addition to breach of the specific contract and could also impact contracting beyond the U.S. federal level. Reported matters also could lead to audits or investigations and other civil, criminal or administrative sanctions.

Because we are incorporated in Ireland, our U.S. federal practice operates under a separate agreement with the U.S. federal government in order to perform classified work for the U.S. government. We may be required by the government to amend the agreement from time to time, and we are currently in discussions with the U.S. government regarding proposed amendments. Depending on the outcome of those discussions, we might be required to adjust our current operations and/or incur additional costs in order to continue to perform certain services for the U.S. government, and we cannot predict at this time the total costs or whether the changes will adversely affect us.

Government contracts, and the proceedings surrounding them, are often subject to more extensive scrutiny and publicity than contracts with commercial clients. Negative publicity related to our government contracts, including an allegation of improper or illegal activity, regardless of its accuracy, may adversely affect our reputation.

Political and economic factors such as pending elections, the outcome of recent elections, changes in leadership among key executive or legislative decision makers, revisions to governmental tax or other policies and reduced tax revenues can affect the number and terms of new government contracts signed or the speed at which new contracts are signed, decrease future levels of spending and authorizations for programs that we bid, shift spending priorities to programs in areas for which we do not provide services and/or lead to changes in enforcement or how compliance with relevant rules or laws is assessed.

Terms and conditions of government contracts tend to be more onerous and are often more difficult to negotiate than those for commercial contracts. For example, government contracts often contain high or unlimited liability for breaches, less favorable payment terms, and sometimes require us to take on liability for the performance of third parties.

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Legislative proposals remain under consideration or could be proposed in the future, which, if enacted, could limit or even prohibit our eligibility to be awarded state or federal government contracts in the United States in the future. Various U.S. federal and state legislative proposals have been introduced and/or enacted in recent years that deny government contracts to certain U.S. companies that reincorporate or have reincorporated outside the United States. While Accenture was not a U.S. company that reincorporated outside the United States, it is possible that these contract bans and other legislative proposals could be applied in a way to negatively affect Accenture.

The occurrences or conditions described above could affect not only our business with the particular government entities involved, but also our business with other entities of the same or other governmental bodies or with certain commercial clients. If any of the risks discussed above were to occur, it could have a material adverse effect on our business or our results of operations.

***Our business could be materially adversely affected if we incur legal liability in connection with providing our services and solutions.***

We could be subject to significant legal liability and litigation expense if we fail to meet our contractual obligations, or otherwise breach obligations, to third parties, including clients, alliance partners, and other parties with whom we conduct business, or if our subcontractors breach or dispute the terms of our agreements with them and impede our ability to meet our obligations to our clients. We may enter into agreements with non-standard terms because we perceive an important economic opportunity or because our personnel did not adequately follow our contracting guidelines. In addition, the contracting practices of competitors, along with the demands of increasingly sophisticated clients, may cause contract terms and conditions that are unfavorable to us to become new standards in the marketplace. We may find ourselves committed to providing services or solutions that we are unable to deliver or whose delivery will reduce our profitability or cause us financial loss. If we cannot or do not perform our obligations, we could face significant legal liability, and our contracts might not always protect us adequately through limitations on the scope of our potential liability, because a third party may allege fraud or other wrongdoing to prevent us from relying upon those contractual protections. A failure of a client's system based on our services or solutions could subject us to a claim for significant damages that could materially adversely affect our results of operations. If we cannot or do not meet our contractual obligations to provide such solutions and services, and if our exposure is not adequately limited through the terms of our agreements, or if liability limitations are not enforced, we might face significant legal liability and litigation expense and our results of operations could be materially adversely affected. In addition to expense, litigation can be lengthy and disruptive to normal business operations, and litigation results can be unpredictable. While we maintain insurance for certain potential liabilities, such insurance does not cover all types and amounts of potential liabilities, and is subject to various exclusions as well as caps on amounts recoverable. Even if we believe a claim is covered by insurance, insurers may dispute our entitlement to recovery for a variety of potential reasons, which may affect the timing and amount of our recovery.

