

ACCENTURE LTD  
Form S-1/A  
April 26, 2002

As filed with the Securities and Exchange Commission on April 26, 2002.

Registration No. 333-84492

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**AMENDMENT NO. 1**  
TO  
**FORM S-1**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**ACCENTURE LTD**

(Exact Name of Registrant as Specified in its Charter)

**Bermuda**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**54161**  
(Primary Standard Industrial  
Classification Code Number)

**98-0341111**  
(I.R.S. Employer  
Identification No.)

**Cedar House**  
**41 Cedar Avenue**  
**Hamilton HM12, Bermuda**  
**(441) 296-8262**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

**Douglas G. Scrivner**  
**Accenture Ltd**  
**1661 Page Mill Road**  
**Palo Alto, CA 94304**  
**(650) 213-2000**

(Name and Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

## Edgar Filing: ACCENTURE LTD - Form S-1/A

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If delivery of the prospectus is expected to be made pursuant to Rule 434 under the Securities Act, check the following box. "

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**Explanatory Note:**

This Registration Statement contains two forms of a prospectus: one to be used in connection with an offering in the United States and one to be used in a concurrent international offering outside the United States. The two prospectuses are identical except for the front cover page, the

Underwriting section and the back cover page. Each of these pages for the U.S. prospectus is followed by the alternate page to be used in the international prospectus. Each of the alternate pages for the international prospectus is labeled Alternate Page for International Prospectus. Final forms of each prospectus will be filed with the Securities and Exchange Commission under Rule 424(b).

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated April 26, 2002.

## 100,000,000 Class A Common Shares

This is an offering of Class A common shares of Accenture Ltd. This prospectus relates to an offering of \_\_\_\_\_ shares in the United States. In addition, \_\_\_\_\_ shares are being offered outside the United States in an international offering.

Accenture Ltd is offering 10,185,884 of the Class A common shares to be sold in the offering. The selling shareholders identified in this prospectus are offering an additional 89,814,116 Class A common shares.

The Class A common shares are listed on the New York Stock Exchange under the symbol ACN. The last reported sale price of the Class A common shares on April 24, 2002 was \$23.15 per share.

See *Risk Factors* beginning on page 12 to read about factors you should consider before buying the Class A common shares.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

|  | Per Share | Total |
|--|-----------|-------|
| Initial price to public                                | \$        | \$    |
| Underwriting discount                                  | \$        | \$    |
| Proceeds, before expenses, to Accenture Ltd            | \$        | \$    |
| Proceeds, before expenses, to the selling shareholders | \$        | \$    |

To the extent that the U.S. underwriters sell more than \_\_\_\_\_ Class A common shares, the U.S. underwriters have the option to purchase up to an additional \_\_\_\_\_ Class A common shares from Accenture Ltd at the initial price to public less the underwriting discount. The international underwriters have a similar option to purchase up to \_\_\_\_\_ additional Class A common shares.

The underwriters expect to deliver the shares in New York, New York on \_\_\_\_\_, 2002.

**Goldman, Sachs & Co.**

**Morgan Stanley**

Prospectus dated \_\_\_\_\_, 2002.

[Alternate Page for International Prospectus]

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated April 26, 2002.

## 100,000,000 Class A Common Shares

This is an offering of Class A common shares of Accenture Ltd. This prospectus relates to an offering of \_\_\_\_\_ shares outside the United States. In addition, \_\_\_\_\_ shares are being offered in the United States.

Accenture Ltd is offering 10,185,884 of the Class A common shares to be sold in the offering. The selling shareholders identified in this prospectus are offering an additional 89,814,116 Class A common shares.

The Class A common shares are listed on the New York Stock Exchange under the symbol ACN. The last reported sale price of the Class A common shares on April 24, 2002 was \$23.15 per share.

See *Risk Factors* beginning on page 12 to read about factors you should consider before buying the Class A common shares.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

|  | Per Share | Total |
|--|-----------|-------|
| Initial price to public                                | \$        | \$    |
| Underwriting discount                                  | \$        | \$    |
| Proceeds, before expenses, to Accenture Ltd            | \$        | \$    |
| Proceeds, before expenses, to the selling shareholders | \$        | \$    |

To the extent that the international underwriters sell more than \_\_\_\_\_ Class A common shares, the international underwriters have the option to purchase up to an additional \_\_\_\_\_ Class A common shares from Accenture Ltd at the initial price to public less the underwriting discount. The U.S. underwriters have a similar option to purchase up to \_\_\_\_\_ additional Class A common shares.

The underwriters expect to deliver the shares in New York, New York on \_\_\_\_\_, 2002.

**Goldman Sachs International**

**Morgan Stanley**

Prospectus dated \_\_\_\_\_, 2002.

**You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer to sell these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.**

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The Bermuda Monetary Authority has classified us as non-resident of Bermuda for exchange control purposes. Accordingly, the Bermuda Monetary Authority does not restrict our ability to convert currency, other than Bermuda dollars, held for our account to any other currency, to transfer funds in and out of Bermuda or to pay dividends to non-Bermuda residents who are shareholders, other than in Bermuda dollars. The permission of the Bermuda Monetary Authority is required for the issue and transfer of our shares under the Exchange Control Act 1972 of Bermuda and regulations under it.

We have obtained the permission of the Bermuda Monetary Authority for the issue of the Accenture Ltd Class A common shares that we may sell and for the transfer of the Accenture Ltd Class A common shares which the selling shareholders may sell in the offering described in this prospectus. In addition, we have obtained the permission of the Bermuda Monetary Authority for the free issue and transferability of Accenture Ltd Class A common shares following the offering. Approvals or permissions received from the Bermuda Monetary Authority do not constitute a guaranty by the Bermuda Monetary Authority as to our performance or our creditworthiness. Accordingly, in giving those approvals or permissions, the Bermuda Monetary Authority will not be liable for our performance or default or for the correctness of any opinions or statements expressed in this document.

We have filed this document as a prospectus with the Registrar of Companies in Bermuda under Part III of the Companies Act 1981 of Bermuda. In accepting this document for filing, the Registrar of Companies accepts no responsibility for the financial soundness of any proposals or for the correctness of any opinions or statements expressed in this document.

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**SUMMARY**

*This summary highlights some of the information contained elsewhere in this prospectus. We urge you to read the entire prospectus carefully, including the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations sections and our historical financial statements and related notes included elsewhere in this prospectus, before making an investment decision.*

**Accenture**

Accenture is the world's leading management consulting and technology services organization. We have more than 75,000 employees based in over 110 offices in 47 countries delivering to our clients a wide range of consulting, technology and outsourcing services. We operate globally with one common brand and business model. We work with clients of all sizes and have extensive relationships with the world's leading companies and governments. We serve 89 of the *Fortune* Global 100 and more than half of the *Fortune* Global 500. In total, we have served more than 4,000 clients on nearly 18,000 engagements over the past five fiscal years.

Our business consists of using our industry knowledge, our service offering expertise and our insight into and access to existing and emerging technologies to identify new business and technology trends and formulate and implement solutions for clients under demanding time constraints. We help clients around the world identify and enter new markets, increase revenues in existing markets and deliver their products and services more effectively and efficiently. We deliver our services and solutions through the following five operating groups, which together comprise 18 industry groups. Our industry focus enables our professionals to provide business and management consulting, technology and outsourcing services with an understanding of industry evolution, business issues and applicable technologies, and ultimately to deliver solutions tailored to each client's industry.

| <b>Communications &amp; High Tech</b>  | <b>Financial Services</b>               | <b>Products</b>  | <b>Resources</b>   | <b>Government</b> |
|--|---|--|--|-------------------|
| Communications<br>Electronics &<br>High Tech<br>Media & Entertainment                      | Banking<br>Health Services<br>Insurance | Automotive<br>Consumer Goods<br>& Services<br>Industrial Equipment<br>Pharmaceuticals<br>& Medical Products<br>Retail<br>Transportation & Travel<br>Services | Chemicals<br>Energy<br>Forest Products<br>Metals & Mining<br>Utilities | Government        |
| <i>Percent of revenues before reimbursements for the 12 months ended February 28, 2002</i> |   |  |  |                   |
| 26%  | 24%                                     | 21%  | 18%  | 11%               |

We develop and deliver a full spectrum of services and solutions that address business opportunities and challenges common across industries through eight service lines and several of our solution units. Our service lines are responsible for developing our knowledge capital, world-class skills and innovative capabilities for clients across all of the industries we serve. Our solution units develop asset-based



scalable solutions that can be offered to multiple clients. We organize our service lines and the solution units that serve multiple industries into two capability groups, based on their applicability: Business Consulting and Technology & Outsourcing.

| Business Consulting  | Technology & Outsourcing  |
|--|---|
| Strategy & Business Architecture Service Line<br>Customer Relationship Management Service Line<br>Supply Chain Management Service Line<br>Human Performance Service Line<br>Finance & Performance Management Service Line<br>e-peopleserve Solution Unit<br>Accenture Learning Solution Unit | Technology Research & Innovation Service Line<br>Solutions Engineering Service Line<br>Solutions Operations Service Line<br>Avanade Solution Unit |

Our affiliates and alliances enhance our management consulting and technology services business. If a capability that we do not already possess is of strategic importance and value to us but is in an area that is best developed in a business model outside our client service business, we may form a new business, sometimes with one or more third parties, to develop that capability. We call these businesses affiliates. In general, we expect the capabilities developed by these new businesses to be used by our own professionals as well as by other companies. We enter into alliances because today's business environment demands more speed, flexibility and resources than typically exist at any single company. We seek to form alliances with leading companies and organizations whose capabilities complement our own, whether by extending or deepening a service offering, delivering a new technology or business process or helping us extend our services to new geographies. Although we have not generated material revenues from our affiliates and alliances, we believe that our network of businesses approach through which we enhance the service offerings of our operating groups and service lines with the insight into and access to emerging business models, solutions and technologies provided by our affiliates and alliances provides us with a fundamental advantage in delivering value to our clients.

Revenues are driven by our partners' and senior executives' ability to secure contracts for new engagements and to deliver solutions and services that add value to our clients. We derive substantially all of our revenues from contracts for management consulting and technology service offerings and solutions that we develop, implement and manage for our clients. Substantially all of our contracts include time-and-materials or fixed-price terms.

Our leading position in the management consulting and technology services markets results from the fact that we have more consulting professionals than any other consulting firm, with nearly 54,000 professionals working within our operating groups, complemented by nearly 8,000 professionals dedicated full time to our service lines. In addition, we have deep industry knowledge in 18 distinct industry groups and broad service offering expertise through our service lines and solution units. In total, we have more than 75,000 employees, not including those of our affiliates, who provide global scale and reach through over 110 offices in 47 countries. Based on our knowledge of our business and the business of our competitors, we believe that no other consulting firm provides as broad a range of management consulting and technology services and solutions to as many industry groups in as many geographic markets as we do.

### **Our Corporate Information**

Accenture Ltd is organized under the laws of Bermuda. We maintain a registered office in Bermuda at Cedar House, 41 Cedar Avenue, Hamilton HM12, Bermuda. Our telephone number in Bermuda is (441) 296-8262. We also have major offices in the world's leading business centers, including New York, Chicago, Dallas, Los Angeles, San Francisco, London, Frankfurt, Madrid, Milan, Paris, Sydney and Tokyo. In total, we have over 110 offices in 47 countries around the world. Our Internet address is [www.accenture.com](http://www.accenture.com). Information contained on our Web site is not a part of this prospectus.

We use the term "partner" in this prospectus to refer to the partners and shareholders of the series of related partnerships and corporations through which we operated our business prior to our transition to a corporate structure in fiscal 2001. These individuals became our executive employees following our transition to a corporate structure but have the "partner" title. Where the context permits, the term also refers to our employees and others who have been or are in the future named as "partners" in this executive sense. In using the term "partner," we do not mean to imply any intention of the parties to create a separate legal entity. We have more than 2,700 partners.

As a result of a restructuring in 1989, we and our "member firms," which are now our subsidiaries, became legally separate and distinct from the Arthur Andersen firms. Thereafter, until August 7, 2000, we had contractual relationships with an administrative entity, Andersen Worldwide, and indirectly with the separate Arthur Andersen firms. Under these contracts, called member firm agreements, we and our member firms, on the one hand, and the Arthur Andersen firms, on the other hand, were two stand-alone business units linked through such agreements to Andersen Worldwide for administrative and other services. In addition, during this period our partners individually were members of the administrative entity, Andersen Worldwide. Following arbitration proceedings between us and Andersen Worldwide and the Arthur Andersen firms that were completed in August 2000, the tribunal terminated our contractual relationships with Andersen Worldwide and all the Arthur Andersen firms. On January 1, 2001, we began to conduct business under the name Accenture. See "Certain Relationships and Transactions" Relationship with Andersen Worldwide and Arthur Andersen Firms.

