CGI GROUP INC.
EMPLOYEE SHARE PURCHASE PLAN PROSPECTUS FOR CERTAIN EMPLOYEES OF CGI GROUP INC. AND ITS SUBSIDIARIES IN THE EUROPEAN ECONOMIC AREA
11 March 2015

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser authorised under Financial Services and Markets Act 2000 (*FSMA*) if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a prospectus relating to CGI Group Inc. (***CGI*** or the ***Company***) and has been prepared in accordance with the prospectus rules of the Financial Conduct Authority (***FCA***) made under section 73A of FSMA (the ***Prospectus Rules***). This prospectus has been approved by the FCA in accordance with section 87A of FSMA and has been filed with the FCA and will be made available to the public in accordance with section 3.2 of the Prospectus Rules.

This prospectus has been issued by CGI in relation to the acquisition from time to time of Class A subordinate voting shares in CGI (***Class A Shares***) by eligible employees of CGI and its subsidiaries (the ***Group***) within the United Kingdom and (pursuant to Article 17 of Prospectus Directive 2003/71/EC as amended (the ***Prospectus Directive***)) within the European Economic Area (***EEA***), pursuant to the Group's 'Employee Share Purchase Plan for Certain Employees of CGI Group Inc. and its Subsidiaries' (the ***Share Purchase Plan***) and not for any other purpose.

This prospectus will be passported, pursuant to Article 17 of the Prospectus Directive, into Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. A list of names of the regulators in each of these jurisdictions is set out in Part 4 of this prospectus.

CGI GROUP INC.

(incorporated in Canada under the Companies Act (Québec), predecessor to the Business Corporations Act (Québec), with registered number 1142478016)

The offer(s), the subject of this prospectus, are not made to the general public or to any person other than eligible employees of the Group located in the United Kingdom, Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. Only such eligible employees of the Group may acquire Class A Shares pursuant to this prospectus in accordance with the plan documents of the Share Purchase Plan.

No new Class A Shares (or any other securities of CGI) will be issued in connection with this prospectus. The Class A Shares which are available to be purchased under the Share Purchase Plan are either listed on the New York Stock Exchange or the Toronto Stock Exchange. No Class A Shares (or any other securities of CGI) are listed or admitted to trading on a regulated market within the EEA. As at the date of this prospectus, there is no intention to make an application for the Class A Shares, the subject of this prospectus, to be listed or admitted to trading on any such EEA regulated market.

CGI and its directors accept responsibility for the information contained in this prospectus. To the best of the knowledge and belief of CGI and its directors (who have taken all reasonable care to ensure that such is the case), the information contained in this prospectus is in accordance with the facts and contains no omission likely to affect its import.

YOU SHOULD READ THIS PROSPECTUS IN ITS ENTIRETY. IN PARTICULAR, YOUR ATTENTION IS DRAWN TO THE RISKS DESCRIBED IN THE "RISK FACTORS" SECTION OF THIS PROSPECTUS, COMMENCING ON PAGE 22, WHICH SHOULD BE CONSIDERED WHEN DECIDING WHETHER TO PARTICIPATE IN THE SHARE PURCHASE PLAN.

This prospectus does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for Class A Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this prospectus is not for distribution in or into Canada, the United States of America, Australia, South Africa or Japan or in any country, territory or possession where to do so may contravene local securities law or regulations. The distribution of this prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this prospectus comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This prospectus has not been approved by any securities regulatory authority in Canada or the United States of America nor has any securities regulatory authority in Canada or the United States of America expressed an opinion about these securities, and it is an offence to claim otherwise.

Employees should rely only on the information in this prospectus and any documents incorporated by reference. No person has been authorised to give any information or make any representations other than those contained in this prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Group. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA or section 3.4 of the Prospectus Rules, the publication of this

prospectus does not, under any circumstances, create any implication that there has been no change in the affairs of the Group since, or that the information contained herein is correct at any time subsequent to, the date of this prospectus. Unless otherwise expressly stated in this prospectus, neither the information on CGI's website (or any other website) nor the content of any website accessible from hyperlinks on CGI's website (or any other website) is incorporated into, or forms a part of, this prospectus.

The contents of this prospectus should not be construed as legal, business or tax advice. This prospectus should not be considered as a recommendation by CGI that any recipient of this prospectus should subscribe for or purchase any Class A Shares. Each recipient of this prospectus will be taken to have made his own investigation and appraisal of the condition (financial or otherwise) of CGI and the Class A Shares.

This prospectus is dated 11 March 2015.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These Elements are numbered in Sections A-E (A.1-E.7).

This summary contains all the Elements required to be included in a summary for the type of securities and issuer to which this prospectus relates. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer to which this prospectus relates, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

	Section A – Introduction and Warnings	
A.1	***Introduction and warning:***	This summary should be read as an introduction to this prospectus. Any decision to invest in the Company's Class A Shares should be based on consideration of this prospectus as a whole by an investor. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA member state, have to bear the costs of translating this prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus or it does not provide, when read together with the other parts of this prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	***Subsequent resale of securities or final placement of securities through financial intermediaries:***	Not applicable: the issuer does not consent to the use of this prospectus for subsequent resale or final placement of securities by financial intermediaries.
	Section B – Issuer	
B.1	***The legal and commercial name of the issuer:***	CGI Group Inc.
B.2	***Domicile and legal form, legislation and country of incorporation:***	CGI is domiciled in Canada and is incorporated in Canada as a corporation under the Companies Act (Québec), the predecessor to the Business Corporations Act (Québec) which now governs the Company.
B.3	***Current operations, principal activities and markets:***	The Group is the fifth largest independent information technology (***IT***) and business process services firm in the world. The Group has approximately 68,000 employees, that it calls members, across the globe. The Group offers a portfolio of services to its clients, including: • Consulting: CGI provides a full range of IT and business consulting services, including business transformation, IT strategic planning, business process engineering and systems architecture.

		• Systems integration: CGI integrates and customises leading technologies and software applications to create IT systems that respond to clients' strategic needs. • Management of IT and business functions - outsourcing: clients delegate entire or partial responsibility for their IT or business functions to CGI to achieve savings and access well-suited technology, whilst retaining control over strategic IT and business functions. As part of these agreements, CGI implements its quality processes and practices which help to improve the efficiency of its clients' operations. CGI also integrates its clients' operations into its technology network. CGI may also enter into outsourcing agreements with its clients under which CGI takes over the employment contracts of certain of the client's IT or business function employees, enabling its clients to focus on their main business operations. Services provided as part of an outsourcing contract may include development and integration of new projects and applications; applications maintenance and support; technology infrastructure management (enterprise and end-user computing and network services); transaction and business processing such as payroll, claims processing and document management services. • Proprietary business solutions: CGI has a wide range of proprietary business solutions which help shape opportunities and drive value for its clients and shareholders. In addition, CGI's proprietary business solutions include enterprise resource planning solutions, energy management, credit and debt collections, tax management, claims auditing and fraud detection. CGI offers its end-to-end services to a focused set of industry vertical markets where CGI has developed extensive expertise. CGI's targeted vertical markets include: financial services; government; health, telecommunications & utilities; manufacturing, retail and distribution (***MRD***).
B.4a	***Significant recent trends:***	The Group ended the first quarter of the 2015 fiscal year (i.e. 1st October 2014 to 31st December 2014) (***Q1 2015***) with revenue of C$2,541.3 million, a decrease of C$103.5 million or 3.9 per cent. over the first quarter of the 2014 fiscal year (i.e. 1st October 2013 to 31st December 2013) (***Q1 2014***). On a constant currency basis, revenue decreased by C$157.4 million or 6.0 per cent., while currency rate fluctuations favourably impacted the Group's revenue by C$53.9 million or 2.1 per cent. Revenue from the Group's Canada segment in Q1 2015 was C$382.1 million, a decrease of C$38.8 million or 9.2 per cent. compared to Q1 2014. This revenue change was mainly due to lower work volumes as a result of the expiration of certain contracts, partly offset by new business.
		Revenue from the Group's United States of America (***U.S.***) segment was C$654.6 million in Q1 2015, a decrease of C$31.0 million or 4.5 per cent. compared to Q1 2014. On a constant currency basis, revenue from the U.S. segment decreased by C$80.8 million or 11.8 per cent. The change in revenue was mainly due to the completion of the ACA related projects in fiscal 2014.

		Revenue from the Group's five other segments (being the Nordics, Southern Europe and South America (***NSESA***), France (including Luxembourg and Morocco), the United Kingdom (***UK***), Central and Eastern Europe (primarily the Netherlands and Germany) (***CEE***), and Asia Pacific (including Australia, India and the Philippines) segments) represented C$1,504.5 million or 59.2 per cent. of the Group's total revenue in Q1 2015, compared with revenue of C$1,538.1 million from these five segments, representing 58.2 per cent. of the Group's total revenue, in Q1 2014. This revenue change was due to: (i) projects completed in Sweden, Southern Europe and the Netherlands; (ii) the run-off of low margin business, partly offset by (iii) recent multi-year outsourcing contract wins.
B.5	***Description of the issuer's group and the issuer's position within the group:***	CGI is the ultimate parent company in the Group. The Group's principal operating subsidiaries are as follows:
		Conseillers en Gestion et Informatique CGI Inc. — Québec, Canada CGI Information Systems and Management Consultants Inc. — Québec, Canada CGI Technologies and Solutions Inc. — Delaware, United States CGI Federal Inc. — Delaware, United States Stanley Associates, Inc. — Delaware, United States CGI Sverige AB — Sweden CGI Suomi Oy — Finland CGI Nederland B.V. — Netherlands CGI Deutschland Ltd. & Co. KG — Germany CGI IT UK Limited — United Kingdom CGI Information Systems and Management Consultants Private Limited — India CGI France SAS — France
B.6	***In so far as is known to the issuer, the name of any person who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable***	Interests of 10 per cent. or more in an issuer's capital or voting rights are notifiable under Canadian law. CGI's authorised share capital consists of: (i) an unlimited number of first preferred shares, issuable in series (***First Preferred Shares***); (ii) an unlimited number of second preferred shares, issuable in series (***Second Preferred Shares***); (iii) an unlimited number of Class A Shares carrying one vote per share; and (iv) an unlimited number of Class B shares carrying 10 votes per share (the ***Class B Shares***), all without par value. As at 9 March 2015 (being the latest practicable date prior to publication of this prospectus), there were no First Preferred Shares or Second

	under the issuer's national law and the amount of such interest:	Preferred Shares in issue. Insofar as is known to the Company, as of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), the only persons who beneficially owned, directly or indirectly, or exercised control or direction over 10 per cent. or more of CGI's outstanding Class A Shares or Class B Shares (on the basis of their disclosed holdings of Class A Shares and Class B Shares as at 9 March 2015) were:
		• Serge Godin (Founder and Executive Chairman of the Board): owned 50,815 Class A Shares and, through his control of Distinction Capital Inc., 3727912 Canada Inc. and 9164-7586 Québec Inc., 28,577,089 Class B Shares (0.02 per cent. of the Class A Shares issued and outstanding and 85.89 per cent. of the Class B Shares issued and outstanding, representing 46.53 per cent. of the total voting rights in CGI); • André Imbeau (Founder, Vice-Chairman of the Board and Corporate Secretary): owned 267,827 Class A Shares and, through his control of 9088-0832 Québec Inc. and 9102-7003 Québec Inc., 4,275,659 Class B Shares (0.10 per cent. of the Class A Shares issued and outstanding and 12.85 per cent. of the Class B Shares issued and outstanding, representing 7.00 per cent. of the total voting rights in CGI); and In addition, CGI's investor relations department regularly surveys the Company's largest institutional shareholders. Based on the most recent shareholder identification data available to the Company, as at 9 March 2015, the following were the top ten institutional holders of Class A Shares: • The Caisse owned 58,174,038 Class A Shares (20.66 per cent. of the Class A Shares issued and outstanding, representing 9.47 per cent. of the total voting rights in CGI); • FMR LLC owned 28,245,000 Class A Shares (10.03 per cent. of the Class A Shares issued and outstanding, representing 4.60 per cent. of the total voting rights in CGI); • BlackRock Asset Management Canada Limited owned 12,275,000 Class A Shares (4.36 per cent. of the Class A Shares issued and outstanding, representing 2.00 per cent. of the total voting rights in CGI); • 1832 Asset Management L.P. owned 10,600,000 Class A Shares (3.76 per cent. of the Class A Shares issued and outstanding, representing 1.73 per cent. of the total voting rights in CGI); • CI Investments Inc. owned 9,835,000 Class A Shares (3.49 per cent. of the Class A Shares issued and outstanding, representing 1.60 per cent. of the total voting rights in CGI); • Invesco Advisers, Inc. owned 9,531,274 Class A Shares (3.38 per cent. of the Class A Shares issued and outstanding, representing 1.55 per cent. of the total voting rights in CGI); • Jarislowsky Fraser, Ltd. owned 6,325,000 Class A Shares (2.25 per

		cent. of the Class A Shares issued and outstanding, representing 1.03 per cent. of the total voting rights in CGI); • BMO Nesbit Burns Inc. owned 5,434,300 Class A Shares (1.93 per cent. of the Class A Shares issued and outstanding, representing 0.88 per cent. of the total voting rights in CGI); • Fiera Capital Corporation owned 5,387,000 Class A Shares (1.91 per cent. of the Class A Shares issued and outstanding, representing 0.88 per cent. of the total voting rights in CGI); and • Guardian Capital LP owned 5,026,568 Class A Shares (1.78 per cent. of the Class A Shares issued and outstanding, representing 0.82 per cent. of the total voting rights in CGI). Save as set out above, as of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), to the knowledge of the directors (each a ***Director*** and together, the ***Directors***) and executive officers of the Company, there is no other person who beneficially owned, directly or indirectly, or exercised control or direction over 10 per cent. or more of CGI's outstanding Class A Shares or Class B Shares (on the basis of their disclosed holdings of Class A Shares and Class B Shares as at 9 March 2015).
	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled, by whom and describe the nature of such control:	Save for Serge Godin, whose interest in CGI's voting share capital is set out above, CGI is not aware of any person who as at 9 March 2015 (being the latest practicable date prior to the publication of this prospectus), exercises or could exercise, directly or indirectly, jointly or severally, control over CGI.
	Whether the issuer's major shareholders have different voting rights, if any:	CGI's major shareholders, as listed above, have the same voting rights as all other holders of Class A Shares and Class B Shares.
B.7	***Selected historical key financial information and narrative description of significant change to the issuer's financial condition and operating results during or subsequent to the period covered by the historical key financial information:***	The tables below set out key financial information for the Group for the periods indicated. The data below has been extracted, without material adjustment, from CGI's audited consolidated financial statements for the years ended 2012, 2013 and 2014 and from CGI's interim financial statements for the three months ended 31 December 2014. CGI's audited consolidated financial statements for the years ended 2012, 2013 and 2014 and CGI's interim financial statements for the three months ended 31 December 2014 were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). **Consolidated Statement of Earnings:** (in thousands of Canadian dollars, except share data)