***Our results of operations and ability to grow could be materially negatively affected if we cannot adapt and expand our services and solutions in response to ongoing changes in technology and offerings by new entrants.***

Our success depends on our ability to continue to develop and implement services and solutions that anticipate and respond to rapid and continuing changes in technology and industry developments and offerings by new entrants to serve the evolving needs of our clients. Current areas of significant change include mobility, cloud-based computing and the processing and analyzing of large amounts of data. Technological developments such as these may materially affect the cost and use of technology by our



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clients. Our growth strategy focuses on responding to these types of developments by driving innovation for our core business as well as through new business initiatives beyond our core business that will enable us to differentiate our services and solutions. If we do not sufficiently invest in new technology and industry developments, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our services and solutions, our results of operations, and our ability to develop and maintain a competitive advantage and continue to grow could be negatively affected.

In addition, we operate in a quickly evolving environment, in which there currently are, and we expect will continue to be, new technology entrants. New services or technologies offered by competitors or new entrants may make our offerings less differentiated or less competitive, when compared to other alternatives, which may adversely affect our results of operations.

***Outsourcing services subject us to different operational risks than our consulting and systems integration services.***

Outsourcing services, which represented approximately 41% of our net revenues in fiscal 2011, present different operational risks, when compared to our consulting and systems integration services. Our outsourcing services involve taking over the operation of certain portions of our clients' businesses, which may include the operation of functions that are critical to the core businesses of our clients. In fiscal 2011, we expanded our outsourcing services and solutions into new areas, such as care management and mortgage processing, and we expect to continue to do so. Expanding into new areas may expose us to additional regulatory or other risks specific to such new areas. We could also incur liability for failure to comply with laws or regulations applicable to the services we provide clients.

We may also face exposure in our outsourcing business if we contribute to internal controls issues of a client. If a process we manage for a client were to result in internal controls failures at the client or impair our client's ability to comply with its own internal control requirements, there is a risk that we could face legal liability. Many of our clients request that we obtain an audit under Statement on Auditing Standards No. 70 (SAS 70) of the control activities we perform for them when we host or process data belonging to them (effective June 15, 2011, SAS 70 was retired and replaced with Statement on Standards for Attestation Engagements No. 16 and International Standard on Assurance Engagements 3402). If we receive a qualified opinion, or do not deliver the audit reports timely, our ability to acquire new clients and retain existing clients may be adversely affected and our reputation could be harmed.

***Our services or solutions could infringe upon the intellectual property rights of others or we might lose our ability to utilize the intellectual property of others.***

We cannot be sure that our services and solutions, or the solutions of others that we offer to our clients, do not infringe on the intellectual property rights of third parties, and these third parties could claim that we or our clients are infringing upon their intellectual property rights. These claims could harm our reputation, cost us money or prevent us from offering some services or solutions. Any related proceedings could require us to expend significant time and effort over an extended period of time. In most of our contracts, we agree to indemnify our clients for expenses and liabilities resulting from claimed infringements of the intellectual property rights of third parties. In some instances, the amount of these indemnities could be greater than the revenues we receive from the client. Any claims or litigation in this area could be time-consuming and costly, injure our reputation and/or require us to incur additional costs to obtain the right to continue to offer a service or solution to our clients. If we cannot secure this right at all or on reasonable terms, or we cannot substitute alternative technology, our operations could be materially adversely affected. Additionally, in recent years, individuals and firms have begun purchasing intellectual property assets for the sole purpose of asserting claims of

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infringement and attempting to extract settlements from large companies. If a claim of infringement were successful against us or our clients, an injunction might be ordered against our client or our own services or operations, causing further damages.

We could lose our ability to utilize the intellectual property of others. Third-party suppliers of software, hardware or other intellectual assets could be acquired or sued, and this could disrupt use of their products or services by Accenture and our clients. If our ability to provide services and solutions to our clients is impaired, our results of operations could be materially adversely affected.