### **Organizational Structure**

Accenture Ltd is a Bermuda holding company with no material assets other than an equity interest in our subsidiary, Accenture SCA, a Luxembourg partnership limited by shares. Accenture Ltd's only business is to hold this interest and to act as the sole general partner of Accenture SCA. As the general partner of Accenture SCA and as a result of Accenture Ltd's majority voting interest in Accenture SCA, Accenture Ltd controls Accenture SCA's management and operations and consolidates Accenture SCA's results in its financial statements. We operate our business through subsidiaries of Accenture SCA.

Some of our partners and former partners own shares in Accenture SCA or Accenture Canada Holdings Inc., an indirect subsidiary of Accenture SCA. Subject to contractual transfer restrictions, these partners have the option to redeem or exchange each of these shares for a Class A common share or, at our option, cash generally equal to the market value of a Class A common share. Generally, these partners and former partners also own a corresponding number of Accenture Ltd Class X common shares which entitle their holders to vote at Accenture Ltd shareholder meetings but do not carry any economic rights.

Immediately following the offering and the transactions related to the offering, our partners will own approximately 72% of the equity in our business, or approximately 71% if the underwriters exercise their overallotment options in full, and will own or control shares representing, in the aggregate, approximately 72% of the voting interest in Accenture Ltd or approximately 71% if the underwriters exercise their overallotment options in full. Information in this prospectus reflects our estimate of selling shareholder participation in the offering.

You should read Accenture Organizational Structure, Certain Transactions and Relationships and Description of Share Capital for additional information about our corporate structure.

### Share Management Plan

We recognize the need to address three important objectives related to the ownership of our shares: increased public float, broader ownership of the Accenture Ltd Class A common shares and the orderly entry of our shares into the market. We also recognize the needs of our partners to diversify their portfolios and to achieve additional liquidity over time. To balance these objectives, and to effectively incentivize our current and future partners, we are undertaking the offering and the related transactions and expect to implement a number of arrangements which we refer to collectively as our Share Management Plan. These arrangements include:

our agreement with 2,949 of our partners and former partners holding an aggregate of more than 784,130,840 Accenture Ltd Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares (or after the offering and the transactions related to the offering) to further restrict the transfer of their equity interests acquired from Accenture until July 24, 2005, except for transfers in Accenture-approved transactions such as the offering, as described in Certain Transactions and Relationships Share Management Plan Common Agreements ;

our plan to allow our partners and former partners to transfer their equity interests to their heirs or charitable donees in connection with estate and/or tax planning strategies, provided these transferees agree to be bound by the restrictions on transfer described above;

our plan to provide our partners and former partners with quarterly opportunities to sell or redeem, in Accenture-approved transactions with us or third parties, at or below market prices, equity interests as to which the transfer restrictions imposed prior to our initial public offering are no longer in effect; and

our creation of a share employee compensation trust that will acquire Class A common shares to fund equity awards to our future partners to preserve Accenture's partnership culture and sense of stewardship.

In addition, our agreements and arrangements with partners and former partners described above are intended to allow us the flexibility to accommodate changes and additions to the Share Management Plan.

We expect that our partners and former partners will, any time they sell shares in Accenture-approved underwritten public offerings, including this offering, generally pay to us an amount equal to 3% of the gross proceeds from the sale of the shares, less the amount of any underwriting discount. Similarly, our partners and former partners participating in any quarterly share transactions will generally pay to us an amount equal to 3 1/2% of the gross proceeds, less any brokerage costs. We will apply these amounts to cover the expenses of these transactions, with the excess being applied to fund the share employee compensation trust.

For more information about our Share Management Plan, please see Certain Transactions and Relationships Share Management Plan.

**The Offering**

|   |   |
|---|---|
| Class A common shares offered by Accenture Ltd(1)   | 10,185,884 Class A common shares. For local tax reasons in certain jurisdictions outside the United States, we intend to use proceeds from the offering to acquire or redeem an aggregate of 10,185,884 Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares from our partners and former partners in these jurisdictions.              |
| Class A common shares offered by the selling shareholders   | 89,814,116 Class A common shares. To obtain the Accenture Ltd Class A common shares they will sell in the offering, some of the selling shareholders will redeem or exchange an aggregate of 63,789,769 Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares for Accenture Ltd Class A common shares on a one-for-one basis immediately prior to the offering. |
| Class A common shares outstanding immediately before the offering and transactions related to the offering(2) | 406,892,187 Class A common shares (or 1,002,067,487 Class A common shares if all Accenture SCA Class I common shares not held by Accenture Ltd and all Accenture Canada Holdings exchangeable shares are redeemed or exchanged for newly issued Class A common shares on a one-for-one basis).  |
| Class A common shares outstanding immediately after the offering and transactions related to the offering(2)  | 476,181,007 Class A common shares (or 1,002,067,487 Class A common shares if all Accenture SCA Class I common shares not held by Accenture Ltd and all Accenture Canada Holdings exchangeable shares are redeemed or exchanged for newly issued Class A common shares on a one-for-one basis).  |

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- (1) Unless otherwise indicated, all information in this prospectus is provided assuming no exercise of the underwriters' options to purchase up to an aggregate of 15,000,000 additional Class A common shares from Accenture Ltd.
- (2) Class A common shares outstanding and other information in this prospectus based thereon do not reflect:

6,300,506 Class A common shares underlying restricted share units that are not fully vested;  
and  
89,539,518 Class A common shares issuable pursuant to  
options.

*(footnote continued)*

Class A common shares outstanding and other information in this prospectus based thereon reflect Class A common shares underlying fully vested restricted share units and assume the acquisition by Accenture Ltd of an equivalent amount of Accenture SCA common shares in connection with these restricted share units. We intend to accelerate the delivery of 9,889,765 Class A common shares underlying restricted share units to immediately prior to the offering to allow partners holding these restricted share units to participate in the offering as selling shareholders. Immediately before the offering and the transactions related to the offering, there are 67,558,540 Class A common shares underlying fully vested restricted share units, and immediately after the offering and the transactions related to the offering there will be 57,668,775 Class A common shares underlying fully vested restricted share units.

Use of proceeds

For local tax reasons in certain jurisdictions outside the United States, we intend to use the net proceeds from Accenture Ltd's sale of 10,185,884 Class A common shares in the offering to acquire or redeem an aggregate of 10,185,884 Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares from some of our partners and former partners in these jurisdictions at a price equal to the initial price to public less the underwriting discount. We intend to use any proceeds from an exercise of the underwriters' over-allotment options to fund the share employee compensation trust.

The partners and certain former partners who are selling shareholders in the offering or from whom we intend to acquire or redeem shares as described above have each agreed to pay to us an amount equal to 3% of the gross proceeds from the disposition of their shares, less the amount of any underwriting discount. We will apply these amounts to cover all of the expenses of the offering, with the excess being applied to fund the share employee compensation trust.

Voting rights

Each Class A common share and each Class X common share entitles its holder to one vote per share on all matters submitted to a vote of shareholders of Accenture Ltd. Immediately following the offering and the transactions related to the offering, our partners will own or control Class A common shares and Class X common shares representing, in the aggregate, approximately 72% of the voting interest in Accenture Ltd, or approximately 71% if the underwriters exercise their over-allotment options in full. All of our partners who hold Class A or Class X common shares have entered into a voting agreement that requires them to vote as a group with respect to all matters voted upon by shareholders of Accenture Ltd. For a discussion of the voting agreement, see "Certain

Transactions and Relationships Voting Agreement. Our partners will effectively control us for as long as they continue to hold a significant block of voting rights. Upon redemption or exchange of Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares, Accenture Ltd will redeem a corresponding number of Accenture Ltd Class X common shares so that the aggregate number of Class X common shares outstanding at any time does not exceed the aggregate number of Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares outstanding.

Dividend policy

We currently do not anticipate that Accenture Ltd or Accenture SCA will pay dividends.

Transfer restrictions

2,949 of our current and former partners, including all of our partners who will be participating in the offering and the transactions related to the offering, holding an aggregate of more than 784,130,840 Accenture Ltd Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares (or after the offering and the transactions related to the offering), have agreed not to transfer their equity interests acquired from Accenture until July 24, 2005, except for sales in underwritten public offerings, share repurchases, sales or redemptions or other transactions, in each case as approved by Accenture, or to estate and/or tax planning vehicles approved by Accenture. See Certain Transactions and Relationships Share Management Plan. The existing transfer restrictions in the voting agreement and the transfer rights agreement, which generally restrict sales until July 24, 2002 and then permit sales in increasing amounts over the subsequent seven years, will continue to apply. These transfer restrictions will be waived, however, to permit the Accenture-approved transactions described above, including the offering and the transactions related to the offering. See Certain Transactions and Relationships Voting Agreement and Accenture SCA Transfer Rights Agreement. See also Risk Factors Risks That Relate to Your Ownership of Our Class A Common Shares Our share price may decline due to the large number of Class A common shares eligible for future sale.

New York Stock Exchange symbol

ACN

Risk factors

For a discussion of some of the factors you should consider before buying our Class A common shares, see Risk Factors.

### Summary Financial Data

The following unaudited summary historical and pro forma as adjusted financial information should be read in conjunction with Selected Financial Data, our historical financial statements and related notes included elsewhere in this prospectus and Management's Discussion and Analysis of Financial Condition and Results of Operations.

|  | Historical            |          |          |          |           | Pro forma<br>as adjusted         | Historical             | Pro<br>forma<br>as<br>adjusted | Historical           |
|--|-----------------------|----------|----------|----------|-----------|----------------------------------|------------------------|--------------------------------|----------------------|
|  | Year ended August 31, |          |          |          |           | Year ended<br>August 31,<br>2001 | Six<br>months<br>ended | Six months<br>ended            | Six months<br>ended  |
|  | 1997                  | 1998     | 1999     | 2000     | 2001      |                                  | February 28,<br>2001   | February 28,<br>2001           | February 28,<br>2002 |
| (in millions, except share and per share data)         |                       |          |          |          |           |                                  |                        |                                |                      |
| <b>Income Statement Data:</b>                          |                       |          |          |          |           |                                  |                        |                                |                      |
| Revenues:  |                       |          |          |          |           |                                  |                        |                                |                      |
| Revenues before reimbursements                         | \$ 6,275              | \$ 8,215 | \$ 9,550 | \$ 9,752 | \$ 11,444 | \$ 11,444                        | \$ 5,713               | \$ 5,713                       | \$ 5,902             |
| Reimbursements   | 1,172                 | 1,425    | 1,529    | 1,788    | 1,904     | 1,904                            | 909                    | 909                            | 917                  |
| Revenues   | 7,447                 | 9,640    | 11,079   | 11,540   | 13,348    | 13,348                           | 6,622                  | 6,622                          | 6,819                |
| Operating expenses:                                    |                       |          |          |          |           |                                  |                        |                                |                      |
| Cost of services*:                                     |                       |          |          |          |           |                                  |                        |                                |                      |
| Cost of services before reimbursable expenses*         | 3,470                 | 4,700    | 5,457    | 5,486    | 6,200     | 6,925                            | 2,943                  | 3,502                          | 3,514                |
| Reimbursable expenses                                  | 1,172                 | 1,425    | 1,529    | 1,788    | 1,904     | 1,904                            | 909                    | 909                            | 917                  |
| Cost of services*                                      | 4,642                 | 6,125    | 6,986    | 7,274    | 8,104     | 8,829                            | 3,852                  | 4,411                          | 4,431                |
| Sales and marketing*                                   | 611                   | 696      | 790      | 883      | 1,217     | 1,507                            | 453                    | 672                            | 759                  |
| General and administrative costs*                      | 819                   | 1,036    | 1,271    | 1,297    | 1,516     | 1,560                            | 765                    | 797                            | 826                  |
| Reorganization and rebranding costs                    |                       |          |          |          | 848       |                                  | 189                    |                                |                      |
| Restricted share unit-based compensation               |                       |          |          |          | 967       |                                  |                        |                                |                      |
| Total operating expenses*                              | 6,072                 | 7,857    | 9,047    | 9,454    | 12,652    | 11,896                           | 5,259                  | 5,880                          | 6,016                |
| Operating income*                                      | 1,375                 | 1,783    | 2,032    | 2,086    | 696       | 1,452                            | 1,363                  | 742                            | 803                  |
| Gain (loss) on investments, net                        |                       |          | 92       | 573      | 107       | 107                              | 189                    | 189                            | (306)                |
| Interest income  |                       |          | 60       | 67       | 80        | 80                               | 42                     | 42                             | 24                   |
| Interest expense                                       | (19)                  | (17)     | (27)     | (24)     | (44)      | (59)                             | (11)                   | (21)                           | (24)                 |
| Other income (expense)                                 | 4                     | (6)      | (5)      | 51       | 17        | 17                               | 24                     | 24                             | 2                    |
| Equity in losses of affiliates                         |                       | (1)      | (6)      | (46)     | (61)      | (61)                             | (41)                   | (41)                           | (6)                  |
| Income before taxes*                                   | 1,360                 | 1,759    | 2,146    | 2,707    | 795       | 1,536                            | 1,566                  | 935                            | 493                  |
| Provision for taxes (1)                                | 118                   | 74       | 123      | 243      | 503       | 614                              | 136                    | 374                            | 268                  |
| Income before minority interest and accounting change* | 1,242                 | 1,685    | 2,023    | 2,464    | 292       | 922                              | 1,430                  | 561                            | 225                  |
| Minority interest                                      |                       |          |          |          | 577       | (545)                            |                        | (332)                          | (133)                |
| Income before accounting change*                       | 1,242                 | 1,685    | 2,023    | 2,464    | 869       | 377                              | 1,430                  | 229                            | 92                   |
| Cumulative effect of accounting change                 |                       |          |          |          | 188       |                                  | 188                    |                                |                      |

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|  |          |          |          |          |          |          |  |        |       |
|--|----------|----------|----------|----------|----------|----------|--|--------|-------|
| Partnership income before partner distributions* (2) | \$ 1,242 | \$ 1,685 | \$ 2,023 | \$ 2,464 |          | \$ 1,618 |  |        |       |
| Net income*  |          |          |          |          | \$ 1,057 | \$ 377   |  | \$ 229 | \$ 92 |

\* Historical information excludes payments for partner distributions in respect of periods ended on or prior to May 31, 2001.