	For the three months ended 31 December 2014	For the year ended 30 September 2014	For the year ended 30 September 2013	For the year ended 30 September 2012
	$	$	$	$
Revenue	2,541,255	10,499,692	10,084,624	4,772,454
Operating expenses				
Costs of services, selling and administrative	2,195,385	9,129,791	9,012,310	4,226,859
Integration-related costs	-	127,341	338,439	254,973
Finance costs	24,500	101,278	113,931	42,099
Finance income	(920)	(2,010)	(4,362)	(5,318)
Other income	-	-	-	(3,955)
Foreign exchange loss (gain)	1,821	13,042	(3,316)	(1,134)
Share of profit on joint venture	-	-	-	(3,996)
	2,220,786	9,369,442	9,457,002	4,509,528
Earnings before income taxes	320,469	1,130,250	627,622	262,926
Income tax expense	84,213	270,807	171,802	131,397
Net earnings	236,256	859,443	455,820	131,529
Earnings per share				
Basic earnings per share	0.76	2.78	1.48	0.50
Diluted earnings per share	0.74	2.69	1.44	0.48

Consolidated Balance Sheet:

(in thousands of Canadian dollars)

	As at 31 December 2014	As at 30 September 2014	As at 30 September 2013	As at 30 September 2012
	$		$	$
Assets				
Current assets				
Cash and cash equivalents	489,577	535,715	106,199	113,103
Short-term investments	-	-	-	14,459
Current derivative financial instruments	12,028	9,397	1,344	-
Accounts receivable	1,103,663	1,036,068	1,205,625	1,412,935
Work in progress	777,001	807,989	911,848	697,132
Prepaid expenses and other current assets	151,159	174,137	218,446	235,962
Income taxes	9,047	8,524	17,233	39,877
Total current assets before funds held for clients	2,542,475	2,571,830	2,460,695	2,513,468
Funds held for clients	316,573	295,754	222,469	202,407
Total current assets	2,859,048	2,867,584	2,683,164	2,715,875
Property, plant and equipment	479,896	486,880	475,143	481,480

		Contract costs	155,607	156,540	140,472	168,650
		Intangible assets	596,207	630,074	708,165	787,779
		Other long-term assets	74,157	74,158	58,429	94,625
		Long-term financial assets	96,828	84,077	51,892	-
		Deferred tax assets	305,116	323,416	368,217	348,689
		Goodwill	6,604,992	6,611,323	6,393,790	6,093,134
			11,171,851	11,234,052	10,879,272	10,690,232
		Liabilities				
		Current liabilities				
		Accounts payable and accrued liabilities	1,127,423	1,060,380	1,119,034	1,286,031
		Current derivative financial instruments	5,096	4,588	6,882	-
		Accrued compensation	513,934	583,979	713,933	522,564
		Deferred revenue	443,578	457,056	508,267	535,902
		Income taxes	187,112	156,283	156,358	176,962
		Provisions	118,918	143,309	223,074	250,687
		Current portion of long-term debt	91,439	80,367	534,173	52,347
		Total current liabilities before clients' funds obligations	2,487,500	2,485,962	3,261,721	2,824,493
		Clients' funds obligations	312,786	292,257	220,279	197,986
		Total current liabilities	2,800,286	2,778,219	3,482,000	3,022,479
		Long-term provisions	64,442	70,586	109,011	126,138
		Long-term debt	2,357,676	2,599,336	2,332,377	3,196,061
		Other long-term liabilities	294,104	308,387	434,653	657,121
		Long-term derivative financial instruments	93,815	149,074	157,110	-
		Deferred tax liabilities	165,616	155,972	155,329	147,452
		Retirement benefits obligations	178,846	183,753	153,095	118,078
			5,954,785	6,245,327	6,823,575	7,267,329
		Equity				
		Retained earnings	2,592,264	2,356,008	1,551,956	1,113,225
		Accumulated other comprehensive income	192,967	228,624	121,855	294
		Capital stock	2,265,596	2,246,197	2,240,494	2,201,694
		Contributed surplus	166,239	157,896	141,392	107,690
			5,217,066	4,988,725	4,055,697	3,422,903
			11,171,851	11,234,052	10,879,272	10,690,232

Certain significant changes to the Group's financial condition and operating results occurred during the 2012, 2013 and 2014 fiscal years and in Q1 2015. These changes are set out below.

- The Group acquired Logica Plc (***Logica***) in the 2012 fiscal year for C$2.7 billion plus the assumption of Logica's net debt of C$0.9 billion. Subsequent to August 20, 2012, CGI's results incorporated the operations of Logica. As of September 30, 2014 CGI completed the integration of Logica.

- In addition to the C$525 million investment programme for the integration of Logica that was previously announced in the 2013 fiscal year, CGI invested an additional C$26.5 million to achieve new synergies while foreign currency fluctuations unfavourably impacted the programme by approximately C$24.0 million. In summary, a total of C$575 million in one-time costs were spent to drive annual savings in excess of C$400 million and earnings per share accretion to CGI.

- The consideration paid under the Logica acquisition was funded through a combination of: (i) cash proceeds of C$1.0 billion from the issuance of 46,707,146 subscription receipts exchangeable for new Class A Shares to the Caisse at C$21.41 per subscription receipt pursuant to (a) a subscription agreement entered into by the Caisse and the Company on 31 May 2012 and (b) a subscription receipt agreement entered into by the Caisse, the Company and Computershare Trust Company of Canada as subscription receipt agent on 31 May 2012; (ii) debt funding from a syndicate of lenders pursuant to C$1.9 billion senior unsecured term loan credit facilities under a credit agreement, a fee letter and a syndication letter all dated 31 May 2012 (***Term Loan***); and (iii) debt funding from a syndicate of lenders pursuant to a revolving credit facility under the Company's existing C$1.5 billion credit agreement (***Revolving Credit Facility***).

- In Q1 2014, the term of the Revolving Credit Facility was extended by one year to December 2017. On July 25, 2014, the Revolving Credit Facility was further extended by another year to December 2018 and can be further extended annually. All other terms and conditions including interest rates and banking covenants under the Revolving Credit Facility remain unchanged. In April 2014, CGI repaid the first maturing tranche of the Term Loan of C$486.7 million using the proceeds from its credit facilities. In September 2014, the Company entered into a C$955 million debt private placement comprised of four tranches of Senior U.S. unsecured notes for US$745 million, and one tranche of Senior euro unsecured note for €85 million, with a weighted average maturity of 7.9 years and a weighted average fixed coupon of 3.62 per cent. The Company used the proceeds of the issuance of the new private placement notes to repay the May 2015 maturing tranche of the Term Loan of C$494.7 million and the outstanding balance of the Term Loan.

- On November 29, 2013, the Caisse reduced its holding in the Company by 9,962,660 Class A subordinate voting shares in accordance with the Caisse's portfolio rebalancing policy. As part of the transaction, the Company purchased for cancellation 2,490,660 of the Class A subordinate voting shares representing 25 per cent. of the shares sold by the Caisse at a price per share of C$40.15 corresponding to the net price that the Caisse obtained from the broker who acquired the remaining 75 per cent. of the shares.

- The Group's revenue increased by approximately: (a) C$5.3 billion or 111.3 per cent. from the 2012 fiscal year to the 2013 fiscal year (revenue was approximately C$4.8 billion in the 2012 fiscal year and C$10.1 billion in the 2013 fiscal year); (b) C$0.4 billion or 4.1 per cent. from the 2013 fiscal year to the 2014 fiscal year (revenue was approximately C$10.1 billion in the 2013 fiscal year and C$10.5 billion in the 2014 fiscal year); and (c) decreased by C$0.1

		billion or 3.9 per cent. from Q1 2014 to Q1 2015 (revenue was approximately C$2.6 billion in Q1 2014 and C$2.5 billion in Q1 2015). • The Group's earnings before income taxes (***EBT***): (a) increased from approximately C$262.9 million (representing 5.5 per cent. of the Group's revenue) in the 2012 fiscal year to approximately C$627.6 million (representing 6.2 per cent. of the Group's revenue) in the 2013 fiscal year; (b) increased from approximately C$627.6 million (representing 6.2 per cent. of the Group's revenue) in the 2013 fiscal year to approximately C$1,130.2 million (representing 10.8 per cent. of the Group's revenue) in the 2014 fiscal year; and (c) increased from approximately C$253.0 million (representing 9.6 per cent. of the Group's revenue) in Q1 2014 to approximately C$320.5 million (representing 12.6 per cent. of the Group's revenue) in Q1 2015. • The Group's operating expenses increased by approximately: (a) C$4.8 billion or 113.2 per cent. from the 2012 fiscal year to the 2013 fiscal year (operating expenses were approximately C$4.2 billion in the 2012 fiscal year and C$9.0 billion in the 2013 fiscal year); (b) C$0.1 billion or 1.3 per cent. from the 2013 fiscal year to the 2014 fiscal year (operating expenses were approximately C$9.0 billion in the 2013 fiscal year and C$9.1 billion in the 2014 fiscal year); and (c) decreased by C$0.1 billion or 6.2 per cent. from Q1 2014 to Q1 2015 (operating expenses were approximately C$2.3 billion in Q1 2014 and C$2.2 billion in Q1 2015).
		There has been no significant change in CGI's financial condition and operating results subsequent to 31 December 2014, being the end of the three month period from 1 October 2014 to 31 December 2014 to which CGI's interim financial information on Form 6-K for the fiscal quarter ended 31 December 2014 (the ***Form 6-K***) relates. The Form 6-K was filed with the United States Securities and Exchange Commission (the ***SEC***) on 28 January 2015.
B.8	***Selected key pro forma financial information:***	Not applicable: no pro forma financial information is included in this prospectus.
B.9	***Profit forecast or estimate:***	Not applicable: there are no profit forecasts or estimates in this prospectus.
B.10	***Audit report qualifications:***	Not applicable: there are no qualifications in the audit reports on the Group's historical financial information.
B.11	***Insufficient working capital:***	Not applicable: taking into account the Group's borrowing facilities, the working capital available to the Group is sufficient for its present requirements, that is, for at least 12 months following the date of this prospectus.
Section C – Securities		
C.1	***Type and class of securities admitted to trading and any identification***	Class A Shares. The Class A Shares are traded on the New York Stock Exchange (***NYSE***) under the symbol GIB and on the Toronto Stock Exchange (***TSE***) under the symbol GIB.A. The Class A Shares have ISIN number CA39945C1095.

	number:	
C.2	***Currency of the securities issue:***	The Class A Shares have no par value. The currency of the Class A Shares listed on: (i) the NYSE is US dollars and (ii) the TSE is Canadian dollars.
C.3	***Number of shares in issue and par value:***	CGI's authorised share capital consists of: • an unlimited number of First Preferred Shares, issuable in series; • an unlimited number of Second Preferred Shares, issuable in series; • an unlimited number of Class A Shares; and • an unlimited number of Class B Shares; all without par value. As at 9 March 2015 (being the latest practicable date prior to publication of this prospectus), the issued and outstanding share capital of the Company was 281,602,825 Class A Shares and 33,272,767 Class B Shares. There are no First Preferred Shares or Second Preferred Shares in issue.
C.4	***Rights of securities:***	Each holder of Class A Shares will have the following rights: • to attend and vote at meetings of shareholders of the Company. Each Class A Share entitles the holder to one vote per share. Each Class B Share entitles the holder to ten votes per share; • to participate equally, share for share, in any dividend which may be declared, paid or set aside for payment; and • upon liquidation or dissolution of the Company or any other distribution of its assets among its shareholders for the purposes of winding up its affairs, to receive equal, share for share amounts of the assets of the Company available for payment or distribution to the holders of Class A Shares. If a takeover bid, exchange bid or issuer bid (other than an exempt bid) for the Class B Shares is made to the holders of Class B Shares without being made simultaneously and on the same terms and conditions to the holders of Class A Shares, each Class A Share shall become convertible into one Class B Share, at the holder's option, in order to entitle the holder to accept the offer from the date it is made. This right will be deemed not to come into effect if the offer is not completed by its offeror or if the senior executives and full-time employees of the Group and any corporate entity under the control of one or more of such senior executives, as owners, as a group, of more than 50 per cent. of the outstanding Class B Shares, do not accept the offer. The rights, privileges, conditions and restrictions attaching to Class A Shares may be amended if such amendment is authorised by at least two thirds of the votes cast at a meeting of the holders of Class A Shares and Class B Shares duly convened for that purpose. However, if the holders of Class A Shares as a class were to be affected in a manner different from that of the other classes of CGI shares, such amendment shall, in addition, be authorised by at least two thirds of the votes cast at a meeting of only the holders of Class A Shares.
C.5	***Restrictions on free transferability of the securities:***	Not applicable: there are no restrictions on the free transferability of the Class A Shares.