*We have only a limited ability to protect our intellectual property rights, which are important to our success.*

Our success depends, in part, upon our ability to protect our proprietary methodologies and other intellectual property. Existing laws of some countries in which we provide services or solutions might offer only limited protection of our intellectual property rights. We rely upon a combination of trade secrets, confidentiality policies, nondisclosure and other contractual arrangements, and patent, copyright and trademark laws to protect our intellectual property rights. These laws are subject to change at any time and could further restrict our ability to protect our innovations. Our intellectual property rights may not prevent competitors from independently developing products and services similar to or duplicative of ours. Further, the steps we take in this regard might not be adequate to prevent or deter infringement or other misappropriation of our intellectual property by competitors, former employees or other third parties, and we might not be able to detect unauthorized use of, or take appropriate and timely steps to enforce, our intellectual property rights. Enforcing our rights might also require considerable time, money and oversight and we may not be successful in enforcing our rights.

Depending on the circumstances, we might need to grant a specific client greater rights in intellectual property developed in connection with a contract than we otherwise generally do. In certain situations, we might forego all rights to the use of intellectual property we create, which would limit our ability to reuse that intellectual property for other clients. Any limitation on our ability to provide a service or solution could cause us to lose revenue-generating opportunities and require us to incur additional expenses to develop new or modified solutions for future projects.

*Our ability to attract and retain business and employees may depend on our reputation in the marketplace.*

We believe the Accenture brand name and our reputation are important corporate assets that help distinguish our services from those of competitors and also contribute to our efforts to recruit and retain talented employees. However, our corporate reputation is potentially susceptible to material damage by events such as disputes with clients, information technology security breaches or service outages, internal control deficiencies, or other delivery failures. Similarly, our reputation could be damaged by actions or statements of current or former clients, employees, competitors, vendors and alliance partners, adversaries in legal proceedings, government regulators, as well as members of the investment community and the media. There is a risk that negative information about Accenture, even if based on rumor or misunderstanding, could adversely affect our business. Damage to our reputation could be difficult and time-consuming to repair, could make potential or existing clients reluctant to select us for new engagements, resulting in a loss of business, and could adversely affect our recruitment and retention efforts. Damage to our reputation could also reduce the value and effectiveness of the Accenture brand name and could reduce investor confidence in us, materially adversely affecting our share price.

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*Our alliance relationships may not be successful or may change, which could adversely affect our results of operations.*

We have alliances with companies whose capabilities complement our own. A very significant portion of our services and solutions are based on technology or software provided by a few major providers which are our alliance partners. See Business Alliances. The priorities and objectives of our alliance partners may differ from ours. As most of our alliance relationships are non-exclusive, our alliance partners are not prohibited from competing with us or forming closer or preferred arrangements with our competitors. One or more of our key alliance partners may be acquired by a competitor, or key alliances partners might merge with each other, either of which could reduce our access over time to the technology or software provided by those partners. If we do not obtain the expected benefits from our alliance relationships for any reason, we may be less competitive, our ability to offer attractive solutions to our clients may be negatively affected, and our results of operations could be adversely affected.

*We may not be successful at identifying, acquiring or integrating other businesses.*

We expect to continue pursuing strategic and targeted acquisitions, intended to enhance or add to our offerings of services and solutions, or enable us to expand in certain geographic and other markets. Depending on the opportunities available, we may increase the amount of investment in such acquisitions. We may not successfully identify suitable acquisition candidates. We also might not succeed in completing targeted transactions or achieve desired results of operations. Furthermore, we face risks in successfully integrating any businesses we might acquire. Ongoing business may be disrupted and our management's attention may be diverted by acquisition, transition or integration activities. In addition, we might need to dedicate additional management and other resources, and our organizational structure could make it difficult for us to efficiently integrate acquired businesses into our ongoing operations and assimilate and retain employees of those businesses into our culture and operations. We may have difficulties as a result of entering into new markets where we have limited or no direct prior experience or where competitors may have stronger market positions. We might fail to realize the expected benefits or strategic objectives of any acquisition we undertake. We might not achieve our expected return on investment, or may lose money. We may be adversely impacted by liabilities that we assume from an acquired company, including from terminated employees, current or former clients, or other third parties, and may fail to identify or assess the magnitude of certain liabilities, shortcomings or other circumstances prior to acquiring a company, which could result in unexpected litigation or regulatory exposure, unfavorable accounting treatment, unexpected increases in taxes or other adverse effects on our business. If we are unable to complete the number and kind of acquisitions for which we plan, or if we are inefficient or unsuccessful at integrating any acquired businesses into our operations, we may not be able to achieve our planned rates of growth or improve our market share, profitability or competitive position in specific markets or services.