- (1) For periods ended on or prior to May 31, 2001, we operated through partnerships in many countries. Therefore, we generally were not subject to income taxes in those countries. Taxes related to income earned by our partnerships were the responsibility of the individual partners. In other countries, we operated through corporations, and in these circumstances we were subject to income taxes.
- (2) Partnership income before partner distributions is not comparable to net income of a corporation similarly determined. Partnership income in respect of periods ended on or prior to May 31, 2001 is not executive compensation in the customary sense because partnership income is comprised of distributions of current earnings. Accordingly, compensation and benefits for services rendered by partners have not been reflected as an expense in our historical financial statements.



|                                 | Historical            |             |             |             |             | Pro forma<br>as adjusted         | Historical                                  | Pro forma<br>as adjusted                    | Historical                                  |
|---------------------------------|-----------------------|-------------|-------------|-------------|-------------|----------------------------------|---|---|---|
|                                 | Year ended August 31, |             |             |             |             | Year ended<br>August 31,<br>2001 | Six months<br>ended<br>February 28,<br>2001 | Six months<br>ended<br>February 28,<br>2001 | Six months<br>ended<br>February 28,<br>2002 |
|                                 | 1997                  | 1998        | 1999        | 2000        | 2001        |                                  |   |   |   |
| <b>Earnings Per Share Data:</b> |                       |             |             |             |             |                                  |   |   |   |
| Earnings per share:             |                       |             |             |             |             |                                  |   |   |   |
| basic                           |                       |             |             |             |             | \$ 0.91                          | \$ 0.56                                     | \$ 0.23                                     |   |
| diluted                         |                       |             |             |             |             | \$ 0.91                          | \$ 0.56                                     | \$ 0.22                                     |   |
| Weighted average shares:        |                       |             |             |             |             |                                  |   |   |   |
| basic                           |                       |             |             |             |             | 412,705,954                      | 412,705,954                                 | 410,027,002                                 |   |
| diluted                         |                       |             |             |             |             | 1,008,163,290                    | 1,008,163,290                               | 1,027,557,818                               |   |
| <b>As of August 31,</b>         |                       |             |             |             |             |                                  |   |   |   |
|                                 |                       |             |             |             |             |                                  |   |   | <b>As of<br/>February 28,<br/>2002</b>      |
|                                 | <b>1997</b>           | <b>1998</b> | <b>1999</b> | <b>2000</b> | <b>2001</b> |                                  |   |   |   |
| (in millions)                   |                       |             |             |             |             |                                  |   |   |   |
| <b>Balance Sheet Data:</b>      |                       |             |             |             |             |                                  |   |   |   |
| Cash and cash equivalents       | \$ 325                | \$ 736      | \$ 1,111    | \$ 1,271    | \$ 1,880    | \$ 1,131                         |   |   |   |
| Working capital                 | 175                   | 531         | 913         | 1,015       | 401         | 852                              |   |   |   |
| Total assets                    | 2,550                 | 3,704       | 4,615       | 5,451       | 6,061       | 5,199                            |   |   |   |
| Long-term debt                  | 192                   | 157         | 127         | 99          | 1           | 4                                |   |   |   |
| Total partners' capital         | 761                   | 1,507       | 2,208       | 2,368       |             |                                  |   |   |   |
| Shareholders' equity            |                       |             |             |             |             |                                  | 282   |   | 262   |

## RISK FACTORS

*You should carefully consider each of the risks described below and all of the other information in this prospectus before deciding to invest in our Class A common shares.*

### **Risks That Relate to Our Business**

***A significant or prolonged economic downturn could have a material adverse effect on our results of operations.***

Our results of operations are affected by the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets that they serve. In addition, our business tends to lag behind economic cycles in an industry. A decline in the level of business activity of our clients could have a material adverse effect on our revenues and profit margin. Current economic conditions have caused some clients to reduce or defer their expenditures for consulting services. This has caused a reduction in our growth rate, particularly in the Americas and in our Communications & High Tech and Financial Services operating groups, in the first half of this fiscal year as compared with the first half of fiscal 2001. While total revenues before reimbursements for the first half of fiscal 2002 increased by 3% over the first half of fiscal 2001, revenues before reimbursements for the first half of fiscal 2002 for our Communications & High Tech and Financial Services operating groups declined by 11% and 6%, respectively, over the first half of fiscal 2001. Revenues before reimbursements for the first half of fiscal 2002 for our Americas geographic area decreased by 7% over the first half of fiscal 2001. We have implemented and will continue to implement cost-savings initiatives to manage our expenses as a percentage of revenues. However, current and future cost-management initiatives may not be sufficient to maintain our margins if the current challenging economic environment continues for several quarters.

***Our business will be negatively affected if we are not able to anticipate and keep pace with rapid changes in technology or if growth in the use of technology in business is not as rapid as in the past.***

Our success will depend, in part, on our ability to develop and implement management and technology services and solutions that anticipate and keep pace with rapid and continuing changes in technology, industry standards and client preferences. We may not be successful in anticipating or responding to these developments on a timely basis, and our offerings may not be successful in the marketplace. Also, services, solutions and technologies developed by our competitors may make our service or solution offerings uncompetitive or obsolete. Any one of these circumstances could have a material adverse effect on our ability to obtain and successfully complete client engagements.

Our business is also dependent, in part, upon continued growth in the use of technology in business by our clients and prospective clients and their customers and suppliers. The growth in the use of technology slows down in a challenging economic environment, such as the one we are experiencing now. Use of new technology for commerce generally requires the understanding and acceptance of a new way of conducting business and exchanging information. Companies that have already invested substantial resources in traditional means of conducting commerce and exchanging information may be particularly reluctant or slow to adopt a new approach that may make some of their existing personnel and infrastructure obsolete.

***We may face damage to our professional reputation or legal liability if our clients are not satisfied with our services.***

As a professional services firm, we depend to a large extent on our relationships with our clients and our reputation for high-caliber professional services and integrity to attract and retain clients. As a result, if a client is not satisfied with our services or solutions, including those of subcontractors we employ, it

may be more damaging in our business than in other businesses. Moreover, if we fail to meet our contractual obligations or fail to disclose our financial or other arrangements with our alliance partners, we could be subject to legal liability or loss of client relationships. Our exposure to legal liability may be increased in the case of business transformation outsourcing contracts in which we become more involved in our clients operations. Our contracts typically include provisions to limit our exposure to legal claims relating to our services and the solutions we develop, but these provisions may not protect us or may not be enforceable in all cases.

***Our services or solutions may infringe upon the intellectual property rights 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 we may have infringement claims asserted against us or against our clients. These claims may harm our reputation, cost us money and prevent us from offering some services or solutions. Historically in our contracts, we have generally agreed to indemnify our clients for any expenses or liabilities resulting from claimed infringements of the intellectual property rights of third parties. In some instances, the amount of these indemnities may be greater than the revenues we receive from the client. Any claims or litigation in this area, whether we ultimately win or lose, could be time-consuming and costly, injure our reputation or require us to enter into royalty or licensing arrangements. We may not be able to enter into these royalty or licensing arrangements on acceptable terms. Depending on the circumstances, we may be required to grant a specific client greater rights in intellectual property developed in connection with an engagement than we otherwise do, in which case we seek to cross license the use of the intellectual property. However, in very limited situations, we forego rights to the use of intellectual property we help create and in these cases, this limits 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 engagements with clients may not be profitable.***

*Unexpected costs or delays could make our contracts unprofitable.* While we have many types of contracts, including time-and-materials contracts, fixed-price contracts and contracts with features of both of these contract types, the risks associated with all of these types of contracts are often similar. When making proposals for engagements, we estimate the costs and timing for completing the projects. These estimates reflect our best judgment regarding the efficiencies of our methodologies and professionals as we plan to deploy them on projects. Any increased or unexpected costs or unanticipated delays in connection with the performance of these engagements, including delays caused by factors outside our control, could make these contracts less profitable or unprofitable, which would have an adverse effect on our profit margin.

*Under many of our contracts the payment of some or all of our fees is conditioned upon our performance.* We have been moving away from contracts that are priced solely on a time-and-materials basis toward contracts that also include incentives related to costs incurred, benefits produced, goals attained and our adherence to schedule. For example, we are entering into an increasing number of business transformation outsourcing contracts under which payment of all or a portion of our fees is contingent upon our clients meeting cost-saving or other contractually-defined goals. We estimate that a majority of our contracts have some fixed-price, incentive-based or other pricing terms that condition some or all of our fees on our ability to deliver defined goals. Our failure to meet contractually-defined goals or a client's expectations in any type of contract may result in an unprofitable engagement.

*Our contracts can be terminated by our clients with short notice.* Our clients typically retain us on a non-exclusive, engagement-by-engagement basis, rather than under exclusive long-term contracts. Approximately 75% of our consulting engagements are less than twelve months in duration. While our

accounting systems identify the duration of our engagements, these systems do not track whether contracts can be terminated upon short notice and without penalty. However, we estimate that the majority of our contracts can be terminated by our clients with short notice and without significant penalty. The advance notice of termination required for contracts of shorter duration and lower revenue is typically 30 days. Longer-term, larger and more complex contracts generally require a longer notice period for termination and may include an early termination charge to be paid to us. Additionally, large client projects involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for additional stages of a project or that a client will cancel or delay additional planned engagements. These terminations, cancellations or delays could result from factors unrelated to our work product or the progress of the project, but could be related to business or financial conditions of the client or the economy generally. When contracts are terminated, we lose the associated revenues and we may not be able to eliminate associated costs in a timely manner.

*We may fail to collect amounts extended to clients.* In limited circumstances we extend financing to our clients, which we may fail to collect. A client must meet established criteria to receive financing, and any significant extension of credit requires approval by senior levels of our management. We have extended \$177 million of financing as of February 28, 2002, which is in line with historical levels.

***If our affiliates or alliances do not succeed, we may not be successful in implementing our growth strategy.***

We have committed a substantial amount of time and financial resources to our affiliates and in our relationships with our alliance partners and we plan to commit substantial additional financial resources in the future. The benefits we anticipate from these relationships are an important component of our growth strategy. If these relationships do not succeed, we may fail to obtain the benefits we hope to derive or lose the financial resources we have committed. Similarly, we may be adversely affected by the failure of one or more of our affiliates or alliances, which could lead to reduced marketing exposure, diminished sales and a decreased ability to develop and gain access to solutions. Moreover, because most of our alliance relationships are nonexclusive, our alliance partners are able to form closer or preferred arrangements with our competitors. Poor performance or failures of our affiliates or alliances could have a material and adverse impact on our growth strategy, which, in turn, could adversely affect our financial condition and results of operations.

***Our global operations pose complex management, foreign currency, legal, tax and economic risks, which we may not adequately address.***

We have offices in 47 countries around the world. In fiscal 2001, approximately 54% of our revenues were attributable to activities in the Americas, 39% of our revenues were attributable to our activities in Europe, the Middle East and Africa, and 7% of our revenues were attributable to our activities in the Asia/Pacific region. As a result, we are subject to a number of risks, including:

the absence in some jurisdictions of effective laws to protect our intellectual property rights;

multiple and possibly overlapping and conflicting tax laws;

restrictions on the movement of cash;

the burdens of complying with a wide variety of national and local laws;

political instability;

currency fluctuations;

longer payment  
cycles;

restrictions on the import and export of certain  
technologies;

price controls or restrictions on exchange of foreign currencies;  
and

trade  
barriers.

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

The consulting, technology and outsourcing markets in which we operate include a large number of participants and are highly competitive. Our primary competitors include:

large accounting, consulting and other professional service  
firms;

information technology service  
providers;

application service  
providers;

service groups of packaged software vendors and resellers;  
and

service groups of computer equipment  
companies.

In addition, a client may choose to use its own resources, rather than engage an outside firm for the types of services we provide.