C.6	***Admission to trading on a regulated market:***	The Class A Shares are admitted to trading on the NYSE and on the TSE.
C.7	***Dividend policy:***	Considering the Company's needs for reinvestment into its operations and for large investment projects, the Company does not pay dividends. However, the board of Directors (the ***Board***) re-evaluates its dividend policy annually. In the 2014 fiscal year, the Company's needs for: (i) reinvestment into operations; (ii) investment projects; (iii) repayment of the Company's debt; and (iv) the repurchase by the Company of outstanding Class A Shares, influenced the Board's decision that the Company would not pay a dividend.
	Section D – Risks	
D.1	***Key information on the key risks that are specific to the issuer or its industry:***	***Risks Related to the Group's Industry*** • The Group is dependent on qualified IT professionals. If the Group is unable to attract and retain sufficient numbers of qualified professionals with the appropriate training, expertise and suitable government security clearances required to serve the needs of the Group's clients, the Group may have to rely on subcontractors, staff transfers, recruitment and/or training new individuals to fill resulting gaps. This might result in lost revenue or increased costs, thereby putting pressure on the Group's earnings, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. • The Group may infringe on the intellectual property rights of others which may result in claims being made against the Group. Intellectual property claims or litigation brought against the Group could be time-consuming and costly, harm the Group's reputation, require the Group to enter into additional royalty or licensing arrangements, or prevent it from providing some solutions or services. Should any of these factors occur, they may have a material adverse effect on the Group's business, revenues, results of operations, financial condition or prospects.
		Risks Related to the Group's Business • If the Group fails to perform services in accordance with its contracts and its clients' reasonable expectations, or it fails to invoice clients correctly in a timely manner, the Group's collections could suffer. In addition, a prolonged economic downturn may cause clients to curtail or defer projects, impair their ability to pay for services already provided by the Group, and ultimately cause them to default on existing contracts with the Group. Any of these factors could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. • The Group derives substantial revenues from contracts where the Group enters into teaming agreements with other providers. In some teaming agreements the Group is the prime contractor whereas in others, the Group acts as a subcontractor. In both cases, the Group relies on its relationships with other providers to generate business and the Group expects to do so in the foreseeable future. If the Group fails to adequately maintain its relationships with these providers or the Group's relationship with these providers is otherwise impaired, the Group's business, revenues, results of operations, financial condition or prospects could be materially

		adversely affected. • The Group relies on third party subcontractors to fulfil its commitments under certain contracts. If those subcontractors fail to perform their obligations on time and on budget then the Group's ability to complete those contracts may be adversely affected, which could have a material adverse effect on the Group's business, revenues, results of operations, financial condition, prospects or profitability. • The Group derives a substantial portion of its revenue from the services it provides to various U.S. federal government departments and agencies. There can be no assurance that each such U.S. federal government department and agency will continue to utilise the Group's services to the same extent, or at all, in the future. If a major U.S. federal government department or agency were to limit, reduce, or eliminate the business it awards to the Group, the Group might be unable to recover the lost revenue with work from other U.S. federal government departments or agencies or other clients, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. • Government spending reductions, budget cutbacks or policy changes could cause government agencies and departments with which the Group contracts to reduce their purchases under existing contracts, to exercise their right to terminate contracts, to issue temporary stop work orders, or not to exercise options to renew contracts. Should any of these factors occur, they could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. • The Group's reputation is key to its ability to compete effectively in the market for IT services. The nature of the Group's operations exposes the Group to the potential loss, unauthorised access to, or destruction of its clients' information, as well as temporary service interruptions. Such events may have a negative impact on the Group's reputation, its ability to obtain new clients and its ability to retain existing clients, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. • The Group may face complex and time-consuming challenges in implementing the uniform standards, controls, procedures and policies across new operations to harmonise their activities with those of the Group's existing business units. Integration activities can result in unanticipated operational problems, expenses and liabilities. Should any of these factors occur, the Group will have difficulty achieving its growth and profitability objectives, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects.
D.3	***Key information on the key risks that are specific to the securities:***	• The price of Class A Shares may fluctuate as a result of a variety of factors, including: (i) speculation in the media or investment community about, or actual changes in the business, market share, organisational structure, operations, financial condition, financial or share price performance, prospects or executive team of CGI and/or its competitors; (ii) the announcement of new products, services, acquisitions, divestitures or other significant transactions by CGI and/or its competitors; (iii) the announcement of actual and/or

		anticipated financial results by CGI and/or its competitors; and (iv) Class A Share repurchases by CGI. Market conditions, stock market performance or macroeconomic and geopolitical factors unrelated to CGI's performance may also affect the price of Class A Shares. Employees should not rely on recent or historical trends to predict future share prices.
		• Sales of substantial numbers of Class A Shares, or the perception or any announcement that such sales could occur, could adversely affect the market price of Class A Shares and may make it more difficult for holders of Class A Shares to sell their Class A Shares at a time and price which they deem appropriate. • An additional offering of Class A Shares by the Company, or the public perception that an offering or sale may occur, could have an adverse effect on the market price of Class A Shares.
		Section E – Offer
E.1	***Net proceeds and estimated expenses:***	No new Class A Shares (or any other securities of CGI) will be issued in connection with this prospectus. Accordingly, no proceeds will be raised by CGI in respect of the offer(s) contained in this prospectus. The Class A Shares which are available to be purchased under the Share Purchase Plan, the subject of this prospectus, have either: (i) been registered with the SEC and are trading on the NYSE or (ii) are trading on the TSE. No Class A Shares (or any other securities of CGI) are listed or admitted to trading on a regulated market within the EEA. As at the date of this prospectus, there is no intention to make an application for the Class A Shares, the subject of this prospectus, to be listed or admitted to trading on any EEA regulated market. The number of Class A Shares purchased on the open market under the Share Purchase Plan will depend on a number of factors including the number of employees, the level of employee participation, the amount of contributions made by participating employees and CGI in respect of share purchases and the value of Class A Shares at the time of purchase. The total costs, charges and expenses incurred by CGI in preparing this prospectus and in connection with the offer(s) contained in this prospectus are estimated to be £225,000.
E.2a	***Reasons for the offer, use of proceeds and estimated net amount of proceeds:***	The purpose of the Share Purchase Plan is to encourage employee share ownership by offering eligible employees of the Group the ability to purchase Class A Shares via salary deductions matched by Company contributions. CGI believes that the Share Purchase Plan offers a convenient means for employees of the Group who might not otherwise own Class A Shares to purchase and hold Class A Shares and that the matching Company contribution feature of the Share Purchase Plan offers a meaningful incentive for eligible employees to participate. CGI also believes that the continuing economic interests of participating employees, as shareholders, in CGI's performance will provide additional incentives for such employees to contribute to the Group's potential for growth and profitability.
E.3	***Terms and conditions of the***	The offer(s), the subject of this prospectus, are not made to the general public or to any person other than eligible employees of the Group

	offer:	located in the United Kingdom, Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. Only such eligible employees of the Group may acquire Class A Shares pursuant to this prospectus in accordance with the plan documents of the Share Purchase Plan. The key terms of the Share Purchase Plan are summarised below: **Share Purchase Plan** *Overview* CGI established the Share Purchase Plan to enable eligible employees of the Group (the ***Participants***) to purchase Class A Shares on the open market. Such Class A Shares are to be purchased by the administrator of the Share Purchase Plan (the ***Plan Administrator***), with contributions made to the Plan Administrator by the Participants from deductions from their net pay and by the Group companies participating in the Share Purchase Plan (each a ***Participating Employer***). The Plan Administrator shall hold the Class A Shares so purchased for the account of the Participants. *Eligibility and Participation* Any full or part-time employee of a Participating Employer of the Group in the relevant EEA member state who is actively at work at the time of enrollment is eligible to participate in the Share Purchase Plan. An employee ceases to be eligible to participate in the Share Purchase Plan on his or her last working day with a Participating Employer, excluding any period representing pay in lieu of notice or other notice or payment on account of termination of employment. To become a Participant, the eligible employee should (unless directed otherwise) enroll in the manner specified by the Participating Employer. The employee's participation in the Share Purchase Plan commences on the first practicable date following enrollment. *Contributions* The Participant contributes to the Share Purchase Plan through deductions at source, withheld from the Participant's net salary. The contribution amount is based on a percentage of the Participant's annual gross base salary (or, as determined by the Participating Employer in its sole discretion, the portion of such annual gross base salary actually earned by the Participant during the relevant year) effective on the date on which the Participant joins the Share Purchase Plan (the ***Participant Basic Contribution***), such percentage (the ***Participant Contribution Percentage***) to be determined from time to time by either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer. Such percentage may vary by position and by business unit, as well as over time, as either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer may in his discretion determine, provided that the percentage cannot exceed 3.5 per cent. The Participant Basic Contribution is remitted by the Participating Employer to the Plan Administrator at each pay period of the Participant. The Participating Employer contributes to the Share Purchase Plan for the account of each Participant an amount equal to a percentage of the Participant Basic Contribution (excluding additional contributions provided for in the paragraph immediately below). The percentage of the

		Participant Basic Contribution that the Participating Employer is required to pay is determined from time to time by either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer, provided that the Participating Employer's contribution cannot exceed 100 per cent. of the aggregate amount contributed to the Share Purchase Plan by each Participant as Participant Basic Contribution. The percentage that the Participating Employer contributes may vary by position and by business unit, as well as over time, as either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer may in his discretion determine. The Participating Employer may, in addition to the contributions provided above, pay to the Plan Administrator, at its discretion, any amount as additional contribution to the Share Purchase Plan and the Plan Administrator will purchase Class A Shares on the secondary market through an exchange on which the Class A Shares are listed in accordance with the instructions of that Participating Employer. The allocation of such Class A Shares will be made for the account of the Participants. The Participating Employer pays the Plan Administrator by way of deductions from payroll an amount equal to the Participating Employer's contributions computed for the applicable pay period. A Participant may make additional contributions to the Share Purchase Plan in excess of the Participant Basic Contribution ranging between 0.5 per cent. and 10 per cent. of his or her annual gross base salary, and this, by increments of 0.5 per cent. without taking into account the rate of participation provided above, in accordance with the same terms and conditions provided above. However, the Participating Employer will not match such additional contributions by the Participant. *Purchase of Class A Shares and Use of Cash Distributions* The Plan Administrator, following receipt of the Participants' and the Participating Employers' contributions, purchases Class A Shares on the secondary market through an exchange on which the Class A Shares are listed, being the TSE and/or the NYSE (as applicable). The Plan Administrator executes buying orders following receipt of the contributions. The Class A Shares purchased by the Plan Administrator out of the contributions made by the Participants and the Participating Employers are attributed to the account of the Participants based on the applicable contributions made by the Participants and the Participating Employers and the weighted average price paid by the Plan Administrator for the Class A Shares on the applicable stock exchange and are held by the Plan Administrator for the account of the Participants. All cash dividends and other cash distributions received by the Plan Administrator in respect of Class A Shares held by the Plan Administrator for the account of Participants are used by the Plan Administrator to purchase further Class A Shares. The Class A Shares so acquired are allocated to the Participants in proportion to their respective interests. Stock dividends received by the Plan Administrator in respect of Class A Shares are held by the Plan Administrator for the account of Participants. *Reports*

The Plan Administrator makes available to each Participant, through its website, an electronic report showing the number of Class A Shares held by the Plan Administrator for the account of each Participant and stating also the number of Class A Shares corresponding to the additional contributions of the Participant.

Termination or Suspension of Participation in, and Withdrawal from, the Share Purchase Plan

To terminate his or her participation in the Share Purchase Plan at any time, a Participant should (unless directed otherwise) give notice in the manner specified by the Participating Employer to the Participating Employer and to the Plan Administrator. Such Participant may decide to maintain his or her Class A Shares in the Share Purchase Plan or withdraw all or part of those Class A Shares in accordance with the withdrawal provisions immediately below.

A Participant may at any time withdraw, partially or in full, the Class A Shares that the Plan Administrator holds for his or her account by providing notice to the Plan Administrator (in the form and manner specified by the Plan Administrator from time to time). Following such withdrawal, the Plan Administrator will sell the Class A Shares held for the account of the Participant and pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees together with, in the case of a complete withdrawal, every other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of the Participant.

The Participant may alternatively elect to receive Class A Shares in lieu of cash payment. In such case, the Plan Administrator will deliver to the Participant a direct registration statement (***Direct Registration Statement***) representing such Class A Shares registered in the name of the Participant. However, CGI reserves the right, in lieu of the Direct Registration Statement, to remit share certificates in the name of the Participant representing the Class A Shares held by the Plan Administrator for the account of such Participant.

If a Participant's employment terminates for any reason whatsoever and the Participant does not notify the Plan Administrator and the Participating Employer of his or her choice in the manner described below (immediately after his or her last contribution has been processed), the Plan Administrator will, following receipt of a notice of termination of employment from the Participant or the Participating Employer: (i) issue a Direct Registration Statement for the Class A Shares held by the Plan Administrator for the account of the Participant; or (ii) sell the Class A Shares held by the Plan Administrator for the account of the Participant, if it represents less than 100 Class A Shares, on the secondary market through an exchange on which the Class A Shares are listed and pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees, together with any other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of the Participant. However, the Participant may make the election to receive a Direct Registration Statement as discussed in the paragraph immediately above by giving a notice to the Participating Employer and to the Plan Administrator immediately after his or her last contribution has been attributed to the account of the Participant. The date of termination of employment means the Participant's last day of work for a Participating Employer, excluding any period representing pay in lieu of notice or other payment or notice

		on account of termination of employment. In the event that a Participant is absent from work for any period of time and for any reason and receives no remuneration from the Participating Employer during such absence, the Participant's participation in the Share Purchase Plan is automatically suspended until the Participant returns to work or until the Participant elects to terminate his or her participation in the Share Purchase Plan. *Administration and Amendment, Suspension or Termination of the Share Purchase Plan* The Board has full power and authority with respect to the interpretation of the Share Purchase Plan and to the ratification of the rules, terms and other measures it may deem necessary for the management of the Share Purchase Plan. The Board may at any time amend, suspend or terminate the Share Purchase Plan; however, no modification, suspension or termination of the Share Purchase Plan may affect any vested right that a Participant may have in respect of the Class A Shares subject to the Share Purchase Plan or in respect of the Share Purchase Plan until the date of such amendment, suspension or termination of the Share Purchase Plan. In the event of termination of the Share Purchase Plan, the Plan Administrator will remit as soon as possible to each Participant a Direct Registration Statement representing the Class A Shares together with any other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of such Participant. *Governing Laws* The Share Purchase Plan is governed by and construed in accordance with the laws of the Province of Québec, Canada.
E.4	***Interests material to the issue/offer, including conflicting interests:***	Not applicable: there are no interests (including conflicts of interest) which are material to the issue/offer.
E.5	***Name of the person or entity offering to sell the securities and details of any lock-up agreements:***	Not applicable: no person or entity is offering to sell the Class A Shares and there are no lock-up agreements for Class A Shares purchased pursuant to the Share Purchase Plan.
E.6	***Amount and percentage of immediate dilution resulting from the offer:***	Not applicable: the Class A Shares purchased pursuant to the Share Purchase Plan to which this prospectus relates are already in issue and trading on the open market, therefore no dilution will result from the offer.

E.7	***Estimated expenses charged to the investor by the Company:***	Not applicable: no expenses will be charged to the investor by the Company.

RISK FACTORS

Any investment in the Class A Shares is subject to a number of risks. Prior to investing in the Class A Shares, employees should consider carefully the factors and risks associated with any investment in the Class A Shares, the Group's business and the industry in which it operates, together with all other information contained in this prospectus including, in particular, the risk factors described below. Employees should note that the risks relating to the Group, its industry and the Class A Shares summarised in the section of this document headed "Summary" are the risks that the Company believes to be the most essential to an assessment by an employee of whether to consider an investment in the Class A Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, employees should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below. The following includes the material risks known to the Group which employees may face when making an investment in the Class A Shares but it is not an exhaustive list or explanation of all risks and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, revenues, results of operations, financial condition or prospects and, if any such risk should occur, the price of the Class A Shares may decline and employees could lose all or part of their investment. Employees should consider carefully whether an investment in the Class A Shares is suitable for them in the light of the information in this prospectus and their personal circumstances.

Risks Related to the Market

The Group's clients are affected by economic conditions which could have a material adverse effect on the Group

The level of business activity of the Group's clients, which is affected by economic conditions, has a bearing upon the results of the Group's operations. The Group can neither predict the impact that current economic conditions will have on the Group's future revenue, nor predict when economic conditions will show meaningful and sustained improvement. During an economic downturn, the Group's clients and potential clients may cancel, reduce or defer existing contracts and delay entering into new engagements, which could have a material adverse effect on the business, revenues, results or operations, financial condition or prospects of the Group. In general, the Group's clients may also decide to undertake fewer IT systems projects during difficult economic times, resulting in limited implementation of new technology and smaller engagements. Since there are fewer engagements in a downturn, competition usually increases and pricing for services may decline as competitors, particularly companies with significant financial resources, decrease rates to maintain or increase their market share in the Group's industry and this may trigger pricing adjustments related to the benchmarking obligations within the Group's contracts (see the risk factor entitled "*Certain contracts allow the Group's clients to revaluate the price the Group charges for its services*" below). Any of these factors could negatively impact the Group's pricing, revenue or profitability, which could have a material adverse effect on the business, revenues, results or operations, financial condition and prospects of the Group.