*Our profitability could suffer if our cost-management strategies are unsuccessful, and we may not be able to improve our profitability through improvements to cost-management to the degree we have done in the past.*

Our ability to improve or maintain our profitability is dependent on our being able to successfully manage our costs. Our cost management strategies include maintaining appropriate alignment between the demand for our services and our resource capacity, optimizing the costs of service delivery and maintaining or improving our sales and marketing and general and administrative costs as a percentage of revenues. We have also taken actions to reduce certain costs, and these initiatives include, without limitation, ongoing global consolidation of our office space and re-alignment of portions of our non-client-facing workforce to lower-cost locations. There is no guarantee that these, or other cost-management efforts will be successful, that our efficiency will be enhanced, or that we will achieve desired levels of

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profitability. Over time, we have seen an improvement in general and administrative costs. Because of the significant steps taken in the past to reduce costs, we may not be able to continue to deliver efficiencies in our cost management, to the same degree as in the past. If we are not effective in reducing our operating costs in response to changes in demand or pricing, or if we are unable to absorb or pass on increases in the compensation of our employees by moving more work to lower-cost locations or otherwise, our margins and results of operations could be materially adversely affected.

*Many of our contracts include performance payments that link some of our fees to the attainment of performance or business targets and/or require us to meet specific service levels. This could increase the variability of our revenues and impact our margins.*

Many of our contracts include performance clauses that tie our compensation to the achievement of agreed-upon performance standards or milestones. If we fail to satisfy these measures, it could significantly reduce or eliminate our fees under the contracts, increase the cost to us of meeting performance standards or milestones, delay expected payments or subject us to potential damage claims under the contract terms. Clients also often have the right to terminate a contract and pursue damage claims under the contract for serious or repeated failure to meet these service levels. We also have a number of contracts, in both outsourcing and consulting, in which a portion of our fees or incentives depends on performance measures such as cost-savings, revenue enhancement, benefits produced, business goals attained and adherence to schedule. These goals can be complex and may depend on our clients' actual levels of business activity or may be based on assumptions that are later determined not to be achievable or accurate. These provisions could increase the variability in revenues and margins earned on those contracts.

*Changes in our level of taxes, and audits, investigations and tax proceedings, or changes in our treatment as an Irish company, could have a material adverse effect on our results of operations and financial condition.*

We are subject to income taxes in numerous jurisdictions. We calculate and provide for income taxes in each tax jurisdiction in which we operate. Tax accounting often involves complex matters and judgment is required in determining our worldwide provision for income taxes and other tax liabilities. We are subject to ongoing tax audits in various jurisdictions. Tax authorities have disagreed, and may in the future disagree, with our judgments, or may take increasingly aggressive positions with respect to the judgments we make. We regularly assess the likely outcomes of these audits in order to determine the appropriateness of our tax liabilities. However, our judgments might not be sustained as a result of these audits, and the amounts ultimately paid could be different from the amounts previously recorded. In addition, our effective tax rate in the future could be adversely affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws. Tax rates in the jurisdictions in which we operate may change as a result of macroeconomic or other factors outside of our control. For example, Ireland faces continuing economic uncertainty, including in connection with its outstanding debt obligations. These uncertainties have led to discussion regarding a potential increase to the corporate tax rate. Increases in the tax rate in Ireland or any of the jurisdictions in which we operate could have a negative impact on our profitability. In addition, changes in tax laws, treaties or regulations, or their interpretation or enforcement, may be unpredictable, particularly in less developed markets, and could become more stringent, which could materially adversely affect our tax position. Any of these occurrences could have a material adverse effect on our results of operations and financial condition.