Our marketplace is experiencing rapid changes in its competitive landscape. Some of our competitors have sought access to public and private capital and others have merged or consolidated with better-capitalized partners. These changes may create more or larger and better-capitalized competitors with enhanced abilities to compete for market share generally and our clients specifically, in some cases, through significant economic incentives to clients to secure contracts. These competitors may also be better able to compete for skilled professionals by offering them large compensation incentives. In addition, one or more of our competitors may develop and implement methodologies which result in superior productivity and price reductions without adversely affecting the competitors' profit margins. Many of our competitors are taking greater advantage of the lower labor costs in certain countries to allow them to reduce prices. Any of these circumstances may impose additional pricing pressure on us, which would have an adverse effect on our revenues and profit margin.

***If we are unable to attract and retain employees in appropriate numbers, we will not be able to compete effectively and will not be able to grow our business.***

Our success and ability to grow are dependent, in part, on our ability to hire and retain large numbers of talented people. We hired approximately 17,000 new employees in fiscal year 2000 and more than 20,000 new employees in fiscal year 2001. The cumulative rate of turnover among our employees was approximately 22% for fiscal year 2000, 12% for fiscal year 2001 and 8% on an annualized basis for the six months ended February 28, 2002, excluding involuntary terminations. The inability to attract qualified employees in sufficient numbers to meet demand or the loss of a significant number of our employees could have a serious negative effect on us, including our ability to obtain and successfully complete important client engagements and thus maintain or increase our revenues.

We regularly benchmark our employee compensation to the marketplace in all countries in which we operate. We make annual adjustments to remain competitive based on the individual markets and the demand for top talent. We also adjust compensation levels within some of our larger countries, such as the United States and the United Kingdom, to reflect different labor pools. In some cases these increases are greater than the general rate of inflation due to other market forces, including the demand for technical talent. To attract and retain the number of employees we need to grow our business, we may have to increase our compensation levels in the future. This would adversely affect our operating margins.

***Our transition to a corporate structure may adversely affect our ability to recruit, retain and motivate our partners and other key employees, which in turn could adversely affect our ability to compete effectively and to grow our business.***

We face additional retention risk because of our transition to a corporate structure in fiscal 2001. Our partners received our equity in lieu of the interests in the partnerships and corporations that they previously held. Our partners, on average, received approximately 329,000 Accenture Ltd Class A common shares, Accenture SCA Class I common shares or Accenture Canada Holdings exchangeable shares (with a value of approximately \$7,616,350, based on the last reported sale price of the Class A common shares on the New York Stock Exchange on April 24, 2002 of \$23.15 per share), and the median number of Accenture Ltd Class A common shares, Accenture SCA Class I common shares or Accenture Canada Holdings exchangeable shares received by our partners was approximately 355,000 (with a value of approximately \$8,218,250, based on the last reported sale price of the Class A common shares on the New York Stock Exchange on April 24, 2002 of \$23.15 per share). Their ownership of this equity is not dependent upon their continued employment. In addition, in connection with our transition to a corporate structure, our partners accepted significant reductions in their cash compensation. The substitution of equity, equity-based incentives and other employee benefits in lieu of higher cash compensation may not be sufficient to retain and motivate these individuals in the near or long term. There is no guarantee that the non-competition agreements we have entered into with our partners are sufficiently broad to prevent them from leaving us for our competitors or other opportunities or that these agreements will be enforceable in all cases.

In connection with our initial public offering and our transition to a corporate structure in fiscal 2001, our non-partner employees also received equity-based incentives. These incentives to attract, retain and motivate employees may not be as effective as the opportunity, which existed prior to our transition to a corporate structure, to hold a partnership interest in Accenture. If these incentives and others adopted from time to time are not effective, our ability to hire, retain and motivate skilled professionals will suffer.

***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 may 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. The steps we take in this regard may not be adequate to prevent or deter infringement or other misappropriation of our intellectual property, and we may not be able to detect unauthorized use or take appropriate and timely steps to enforce our intellectual property rights.

***Our profitability will suffer if we are not able to maintain our pricing and utilization rates and control our costs.***

Our profit margin, and therefore our profitability, is largely a function of the rates we are able to recover for our services and the utilization rate, or chargeability, of our professionals. Accordingly, if we are not able to maintain the pricing for our services or an appropriate utilization rate for our professionals without corresponding cost reductions, we will not be able to sustain our profit margin and our profitability will suffer. For example, we are currently experiencing pressure on the pricing for our systems integration services. The rates we are able to recover for our services are affected by a number of factors, including:

- our clients' perception of our ability to add value through our services;

competition;

introduction of new services or products by us or our competitors;

pricing policies of our competitors;  
and

general economic conditions.

Our utilization rates are also affected by a number of factors, including:

seasonal trends, primarily as a result of our hiring cycle and holiday and summer vacations;

our ability to transition employees from completed projects to new engagements;

our ability to forecast demand for our services and thereby maintain an appropriate headcount in the appropriate areas of our workforce;  
and

our ability to manage attrition.

Our profitability is also a function of our ability to control our costs and improve our efficiency. Current and future cost reduction initiatives may not be sufficient to maintain our margins if the current challenging economic environment continues for several quarters. Further, as we increase the number of our professionals and execute our strategy for growth, we may not be able to manage a significantly larger and more diverse workforce, control our costs or improve our efficiency.

***Our quarterly revenues, operating results and profitability will vary from quarter to quarter, which may result in increased volatility of our share price.***

Our quarterly revenues, operating results and profitability have varied in the past and are likely to vary significantly from quarter to quarter, making them difficult to predict. This may lead to volatility in our share price. The factors that are likely to cause these variations are:

seasonality;

the business decisions of our clients regarding the use of our services;

the timing of projects and their termination;

the timing and extent of gains and losses on our portfolio of investments;

the timing of revenue or income or loss from affiliates;

our ability to transition employees quickly from completed projects to new engagements;

the introduction of new products or services by us or our competitors;

changes in our pricing policies or those of our competitors;

our ability to manage costs, including personnel costs and support services costs;

costs related to possible acquisitions of other businesses;  
and

global economic and political conditions and related risks, including acts of  
terrorism.

***We may be named in lawsuits as a result of Arthur Andersen's current legal and financial situation based on misconceptions about the nature of our past relationship with Arthur Andersen firms.***

We may be named as a defendant in lawsuits arising from audits or other services provided by Arthur Andersen firms for Enron Corporation or other companies as a result of concerns of the plaintiffs as to the current legal and financial situation of Arthur Andersen firms. Such actions would be based on



misconceptions about the nature of our past relationship with Arthur Andersen LLP and the other Arthur Andersen firms. We may be more likely to be named in these lawsuits if Arthur Andersen firms are, or are perceived to be, unable to satisfy judgments against them for any reason. If commenced, litigation of this nature, particularly given the public and media attention focused on the Enron situation, could divert management time and attention, and we could incur defense costs that we might not be able to recover. See Business Legal Matters and Insurance and Certain Relationships and Transactions Relationship with Andersen Worldwide and Arthur Andersen Firms.

**Risks That Relate to Your Ownership of Our Class A Common Shares**

*We will continue to be controlled by our partners, whose interests may differ from those of our other shareholders.*

Upon completion of the offering and the transactions related to the offering, our partners will own or control shares representing, in the aggregate, a 72% voting interest in Accenture Ltd, or 71% if the underwriters exercise their overallocation options in full. These shares are subject to a voting agreement, which requires our partners to vote as a group with respect to all matters submitted to shareholders. Our partners voting interest in Accenture Ltd may increase to the extent additional employees we name as partners are required to become parties to the voting agreement. See Certain Transactions and Relationships Voting Agreement for a discussion of these voting arrangements.

As long as our partners continue to own or control a significant block of voting rights, they will control us. This enables them, without the consent of the public shareholders, to:

- elect the board of directors and remove directors;

- control our management and policies;

- determine the outcome of most corporate transactions or other matters submitted to the shareholders for approval, including mergers, amalgamations and the sale of all or substantially all of our assets; and

- act in their own interest as partners, which may conflict with or not be the same as the interests of shareholders who are not partners.

Furthermore, as a result of a partner matters agreement, our partners will continue to have influence with respect to a variety of matters over which neither shareholders nor employees of a public company typically have input. The partner matters agreement provides mechanisms for our partners to:

- select, for three to five years after our initial public offering, five partner nominees for election to membership on the board of directors of Accenture Ltd;

- make a non-binding recommendation to the board of directors of Accenture Ltd through a committee of partners regarding the selection of a chief executive officer of Accenture Ltd in the event a new chief executive officer is appointed within the first four years after our initial public offering;

- vote on new partner admissions;

- approve the partners income plan as described below; and

hold a non-binding vote with respect to any decision to eliminate or materially change the current practice of allocating partner compensation on a relative, or unit, basis.

Under the terms of the partner matters agreement, a partners income committee, consisting of the chief executive officer and partners he or she appoints, reviews evaluations and recommendations concerning the performance of partners and determines relative levels of income participation, or unit allocation. Based on its review, the committee prepares a partners income plan, which then must be submitted to the partners in a partner matters vote. If the plan is approved by a 66 <sup>2</sup>/<sub>3</sub>% partner matters vote, it is (1) binding with respect to the income participation or unit allocation of all partners other than the principal executive officers of Accenture Ltd (including the chief executive officer), subject to the impact on overall unit allocation of determinations by the board of directors or the compensation committee of the board of directors of the unit allocation for the executive officers, unless otherwise determined by the board of directors and (2) submitted to the compensation committee of the board of directors as a recommendation with respect to the income participation or unit allocation of the chief executive officer and the other principal executive officers of Accenture Ltd. See Certain Transactions and Relationships Partner Matters Agreement.

In addition, immediately after the offering and the transactions related to the offering, Accenture Ltd will own shares representing a 64% voting interest in Accenture SCA and certain of our partners and former partners will own shares representing a 36% voting interest in Accenture SCA. Accenture SCA is organized under Luxembourg law, and a 66 <sup>2</sup>/<sub>3</sub>% shareholder vote is required to amend the articles of association of Accenture SCA, liquidate Accenture SCA, sell all or substantially all of the assets of Accenture SCA and to authorize the general partner to increase the issued share capital of Accenture SCA. Luxembourg law requires a unanimous shareholder vote for a migration of Accenture SCA to a different jurisdiction and for the levying of an assessment on the Accenture SCA shares. Accordingly, there is the possibility that our partners holding an equity interest in Accenture SCA could block Accenture Ltd from causing Accenture SCA to take any of these actions. See Accenture Organizational Structure for a discussion of our organizational structure.

***Our share price may decline due to the large number of Class A common shares eligible for future sale.***

Sales of substantial amounts of Accenture Ltd Class A common shares, or the perception of these sales, may adversely affect the price of the Class A common shares and impede our ability to raise capital through the issuance of equity securities in the future. A substantial number of Class A common shares are eligible for future sale as described below:

802,598,610 Class A common shares (or after the offering and the transactions related to the offering) held by our partners and former partners or issuable upon redemption or exchange of Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares held by our partners and former partners are subject to contractual transfer restrictions. 2,949 of our current and former partners, including all of the partners who will be participating in the offering and the transactions related to the offering, holding an aggregate of more than 784,130,840 Accenture Ltd Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares (or after the offering and the transactions related to the offering), have agreed not to transfer their equity interests acquired from Accenture until July 24, 2005, except for sales in underwritten public offerings, share repurchases, sales or redemptions or other transactions, in each case as approved by Accenture, or to estate and/or tax planning vehicles approved by Accenture. See Certain Transactions and Relationships Share Management Plan Common Agreements. The existing transfer restrictions in the voting agreement and the transfer rights agreement, which generally restrict sales until July 24, 2002 and then permit sales in increasing amounts over the subsequent

seven years, will continue to apply. These transfer restrictions will be waived, however, to permit the Accenture-approved transactions described above. These contractual restrictions on transfer may not be enforceable in all cases. See Certain Transactions and Relationships Voting Agreement and Accenture SCA Transfer Rights Agreement. Accenture will approve the transfer by its partners and former partners of Class A common shares in connection with the offering and expects to approve additional transfers from time to time prior to 2005. All of these Class A common shares will also be subject to the underwriters lock-up described under Underwriting.

In addition, 68,850,799 Class A common shares underlying restricted share units granted in connection with our initial public offering generally are scheduled to be delivered as follows:

| <u>Number of Shares</u> | <u>Scheduled Delivery Date</u> |
|-------------------------|--------------------------------|
| 10,028,372              | July 19, 2002                  |
| 17,315,458              | January 19, 2003               |
| 8,186,143               | July 19, 2003                  |
| 19,368,168              | July 19, 2004                  |
| 2,236,788               | July 19, 2005                  |
| 2,219,986               | July 19, 2006                  |
| 2,108,616               | July 19, 2007                  |
| 2,002,219               | July 19, 2008                  |
| 4,768,940               | July 19, 2009                  |
| 616,109                 | After July 19, 2009            |

Of the 10,028,372 Class A common shares scheduled to be delivered on July 19, 2002, we intend to accelerate the delivery of 9,889,765 of these Class A common shares to immediately prior to the offering to allow partners and former partners holding these restricted share units to participate in the offering as selling shareholders.

In addition, 4,988,897 Class A common shares underlying restricted share units granted since our initial public offering generally are scheduled to be delivered over a period of eight years, beginning on July 19, 2002 and 19,350 Class A common shares underlying restricted share units granted to certain directors generally are scheduled to be delivered 12 months after the grant date.