Risks Related to the Group's Industry

The Group faces vigorous competition for contracts

The Group operates in a global marketplace in which competition among providers of IT services is vigorous. Some of the Group's competitors possess greater financial, marketing and sales resources, and larger geographic scope in certain parts of the world than the Group does, which, in turn, provides them with additional leverage in the competition for contracts. In certain niche, regional or metropolitan markets, the Group faces smaller competitors with specialised capabilities who may be able to provide competing services with greater economic efficiency. Some of the Group's competitors have more significant operations than the Group does in lower cost countries that can serve as a platform from which to provide services worldwide on terms that may be more favourable. Increased competition among IT services firms often results in corresponding pressure on prices. There can be no

assurance that the Group will succeed in providing competitively priced services at levels of service and quality that will enable it to maintain and grow the Group's market share. Client's moving to a competitor or choosing a competitor rather than the Group could have a material adverse effect on the Group's market share and its business, revenues, results of operations financial condition and prospects.

The Group is dependent on qualified IT professionals

There is strong demand for qualified individuals in the IT industry. Hiring and retaining a sufficient amount of individuals with the desired knowledge and skill set may be difficult. Therefore, it is important that the Group remains able to successfully attract and retain highly qualified professionals and establish an effective succession plan. If the Group's comprehensive programmes aimed at attracting and retaining qualified and dedicated professionals do not ensure that the Group has staff in sufficient numbers and with the appropriate training, expertise and suitable government security clearances required to serve the needs of the Group's clients, the Group may have to rely on subcontractors or transfers of staff to fill resulting gaps. If the Group's succession plan fails to identify those with potential or if the Group fails to develop these key individuals, the Group may be unable to replace key members who retire or leave the Group and may be required to recruit and/or train new individuals. This might result in lost revenue or increased costs, thereby putting pressure on the Group's earnings, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects.

The Group may be unable to continue developing and expanding service offerings to address emerging business demands and technology trends

The rapid pace of change in all aspects of IT and the continually declining costs of acquiring and maintaining IT infrastructure mean that the Group must anticipate changes in its clients' needs. To do so, the Group must adapt its services and its solutions so that it maintains and improves the Group's competitive advantage and the Group remains able to provide cost effective services. The markets in which the Group operates are extremely competitive and there can be no assurance that the Group will succeed in developing and adapting the Group's business in a timely manner. If the Group does not keep pace, the Group's ability to retain existing clients and gain new business may be adversely affected, which could have a material adverse effect on the business, revenues, results of operation, financial condition and prospects of the Group.

The Group may infringe on the intellectual property rights of others which may result in claims being made against the Group or the Group's clients

The steps the Group takes to ensure that its services and offerings do not infringe on the intellectual property rights of third parties may not be adequate to prevent infringement and, as a result, claims may be asserted against the Group or the Group's clients. The Group enters into licensing agreements for the right to use intellectual property and may otherwise offer indemnities against liability and damages arising from third-party claims of patent, copyright, trademark or trade secret infringement in respect of the Group's own intellectual property or software or other solutions developed for the Group's clients. In some instances, the amount of the indemnity claim(s) could be greater than the revenue the Group receives from the client (see the risk factor entitled "*The Group may be exposed to liabilities under guarantees and indemnities that it has provided to counterparties, which could have a material adverse effect on the Group*" below). Intellectual property claims or litigation could be time-consuming and costly, harm the Group's reputation, require the Group to enter into additional royalty or licensing arrangements, or prevent it from providing some solutions or services. Any limitation on the Group's ability to sell or use solutions or services that incorporate software or technologies that are the subject of a claim could cause it to lose revenue-generating opportunities or require it to incur additional expenses to modify solutions for future projects. Should any of these factors occur, they may have a material adverse effect on the Group's business, revenues, results of operations, financial conditions and prospects.

Certain contracts allow the Group's clients to revaluate the price the Group charges for its services

Some of the Group's outsourcing contracts contain clauses allowing the Group's clients to externally benchmark the pricing of agreed upon services against those offered by other providers in an

appropriate peer comparison group. The uniqueness of the client environment is factored in and, if results indicate a difference outside the agreed upon tolerance, the Group may be required to work with clients to reset the pricing for the Group's services, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may be unable to protect its intellectual property rights

The Group's success depends, in part, on its ability to protect its proprietary methodologies, processes, know-how, tools, techniques and other intellectual property that it uses to provide its services. Although the Group takes reasonable steps to protect and enforce its intellectual property rights, there is no assurance that such measures will be enforceable or adequate. The cost of enforcing the Group's rights can be substantial and, in certain cases, may prove to be uneconomic. In addition, the laws of some countries in which the Group conducts business may offer only limited intellectual property rights protection. Despite the Group's efforts, the steps taken to protect the Group's intellectual property may not be adequate to prevent or deter infringement or other misappropriation of intellectual property, and the Group may not be able to detect unauthorised use of the Group's intellectual property, or take appropriate steps to enforce the Group's intellectual property rights. Should any of these factors occur, they may have a material adverse effect on the Group's business, revenues, results of operations, financial conditions and prospects.

Risks Related to the Group's Business

The Group faces various risks associated with its growth strategy

CGI's *Build and Buy* strategy is founded on four pillars of growth: first, organic growth through contract wins, renewals and extensions in the areas of outsourcing and system integration; second, the pursuit of new large outsourcing contracts; third, acquisitions of smaller firms or niche players; and fourth, transformational acquisitions. The Group's ability to grow through organic growth and new large outsourcing transactions is affected by a number of factors outside of the Group's control, including a lengthening of the Group's sales cycle for major outsourcing contracts. The Group's ability to grow through niche and transformational acquisitions requires the Group to identify suitable acquisition targets and to correctly evaluate their potential as transactions that will meet the Group's financial and operational objectives. There can be no assurance that the Group will be able to identify suitable acquisition candidates and consummate additional acquisitions that meet the Group's economic thresholds, or that future acquisitions will be successfully integrated into the Group's operations and yield the tangible accretive value that the Group had expected. If the Group is unable to implement its *Build and Buy* strategy, the Group will likely be unable to maintain its historic or expected growth rates, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group's financial results may fluctuate materially depending on a number of factors, many of which are out of the Group's control

The Group's ability to maintain and increase its revenues is affected not only by the Group's success in implementing its *Build and Buy* strategy, but also by a number of other factors which could cause the Group's financial results to fluctuate. These factors are: (i) the Group may be unable to introduce and deliver new services and products; (ii) the Group may be exposed to a lengthened sales cycle; (iii) the Group may be subject to cyclicality of purchases of its technology services and products; (iv) the nature of a customer's business (for example, if a customer encounters financial difficulty, it may be forced to cancel, reduce or defer existing contracts with the Group); and (v) the structure of agreements with customers (for example, some of the Group's agreements with customers contain clauses allowing the customers to benchmark the pricing of services provided by the Group against the prices offered by other providers). The occurrence of any of these factors may cause the Group's revenues to fluctuate negatively, which could have a material adverse effect on the Group's business, revenues, financial conditions and prospects.

The Group is exposed to business mix variations

The proportion of revenue that the Group generates from shorter-term systems integration and consulting (***SI&C***) projects, versus revenue from long-term outsourcing contracts, will fluctuate at times, affected by acquisitions or other transactions. An increased exposure to revenue from SI&C projects may result in greater quarterly revenue variations, as the revenue from SI&C projects does not provide long-term consistency in revenue. Such variations could therefore result in losses or increased costs in order to rectify the revenue structure and achieve consistent, long-term revenue, which could have a material adverse effect on the Group's business, revenues, financial conditions and prospects.

The Group operates in numerous countries around the world and is exposed to the risks of doing business internationally

The scope of the Group's global operations subjects the Group to issues that can negatively impact the Group's operations, including: currency fluctuations; the burden of complying with a wide variety of national and local laws; the differences in and uncertainties arising from local business culture and practices; political, social and economic instability including the threats of terrorism, civil unrest, war, natural disasters and pandemic illnesses. Any or all of these risks could impact the Group's global business operations and cause the Group's profitability to decline, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group faces various organisational challenges and obstacles associated with its size

The Group's culture, standards, core values, internal controls and policies need to be instilled across newly acquired businesses as well as maintained within the Group's existing operations. To effectively communicate and manage these standards throughout a large global organisation is both challenging and time consuming. Newly acquired businesses may be resistant to change and may remain attached to past methods, standards and practices which may compromise the Group's business agility in pursuing opportunities. Cultural differences in various countries may also present barriers to introducing new ideas or aligning the Group's vision and strategy with the rest of the organisation. If the Group cannot overcome these obstacles in maintaining a strategic bond throughout the Company worldwide, the Group may not be able to achieve the Group's growth and profitability objectives, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group's actual tax benefits or tax liabilities may be materially different from the Group's estimates or expectations

In estimating the Group's income tax payable, the Group's management uses accounting principles to determine income tax positions that are likely to be sustained by applicable tax authorities. However, there is no assurance that the Group's tax benefits or tax liability will not materially differ from the Group's estimates or expectations. The tax legislation, regulation and interpretation that apply to the Group's operations are continually changing. In addition, future tax benefits and liabilities are dependent on factors that are inherently uncertain and subject to change, including future earnings, future tax rates, and anticipated business mix in the various jurisdictions in which the Group operates. Moreover, the Group's tax returns are continually subject to review by applicable tax authorities. It is these tax authorities that will make the final determination of the actual amounts of taxes payable or receivable, of any future tax benefits or liabilities and of income tax expense that the Group may ultimately recognise. Any of the above factors could have a material adverse effect on the Group's net income or cash flows by affecting the Group's operations and profitability, the availability of tax credits, the cost of the services the Group provides, and the availability of deductions for operating losses as the Group develops its international service delivery capabilities.

Failure to collect the amounts owed to it in an efficient and timely manner may expose the Group to credit risk in respect of its accounts receivables

Although the Group maintains provisions to account for anticipated shortfalls in amounts collected from its clients, the provisions the Group makes are based on management estimates and on the Group's assessment of the Group's clients' creditworthiness which may prove to be inadequate in the

light of actual results. To the extent that the Group fails to perform the Group's services in accordance with its contracts and the Group's clients' reasonable expectations, and to the extent that the Group fails to invoice clients and to collect the amounts owed to the Group for the Group's services correctly in a timely manner, the Group's collections could suffer which could materially adversely affect the Group's business, revenues and net earnings. In addition, a prolonged economic downturn may cause clients to curtail or defer projects, impair their ability to pay for services already provided by the Group, and ultimately cause them to default on existing contracts with the Group, which could materially affect the Group's business, revenues, results of operations, financial conditions or prospects.

Material developments at the Group's major commercial clients resulting from such causes as changes in the client's financial condition, mergers or business acquisitions could have a material adverse effect on the Group

Consolidation among the Group's clients resulting from mergers and acquisitions may result in loss or reduction of business when the successor business' IT needs are served by another service provider or are provided by the successor company's own personnel. Growth in a client's IT needs resulting from acquisitions or operations may mean that the Group no longer has a sufficient geographic scope or the critical mass to serve the client's needs efficiently, resulting in the loss of the client's business and impairing the Group's future prospects. There can be no assurance that the Group will be able to achieve the objectives of the Group's growth strategy in order to maintain and increase the Group's geographic scope and critical mass in the Group's targeted markets. Loss of clients or a reduction of business from clients or a failure by the Group to achieve the objectives of its growth strategy could have a material adverse effect on the Group's business, revenues, results of operations, financial condition and prospects.

The Group is subject to early termination risk on certain of its contracts with clients

If the Group should fail to deliver its services according to contractual agreements, some of the Group's clients could elect to terminate contracts before their agreed expiry date. In addition, a number of the Group's outsourcing contractual agreements have termination for convenience and change of control clauses according to which a change in the client's intentions or a change in control of CGI could lead to a termination of the said agreements. Early contract termination can also result from the exercise of a legal right or when circumstances that are beyond the Group's control or beyond the control of the Group's client prevent the contract from continuing. In cases of early termination, the Group may not be able to recover capitalised contract costs and it may not be able to eliminate ongoing costs incurred to support the contract. Should clients of the Group elect to terminate their contracts early for any of the above reasons, this could have a material adverse effect on the Group's business, revenues, results of operations, financial condition and prospects.

The Group is subject to cost estimation risks when pricing services for its clients

In order to generate acceptable margins, the Group's pricing for services is dependent on the Group's ability to accurately estimate the costs and timing for completing projects or long-term outsourcing contracts. In addition, a significant portion of the Group's project-oriented contracts are performed on a fixed-price basis. Billing for fixed-price engagements is carried out in accordance with the contract terms agreed upon with the Group's clients, and revenue is recognised based on the percentage of effort incurred to date in relation to the total estimated costs to be incurred over the duration of the respective contract. These estimates reflect the Group's best judgment regarding the efficiencies of the Group's methodologies and employees as the Group plans to apply them to the contracts in accordance with the CGI Client Partnership Management Framework (***CPMF***), a process framework which helps ensure that all contracts are managed according to the same standards throughout the organisation. If the Group fails to apply the CPMF correctly or if the Group is unsuccessful in accurately estimating the time or resources required to fulfil the Group's obligations under a contract, or if unexpected factors, including those outside of the Group's control, arise, there may be an impact on costs or the delivery schedule which could have a material adverse effect on the Group's business, revenues, results of operations, financial condition and prospects.

The Group relies on its relationships with other providers in order to generate business. Failure to adequately maintain these relationships may have a material adverse effect on the Group

The Group derives substantial revenues from contracts where the Group enters into teaming agreements with other providers. In some teaming agreements the Group is the prime contractor whereas in others the Group acts as a subcontractor. In both cases, the Group relies on its relationships with other providers to generate business and the Group expects to continue to do so in the foreseeable future. Where the Group acts as prime contractor, if the Group fails to maintain the Group's relationships with other providers, the Group may have difficulty attracting suitable participants in the Group's teaming agreements. Similarly, where the Group acts as subcontractor, if the Group's relationships are impaired, other providers might reduce the work they award to the Group, award that work to the Group's competitors, or choose to offer the services directly to the client in order to compete with the Group's business. In either case, if the Group fails to adequately maintain its relationships with these providers or the Group's relationship with these providers is otherwise impaired, the Group's business, revenues, results of operations, financial condition or prospects could be materially adversely affected.