Although we expect to be able to rely on the tax treaty between the U.S. and Ireland, there can be no assurance that legislative or diplomatic action will not be taken that would prevent us from being able to rely on such treaty. Our inability to rely on such treaty would subject us to increased taxation or

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significant additional expense. Congressional proposals could change the definition of a U.S. person for U.S. federal income tax purposes, which could subject us to increased taxation. In addition, we could be materially adversely affected by future changes in tax law or policy in Ireland or other jurisdictions where we operate, including their treaties with the United States. These changes could be exacerbated by economic, budget or other challenges facing Ireland or these other jurisdictions.

*If we are unable to manage the organizational challenges associated with our size, we might be unable to achieve our business objectives.*

As of August 31, 2011, we had approximately 236,000 employees worldwide. Our size and scale present significant management and organizational challenges. It might become increasingly difficult to maintain effective standards across a large enterprise and effectively institutionalize our knowledge. It might also become more difficult to maintain our culture, effectively manage and monitor our personnel and operations and effectively communicate our core values, policies and procedures, strategies and goals, particularly given our world-wide operations. Finally, the size and scope of our operations increase the possibility that we will have employees who engage in unlawful or fraudulent activity, or otherwise expose us to unacceptable business risks, despite our efforts to train them and maintain internal controls to prevent such instances. For example, the inappropriate use of social networking sites by our employees could result in breaches of confidentiality, unauthorized disclosure of non-public company information or damage to our reputation. If we do not continue to develop and implement the right processes and tools to manage our enterprise and instill our culture and core values into all of our employees, our ability to compete successfully and achieve our business objectives could be impaired.

*If we are unable to collect our receivables or unbilled services, our results of operations, financial condition and cash flows could be adversely affected.*

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. In limited circumstances, we also extend financing to our clients. We have established allowances for losses of receivables and unbilled services. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our allowances. There is no guarantee that we will accurately assess the creditworthiness of our clients. Macroeconomic conditions could also result in financial difficulties for our clients, and as a result could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. Recovery of client financing and timely collection of client balances also depend on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

*Our share price and results of operations could fluctuate and be difficult to predict.*

Our share price has fluctuated in the past and could continue to fluctuate in the future in response to various factors. These factors include:

changes in macroeconomic or political factors unrelated to our business;

general or industry-specific market conditions or changes in financial markets;

announcements by us or competitors about developments in our business or prospects;

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projections or speculation about our business or that of competitors by the media or investment analysts;

our ability to generate enough free cash flow to return cash to our shareholders at historical levels or levels expected by our shareholders; and

our failure to meet our growth and financial objectives, including with respect to our overall revenue growth and revenue growth for our priority emerging markets and earnings per share growth.

Our results of operations have varied in the past and are likely to vary significantly from quarter to quarter in the future, making them difficult to predict. Some of the factors that could cause our results of operations to vary include:

the business decisions of our clients to begin to curtail or reduce the use of our services, including in response to changes in macroeconomic or political conditions unrelated to our business or general market conditions;

periodic differences between our clients' estimated and actual levels of business activity associated with ongoing work, as well as the stage of completion of existing projects and/or their termination or restructuring;

contract delivery inefficiencies, such as those due to poor delivery or changes in forecasts;

our ability to transition employees quickly from completed to new projects and maintain an appropriate headcount in each of our workforces;

acquisition, integration and operational costs related to businesses acquired;

the introduction of new products or services by us, competitors or alliance partners;

changes in our pricing or competitors' pricing;

our ability to manage costs, including those for our own or subcontracted personnel, travel, support services and severance;

changes in, or the application of changes in, accounting principles or pronouncements under U.S. generally accepted accounting principles, particularly those related to revenue recognition;

currency exchange rate fluctuations;

changes in estimates, accruals or payments of variable compensation to our employees;

global, regional and local economic and political conditions and related risks, including acts of terrorism; and

seasonality, including number of workdays and holiday and summer vacations.