24,306,656 of all of these Class A common shares underlie restricted share units granted to current partners, and we expect that, when delivered, these Class A common shares will be subject to contractual restrictions on transfer. See Certain Transactions and Relationships Share Management Plan. Class A common shares held by our non-partner employees are not subject to contractual restrictions on transfer.

In addition, 88,364,518 Class A common shares are issuable pursuant to options granted in connection with our initial public offering, of which:

options to purchase an aggregate of 14,240,000 Class A common shares generally will become exercisable in five equal annual installments beginning on July 19, 2002,

options to purchase an aggregate of 73,824,518 Class A common shares generally will become exercisable in four equal annual installments beginning on July 19, 2002 and

options to purchase an aggregate of 300,000 Class A common shares generally will become exercisable on January 19, 2004.

In addition, 1,175,000 Class A common shares are issuable pursuant to options granted since our initial public offering. These options generally will become exercisable in five equal annual installments beginning on the first anniversary of their grant dates.

15,590,000 of all of these Class A common shares are issuable pursuant to options which have been granted to current partners, and we expect that, when purchased, these Class A common shares will be subject to contractual restrictions on transfer. See Certain Transactions and Relationships Share Management Plan. Class A common shares held by our non-partner employees are not subject to contractual restrictions on transfer.

See Shares Eligible for Future Sale for a discussion of the Class A common shares that may be sold in the public market in the future.

***We may need additional capital in the future, which may not be available to us. The raising of additional capital may dilute your ownership in us.***

We may need to raise additional funds through public or private debt or equity financings in order to:

take advantage of opportunities, including more rapid expansion;

acquire complementary businesses or technologies;

develop new services and solutions; or

respond to competitive pressures.

Any additional capital raised through the sale of equity may dilute your ownership percentage in us. Furthermore, any additional financing we may need may not be available on terms favorable to us, or at all. Also, in connection with the offering, we have agreed, among other things, not to offer or sell Class A common shares in a firm commitment underwritten public offering for one year from the date of this prospectus without the prior consent of Goldman Sachs & Co. and Morgan Stanley & Co. Incorporated.

***We are registered in Bermuda, and a significant portion of our assets are located outside the United States. As a result, it may not be possible for shareholders to enforce civil liability provisions of the federal or state securities laws of the United States.***

We are organized under the laws of Bermuda, and a significant portion of our assets are located outside the United States. It may not be possible to enforce court judgments obtained in the United States against us in Bermuda or in countries, other than the United States, where we have assets based on the civil liability provisions of the federal or state securities laws of the United States. In addition, there is some doubt as to whether the courts of Bermuda and other countries would recognize or enforce judgments of United States 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 by our legal advisors in Bermuda that the United States and Bermuda do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not based solely on United States federal or state securities laws, would not automatically be enforceable in Bermuda. Similarly, those judgments may not be enforceable in countries, other than the United States, where we have assets.

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

Our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction of the United States. As a Bermuda company, we are governed by the Companies Act 1981 of Bermuda. The Companies Act differs in some material respects from laws

generally applicable to United States corporations and shareholders, including the provisions relating to interested directors, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors. See Description of Share Capital.

Under Bermuda law, the duties of directors and officers of a company are generally owed to the company only. Shareholders of Bermuda companies do not generally have rights to take action against directors or officers of the company, and may only do so in limited circumstances. Officers of a Bermuda company must, in exercising their powers and performing their duties, act honestly and in good faith with a view to the best interests of the company and must exercise the care and skill that a reasonably prudent person would exercise in comparable circumstances. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests may 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 a Bermuda company is found to have breached his duties to that company, he may be held personally liable to the company in respect of that breach of duty. A director may be liable jointly and severally with other directors if it is shown that the director knowingly engaged in fraud or dishonesty. In cases not involving fraud or dishonesty, the liability of the director will be determined by the Bermuda courts on the basis of their estimation of the percentage of responsibility of the director for the matter in question, in light of the nature of the conduct of the director and the extent of the causal relationship between his conduct and the loss suffered.

**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act relating to our operations that are based on our current expectations, estimates and projections. Words such as 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. The reasons for this include changes in general economic and political conditions, including fluctuations in exchange rates, and the factors discussed under the section entitled Risk Factors.

### ACCENTURE ORGANIZATIONAL STRUCTURE

Accenture Ltd is a Bermuda holding company with no material assets other than Class I and Class II common shares in our subsidiary, Accenture SCA, a Luxembourg partnership limited by shares. Accenture Ltd's only business is to hold these shares and to act as the sole general partner of Accenture SCA. As the general partner of Accenture SCA and as a result of Accenture Ltd's majority voting interest in Accenture SCA, Accenture Ltd controls Accenture SCA's management and operations and consolidates Accenture SCA's results in its financial statements. We operate our business through subsidiaries of Accenture SCA. Accenture SCA reimburses Accenture Ltd for its expenses but does not pay Accenture Ltd any fees.

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, 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 exchangeable shares also received a corresponding number of Accenture Ltd Class X common shares which entitle their holders to vote at Accenture Ltd shareholders' meetings but do not carry any economic rights.

Immediately after the offering and the transactions related to the offering, our partners will own approximately 72% of the equity in our business, or approximately 71% if the underwriters exercise their overallotment options in full, and will own or control shares representing, in the aggregate, approximately 72% of the voting interest in Accenture Ltd, or approximately 71% if the underwriters exercise their overallotment options in full.

You should read "Certain Transactions and Relationships" and "Description of Share Capital" for additional information about our corporate structure.

Our organizational structure is as shown in the diagram below. The percentage interests give effect to the offering and the transactions related to the offering. The diagram does not display the subsidiaries of Accenture SCA and does not reflect exercise of the underwriters' over-allotment options.

- 
- (1) Includes non-partner employees and former partners.
  - (2) Generally consists of our partners in countries other than Australia, Canada, Denmark, France, Italy, New Zealand, Norway, Spain, Sweden and the United States.
  - (3) Generally consists of our partners or former partners in Australia, Canada, Denmark, France, Italy, New Zealand, Norway, Spain, Sweden and the United States; certain of these Accenture partners did not receive Accenture Ltd Class X common shares and two Dutch foundations, Stichting Naritaweg I and Stichting Naritaweg II, hold these shares. Accenture partners in Canada and New Zealand do not hold Accenture Ltd Class A common shares or Accenture SCA Class I common shares, but instead hold Accenture Canada Holdings exchangeable shares. Each of these exchangeable shares is exchangeable at the option of the holder for an Accenture Ltd Class A common share on a one-for-one basis and entitles its holder to receive distributions equal to any distributions to which an Accenture Ltd Class A common share entitles its holder.

Each Class A common share and each Class X common share of Accenture Ltd entitles its holder to one vote on all matters submitted to a vote of shareholders of Accenture Ltd. The holder of a Class X common share is not, however, entitled to receive dividends or to receive payments upon a liquidation of Accenture Ltd.

Each Class I common share and each Class II common share of Accenture SCA entitles its holder to one vote on all matters submitted to a vote of shareholders of Accenture SCA. Each Accenture SCA Class II common share entitles Accenture Ltd to receive a dividend or liquidation payment equal to 10% of any dividend or liquidation payment to which an Accenture SCA Class I common share entitles its holder.



Accenture Ltd holds all of the Class II common shares of Accenture SCA. In the opinion of our counsel, under Accenture SCA's articles of association, shares in Accenture SCA held by Accenture Ltd are *actions de commandité*, or general partnership interests, and shares in Accenture SCA held by our partners are *actions de commanditaires*, or limited partnership interests. Accenture Ltd, as general partner of Accenture SCA, has unlimited liability for the liabilities of Accenture SCA.

Subject to contractual transfer restrictions, Accenture SCA is obligated, at the option of the holder, to redeem any outstanding Accenture SCA Class I common share at any time at a redemption price per share generally equal to the market price of an Accenture Ltd Class A common share at the time of the redemption. Accenture SCA may, at its option, pay this redemption price with cash or by delivering Accenture Ltd Class A common shares on a one-for-one basis. In addition, each of our partners in the United States, Australia and Norway has agreed that we may cause that partner to exchange that partner's Accenture SCA Class I common shares for Accenture Ltd Class A common shares on a one-for-one basis if Accenture Ltd holds more than 40% of the issued share capital of Accenture SCA and we receive a satisfactory opinion from counsel or a professional tax advisor that such exchange should be without tax cost to that partner. This one-for-one redemption price and exchange ratio will be adjusted if Accenture Ltd holds more than a de minimis amount of assets (other than its interest in Accenture SCA and assets it holds only transiently prior to contributing them to Accenture SCA) or incurs more than a de minimis amount of liabilities (other than liabilities for which Accenture SCA has a corresponding liability to Accenture Ltd). Accenture Ltd does not intend to hold any material assets other than its interest in Accenture SCA or to incur any material liabilities such that this one-for-one redemption price and exchange ratio would require adjustment. In order to maintain Accenture Ltd's economic interest in Accenture SCA, Accenture Ltd will acquire additional Accenture SCA common shares each time it issues additional Accenture Ltd Class A common shares.

Holders of Accenture Canada Holdings exchangeable shares may exchange their shares for Accenture Ltd Class A common 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 Ltd Class A common share at the time of the exchange. Each exchangeable share of Accenture Canada Holdings entitles its holder to receive distributions equal to any distributions to which an Accenture Ltd Class A common share entitles its holder.

Accenture Ltd may, at its option, redeem any Class X common share for a redemption price equal to the par value of the Class X common share, or \$0.0000225 per share. Accenture Ltd may not, however, redeem any Class X common share of a holder if such redemption would reduce the number of Class X common shares held by that holder to a number that is less than the number of Accenture SCA Class I common shares or Accenture Canada Holdings exchangeable shares held by that holder, as the case may be. Accenture Ltd will redeem Accenture Ltd Class X common shares upon redemption or exchange of Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares so that the aggregate number of Class X common shares outstanding at any time does not exceed the aggregate number of Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares outstanding.

To obtain the Accenture Ltd Class A common shares that they will sell in the offering, certain selling shareholders will redeem or exchange Accenture SCA Class I common shares or Accenture Canada Holdings exchangeable shares for Accenture Ltd Class A common shares on a one-for-one basis immediately prior to the offering. Accenture Ltd will redeem a corresponding number of Accenture Ltd Class X common shares at that time.

#### USE OF PROCEEDS

The net proceeds to Accenture Ltd from the offering, based on a price of \$23.15 per share (the last reported sale price of the Class A common shares on the New York Stock Exchange on April 24, 2002), after deducting estimated underwriting discounts, will be approximately \$ million, or \$ million if the underwriters fully exercise the overallotment options we have granted to them.

For local tax reasons in certain jurisdictions outside the United States, we intend to use the net proceeds from Accenture Ltd's sale of 10,185,884 Class A common shares in the offering to acquire or redeem an aggregate of 10,185,884 Class A common shares, Accenture SCA Class I common shares and Accenture Canada Holdings exchangeable shares from some of our partners and former partners in these jurisdictions at a price equal to the initial price to public less the underwriting discount. We intend to use any proceeds from an exercise of the underwriters overallotment options to fund the share employee compensation trust.

The partners and certain of the former partners who are selling shareholders in the offering or from whom we intend to acquire or redeem shares as described above have each agreed to pay to us an amount equal to 3% of the gross proceeds from the disposition of their shares, less the amount of any underwriting discount. We will apply these amounts to cover all of the expenses of the offering, with the excess being applied to fund the share employee compensation trust.

Pending specific application of the net proceeds, we intend to invest them in short-term marketable securities.

#### DIVIDEND POLICY

We currently do not anticipate that Accenture Ltd or Accenture SCA will pay dividends.

We may from time to time enter into financing agreements that contain financial covenants and restrictions, some of which may limit the ability of Accenture Ltd and Accenture SCA to pay dividends.

Future dividends on the Class A common shares of Accenture Ltd, if any, will be at the discretion of its board of directors and will depend on, among other things, our results of operations, cash requirements and surplus, financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

**PRICE RANGE OF THE CLASS A COMMON SHARES**

Trading in the Accenture Ltd Class A common shares commenced on the New York Stock Exchange on July 19, 2001 under the symbol ACN. The table below sets forth, on a per share basis for the periods indicated, the high and low sale prices for the Class A common shares as reported by the New York Stock Exchange.

|  | <b>Price Range</b> |            |
|--|--------------------|------------|
|  | <b>High</b>        | <b>Low</b> |
| <b>Calendar Year 2001</b>                |                    |            |
| Third Quarter (commencing July 19, 2001) | \$ 15.65           | \$ 11.61   |
| Fourth Quarter                           | \$ 28.00           | \$ 12.12   |
| <b>Calendar Year 2002</b>                |                    |            |
| First Quarter                            | \$ 30.50           | \$ 23.13   |
| Second Quarter (through April 24, 2002)  | \$ 26.70           | \$ 21.48   |

The closing sale price of Class A common shares as reported by the New York Stock Exchange on April 24, 2002 was \$23.15. As of April 15, 2002, there were 846 holders of record of the Class A common shares.