The Group relies on third party subcontractors delivering on their commitments

Increasingly large and complex contracts may require that the Group relies on third party subcontractors, including software and hardware vendors, to help the Group fulfil its commitments. Under such circumstances, the Group's success depends on the ability of the third parties to perform their obligations within agreed upon budgets and timeframes. If the Group's partners fail to deliver, the Group's ability to complete the contract may be adversely affected, which could have a material adverse effect on the Group's business, revenues, results of operations, financial condition, prospects and profitability.

The Group may be exposed to liabilities under guarantees and indemnities that it has provided to counterparties, which could have a material adverse effect on the Group

In the normal course of business, the Group enters into agreements that may provide for indemnification and guarantees to counterparties in transactions such as consulting and outsourcing services, business divestitures, lease agreements and financial obligations. These indemnification undertakings and guarantees may require the Group to compensate counterparties for costs and losses incurred as a result of various events, including breaches of representations and warranties, intellectual property right infringement, claims that may arise while providing services or as a result of litigation that may be suffered by counterparties. The sums, cash, expenses or legal fees arising from the Group honouring or challenging the amounts sought by such counterparties under these indemnities or guarantees could have a material adverse effect on the Group's business, revenues, results of operations, financial condition or prospects.

Failure to properly manage its human resources utilisation rates could have a material adverse effect on the Group

In order to maintain the Group's profit margin, it is important that the Group maintains the appropriate availability of professional resources in each of the Group's geographies by having a high utilisation rate while still being able to assign additional resources to new work. Maintaining an efficient utilisation rate requires the Group to forecast its needs for professional resources accurately and to manage recruitment activities, professional training programs, attrition rates and restructuring programs appropriately. To the extent that the Group fails to do so, or to the extent that laws and regulations (particularly those in Europe) restrict the Group's ability to do so, the Group's utilisation rates may be reduced which could have a material adverse effect on the Group's business, revenues, results of operations, financial condition and prospects. Conversely, the Group may find that the Group does not have sufficient resources to deploy against new business opportunities in which case the Group's ability to grow its revenues would suffer, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects.

The Group derives a substantial portion of its revenues from various U.S. federal government departments and agencies

The Group derives a substantial portion of its revenue from the services it provides to various U.S. federal government departments and agencies. There can be no assurance that each such U.S. federal government department and agency will continue to utilise the Group's services to the same extent, or at all, in the future. In the event that a major U.S. federal government department or agency were to limit, reduce, or eliminate the business it awards to the Group, the Group might be unable to recover the lost revenue with work from other U.S. federal government departments or agencies or other clients, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects. This risk is mitigated by the fact that the Group's client base in the U.S. government economic sector is diversified with contracts from many different departments and agencies.

Changes in government spending policies or budget priorities could have a material adverse effect on the Group

Changes in government spending policies or budget priorities could materially affect the Group's financial performance. Among the factors that could harm the Group's government contracting business are the curtailment of governments' use of consulting and IT services firms; a significant decline in spending by governments in general or by specific departments or agencies in particular; the adoption of new legislation and/or actions affecting companies that provide services to governments; delays in the payment of the Group's invoices by government payment offices; and general economic and political conditions. These factors could cause government agencies and departments to reduce their purchases under contracts, to exercise their right to terminate contracts, to issue temporary stop work orders, or not to exercise options to renew contracts. Should any of these factors occur they could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects. In addition, government spending reductions or budget cutbacks at these departments or agencies could harm the Group's continued performance under these contracts, or limit the awarding of additional contracts from these agencies, which could have a material adverse effect on the Group's business, revenues, results of operations, financial condition or prospects.

The Group's global operations require it to comply with numerous laws and regulations, some of which impose restrictions on the Group's activities

The Group's global operations require it to comply with laws in many jurisdictions on matters such as: anti-corruption; trade restrictions; immigration; taxation; securities regulation; anti-competition; data privacy; and labour relations, amongst others. Complying with these diverse requirements worldwide is a challenge and consumes significant Group resources. Some of these laws may impose conflicting requirements; the Group may face the absence in some jurisdictions of effective laws to protect the Group's intellectual property rights; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings and reduce the Group's earnings, all of which may expose the Group to penalties for non-compliance and any of which could have a material adverse effect on the business, revenues, results of operations, financial condition, prospects and reputation of the Group.

In addition, the Group's business with the U.S. federal government and its agencies requires that the Group complies with complex laws and regulations relating to government contracts. These laws relate to the integrity of the procurement process, impose disclosure requirements, and address national security concerns, among other matters. For instance, the Group is routinely subject to audits by U.S. government agencies with respect to compliance with these rules. If the Group fails to comply with these requirements the Group may incur penalties and sanctions, including contract termination, suspension of payments, suspension or debarment from doing business with the federal government, and fines. Should any of these factors occur, they may have a material adverse effect on the Group's business, revenues, results of operations, financial conditions and prospects.

The Group may be exposed to liabilities arising from legal claims made against the Group's work which could have a material adverse effect on the Group

The Group creates, implements and maintains IT solutions that are often critical to the operations of the Group's clients' business. The Group's ability to complete large projects as expected could be adversely affected by unanticipated delays, renegotiations, and changing client requirements or project delays. Also, the Group's solutions may suffer from defects that adversely affect their performance; they may not meet the Group's clients' requirements or may fail to perform in accordance with applicable service levels. Such problems could subject the Group to legal liability which could materially adversely affect the Group's business, revenues, results of operations, financial condition, prospects and reputation.

The Group uses reasonable efforts to include provisions in its contracts which are designed to limit the Group's exposure to legal claims relating to the Group's services and the applications the Group develops. However, these provisions may not protect the Group adequately or may not be enforceable under some circumstances or under the laws of certain jurisdictions. Should such provisions not adequately protect the Group or should such provisions be deemed to be unenforceable, this may have a material adverse effect on the Group's business, revenues, results of operations, financial conditions and prospects.

The Group is subject to information and infrastructure risks in respect of its clients' data

The Group's business often requires that the Group's clients' applications and information, which may include their proprietary information, be processed and stored on the Group's networks and systems, and in data centres that the Group manages. Digital information and equipment is subject to loss, theft or destruction, and services that the Group provides may become temporarily unavailable as a result thereof or upon an equipment or system malfunction. Failures can arise from human error in the course of normal operations, maintenance and upgrading activities, or from hacking, vandalism (including denial of service attacks and computer viruses), theft and unauthorised access by third parties, as well as from power outages or surges, floods, fires, natural disasters or from any other causes. The measures that the Group takes to protect information and software, including both physical and logical controls on access to premises and information and backup systems may prove in some circumstances to be inadequate to prevent the loss, theft or destruction of client information or service interruptions. Should any of these factors occur, they may have a material adverse effect on the Group's business, revenues, results of operations, financial conditions and prospects.

The Group's reputation and its ability to obtain and retain clients may be adversely effected by the potential loss, unauthorised access to, or destruction of its clients' information, as well as temporary service interruptions

The Group's reputation as a capable and trustworthy service provider and long term business partner is key to its ability to compete effectively in the market for IT services. The nature of the Group's operations exposes the Group to the potential loss, unauthorised access to, or destruction of the Group's clients' information, as well as temporary service interruptions. Depending on the nature of the information or services, such events may have a negative impact on how the Group is perceived in the marketplace. Under such circumstances, the Group's reputation, its ability to obtain new clients and its ability to retain existing clients could suffer, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group is subject to various integration risks in respect of its new operations

The successful integration of new operations that arise from the Group's acquisitions strategy or from large outsourcing contracts require that a substantial amount of management time and attention be focused on integration tasks. Management time that is devoted to integration activities may detract from management's normal operations focus with resulting pressure on the revenues and earnings from the Group's existing operations. In addition, the Group may face complex and potentially time-consuming challenges in implementing the uniform standards, controls, procedures and policies across the Group's new operations when harmonising their activities with those of the Group's existing business units. Integration activities can result in unanticipated operational problems, expenses and liabilities. If the Group is not successful in executing its integration strategies in a timely and cost-

effective manner, the Group will have difficulty achieving the Group's growth and profitability objectives, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group may need to raise equity or debt financing in order to fund any currently unidentified or unplanned future acquisitions and other growth opportunities

The Group's future growth is dependent on its ability to grow the business organically as well as through business acquisitions. In the event that the Group needs to raise additional funds through equity or debt financings to fund any currently unidentified or unplanned future acquisitions and other growth opportunities, there can be no assurance that such financing will be available in amounts or on terms acceptable to the Group. The Group's ability to raise the required funding depends on the capacity of the capital markets to meet such equity and/or debt financing needs in a timely fashion and on the basis of interest rates and/or share prices that are reasonable in the context of the Group's commercial objectives. Increasing interest rates, volatility in the Group's share price, and the capacity of the Group's lenders to provide such debt financing are all factors that may have an adverse effect on any acquisitions or growth activities that the Group may, in the future, identify or plan. If, in the future, the Group has identified or planned an acquisition or growth opportunity which it is unable to obtain the necessary financing for, the Group may be forced to delay or postpone some or all of such development and expansion activity, which could materially adversely affect the Group's business, revenues, results of operations, financial condition and prospects.

The Group is subject to foreign exchange rate risks

The Group's reporting currency is Canadian dollars. However the majority of the Group's revenue and costs are denominated in currencies other than the Canadian dollar. Foreign exchange fluctuations impact the results of the Group's operations as they are reported in Canadian dollars. This risk is partially mitigated by a natural hedge in matching the Group's costs with revenue denominated in the same currency and through the use of derivatives in the Group's world-wide hedging strategy. However, as the Group continues its global expansion, natural hedges may begin to diminish. There can also be no assurance that the Group's hedging strategy and arrangements will offset the impact of fluctuations in currency exchange rates, which could materially adversely affect the Group's business, revenues, results of operations, financial condition or prospects. Other than the use of financial products to deliver on the Group's hedging strategy, the Group does not trade derivative financial instruments.

The Group's functional and reporting currency is the Canadian dollar. As such, the Group's U.S., European and Asian investments, operations and assets are exposed to net change in currency exchange rates. Volatility in exchange rates could have an adverse effect on our business, financial condition and results of the Group's operations.

Risks Related to Investment in the Company's Class A Shares

The trading price of the Class A Shares may be volatile and subject to wide fluctuations

The price of CGI's Class A Shares may be volatile and subject to wide fluctuations, which may make future prices of CGI's Class A Shares difficult to predict. CGI's share price may fluctuate as a result of a variety of factors, including:

(a) speculation in the media or investment community about, or actual changes in, CGI's and/or its competitors' business, strategic position, market share, organisational structure, operations, financial condition, financial reporting and results, value or liquidity of CGI's and/or its competitors' investments, exposure to market volatility, prospects, business combination or investment transactions, share price performance or executive team;

(b) the announcement of new or planned products, services, acquisitions, divestitures or other significant transactions by CGI and/or its competitors;

(c) increases or decreases in revenue, gross margin, earnings or cash flow from operations, changes in estimates by the investment community or guidance provided by CGI and variations between actual and estimated financial results;

(d) announcements of actual and anticipated financial results by CGI's competitors and other companies in the IT and business process services industry;

(e) the timing and amount of any share repurchases by CGI; and

(f) the sale by existing CGI shareholders of substantial amounts of shares in the public market, or the perception that such sales might occur.

General or industry specific market conditions or stock market performance or domestic or international macroeconomic and geopolitical factors unrelated to CGI's performance may also affect the price of CGI's Class A Shares. For these reasons, employees should not rely on recent or historical trends to predict future share prices, financial condition, results of operations or cash flows. In addition, following periods of volatility in a company's securities, securities class action litigation against a company is sometimes instituted. If instituted against CGI, this type of litigation could result in substantial costs and the diversion of the Group's management time and resources.

Substantial future sales of Class A Shares or the availability of Class A Shares for future sales could impact the market price of Class A Shares

The Company cannot predict what effect, if any, future sales of Class A Shares, or the availability of Class A Shares for future sale, will have on the market price of Class A Shares. Sales of substantial numbers of Class A Shares on the public market, or the perception or any announcement that such sales could occur, could adversely affect the market price of Class A Shares and may make it more difficult for holders of Class A Shares to sell their Class A Shares at a time and price which they deem appropriate.

Further issues of Class A Shares could impact the market price of Class A Shares

It is possible that the Company may decide to offer additional Class A Shares in the future. An additional offering of Class A Shares by the Company, or the public perception that an offering or sale may occur, could have an adverse effect on the market price of Class A Shares. Other than in relation to the exercise of any options under the Company's share option plans, the Company currently has no plans to issue any Class A Shares during the 12 months from the date of this prospectus.

Risks Related to Dividend Payments

CGI does not currently pay a dividend. Although the Board continues to re-evaluate its dividend policy annually, there can be no guarantee that CGI's dividend policy will change and that Participants will receive dividends on their Class A Shares in the future.

FORWARD-LOOKING STATEMENTS

Some statements in this prospectus or the documents incorporated by reference into this prospectus are forward-looking. Forward-looking information is based on projections and estimates, not historical information.

Forward-looking information involves risk and uncertainties and reflects the Group's, or as appropriate, the Directors' best judgment based on current information. The Group's results of operations can be affected by inaccurate assumptions the Group makes or by known or unknown risks and uncertainties. In addition, other factors may affect the accuracy of the Group's forward-looking information. As a result, no forward-looking information can be guaranteed. Actual events and the results of operations may vary materially. Any such information shall be updated as required by the Prospectus Rules.

PART 1: ADDITIONAL INFORMATION

1 PRINCIPAL INVESTMENTS

1.1 In the last three fiscal years, the Group has undertaken one significant investment. On 20 August 2012, CGI completed its acquisition of Logica plc for C$1.63 per ordinary share, equivalent to a total purchase price of C$2.7 billion plus the assumption of Logica plc's net debt of C$0.9 billion. The cash acquisition of all the outstanding ordinary shares of Logica plc was effected by means of a court-sanctioned scheme of arrangement in the United Kingdom.

The acquisition of Logica plc was funded through a combination of:

(a) the issuance of 46.7 million Class A Shares in CGI for a consideration of C$1.0 billion from the Caisse;

(b) additional debt funding through a term loan of C$1.9 billion from a syndicate of international financial institutions; and

(c) the remaining financing requirements of C$0.8 billion were drawn from CGI's existing credit facility and cash.

On 26 September 2012, CGI re-registered Logica plc as a private limited company named Logica Limited. Logica Limited is the holding company for the Group's UK operations. The operating subsidiary for the Group's UK operations is CGI IT UK Limited. Through CGI IT UK Limited, the Group provides business consulting, systems integration and outsourcing services to clients around the world, including many of Europe's largest businesses.

For further information on CGI's acquisition of Logica plc, see Part 1 Paragraph 13, page F-22 in Part 7 of this prospectus and pages F-574-576 of the Annual Report on Form 40-F for the year ended 30 September 2012 (the ***Form 40-F 2012***), which is incorporated by reference into this prospectus (see Part 6, *Documents Incorporated by Reference*).