As a result of any of the above factors, or any of the other risks described in this Item 1A, Risk Factors, our share price could be difficult to predict and our share price in the past might not be a good indicator of the price of our shares in the future. In addition, if litigation is instituted against us following declines in our share price, we might need to devote substantial time and resources to responding to the litigation, and our share price could be materially adversely affected.

***Our results of operations and share price could be adversely affected if we are unable to maintain effective internal controls.***

The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our shareholders on our internal control over

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financial reporting that includes an assessment of the effectiveness of these controls. Internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, the market price of our securities and our ability to obtain new business could be materially adversely affected.

***We are incorporated in Ireland and a significant portion of our assets are located outside the United States. As a result, it might not be possible for shareholders to enforce civil liability provisions of the federal or state securities laws of the United States. We may also be subject to criticism and negative publicity related to our incorporation in Ireland.***

We are organized under the laws of Ireland, and a significant portion of our assets are located outside the United States. A shareholder who obtains a court judgment based on the civil liability provisions of U.S. federal or state securities laws may be unable to enforce the judgment against us in Ireland or in countries other than the United States where we have assets. In addition, there is some doubt as to whether the courts of Ireland and other countries would recognize or enforce judgments of U.S. courts obtained against us or our directors or officers based on the civil liabilities provisions of the federal or state securities laws of the United States or would hear actions against us or those persons based on those laws. We have been advised that the United States and Ireland do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. The laws of Ireland do however, as a general rule, provide that the judgments of the courts of the United States have the same validity in Ireland as if rendered by Irish Courts. Certain important requirements must be satisfied before the Irish Courts will recognize the United States judgment. The originating court must have been a court of competent jurisdiction and the judgment may not be recognized if it was obtained by fraud or its recognition would be contrary to Irish public policy. Any judgment obtained in contravention of the rules of natural justice or that is irreconcilable with an earlier foreign judgment would not be enforced in Ireland. Similarly, judgments might not be enforceable in countries other than the United States where we have assets.

Some companies that conduct business in the United States but are domiciled in certain other jurisdictions have been criticized as improperly avoiding U.S. taxes or creating an unfair competitive advantage over U.S. companies. Accenture never conducted business under a U.S. parent company, and pays U.S. taxes on all of its U.S. operations. Nonetheless, we could be subject to criticism in connection with our current incorporation in Ireland.

***Irish law differs from the laws in effect in the United States and might afford less protection to shareholders.***

Our shareholders could have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction of the United States. As an Irish company, we are governed by the Companies Acts 1963 to 2009 of Ireland (the Companies Acts ). The Companies Acts differ in some significant, and possibly material, respects from laws applicable to U.S. corporations and shareholders under various state corporation laws, including the provisions relating to interested directors, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors.



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Under Irish law, the duties of directors and officers of a company are generally owed to the company only. Shareholders of Irish companies do not generally have rights to take action against directors or officers of the company under Irish law, and may only do so in limited circumstances. Directors of an Irish company must, in exercising their powers and performing their duties, act with due care and skill, honestly and in good faith with a view to the best interests of the company. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests might conflict and also are under a duty to disclose any personal interest in any contract or arrangement with the company or any of its subsidiaries. If a director or officer of an Irish company is found to have breached his duties to that company, he could be held personally liable to the company in respect of that breach of duty.

*We might be unable to access additional capital on favorable terms or at all. If we raise equity capital, it may dilute our shareholders ownership interest in us.*

We might choose to raise additional funds through public or private debt or equity financings in order to:

take advantage of opportunities, including more rapid expansion;

acquire other businesses or assets;

repurchase shares from our shareholders;

develop new services and solutions; or

respond to competitive pressures.

Any additional capital raised through