There is no trading market for the Accenture Ltd Class X common shares. As of April 15, 2002, there were 1,472 holders of record of the Class X common shares.

**CAPITALIZATION**

The following table sets forth our consolidated capitalization as of February 28, 2002:

on a historical basis;  
and

as adjusted to reflect the offering and the transactions related to the offering.

This table should be read in conjunction with our historical financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing elsewhere in this prospectus.

|  | As of February 28, 2002             |             |
|--|-------------------------------------|-------------|
|  | Historical                          | As adjusted |
|  | (in millions, except share amounts) |             |
| Cash and cash equivalents  | \$ 1,131                            | \$          |
| Short-term bank borrowings   | \$ 158                              | \$          |
| Current portion of long-term debt  | 3                                   |             |
| Long-term debt   | 4                                   |             |
| Minority interest  | 568                                 |             |
| Shareholders' equity:  |                                     |             |
| Preferred shares, 2,000,000,000 shares authorized; 0 shares issued and outstanding, actual and as adjusted   |                                     |             |
| Class A common shares, par value \$0.0000225 per share, 20,000,000,000 shares authorized; 344,745,157 shares issued, actual; shares issued, as adjusted                                |                                     |             |
| Class X common shares, par value \$0.0000225 per share, 1,000,000,000 shares authorized; 591,161,472 shares issued and outstanding, actual; shares issued and outstanding, as adjusted |                                     |             |
| Restricted share units (related to Class A common shares), 68,112,102 units issued and outstanding, actual; units issued and outstanding, as adjusted                                  | 987                                 |             |
| Additional paid-in capital   | 860                                 |             |
| Treasury shares, at cost, 5,929,587 shares, actual; shares, as adjusted  | (124)                               |             |
| Retained deficit   | (1,343)                             |             |
| Accumulated other comprehensive loss   | (118)                               |             |
| Total shareholders' equity   | 262                                 |             |
| Total capitalization   | \$ 995                              | \$          |

## SELECTED FINANCIAL DATA

The following selected financial data have been presented on a historical cost basis for all periods presented. The data as of August 31, 2000 and 2001 and for the years ended August 31, 1999, 2000 and 2001 are derived from the audited historical financial statements and related notes which are included elsewhere in this prospectus. The data as of February 28, 2002 and for the six months ended February 28, 2001 and 2002 are derived from the historical unaudited financial statements and related notes which are included elsewhere in this prospectus. The data as of August 31, 1999 and for the year ended August 31, 1998 are derived from audited historical financial statements and related notes which are not included in this prospectus. The data as of August 31, 1997 and 1998 and for the year ended August 31, 1997 are derived from unaudited historical financial statements and related notes which are not included in this prospectus. The selected financial data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our historical financial statements and related notes included elsewhere in this prospectus.

|  | Year ended August 31, |          |          |          |           | Six months ended<br>February 28, |          |
|--|-----------------------|----------|----------|----------|-----------|----------------------------------|----------|
|  | 1997                  | 1998     | 1999     | 2000     | 2001      | 2001                             | 2002     |
| (in millions, except share and per share data)         |                       |          |          |          |           |                                  |          |
| <b>Income Statement Data:</b>                          |                       |          |          |          |           |                                  |          |
| Revenues:  |                       |          |          |          |           |                                  |          |
| Revenues before reimbursements                         | \$ 6,275              | \$ 8,215 | \$ 9,550 | \$ 9,752 | \$ 11,444 | \$ 5,713                         | \$ 5,902 |
| Reimbursements   | 1,172                 | 1,425    | 1,529    | 1,788    | 1,904     | 909                              | 917      |
| Revenues   | 7,447                 | 9,640    | 11,079   | 11,540   | 13,348    | 6,622                            | 6,819    |
| Operating expenses:                                    |                       |          |          |          |           |                                  |          |
| Cost of services*:                                     |                       |          |          |          |           |                                  |          |
| Cost of services before reimbursable expenses*         | 3,470                 | 4,700    | 5,457    | 5,486    | 6,200     | 2,943                            | 3,514    |
| Reimbursable expenses                                  | 1,172                 | 1,425    | 1,529    | 1,788    | 1,904     | 909                              | 917      |
| Cost of services*                                      | 4,642                 | 6,125    | 6,986    | 7,274    | 8,104     | 3,852                            | 4,431    |
| Sales and marketing*                                   | 611                   | 696      | 790      | 883      | 1,217     | 453                              | 759      |
| General and administrative costs*                      | 819                   | 1,036    | 1,271    | 1,297    | 1,516     | 765                              | 826      |
| Reorganization and rebranding costs                    |                       |          |          |          | 848       | 189                              |          |
| Restricted share unit-based compensation               |                       |          |          |          | 967       |                                  |          |
| Total operating expenses*                              | 6,072                 | 7,857    | 9,047    | 9,454    | 12,652    | 5,259                            | 6,016    |
| Operating income*                                      | 1,375                 | 1,783    | 2,032    | 2,086    | 696       | 1,363                            | 803      |
| Gain (loss) on investments, net                        |                       |          | 92       | 573      | 107       | 189                              | (306)    |
| Interest income  |                       |          | 60       | 67       | 80        | 42                               | 24       |
| Interest expense                                       | (19)                  | (17)     | (27)     | (24)     | (44)      | (11)                             | (24)     |
| Other income (expense)                                 | 4                     | (6)      | (5)      | 51       | 17        | 24                               | 2        |
| Equity in losses of affiliates                         |                       | (1)      | (6)      | (46)     | (61)      | (41)                             | (6)      |
| Income before taxes*                                   | 1,360                 | 1,759    | 2,146    | 2,707    | 795       | 1,566                            | 493      |
| Provision for taxes (1)                                | 118                   | 74       | 123      | 243      | 503       | 136                              | 268      |
| Income before minority interest and accounting change* | 1,242                 | 1,685    | 2,023    | 2,464    | 292       | 1,430                            | 225      |
| Minority interest                                      |                       |          |          |          | 577       |                                  | (133)    |
| Income before accounting change*                       | 1,242                 | 1,685    | 2,023    | 2,464    | 869       | 1,430                            | 92       |
| Cumulative effect of accounting change                 |                       |          |          |          | 188       | 188                              |          |
| Partnership income before partner distributions* (2)   | \$ 1,242              | \$ 1,685 | \$ 2,023 | \$ 2,464 |           | \$ 1,618                         |          |
| Net income*  |                       |          |          |          | \$ 1,057  |                                  | \$ 92    |

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\* Excludes payments for partner distributions in respect of periods ended on or prior to May 31, 2001.

- (1) For periods ended on or prior to May 31, 2001, we operated through partnerships in many countries. Therefore, we generally were not subject to income taxes in those countries. Taxes related to income earned by our partnerships were the responsibility of the individual partners. In other countries, we operated through corporations, and in these circumstances we were subject to income taxes.
- (2) Partnership income before partner distributions is not comparable to net income of a corporation similarly determined. Partnership income in respect of periods ended on or prior to May 31, 2001 is not executive compensation in the customary sense because partnership income is comprised of distributions of current earnings. Accordingly, compensation and benefits for services rendered by partners have not been reflected as an expense in our historical financial statements for periods prior to May 31, 2001.

|                                 | Year ended August 31, |      |      |      |      | Six months ended February 28, |               |
|---------------------------------|-----------------------|------|------|------|------|-------------------------------|---------------|
|                                 | 1997                  | 1998 | 1999 | 2000 | 2001 | 2001                          | 2002          |
|                                 |                       |      |      |      |      |                               |               |
| <b>Earnings Per Share Data:</b> |                       |      |      |      |      |                               |               |
| Earnings per share:             |                       |      |      |      |      |                               |               |
| basic                           |                       |      |      |      |      | \$                            | 0.23          |
| diluted                         |                       |      |      |      |      | \$                            | 0.22          |
| Weighted average shares:        |                       |      |      |      |      |                               |               |
| basic                           |                       |      |      |      |      |                               | 410,027,002   |
| diluted                         |                       |      |      |      |      |                               | 1,027,557,818 |

|                            | As of August 31, |        |          |          |          | As of February 28, |       |
|----------------------------|------------------|--------|----------|----------|----------|--------------------|-------|
|                            | 1997             | 1998   | 1999     | 2000     | 2001     | 2002               |       |
|                            |                  |        |          |          |          |                    |       |
| (in millions)              |                  |        |          |          |          |                    |       |
| <b>Balance Sheet Data:</b> |                  |        |          |          |          |                    |       |
| Cash and cash equivalents  | \$ 325           | \$ 736 | \$ 1,111 | \$ 1,271 | \$ 1,880 | \$                 | 1,131 |
| Working capital            | 175              | 531    | 913      | 1,015    | 401      |                    | 852   |
| Total assets               | 2,550            | 3,704  | 4,615    | 5,451    | 6,061    |                    | 5,199 |
| Long-term debt             | 192              | 157    | 127      | 99       | 1        |                    | 4     |
| Total partners capital     | 761              | 1,507  | 2,208    | 2,368    |          |                    |       |
| Shareholders equity        |                  |        |          |          | 282      |                    | 262   |

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis should be read in conjunction with our historical financial statements and related notes included elsewhere in this prospectus.*

*All references to years, unless otherwise noted, refer to our fiscal year, which ends on August 31. For example, a reference to 2001 or fiscal year 2001 means the 12-month period that ended on August 31, 2001. All references to quarters, unless otherwise noted, refer to the quarters of our fiscal year.*

**Overview**

The results of our operations are affected by the level of economic activity and change in the industries we serve. Our business is also driven, in part, by the pace of technological change and the type and level of technology spending by our clients. The ability to identify and capitalize on these technological and market changes early in their cycles is a key driver of our performance. Our cost management strategy is to anticipate changes in demand for our services and to identify cost-management initiatives in order to manage costs as a percentage of revenues.

Prior to May 31, 2001, we operated as a series of related partnerships and corporations under the control of our partners. We now operate in a corporate structure. As a business, whether in partnership form or in a corporate structure, our profitability is driven by many of the same factors. Revenues are driven by our partners' and senior executives' ability to secure contracts for new engagements and to deliver solutions and services that add value to our clients. Our ability to add value to clients and therefore drive revenues depends in part on our ability to offer market-leading service offerings and to deploy skilled teams of professionals quickly and on a global basis. While current economic conditions have caused some clients to reduce or defer their expenditures for consulting services, we believe we have gained market share in this environment. Despite the slowdown in the economy, we are positioning ourselves to achieve revenue growth through our business transformation outsourcing solutions, among other areas. While new contract bookings were strong in the first half of fiscal 2002, such bookings include an increasing proportion of business transformation outsourcing contracts which have slower impacts on short-term revenue growth. We are unable to predict the level of impact that the current economic environment will have on our ability to secure contracts for new engagements.

Cost of services is primarily driven by the cost of client service personnel, which consists primarily of compensation and other personnel costs. Cost of services as a percentage of revenues is driven by the productivity of our client service workforce. Chargeability, or utilization, represents the percentage of our professionals' time spent on billable work. We plan and manage our headcount to meet the anticipated demand for our services. For example, in 2001, we announced initiatives to reduce our staff in certain parts of the world, in certain skill groups and in some support positions. Selling and marketing expense is driven primarily by development of new service offerings, the level of concentration of clients in a particular industry or market, client targeting, image development and brand-recognition activities. General and administrative costs generally correlate with changes in headcount and activity levels in our business.

**Presentation**

As a result of a restructuring in 1989, we and our member firms, which are now our subsidiaries, became legally separate and distinct from the Arthur Andersen firms. Thereafter, until August 7, 2000, we had contractual relationships with an administrative entity, Andersen Worldwide, and indirectly with the separate Arthur Andersen firms. Under these contracts, called member firm agreements, we and our member firms, on the one hand, and the Arthur Andersen firms, on the other hand, were two stand-alone business units linked through such agreements to Andersen Worldwide for administrative and other



services. In addition, during this period our partners individually were members of the administrative entity, Andersen Worldwide. Following arbitration proceedings between us and Andersen Worldwide and the Arthur Andersen firms that were completed in August 2000, the tribunal terminated our contractual relationships with Andersen Worldwide and all the Arthur Andersen firms. On January 1, 2001, we began to conduct business under the name Accenture. See *Certain Relationships and Transactions Relationship with Anderson Worldwide and Arthur Andersen Firms*.

Because we have historically operated as a series of related partnerships and corporations under the control of our partners, our partners generally participated in profits, rather than received salaries. Therefore, our historical financial statements in respect of periods ended on or prior to May 31, 2001 do not reflect any compensation or benefit costs for services rendered by them. Following our transition to a corporate structure, operating expenses include partner compensation, which consists of salary, variable compensation and benefits. Similarly, in periods when we operated primarily in the form of partnerships, our partners paid income tax on their shares of the partnerships' income. Therefore, our historical financial statements in respect of periods ended on or prior to May 31, 2001 do not reflect the income tax liability that we would have paid as a corporation. Following our transition to a corporate structure, we are subject to corporate tax on our income. For purposes of comparing our results for 2000 with our results for 2001, we have included pro forma financial information below.