1.2 In addition, since February 2005 the Group has carried out an annual share repurchase programme, under which the Company has been authorised by the Board to repurchase on the open market up to 10 per cent. of the public float of the Class A Shares per year for cancellation. In the 2012 fiscal year, the Company repurchased 5,368,000 Class A Shares. In the 2013 fiscal year, the Company repurchased 723,100 Class A Shares. In the 2014 fiscal year, the Company repurchased 2,837,360 Class A Shares. As at 9 March 2015 (being the latest practicable date prior to publication of this prospectus) the Company had not repurchased any Class A Shares in the 2015 fiscal year.

2 ORGANISATIONAL STRUCTURE

CGI currently manages its businesses through seven geographic operating segments, namely: (i) United States of America (***U.S.***); (ii) Nordics, Southern Europe and South America (***NSESA***); (iii) Canada; (iv) France (including Luxembourg and Morocco); (v) United Kingdom (***U.K***); (vi) Central and Eastern Europe (primarily the Netherlands and Germany) (***CEE***); and (vii) Asia Pacific (including Australia, India and the Philippines).

CGI has no parent company and is the ultimate parent company in its group of companies. Its principal operating subsidiaries are set out in the table in Part 3 of this prospectus. All such principal subsidiaries are wholly-owned subsidiaries of the Company.

3 SHARE PURCHASE PLAN

This section contains information on the Share Purchase Plan.

3.1 Eligibility and Participation

Any employee of a Participating Employer of the Group in such EEA member state who is actively at work at the time of enrollment, whether full or part-time, is eligible to participate in the Share Purchase Plan. An employee ceases to be eligible to participate in the Share Purchase Plan on his or her last working day with a Participating Employer excluding any period representing pay in lieu of notice or other notice or payment on account of termination of employment.

The offer(s), the subject of this prospectus, are not made to the general public or to any person other than eligible employees of the Group located in the United Kingdom, Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. Only such eligible employees of the Group may acquire Class A Shares pursuant to this prospectus in accordance with the plan documents of the Share Purchase Plan.

The interest of a Participant under the Share Purchase Plan may not be transferred, assigned or pledged by the Participant.

If an eligible employee wishes to become a Participant, the eligible employee should (unless directed otherwise) enroll in the Share Purchase Plan in the manner specified from time to time by the Participating Employer. The participation of the employee in the Share Purchase Plan commences on the first practicable date following enrollment.

3.2 Contributions

Class A Shares are purchased by the Plan Administrator (or any successor) with contributions made to the Plan Administrator by the Participants and the Participating Employers. The Plan Administrator holds the Class A Shares so purchased for the account of the Participants. Currently Sun Life Financial Trust Inc. acts as Plan Administrator for Participants in the UK, Belgium, the Czech Republic, Denmark, Estonia, Finland, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden and Computershare Trust Company of Canada acts as Plan Administrator for Participants in Germany, Hungary, the Netherlands and Luxembourg.

Participant Contributions

Participants are entitled to make two types of contributions: (i) the Participant Basic Contribution; and (ii) additional contributions in excess of the Participant Basic Contribution.

The Participant Basic Contribution is an amount equal to a percentage of the Participant's annual gross base salary (or, as determined by the Participating Employer in its sole discretion, the portion of such annual gross base salary actually earned by the Participant during the relevant year). The Participant Basic Contribution is made through deductions at source, withheld from the Participant's net salary in each pay period. The Participant Basic Contribution is remitted from the Participating Employer, at each pay period applicable to the Participant, to the Plan Administrator.

The Participation Contribution Percentage for the purposes of calculating the Participant Basic Contribution shall be determined from time to time by either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer and may vary by position and by business unit as well as over time, as either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer may in his discretion determine, provided that such percentage shall not exceed three and one-half per cent. (3.5%).

Subject to the paragraph immediately above, a Participant who is actively at work may increase or decrease the Participant Contribution Percentage at any time in the manner specified from time to time by the Participating Employer. Such modification comes into effect as soon as practicable following the date on which it was made.

Upon an annual gross base salary review, the Participant Basic Contribution is automatically modified based on the Participant's revised annual gross base salary. Such modification comes into effect as soon as practicable following the date of such computation. However, this modification does not apply on the sums paid retroactively.

A Participant may also make additional contributions to the Share Purchase Plan in excess of the Participant Basic Contribution, ranging between 0.5 per cent. and 10 per cent. of the Participant's annual gross base salary, and this, by increments of 0.5 per cent. without taking into account the rate of participation provided above, in accordance with the same terms and conditions provided above. However, the Participating Employer will not match such additional contributions made by the Participant.

Group Contributions

The Participating Employer contributes to the Share Purchase Plan for the account of each Participant an amount equal to a percentage of the Participant Basic Contribution (excluding any additional contributions made by the Participant). The percentage of the Participant Basic Contribution that the Participating Employer is required to pay is determined from time to time by either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer, provided that the Participating Employer's contribution cannot exceed 100 per cent. of the aggregate amount of the Participant Basic Contribution. The percentage that the Participating Employer contributes may vary by position and by business unit, as well as over time, as either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer may in his discretion determine.

The Participating Employer may, in addition to the contributions set out above, pay to the Plan Administrator, at its discretion, any amount as additional contribution to the Share Purchase Plan and the Plan Administrator will purchase Class A Shares on the secondary market through an exchange on which the Class A Shares are listed in accordance with the instructions of that Participating Employer. The allocation of such Class A Shares will be for the account of the Participants.

The Participating Employer pays the Plan Administrator following deductions from payroll an amount equal to that Participating Employer's contributions computed for the applicable pay period.

3.3 Purchase of Class A Shares

The Plan Administrator, following receipt of the contributions of the Participants and of the Participating Employers, purchases Class A Shares on the secondary market through an exchange on which the Class A Shares are listed, being the TSE and/or the NYSE (as applicable). Following receipt of the contributions, the Plan Administrator executes buying orders. The Class A Shares purchased by the Plan Administrator out of the contributions made by Participants and the Participating Employers are attributed to the account of the Participants based on the applicable contributions made by the Participants and the Participating Employers and the weighted average price paid by the Plan Administrator for the Class A Shares on the applicable stock exchange and are held by the Plan Administrator for the account of the Participants.

All cash dividends and other cash distributions received by the Plan Administrator in respect of Class A Shares held by the Plan Administrator for the account of Participants are used by the Plan Administrator to purchase additional Class A Shares. The Class A Shares so acquired are allocated to the Participants in proportion to their respective interests. Stock dividends received by the Plan Administrator in respect of Class A Shares are held by the Plan Administrator for the account of Participants.

3.4 Information to be Provided to Participants

The Plan Administrator makes available to each Participant, through its website, an electronic report showing the number of Class A Shares held by the Plan Administrator for the account of each Participant and stating also the number of Class A Shares corresponding to the additional contributions of the Participant.

Forthwith after receipt of a notice of meeting of the holders of Class A Shares, the Plan Administrator sends to each Participant for whose benefit the Plan Administrator is holding Class A Shares a copy of any such notice of meeting and any financial statement, proxy management circular, proxy form or other material to be used in connection with the meeting.

3.5 Withdrawal from the Share Purchase Plan

A Participant may at any time withdraw, partially or in full, the Class A Shares that the Plan Administrator holds for the Participant's account by providing notice in the manner specified by the Plan Administrator from time to time. Following such withdrawal, the Plan Administrator will sell the Class A Shares held for the account of the Participant and pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees together with, in the case of a complete withdrawal, every other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of the Participant.

The Participant may alternatively elect to receive Class A Shares in lieu of cash payment. In such case, the Plan Administrator will deliver to the Participant a Direct Registration Statement representing such Class A Shares in the name of the Participant. However, CGI reserves the right, in lieu of the Direct Registration Statement, to remit share certificates in the name of the Participant representing the Class A Shares held by the Plan Administrator for the account of such Participant.

3.6 Termination of Participation in the Share Purchase Plan

To terminate his or her participation in the Share Purchase Plan at any time, a Participant should give notice in the manner specified from time to time by the Participating Employer to the Participating Employer and to the Plan Administrator. The Participant may decide to maintain his or her Class A Shares in the Share Purchase Plan or withdraw all or part of those Class A Shares pursuant to the procedure described in paragraph 3.5 above.

If a Participant's employment terminates for any reason whatsoever and the Participant does not notify the Plan Administrator and the Participating Employer of his or her choice in the manner described below (immediately after his or her last contribution has been processed), the Plan Administrator will, following receipt of a notice of termination of employment from the Participant or the Participating Employer, (i) issue a Direct Registration Statement for the Class A Shares held by the Plan Administrator for the account of the Participant or (ii) sell the Class A Shares held by the Plan Administrator for the account of the Participant, if it represents less than 100 Class A Shares, on the secondary market through an exchange on which the Class A Shares are listed and pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees, together with any other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of the Participant. However, the Participant may make the election to receive a Direct Registration Statement as described in paragraph 3.5 above by giving a notice to the Participating Employer and to the Plan Administrator immediately after his or her last contribution has been attributed to the account of the Participant. The date of termination of employment means the Participant's last day of work for a Participating Employer, excluding any period representing pay in lieu of notice or other payment or notice on account of termination of employment.

3.7 Suspension of Participation in the Share Purchase Plan

In the event that a Participant is absent from work for any period of time and for any reason and receives no salary from the Participating Employer during such absence, the Participant's participation in the Share Purchase Plan is automatically suspended until the Participant returns to work or until the Participant elects to terminate his or her participation in the Share Purchase Plan pursuant to the procedure described in paragraph 3.6 above.

3.8 Fractional Entitlements

If a Participant elects to receive a Direct Registration Statement in the event of his or her withdrawal or termination of participation in the Share Purchase Plan, no fractional Class A Shares will be issued and where a fractional Class A Share should be issued, a cash payment in respect of those fractional Class A Shares is paid to the Participant.

3.9 Fees

All fees relating to the administration of the Share Purchase Plan (and all brokerage fees attached to the purchase of Class A Shares) are borne by the Participating Employer except for: (i) brokerage fees attached to the sale of Class A Shares; (ii) wire transfer fees; (iii) banking transaction fees; and (iv) currency conversion fees, which are at the charge of the Participant. The Participating Employer reserves the right to re-charge to the Participant additional administrative fees incurred for the account of the Participant. However, to the extent possible, any interest accruing on contributions is paid to the Participating Employer to be used for the payment of expenses relating to the Share Purchase Plan.

3.10 Administration of the Share Purchase Plan

The Company and the Plan Administrator have entered into an agreement with respect to the administration of the Share Purchase Plan (the ***Administration Agreement***). The Administration Agreement forms part of the Share Purchase Plan and the rights of the Participants in respect of the Share Purchase Plan are subject to such agreement. In the event of differences, discrepancies or contradictions between the provisions of the Share Purchase Plan and those of the Administration Agreement, the provisions of the Share Purchase Plan prevail over those of the Administration Agreement. The Share Purchase Plan is governed by and construed in accordance with the laws of the Province of Québec, Canada.

The Plan Administrator is selected by, and may be changed by, either the Founder and Executive Chairman of the Board or the President and Chief Executive Officer. The Board has full power and authority with respect to the interpretation of the Share Purchase Plan and to the ratification of rules, terms and other measures it may deem necessary for the management of the Share Purchase Plan.

3.11 Amendment, Suspension and Termination of the Share Purchase Plan

The Board may at any time amend, suspend or terminate the Share Purchase Plan. No modification, suspension or termination of the Share Purchase Plan may affect any vested right that a Participant may have in respect of the Class A Shares subject to the Share Purchase Plan or in respect of the Share Purchase Plan until the date of amendment, suspension or termination of the Share Purchase Plan.

In the event of termination of the Share Purchase Plan, the Plan Administrator will remit as soon as possible to each Participant a Direct Registration Statement in the name of the Participant representing the Class A Shares held by the Plan Administrator for the account of such Participant together with any other property held by the Plan Administrator pursuant to the Share Purchase Plan for the account of such Participant. However, CGI reserves the right, in lieu of the Direct Registration Statement, to remit share certificates in the name of the Participant representing the Class A Shares held by the Plan Administrator for the account of such Participant.

3.12 No Right to Continued Employment or Further Rights

Participation in the Share Purchase Plan entitles the Participant to only the benefits provided for in the Share Purchase Plan and only to the extent that the assets are remitted to the Plan Administrator, and does not confer upon any Participant the right to be employed by or to remain an employee of any Group company. The Share Purchase Plan and the Participant's participation in the Share Purchase Plan do not generate any acquired rights, are subject to the rules and criteria as may be determined by the Board from time to time and do not constitute an express or implied term of nor in any manner form part of the Participant's employment contract with the Participating Employer.

The Board has full discretionary authority to set, adjust, modify, suspend or cancel the contributions to the Share Purchase Plan of the Participant and the Participating Employer. Nothing in the Share Purchase Plan shall create in favour of the Participants any vested, demandable or enforceable right to make and receive contributions for the purchase of Class A Shares except in respect of those due as at the date of any modification, adjustment, suspension or termination of the Share Purchase Plan.

3.13 Personal Data

By requesting to participate in the Share Purchase Plan and for the purposes of such participation, the Participants consent to: (i) the transfer of their personal data by the Company or the Participating Employer to the Plan Administrator or its affiliates in such location where the Plan Administrator or its affiliates are situated or operate; and (ii) the storage and processing of their personal data in such location.

3.14 Compliance with Tax Legislation

The Participants are fully responsible for their compliance with any applicable tax legislation. Neither the Company nor any Participating Employer can be held responsible for any failure in that respect on the part of a Participant. See Part 2 of this prospectus for further information on the tax consequences for employees participating in the Share Purchase Plan.

4 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

4.1 The governance of the Group is led by the Board and its standing committees.

The Board

The Board, which is elected annually by CGI's shareholders, manages and oversees the business and affairs of the Group. The Board delegates to management the responsibility for the day-to-day management of the Group's business in accordance with CGI's operations management framework. The operations management framework sets out the overall authority of the Company's management team as well as the level of management approval required for the various types of operations and transactions that make up the ordinary course of the Group's business. All operational and corporate functions (other than the office of the chairman and the corporate secretariat which report to the Founder and Executive Chairman of the Board) report to the Chief Executive Officer who reports directly to the Board. The Chief Executive Officer and the Founder and Executive Chairman of the Board report to the Board at each regularly scheduled Board meeting. The Chief Executive Officer, jointly with the management team, also develops the strategies and corporate objectives of the Group which are then approved by the Board. Ultimately, the Board reports to the shareholders at the Annual General Meeting of Shareholders. The Directors are encouraged to attend the Annual General Meetings of Shareholders. Directors are expected to attend Board and applicable standing committee meetings. Each Director's attendance record is disclosed annually in the management proxy circular and is considered for the purposes of re-election at the annual meetings of shareholders.

The Standing Committees

The Board also oversees three standing committees composed entirely of independent Directors: (i) the corporate governance committee (***Corporate Governance Committee***), (ii) the human resources committee (***Human Resources Committee***); and (iii) the audit and risk management committee (***Audit and Risk Management Committee***). Each of these standing committees reports to the Board and operates according to a charter which is reviewed annually by the Board. The role and responsibilities of each of these standing committees are contained in their charters. See pages F-54-81 in Part 7 of this prospectus for more information on the charters of the standing committees.