### ***Segments***

Our five reportable operating segments are our operating groups (formerly referred to as global market units), which are Communications & High Tech, Financial Services, Government, Products and Resources. Operating groups are managed on the basis of revenues before reimbursements because our management believes it is a better indicator of operating group performance than revenues. Generally, operating expenses for each operating group have similar characteristics and are subject to the same drivers, pressures and challenges. While most operating expenses apply to all segments, some sales and marketing expenses are typically lower as a percentage of revenues in industry groups whose client base is concentrated and higher in industry groups whose client base is more fragmented. The discussion and analysis related to each operational expense category applies to all segments, unless otherwise indicated.

In the first quarter of fiscal 2002 we made certain changes in the format of information presented to the chief executive officer. The most significant of these changes was the elimination of interest expense from the five operating groups' operating income and the elimination of interest credit from Other's operating income. Also, the consolidated affiliated companies' revenue and operating income (loss) results are included in the five operating groups' results rather than being reported in Other. Segment results for all periods presented have been revised to reflect these changes.

### ***Revenues***

Revenues include all amounts that are billable to clients. Revenues are recognized on a time-and-materials basis, or on a percentage-of-completion basis, depending on the contract, as services are provided by employees and subcontractors. In fiscal 2001, approximately 54% of our revenues were attributable to activities in the Americas, 39% of our revenues were attributable to our activities in Europe, the Middle East and Africa, and 7% of our revenues were attributable to our activities in the Asia/Pacific region.

Revenues before reimbursements include the margin earned on computer hardware and software resale contracts, as well as revenues from alliance agreements, neither of which is material to us. Reimbursements, including those relating to travel and out-of-pocket expenses, and other similar third-party costs, such as the cost of hardware and software resales, are included in revenues, and an equivalent amount of reimbursable expenses is included in cost of services.

Client prepayments (even if nonrefundable) are deferred, i.e., classified as a liability, and recognized over future periods as services are delivered or performed.

Generally, our contracts are terminable by the client on short notice or without notice. Accordingly, we do not believe it is appropriate to characterize these contracts as backlog. Normally if a client terminates a project, the client remains obligated to pay for commitments we have made to third parties in connection with the project, services performed and reimbursable expenses incurred by us through the date of termination.

While we have many types of contracts, including time-and-materials contracts, fixed-price contracts and contracts with features of both of these contract types, we have been moving away from contracts that are priced solely on a time-and-materials basis toward contracts that also include incentives related to costs incurred, benefits produced and our adherence to schedule. We estimate that a majority of our contracts have some fixed-price, incentive-based or other pricing terms that condition our fee on our ability to deliver defined goals. The trend to include greater incentives in our contracts related to costs incurred, benefits produced or adherence to schedule may increase the variability in revenues and margins earned on such contracts. We conduct rigorous reviews prior to signing such contracts to evaluate whether these incentives are reasonably achievable.

We have experienced pricing pressures over the last year as a result of the difficult economic environment, which have eroded our revenues somewhat. However, we have also implemented cost-management programs such that operating margins have been maintained or improved over this period. Current and future cost-management initiatives may not be sufficient to maintain our margins if the current challenging economic environment continues for several quarters.

### ***Operating Expenses***

Operating expenses include variable and fixed direct and indirect costs that are incurred in the delivery of our solutions and services to clients. The primary categories of operating expenses include cost of services, sales and marketing, and general and administrative costs.

We record bonuses to our partners and other senior employees based on our quarterly and annual results as compared to our budgets and taking into account other factors, including industry-wide results and the general economic environment. These costs are reflected in cost of services, sales and marketing, and general and administrative costs in relation to the activities performed by our partners and associate partners.

### ***Cost of Services***

Cost of services includes the direct costs to provide services to our clients. Such costs generally consist of compensation for client service personnel, the cost of subcontractors hired as part of client service teams, costs directly associated with the provision of client service, such as facilities for outsourcing contracts and the recruiting, training, personnel development and scheduling costs of our client service personnel. Reimbursements, including those relating to travel and other out-of-pocket expenses, and other similar third-party costs, such as the cost of hardware and software resales, are included in revenues, and an equivalent amount of reimbursable expenses is included in cost of services.

### ***Sales and Marketing***

Sales and marketing expense consists of expenses related to promotional activities, market development, including costs to develop new service offerings, and image development, including advertising and market research.

### ***General and Administrative Costs***

General and administrative costs primarily include costs for non-client service personnel, information systems and office space. Through various cost-management initiatives, we seek to manage general and administrative costs proportionately in line with or below anticipated changes in revenues.

***Reorganization and Rebranding Costs***

Reorganization and rebranding costs include one-time costs to rename our organization Accenture and other costs to transition to a corporate structure. Substantially all of these costs were incurred in fiscal year 2001 and no material costs are expected in fiscal year 2002.

***Restricted Share Unit-based Compensation***

Restricted share unit-based compensation reflects restricted share unit awards that were granted at the time of the initial public offering of the Accenture Ltd Class A common shares on July 19, 2001, and vested prior to August 31, 2001. These restricted share units were granted to some of our partners, former partners, employees and former employees pursuant to a formula adopted by the board of directors of Accenture Ltd.

***Gain (Loss) on Investments***

Gain (loss) on investments primarily represents gains and losses on the sales of marketable securities and writedowns on investments in securities. These fluctuate over time, are not predictable and may not recur. Beginning on September 1, 2000, they also include changes in the fair market value of equity holdings considered to be derivatives in accordance with Statement of Financial Accounting Standard ( SFAS ) No. 133, Accounting for Derivative Instruments and Hedging Activities.

***Interest Income***

Interest income represents interest earned on cash and cash equivalents. Interest income also includes interest earned on a limited number of client engagement receivables when we agree in advance to finance those receivables for our clients beyond the normal billing and collection period.

***Interest Expense***

Interest expense reflects interest incurred on borrowings and retirement obligations and other non-current liabilities.

***Other Income (Expense)***

Other income (expense) consists of currency exchange gains (losses) and the recognition of income from the vesting of options for services by our representatives on the boards of directors of some of those companies in which we have invested. In general, we earn revenues and incur related costs in the same currency. We hedge significant planned movements of funds between countries, which potentially give rise to currency exchange gains (losses).

***Equity in Gains (Losses) of Affiliates***

Equity in gains (losses) of affiliates represents our share of the operating results of non-consolidated companies over which we have significant influence.

***Provision for Taxes***

Prior to our transition to a corporate structure, we were generally not subject to income taxes in most countries because we operated in partnership form in those countries. Since taxes related to income earned by the partnerships were the responsibility of the individual partners, our partners reported and paid taxes on their share of the partnerships' income on their individual tax returns. In other countries, however, we operated in the form of a corporation or were otherwise subject to entity-level taxes on income and withholding taxes. As a result, prior to our transition to a corporate structure, we paid some entity-level taxes, with the amount varying from year to year depending on the mix of earnings among the countries. Where applicable, we accounted for these taxes under the asset and liability method.

Therefore, our historical financial statements in respect of periods ended on or prior to May 31, 2001 do not reflect the income tax liability that we would have paid as a corporation. Following our transition to a corporate structure, we are subject to corporate tax on our income.

***Minority Interest***

Minority interest eliminates the income earned or expense incurred attributable to the equity interest that some of our partners have in our subsidiary Accenture SCA and the equity interest that some of our partners have in our subsidiary Accenture Canada Holdings Inc. See Accenture Organizational Structure. The resulting net income of Accenture Ltd represents the income attributable to the shareholders of Accenture Ltd. Effective January 2002, minority interest also includes immaterial amounts attributable to minority shareholders in our subsidiary, Avanade, Inc.

***Partnership Income Before Partner Distributions***

Our historical financial statements in respect of periods ended on or prior to May 31, 2001 reflect our organization as a series of related partnerships and corporations under the control of our partners. The income of our partners in historical periods is not executive compensation in the customary sense because in those periods partner compensation was comprised of distributions of current earnings, out of which our partners were responsible for their payroll taxes and benefits.

***Net Income***

Net income reflects the earnings of our organization under a corporate structure. We have provided pro forma financial results that include adjustments to exclude one-time items and other adjustments to include partner compensation and income taxes necessary to present our historical financial statements in respect of periods ended on or prior to May 31, 2001 in corporate structure as if the transition had occurred on September 1, 2000.

***Critical Accounting Policies and Estimates***

***Revenue Recognition***

We derive substantially all our revenues from contracts for management consulting and technology service offerings and solutions that we develop, implement and manage for our clients. Depending on the terms of the contract, revenues are recognized on a time-and-materials basis or on a percentage-of-completion basis as services are provided by our employees, and to a lesser extent, subcontractors. Revenues from time-and-materials service contracts are recognized as the services are provided. Revenues from long-term system integration contracts are recognized based on the percentage of services provided during the period compared to the total estimated services to be provided over the duration of the contract. This method is followed where reasonably dependable estimates of the revenues and costs applicable to various elements of a contract can be made. Estimates of total contract revenues and costs are continuously monitored during the term of the contract, and recorded revenues and costs are subject to revision as the contract progresses. Such revisions, which may result in increases or decreases to revenues and income, are reflected in the financial statements in the period in which they are first identified.

Each contract has different terms based on the scope, deliverables and complexity of the engagement, the terms of which frequently require us to make judgments and estimates about recognizing revenue. While we have many types of contracts, including time-and-materials contracts, fixed-price contracts and contracts with features of both of these contract types, we have been moving away from contracts that are priced solely on a time-and-materials basis toward contracts that also include incentives related to costs incurred, benefits produced, goals attained and our adherence to schedule. We estimate that a majority of our contracts have some fixed-price, incentive-based or other pricing terms that condition some or all of our fees on our ability to deliver defined goals. For systems integration

contracts, estimated revenues for applying the percentage-of-completion method include estimated incentives for which achievement of defined goals is deemed probable. Incentives relating to non-systems integration projects are not recorded until the contingency is achieved.

In recent years, our outsourcing business has increased significantly. Determining revenue and margins on outsourcing contracts requires judgment. Typically the terms of these contracts span several years. In a number of these arrangements we hire client employees and become responsible for client obligations. Revenues are recognized as services are performed or as transactions are processed in accordance with contractual standards, and costs on outsourcing contracts are generally charged to expense as incurred. This typically results in a relatively stable margin percentage over the life of the contract. Outsourcing contracts can also include incentive payments for benefits delivered to clients. Revenues relating to such incentive payments are not recorded until the contingency is satisfied.

#### ***Income Taxes***

Determining the consolidated provision for income tax expense, deferred tax assets and liabilities and related valuation allowance involves judgment. As a global company with offices in 47 countries, we are required to calculate and provide for income taxes in each of the tax jurisdictions where we operate. This involves estimating current tax exposures in each jurisdiction as well as making judgments regarding the recoverability of deferred tax assets. To determine the quarterly tax rate we are required to estimate full-year income and the related income tax expense in each jurisdiction. The estimated effective tax rate, so determined, is adjusted for the tax related to significant unusual items such as the one-time charge of \$212 million recorded in the first half of fiscal 2002 related to investment writedowns for which tax benefits are not expected to be realized. Tax exposures can involve complex issues and may require an extended period to resolve. Changes in the geographic mix or estimated level of annual pre-tax income can affect the overall effective tax rate.

#### ***Valuation of Investments***

Gains and losses on investments are not predictable and can cause fluctuations in net income. Management conducts periodic impairment reviews of each investment in our portfolio, including historical and projected financial performance, expected cash needs and recent funding events. Other-than-temporary impairments are recognized in the income statement if the market value of the investment is below its cost basis for an extended period or the issuer has experienced significant financial declines or difficulties in raising capital to continue operations. Judgment is required to first determine the market value of each investment and then to assess whether impairments are temporary or other-than-temporary. Changes in the market value of equity derivatives are reflected in the income statement in the current period. Adverse changes in the financial condition of our investments could result in impairment charges.

After exploring a number of alternatives, we have decided to sell substantially all of our minority ownership interests in our venture and investment portfolio that could cause volatility in our future earnings. We have engaged an investment bank and are currently in discussions with potential purchasers. We expect to receive offers that allow us to retain a modest percentage of ownership in the venture and investment portfolio through an ongoing alliance with the buyer. We believe the transaction will be completed by the end of the calendar year. Related to this decision, our loss on investments in the six months ended February 28, 2002 included a charge of \$212 million, before and after tax, related to investment writedowns of our venture and investment portfolio and the loss we expect to incur on this sale transaction. As of February 28, 2002, after giving effect to the charge, our venture and investment portfolio has a net book value of \$109 million, \$58 million of which is hedged.

We will continue to make investments and will accept equity and equity-linked securities using guidelines intended to eliminate volatility, but we will discontinue venture capital investing.

### Historical Results of Operations

The following table sets forth the unaudited percentage of revenues represented by items in our Combined and Consolidated Income Statements for the periods presented.

|  | Year ended August 31, |      |      | Six months ended February 28, |      |
|--|-----------------------|------|------|-------------------------------|------|
|  | 1999                  | 2000 | 2001 | 2001                          | 2002 |
| Revenues:  |                       |      |      |                               |      |
| Revenues before reimbursements                         | 86%                   | 85%  | 86%  | 86%                           | 87%  |
| Reimbursements   | 14                    | 15   | 14   | 14                            | 13   |
| Revenues   | 100                   | 100  | 100  | 100                           | 100  |
| Operating expenses:                                    |                       |      |      |                               |      |
| Cost of services*:                                     |                       |      |      |                               |      |
| Cost of services before reimbursable expenses*         | 49                    | 48   | 47   | 44                            | 52   |
| Reimbursable expenses                                  | 14                    | 15   | 14   | 14                            | 13   |
| Cost of services*                                      | 63                    | 63   | 61   | 58                            | 65   |
| Sales and marketing*                                   | 7                     | 8    | 9    | 7                             | 11   |
| General and administrative costs*                      | 12                    | 11   | 11   | 12                            | 12   |
| Reorganization and rebranding costs                    |                       |      | 7    | 2                             |      |
| Restricted share unit-based compensation               |                       |      | 7    |                               |      |
| Total operating expenses*                              | 82                    | 82   | 95   | 79                            | 88   |
| Operating income*(1)                                   | 18                    | 18   | 5    | 21                            | 12   |
| Gain (loss) on investments, net                        | 1                     | 5    | 1    | 3                             | (5)  |
| Interest income  | n/m                   | n/m  | n/m  | 1                             | n/m  |
| Interest expense                                       | n/m                   | n/m  | n/m  | n/m                           | n/m  |
| Other income (expense)                                 | n/m                   | n/m  | n/m  | n/m                           | n/m  |
| Equity in losses of affiliates                         | n/m                   | n/m  | n/m  | (1)                           | n/m  |
| Income before taxes*                                   | 19                    | 23   | 6    | 24                            | 7    |
| Provision for taxes                                    | 1                     | 2    | 4    | 2                             | 4    |
| Income before minority interest and accounting change* | 18                    | 21   | 2    | 22                            | 3    |
| Minority interest                                      |                       |      | 4    |                               | (2)  |
| Income before accounting change*                       | 18                    | 21   | 6    | 22                            | 1    |
| Cumulative effect of accounting change                 |                       |      | 2    | 3                             |      |
| Partnership income before partner distributions*       | 18%                   | 21%  |      | 25%                           |      |
| Net income*  |                       |      | 8%   |                               | 1%   |

n/m = not meaningful

\* Excludes payments for partner distributions in respect of periods ended on or prior to May 31, 2001.

(1)

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Operating income as a percentage of revenues before reimbursements was 21%, 21% and 6% for 1999, 2000 and 2001, respectively.  
Operating income as a percentage of revenues before reimbursements was 24% and 14% for the six months ended February 28, 2001 and 2002, respectively.

We provide services through five operating groups. The following table provides unaudited financial information for each of these operating groups.

|  | Year ended August 31, |           |           | Six months ended<br>February 28, |          |
|--|-----------------------|-----------|-----------|----------------------------------|----------|
|  | 1999                  | 2000      | 2001      | 2001                             | 2002     |
| (in millions, except percentages)                        |                       |           |           |                                  |          |
| <b>Revenues:</b>   |                       |           |           |                                  |          |
| Communications & High Tech                               | \$ 2,499              | \$ 2,806  | \$ 3,238  | \$ 1,674                         | \$ 1,495 |
| Financial Services                                       | 2,736                 | 2,542     | 2,894     | 1,465                            | 1,379    |
| Government   | 777                   | 797       | 1,003     | 451                              | 660      |
| Products   | 1,699                 | 1,932     | 2,357     | 1,175                            | 1,297    |
| Resources  | 1,812                 | 1,661     | 1,933     | 935                              | 1,066    |
| Other  | 27                    | 14        | 19        | 13                               | 5        |
| Total revenues before reimbursements                     | 9,550                 | 9,752     | 11,444    | 5,713                            | 5,902    |
| Reimbursements   | 1,529                 | 1,788     | 1,904     | 909                              | 917      |
| Total  | \$ 11,079             | \$ 11,540 | \$ 13,348 | \$ 6,622                         | \$ 6,819 |
| <b>Revenues as a percentage of total:</b>                |                       |           |           |                                  |          |
| Communications & High Tech                               | 23%                   | 24%       | 24%       | 25%                              | 22%      |
| Financial Services                                       | 25                    | 22        | 22        | 22                               | 20       |
| Government   | 7                     | 7         | 8         | 7                                | 10       |
| Products   | 15                    | 17        | 18        | 18                               | 19       |
| Resources  | 16                    | 15        | 14        | 14                               | 16       |
| Other  | n/m                   | n/m       | n/m       | n/m                              | n/m      |
| Total revenues before reimbursements                     | 86                    | 85        | 86        | 86                               | 87       |
| Reimbursements   | 14                    | 15        | 14        | 14                               | 13       |
| Total  | 100%                  | 100%      | 100%      | 100%                             | 100%     |
| <b>Operating Income (Loss):</b>                          |                       |           |           |                                  |          |
| Communications & High Tech                               | \$ 557                | \$ 671    | \$ 449    | \$ 413                           | \$ 130   |
| Financial Services                                       | 824                   | 666       | 537       | 435                              | 157      |
| Government   | 103                   | 80        | 75        | 45                               | 114      |
| Products   | 263                   | 416       | 363       | 270                              | 259      |
| Resources  | 285                   | 264       | 235       | 196                              | 144      |
| Other  | 0                     | (11)      | (963)     | 3                                | (1)      |
| Total  | \$ 2,032              | \$ 2,086  | \$ 696    | \$ 1,362                         | \$ 803   |
| <b>Operating Income (Loss) as a percentage of total:</b> |                       |           |           |                                  |          |
| Communications & High Tech                               | 27%                   | 32%       | 64%       | 30%                              | 16%      |
| Financial Services                                       | 41                    | 32        | 77        | 32                               | 20       |
| Government   | 5                     | 4         | 11        | 3                                | 14       |
| Products   | 13                    | 20        | 52        | 20                               | 32       |
| Resources  | 14                    | 13        | 34        | 15                               | 18       |
| Other  | n/m                   | (1)       | (138)     | n/m                              | n/m      |
| Total  | 100%                  | 100%      | 100%      | 100%                             | 100%     |



| <b>Operating Income as a percentage of total revenues before reimbursements by operating group:</b> |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|
| Communications & High Tech  | 22% | 24% | 14% | 25% | 9%  |
| Financial Services  | 30  | 26  | 19  | 30  | 11  |
| Government  | 13  | 10  | 7   | 10  | 17  |
| Products  | 15  | 22  | 15  | 23  | 20  |
| Resources   | 16  | 16  | 12  | 21  | 14  |
| Other   | n/m | n/m | n/m | n/m | n/m |
| <b>Operating Income as a percentage of revenues before reimbursements</b>                           |     |     |     |     |     |
|   | 21% | 21% | 6%  | 24% | 14% |
| <b>Operating Income as a percentage of revenues</b>   |     |     |     |     |     |
|   | 18% | 18% | 5%  | 21% | 12% |

n/m = not meaningful

### Pro Forma Financial Information

The following pro forma consolidated income statements for the year ended August 31, 2001 and for the six months ended February 28, 2001 are based on our historical financial statements included elsewhere in this prospectus.

The pro forma consolidated income statements give effect to the following as if they occurred on September 1, 2000:

the transactions related to our transition to a corporate structure described under Certain Transactions and Relationships Reorganization and Related Transactions ;

compensation payments to employees who were partners prior to our transition to a corporate structure;

provision for corporate income taxes;  
and

Accenture Ltd 's initial public offering in July 2001.

The pro forma as adjusted consolidated income statements give effect to the pro forma adjustments described above and also to the exclusion of one-time rebranding costs of \$304 million incurred in connection with our name change to Accenture. Management believes that this pro forma as adjusted information provides useful supplemental information in understanding its results of operations.

The pro forma and pro forma as adjusted consolidated income statements for the year ended August 31, 2001 and for the six months ended February 28, 2001 exclude one-time events directly attributable to Accenture Ltd 's initial public offering because of their nonrecurring nature. These one-time events include:

net compensation cost of approximately \$967 million resulting from the grant of restricted share units in connection with Accenture Ltd 's initial public offering; and

approximately \$544 million for costs associated with our transition to a corporate structure.

The pro forma and pro forma as adjusted consolidated income statement for the year ended August 31, 2001 excludes the effect of a cumulative change in accounting principle to implement SFAS 133.

The pro forma adjustments are based upon available information and assumptions that management believes are reasonable.

**This information and the accompanying notes should be read in conjunction with our historical financial statements and the related notes included elsewhere in this prospectus. The information presented is not necessarily indicative of the results of operations or financial position that might have occurred had the events described above actually taken place as of the dates specified or that may be expected to occur in the future.**

**Pro Forma Consolidated Income Statement For the Year Ended August 31, 2001**  
(Unaudited)

|  | <u>As reported</u> | <u>Adjustments</u> | <u>Pro<br/>forma</u> | <u>As adjusted<br/>adjustments</u> | <u>Pro forma<br/>as adjusted</u> | <u>% of<br/>revenues</u> |
|--|--------------------|--------------------|----------------------|------------------------------------|----------------------------------|--------------------------|
| (in millions, except percentages and share and per share data) |                    |                    |                      |                                    |                                  |                          |
| <b>Revenues:</b>   |                    |                    |                      |                                    |                                  |                          |
| Revenues before reimbursements                                 | \$ 11,444          | \$                 | \$ 11,444            | \$                                 | \$ 11,444                        | 86%                      |
| Reimbursements   | 1,904              |                    | 1,904                |                                    | 1,904                            | 14                       |
|  | <u>13,348</u>      |                    | <u>13,348</u>        |                                    | <u>13,348</u>                    | <u>100</u>               |
| <b>Operating expenses:</b>                                     |                    |                    |                      |                                    |                                  |                          |
| <b>Cost of services*:</b>                                      |                    |                    |                      |                                    |                                  |                          |
| Cost of services before reimbursable expenses*                 | 6,200              | 725(a)             | 6,925                |                                    | 6,925                            | 52                       |
| Reimbursable expenses  | 1,904              |                    | 1,904                |                                    | 1,904                            | 14                       |
|  | <u>8,104</u>       | <u>725</u>         | <u>8,829</u>         |                                    | <u>8,829</u>                     | <u>66</u>                |
| Sales and marketing*   | 1,217              | 290(a)             | 1,507                |                                    | 1,507                            | 11                       |
| General and administrative costs*                              | 1,516              | 44(a)              | 1,560                |                                    | 1,560                            | 12                       |
| Reorganization and rebranding costs                            | 848                | (544)(b)           | 304                  | (304)(h)                           |                                  | n/m                      |
| Restricted share unit-based compensation                       | 967                | (967)(c)           |                      |                                    |                                  | n/m                      |
|  | <u>12,652</u>      | <u>(452)</u>       | <u>12,200</u>        | <u>(304)</u>                       | <u>11,896</u>                    | <u>89</u>                |
| Operating income*  | 696                | 452                | 1,148                | 304                                | 1,452                            | 11                       |
| Gain on investments, net                                       | 107                |                    | 107                  |                                    | 107                              | 1                        |
| Interest income  | 80                 |                    | 80                   |                                    | 80                               | n/m                      |
| Interest expense   | (44)               | (15)(d)            | (59)                 |                                    | (59)                             | n/m                      |
| Other income (expense)   | 17                 |                    | 17                   |                                    | 17                               | n/m                      |
| Equity in losses of affiliates                                 | (61)               |                    | (61)                 |                                    | (61)                             | n/m                      |
|  | <u>795</u>         | <u>437</u>         | <u>1,232</u>         | <u>304</u>                         | <u>1,536</u>                     | <u>12</u>                |
| Income before taxes*   | 795                | 437                | 1,232                | 304                                | 1,536                            | 12                       |
| Provision for taxes  | 503                | (10)(e)            | 493                  | 121(e)                             | 614                              | 5                        |
|  | <u>292</u>         | <u>447</u>         | <u>739</u>           | <u>183</u>                         | <u>922</u>                       | <u>7</u>                 |
| Income before minority interest and accounting change*         | 292                | 447                | 739                  | 183                                | 922                              | 7                        |
| Minority interest  | 577                | (1,013)(f)         | (436)                | (109)(f)                           | (545)                            | (4)                      |
|  | <u>\$ 869</u>      | <u>\$ (566)</u>    | <u>\$ 303</u>        | <u>\$ 74</u>                       | <u>\$ 377</u>                    | <u>3%</u>                |
| Income before accounting change*                               | \$ 869             | \$ (566)           | \$ 303               | \$ 74                              | \$ 377                           | 3%                       |
| <b>Earnings per share:</b>                                     |                    |                    |                      |                                    |                                  |                          |
| basic  |                    |                    | \$ 0.73              |                                    | \$ 0.91                          |                          |
| diluted  |                    |                    | \$ 0.73              |                                    | \$ 0.91                          |                          |