The Corporate Governance Committee is chaired by Paule Doré and its other member is Dominic D'Alessandro. The Corporate Governance Committee's principal responsibilities are: (i) to develop and monitor the Company's approach to governance issues, requirements and guidelines; (ii) to review the composition of the Board and its standing committees and recommend Board nominees; (iii) to carry out the annual Board self-assessment process; (iv) to oversee the orientation and continuing education program for the Directors; and (v) to help maintain an effective working relationship between the Board and management.

The Human Resources Committee is chaired by Alain Bouchard and its other members are Bernard Bourigeaud, Robert Chevrier and Dominic D'Alessandro. The Human Resources Committee's principal

responsibilities are to review and make recommendations to the Board in respect of: (i) the compensation of certain senior executives of the Company, the members of the Board and of its standing committees; (ii) the appointment of Company officers, including the Founder and Executive Chairman of the Board and the Chief Executive Officer; (iii) the Company's overall remuneration plans, including incentive plans, share options and benefits; (iv) the employment and termination arrangements for senior management; and (v) the succession plans for executive officers.

The Audit and Risk Management Committee is chaired by Gilles Labbé and its other members are Jean Brassard, Richard B. Evans, Timothy J. Hearn and Joakim Westh. The Audit and Risk Management Committee's principal responsibilities are: (i) to recommend the appointment of the external auditors and the terms of their engagement; (ii) to review the Company's audit procedures and their scope; (iii) to review and assess the effectiveness of the Company's accounting policies and practices; (iv) to monitor and review the adequacy and effectiveness of the Company's internal control procedures, programs and policies; (v) to review related party transactions; (vi) to identify the financial and operating risks to which the Company is exposed, review the policies and practices intended to manage those risks and regularly report to the Board on risk management; and (vii) to review all public disclosure documents containing audited or unaudited financial information of the Company.

4.2 The Directors' Other Directorships and Partnerships

Some of the Directors have also been members of the administrative, management or supervisory bodies or partners, at some time in the previous five years, of other companies and partnerships. The table below shows those other directorships and partnerships and specifies whether the relevant Director is still such a director or partner.

Name of Director	**Other Directorships/Partnerships**	**Role**	**Current**
Alain Bouchard	Atrium Innovations Inc.	Director	No
	Alimentation Couche-Tard Inc.	Director	Yes
Bernard Bourigeaud	BJB Consulting	Chairman	Yes
	Jefferies International Limited	Member of the Advisory Board	Yes
	Amadeus IT Holding, S.A.	Director	No
	Oberthur Technologies Holding	Non-executive Chairman	Yes
	Oberthur Technologies SA	Non-executive Vice Chairman	No
	Advent International	Operating Partner	Yes
Jean Brassard	Noveko International Inc.	Director	No
Robert Chevrier	Roche Management Co. Inc.	President	Yes
	Uni-Select Inc.	Chair of Board of Directors	Yes
	Richelieu Hardware Ltd.	Chair of Board of Directors	No
	Rona Inc.	Executive Chair of Board of Directors	Yes
	Cascades Inc.	Director	No
	Compagnie de Saint-Gobain	Director	No
	Bank of Montreal	Director	No

Dominic D'Alessandro	Canadian Imperial Bank of Commerce	Director	No
	Suncor Energy Inc.	Director	Yes
Paule Doré	Cogeco Inc.	Director	Yes
	Héroux-Devtek Inc.	Director	Yes
	AXA Canada	Director	No
Richard B. Evans	Resolute Forest Products	Chair of Board of Directors	No
	Constellium Inc.	Chair of the Board	Yes
	Noranda Aluminum Holding Corp.	Director	Yes
	Tyhee Gold Corp.	Director	Yes
	Abitibi Bowater Inc.	Director	No
Timothy J. Hearn	Hearn & Associates	Chairman	Yes
	Royal Bank of Canada	Director	Yes
	ARC Resources Ltd.	Director	Yes
Gilles Labbé	Héroux-Devtek Inc.	President and Chief Executive Officer	Yes
	Aéro Montreal	Director	Yes
Michael Roach	Innovapost Inc.	Director	No
	Yellow Media Inc.	Director	No
	Conference Board of Canada	Director	Yes
Joakim Westh	SAAB AB	Director	Yes
	Swedish Match AB	Director	Yes
	Intrum Justitia AB	Director	No
	Absolent AB	Director	Yes

The Board has not adopted formal guidelines on the number of other such positions its independent Directors may hold. Each Director must assess his/her own contribution and ability to contribute to the work of the Board as part of the Board's self-assessment process.

4.3 Additional Information on the Directors

Within the period of five years preceding the date of this prospectus, none of the Directors:

(a) has had any convictions in relation to fraudulent offences;

(b) has been a director or senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership or liquidation of such company; or

(c) has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of any administrative, management or supervisory bodies or as a director of a company or from acting in the management or conduct of the affairs of a company.

No benefit, payment or compensation of any kind is payable to any Director upon termination of his/her employment.

5 CONFLICTS OF INTEREST

None of the Directors has any potential conflicts of interest between their duties to CGI and their private interests and/or their duties to third parties.

6 BOARD PRACTICES

CGI is domiciled and incorporated in Québec, Canada and complies with: (i) the corporate governance rules of the Canadian Securities Administrators (***CSA***); and (ii) the corporate governance regime followed by US domestic companies under the NYSE listing standards.

The Board also operates in accordance with a corporate governance charter. Amongst other matters, the Board's corporate governance charter requires that a majority of Directors on the Board be independent and free from any material ties to the Company, its management and its external auditors that could, or could reasonably be perceived to, materially interfere with the Directors' ability to act in the best interests of the Company. See pages F-54-61 in Part 7 of this prospectus for more information on the Board's corporate governance charter.

7 EMPLOYEES

The Group has approximately 68,000 employees, that it calls members, across the globe.

8 MAJOR SHAREHOLDERS

Insofar as is known to the Company, as at 9 March 2015 (being the latest practicable date prior to the publication of this prospectus) the following were the only persons interested, directly or indirectly, in ten per cent. or more of CGI's voting share capital (on the basis of their disclosed holdings of shares as at 9March 2015):

(a) Serge Godin (Founder and Executive Chairman of the Board): owned 50,815 Class A Shares and, through his control of Distinction Capital Inc., 3727912 Canada Inc. and 9164-7586 Québec Inc., 28,577,089 Class B Shares (less than 0.02 per cent. of the Class A Shares issued and outstanding and 85.89 per cent. of the Class B Shares issued and outstanding, representing 46.53 per cent. of the total voting rights in CGI); and

(b) André Imbeau (Founder, Vice-Chairman of the Board and Corporate Secretary): owned 267,827 Class A Shares and, through his control of 9088-0832 Québec Inc. and 9102-7003 Québec Inc., 4,275,659 Class B Shares (0.10 per cent. of the Class A Shares issued and outstanding and 12.85 per cent. of the Class B Shares issued and outstanding, representing 7.00 per cent. of the total voting rights in CGI).

In addition, CGI's investor relations department regularly surveys the Company's largest institutional shareholders. Based on the most recent shareholder identification data available to the Company, as at 9 March 2015, the following were the top ten institutional holders of Class A Shares:

(c) The Caisse owned 58,174,038 Class A Shares (20.66 per cent. of the Class A Shares issued and outstanding, representing 9.47 per cent. of the total voting rights in CGI);

(d) FMR LLC owned 28,245,000 Class A Shares (10.03 per cent. of the Class A Shares issued and outstanding, representing 4.60 per cent. of the total voting rights in CGI);

(e) BlackRock Asset Management Canada Limited owned 12,275,000 Class A Shares (4.36 per cent. of the Class A Shares issued and outstanding, representing 2.00 per cent. of the total voting rights in CGI);

(f) 1832 Asset Management L.P. owned 10,600,000 Class A Shares (3.76 per cent. of the Class A Shares issued and outstanding, representing 1.73 per cent. of the total voting rights in CGI);

(g) CI Investments Inc. owned 9,835,000 Class A Shares (3.49 per cent. of the Class A Shares issued and outstanding, representing 1.60 per cent. of the total voting rights in CGI);

(h) Invesco Advisers, Inc. owned 9,531,274 Class A Shares (3.38 per cent. of the Class A Shares issued and outstanding, representing 1.55 per cent. of the total voting rights in CGI);

(i) Jarislowsky Fraser, Ltd. Owned 6,325,000 Class A Shares (2.25 per cent. of the Class A Shares issued and outstanding, representing 1.03 per cent. of the total voting rights in CGI);

(j) BMO Nesbit Burns Inc. owned 5,434,300 Class A Shares (1.93 per cent. of the Class A Shares issued and outstanding, representing 0.88 per cent. of the total voting rights in CGI);

(k) Fiera Capital Corporation owned 5,387,000 Class A Shares (1.91 per cent. of the Class A Shares issued and outstanding, representing 0.88 per cent. of the total voting rights in CGI); and

(l) Guardian Capital LP owned 5,026,568 Class A Shares (1.78 per cent. of the Class A Shares issued and outstanding, representing 0.82 per cent. of the total voting rights in CGI).

CGI's major shareholders, as listed above, have the same voting rights as all other holders of Class A Shares and Class B Shares.

Save for Serge Godin, whose interest in CGI's voting share capital is set out above, CGI is not aware of any person who as at 9March 2015 (being the latest practicable date prior to publication of this prospectus), exercises or could exercise, directly or indirectly, jointly or severally, control over CGI.

9 SIGNIFICANT CHANGE IN CGI'S FINANCIAL OR TRADING POSITION

There has been no significant change in CGI's financial or trading position since 31 December 2014, being the end of the three month period from 1 October 2014 to 31 December 2014 to which CGI's interim financial information on Form 6-K relates. The Form 6-K was filed with the SEC on 28 January 2015.

10 SHARE CAPITAL

The Company has four classes of shares: (i) Class A Shares; (ii) Class B Shares; (iii) First Preferred Shares; and (iv) Second Preferred Shares. All of these shares have no par value. The currency of the Class A Shares listed on: (i) the NYSE is US dollars and (ii) the TSE is Canadian dollars.

There are no restrictions on the free transferability of the Class A Shares or the Class B Shares.

CGI's shares (and the associated rights of CGI's shareholders) are created under a combination of the Business Corporations Act (Québec) and CGI's articles of association (the ***Articles of Association***).

CGI has the authority to allot an unlimited number of Class A Shares, Class B Shares, First Preferred Shares and/or Second Preferred Shares.

As at 9 March 2015 (being the latest practicable date prior to publication of this prospectus), there were a total of approximately 281,602,825 Class A Shares and 33,272,767 Class B Shares in issue and no First Preferred Shares or Second Preferred Shares in issue. As at 9 March 2015 (being the latest practicable date prior to publication of this prospectus), CGI does not hold any Class A Shares or Class B Shares.

11 RELATED PARTY TRANSACTIONS

All related party transactions between any member of the Group and a related party (as defined under the International Financial Reporting Standards) (***Related Party Transactions***) entered into during the financial years ended 30 September 2013 and 2012 are set out on pages F-201 and F-748-749 of the documents incorporated by reference into this prospectus (see Part 6, *Documents Incorporated by Reference*). All Related Party Transactions entered into during the financial year ended 30 September 2014 are set out on page F-179 of this prospectus (see Part 7, Group Financial Information and Proxy Statement).

12 ARTICLES OF ASSOCIATION AND BY-LAWS

CGI was incorporated on 29 September 1981 under Part IA of the Companies Act (Québec), the predecessor to the Business Corporations Act (Québec). The Company continued the activities of Conseillers en gestion et informatique CGI inc., which was originally founded in 1976. The Company is registered under the registration number 1142478016. The Business Corporations Act (Québec), along with the Company's by-law 1986-5 (the ***By-Laws***) and the Articles of Association, governs the Company.

The following is a summary of certain provisions of the By-Laws and the Articles of Association. This summary does not purport to be complete and is qualified in its entirety by the full terms of the By-Laws and the Articles of Association.

12.1 Corporate Purpose

There are no limits imposed on the business activities of the Company.

12.2 Share Capital

The Company's authorised share capital consists of an unlimited number of First Preferred Shares, issuable in series, an unlimited number of Second Preferred Shares, issuable in series, an unlimited number of Class A Shares and an unlimited number of Class B Shares, all without par value, of which, as of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), 281,602,825 Class A Shares and 33,272,767 Class B Shares were issued and outstanding. There are no First Preferred Shares or Second Preferred Shares in issue.

Class A Shares and Class B Shares

Voting Rights

The holders of Class A Shares are entitled to one vote per share and the holders of Class B Shares are entitled to ten votes per share. As of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), 45.8 per cent. and 54.2 per cent. of the aggregate voting rights are attached to the outstanding Class A Shares and Class B Shares, respectively.

Subdivision or Consolidation

The Class A Shares or Class B Shares may not be subdivided or consolidated unless simultaneously the Class B Shares or the Class A Shares, as the case may be, are subdivided or consolidated in the same manner and in such an event, the rights, privileges, restrictions and conditions then attaching to the Class A Shares and Class B Shares shall also attach to the Class A Shares and Class B Shares as subdivided or consolidated.

Rights upon Liquidation

Upon liquidation or dissolution of the Company or any other distribution of its assets among its shareholders for the purposes of winding up its affairs, all the assets of the Company available for payment or distribution to the holders of Class A Shares and holders of Class B Shares will be paid or distributed equally, share for share.

Conversion Rights of Class A Shares in Specific Circumstances

If a takeover bid or exchange bid or an issuer bid, other than an exempt bid, for the Class B Shares is made to the holders of Class B Shares without being made simultaneously and on the same terms and conditions to the holders of Class A Shares, each Class A Share shall become convertible into one Class B Share, at the holder's option, in order to entitle the holder to accept the offer from the date it is made. However, this right of conversion shall be deemed not to come into effect if the offer is not completed by its offeror or if the senior executives and full-time employees of the Group and any corporate entity under the control of one or more of such senior executives, as owners, as a group, of more than 50 per cent. of the outstanding Class B Shares, do not accept the offer. The Articles of Association contain a complete description of the types of bids giving rise to the rights of conversion, provide certain procedures to be followed to perform the conversion and stipulate that upon such a bid, the Company or the transfer agent will communicate in writing to the holders of Class A Shares full details as to the bid and the manner of exercising the right of conversion.

Conversion of Class B Shares

Each Class B Share may, from time to time, at the holder's option, be converted into one Class A Share.

Issue of Class B Shares

The Articles of Association provide for pre-emptive rights in favour of holders of Class B Shares. Therefore, the Company may not issue Class A Shares or securities convertible into Class A Shares without offering, in the manner determined by the Board, to each holder of Class B Shares, pro rata to the number of Class B Shares it holds, the right to subscribe concurrently with the issue of Class A Shares or of securities convertible into Class A Shares, as the case may be, an aggregate number of Class B Shares or securities convertible into Class B Shares, as the case may be, sufficient to fully maintain its proportion of voting rights associated with the Class B Shares. The consideration to be paid for the issuance of each Class B Share or security convertible into Class B Shares, as the case may be, shall be equal to the issue price of each Class A Share or security convertible into Class A Shares then issued.

The pre-emptive rights do not apply in the case of the issuance of Class A Shares or securities convertible into Class A Shares:

(a) in payment of stock dividends;

(b) pursuant to the stock option plans or share purchase plans of the Company;

(c) further to the conversion of Class B Shares into Class A Shares pursuant to the Articles of Association; or

(d) further to the exercise of the conversion, exchange or acquisition rights attached to securities convertible into Class A Shares.

Any holder of Class B Shares may assign its pre-emptive rights to other holders of Class B Shares.

Dividends

The Class A Shares and Class B Shares participate equally, share for share, in any dividend which may be declared, paid or set aside for payment thereon.

In the 2014 fiscal year, considering, among other matters, the needs for reinvestment in the Company's operations, the scope of investment projects, the repayment of the Company's debt, and the repurchase of outstanding Class A Shares under the Company's normal course issuer bid, the Board determined that the Company would not pay a dividend. The Board re-evaluates its dividend policy annually.

Amendments

The rights, privileges, conditions and restrictions attaching to the Class A Shares or Class B Shares may respectively be amended if the amendment is authorised by at least two-thirds of the votes cast at a meeting of holders of Class A Shares and Class B Shares duly convened for that purpose. However, if the holders of Class A Shares as a class or the holders of Class B Shares as a class were to be affected in a manner different from that of the other classes of shares, such amendment shall, in addition, be authorised by at least two thirds of the votes cast at a meeting of holders of shares of the class of shares so affected in a different manner.

Rank

Except as otherwise stated herein, each Class A Share and each Class B Share carry the same rights, rank equally in all respects and are to be treated by the Company as if they constituted shares of a single class.

First Preferred Shares

The First Preferred Shares may be issued from time to time in one or more series and the Board has the right to determine, by resolution, the designation, rights, privileges, restrictions and conditions attaching to each series. The First Preferred Shares of each series rank equal to the First Preferred Shares of all other series and rank prior to the Second Preferred Shares, the Class A Shares and Class B Shares with respect to payment of dividends and repayment of capital. The holders of First Preferred Shares are entitled to receive notice of and attend any shareholders' meetings and are entitled to one vote per share. As of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), there were no First Preferred Shares outstanding.

Second Preferred Shares

The Second Preferred Shares may be issued from time to time in one or more series and the Board has the right to determine, by resolution, the designation, rights, privileges, restrictions and conditions attaching to each series. The Second Preferred Shares of each series rank equal to the Second Preferred Shares of all other series and rank prior to the Class A Shares and Class B Shares with respect to payment of dividends and repayment of capital. The Second Preferred Shares are non-voting. As of 9 March 2015 (being the latest practicable date prior to publication of this prospectus), there were no Second Preferred Shares outstanding.

12.3 Share Capital – Record Date

The Board may set a future date not more than 60 days before the date of any shareholders' meeting of the Company or the date set for payment of a dividend or granting of rights as being the record date for determining which shareholders are entitled to receive notice of the holding or adjournment of such shareholders' meetings, receive payment of such dividends or be attributed such rights so that only the shareholders registered upon close on business on the date set shall be entitled to receive notice of and to vote at such meetings, receive payment of such dividends or be attributed such rights, as the case may be, and this notwithstanding any share transfer in the records of the Company after the said record date.

12.4 Shareholders' Meetings

Time and Place of Annual Meetings

The annual shareholders' meeting of the Company will be held at the time and place determined by the Board.

Special Meetings

Special general shareholders' meetings may at all times be called by order of the Founder and Executive Chairman of the Board, the President and Chief Executive Officer or, in their absence, by order of any member of the executive committee of the Company. The special general shareholders' meetings will be held at the time and place determined by the Board, or at any other place where all of the shareholders of the Company entitled to vote at such meetings are present in person or represented by proxy, or at any other place approved in writing by at least three shareholders of the Company.

Notice of Meetings

A notice stating the time, place and purpose of any shareholders' meeting must be given to all shareholders entitled to receive such notice, or sent to them by mail in a stamped envelope; such notice must be sent to their last known address no less than 21 days but no more than 50 days before the date set for the meeting. If a share is jointly held, any notice of meeting must be sent to the person first mentioned in the records as being one of the holders, and a notice thus given will be valid for all joint holders. No irregularity in the notice of meeting or manner in which it was given, no unintentional failure to send a notice of meeting to a shareholder, and no failure on the part of a shareholder to receive such notice shall invalidate any resolution passed, or action or measure taken, at the meeting in question.

Quorum, Vote and Adjournments

Two people who, in person or by proxy, represent 35 per cent. of the outstanding shares in the share capital of the Company carrying the right to vote at the meeting will constitute the quorum needed to transact business at any shareholders' meeting. All matters submitted to the shareholders' meeting (unless otherwise provided by applicable legislation) will be decided by a majority vote and constitute measures taken by all shareholders.

If a quorum has not been reached, the shareholders who are present in person and are entitled to be counted for the purposes of reaching the quorum have the power to adjourn any shareholders' meeting to any other time or place, without further notice other than a mention at the meeting, and this until such time as a quorum is reached. Any matter that could have been validly dealt with at a meeting prior to its adjournment may be dealt with at the adjourned meeting, provided a quorum is present.

Right to Vote and Proxy

Votes may be cast either in person or by proxy. At any shareholders' meeting, each shareholder present who is entitled to vote at that meeting may cast one vote if the vote is taken by a show of hands; for an election by ballot, each shareholder who is entitled to vote and is present in person or represented by proxy at such meeting may cast one vote per Class A Share and ten votes per Class B Share that is registered to his name in the records of the Company at the time of the meeting or on the record date, if one has been set. Prior to or immediately after the result of the vote by show of hands is declared, any shareholder or proxyholder may demand that a vote be taken by ballot. If a share is jointly held, the vote cast by the holder who votes either in person or by proxy whose name appears first in the records of the Company shall be accepted to the exclusion of all other joint holders' votes.

12.5 Board of Directors

Number

Subject to subsequent amendments that may be made to the applicable legislation, the Board shall consist of no less than three individuals and no more than 20 individuals.

Election and Term of Office

Each Director must be elected at an annual shareholders' meeting. That election will be carried out by a show of hands unless a ballot is demanded. Each Director elected will hold office until the next annual shareholders' meeting or until that Director's successor is duly elected or appointed, unless the office is vacated earlier.

Quorum

The Directors may from time to time set the quorum for meetings of the Board, but until such time as a number is thus set, five directors will constitute the quorum needed to transact business at any meeting of the Board.

Meetings of Directors

Immediately after each annual shareholders' meeting, the Directors elected and then present will meet without prior notice and, if a quorum is present, they will appoint the officers of the Company and deal with any other item on the agenda.

Meetings of the Board may at all times be called by or at the order of the Founder and Executive Chairman of the Board, the President and Chief Executive Officer or a majority of the Board.

Notice of Meetings

A notice of any meeting of the Board indicating the time and place thereof shall be sent to each Director to his usual place of residence or business at least two clear days prior to the meeting date. Such notice shall be sent by mail in a stamped envelope, transmitted by telegram, telex or cable or delivered personally to its recipient.

In any case where the Founder and Executive Chairman of the Board, the President and Chief Executive Officer or a majority of the Board considers it urgent that a meeting of the Board be called, such a meeting may be called on notice of no less than 12 hours to each of the Directors by any means deemed most appropriate under the circumstances, and such notice shall be deemed sufficient for the meeting thus called.

No irregularity in the notice of meeting or manner in which it was given, no unintentional failure to send a notice of meeting to a Director, and no failure on the part of a Director to receive such notice shall invalidate any resolution passed, or action or measure taken, at that meeting.

Meeting Chairman

The Founder and Executive Chairman of the Board shall chair all meetings of the Board. In his absence, the meeting shall be chaired by the President and Chief Executive Officer. In the absence of the President and Chief Executive Officer, any Director selected by a majority of the members of the Board shall chair the meeting.

Votes

Any matter put to the vote at a meeting of the Board shall be decided by a majority of the votes cast. In the case of a tie, the meeting Chairman shall not be entitled either to a second vote or a deciding vote.

Indemnification

The Board may, to the benefit of the Directors, officers, their predecessors or any other person who has assumed or is on the verge of assuming a responsibility on behalf of the Company or any company controlled by the Company, take out an insurance policy covering their liability for having acted as a Director or officer of the Company, with the exception of any liability arising from their own negligence or a personal offence separable from the performance of their duties.

Executive Committee

The Board may choose, from among its members, an executive committee consisting of at least three Directors; the executive committee shall always include the Founder and Executive Chairman of the Board and the President and Chief Executive Officer.

Each member of the executive committee shall remain in office until such time as the Board decides otherwise.

The executive committee has and may at all times exercise all of the powers of the Board, subject only to any relevant provisions of applicable legislation and the restrictions that the Board may impose from time to time.

The Board may from time to time adopt by-laws relating to the executive committee, the calling and holding of its meetings and the procedure to be followed thereat.

Power to Allot Shares and Grant Options

The shares of the Company shall at all times be under the control of the Directors who may, by resolution, agree to accept subscriptions therefor as well as to allot and issue same, grant options in respect of unissued shares of the Company and otherwise dispose of all or part of such shares to the Directors, officers, employees, persons, firms, companies or corporations under such conditions and for such consideration as does not run contrary to the law or the Articles of Association, and this at whatever times the Directors may determine.

13 MATERIAL CONTRACTS

The following is a summary of each contract (not being a contract entered into in the ordinary course of business) that has been entered into by any member of the Group: (a) within the two years immediately preceding the date of this prospectus which is, or may be, material to the Group; or (b) at any time which contains obligations or entitlements which are, or may be, material to the Group as at the date of this prospectus:

Logica Subscription Agreement: CGI and the Caisse entered into a subscription agreement on 31 May 2012 pursuant to which CGI issued to the Caisse 46,707,146 subscription receipts exchangeable into new Class A Shares on completion of the acquisition of Logica plc. The subscription agreement contains among its terms and conditions customary representations and warranties and indemnities by the Company to the Caisse which were in effect until 20 August 2014, except for customary exceptions for tax matters and in the case of fraud.

14 AUDITORS

Ernst & Young LLP of 800 Rene-Levesque Boulevard West, Suite 1900, Montréal, QC, H3B 1X9, Canada has issued:

(a) an audit report dated 12 November 2014 with respect to: (i) the consolidated balance sheets as at 30 September 2014 and 2013 and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years ended 30 September 2014 and 2013; and (ii) the effectiveness of CGI's internal control over financial reporting as at 30 September 2014, included in the Annual Report on Form 40-F for the year ended 30 September 2014 (the ***Form 40-F 2014***) on pages F-121-123;

(b) an audit report dated 13 November 2013 with respect to: (i) the consolidated balance sheets as at 30 September 2013 and 2012 and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years ended 30 September 2013 and 2012; and (ii) the effectiveness of CGI's internal control over financial reporting as at 30 September 2013, included in the Annual Report on Form 40-

F for the year ended 30 September 2013 which is incorporated by reference into this prospectus (see Part 6, *Documents Incorporated by Reference*); and

(c) an audit report dated 27 November 2012 with respect to: (i) the consolidated balance sheets as at 30 September 2012 and 2011, and 1 October 2010 and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years ended 30 September 2012 and 2011; and (ii) the effectiveness of CGI's internal control over financial reporting as at 30 September 2012, included in the Annual Report on Form 40-F 2012 which is incorporated by reference into this prospectus (see Part 6, *Documents Incorporated by Reference*).

Ernst & Young LLP is an independent registered public accounting firm, registered with the Public Company Accounting Oversight Board (United States) (***PCAOB***). Ernst & Young LLP conducted the above audits of: (i) CGI's internal control over financial reporting in accordance with the standards of the PCAOB; and (ii) CGI's consolidated financial statements in accordance with the standards of the PCAOB and Canadian Generally Accepted Auditing Standards.

Ernst & Young LLP has audited the consolidated balance sheets of CGI and its subsidiaries as of 30 September 2014, 2013, and 2012 and the related consolidated statements of earnings, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years ended 30 September 2014, 2013 and 2012.

Ernst & Young LLP has reviewed the interim condensed consolidated financial statements, consisting of the interim condensed consolidated balance sheets as at 31 December 2014 and the interim condensed consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the three-month period ended 31 December 2014 and 2013 on Form 6-K in accordance with Canadian generally accepted standards and the standards of the PCAOB for a review of interim financial statements by an entity's auditor.

15 WORKING CAPITAL

CGI is of the opinion that, taking into account its borrowing facilities, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of this prospectus.

16 CAPITALISATION AND INDEBTEDNESS

The capitalisation and indebtedness of CGI is set forth below on an unaudited basis as at 31 December 2014. The information set forth in the tables below should be read in conjunction with Part 6 Section 1 of this prospectus.

16.1 Cash and Current Debt

The table below sets out the Group's cash and current debt as at 31 December 2014.

	As at 31 December 2014 (Canadian dollars thousands)
Cash and cash equivalent	**489,577**
Total current debt	**91,439**
Secured	0
Unsecured	91,439

16.2 Capitalisation

The table below sets out the Group's capitalisation as at 31 December 2014.

	As at 31 December 2014 (Canadian dollars thousands)
Total non-current debt (excluding current portion of long-term debt)	**2,357,676**
Secured	0
Unsecured	2,357,676
Shareholder's equity:	
Accumulated other comprehensive income (loss)	192,967
Contributed surplus	166,239
Share capital	2,265,596
Share premium	0
Treasury shares	0
Share based payment compensation reserve	0
Translation reserve	0
Total	**4,982,478**

Since 31 December 2014 there has been no material change in the capitalisation of the Group.

16.3 Net Indebtedness

The following table sets out the Group's net financial indebtedness as at 31 December 2014.

	As at 31 December 2014 (Canadian dollars thousands)
Cash	359,577
Cash equivalents	130,000
Trading securities	35,020
Liquidity	**524,597**
Current bank debt	20,744
Current portion of non-current debt	45,806
Other current financial debt	24,889
Current financial debt	**91,439**
Net current financial indebtedness	**(433,158)**
Non-current bank loans	2,331,012
Other non-current loans	26,664
Non-current financial indebtedness	**2,357,676**
Net financial indebtedness	**1,924,518**

As at 31 December 2014, the Group had no material indirect and contingent indebtedness.

For further information on the Group's liquidity and capital resources as at 31 December 2014, see pages F-276 to F-279 in Part 7 of this prospectus. Since 31 December 2014, there has been no material change in: (i) the Group's liquidity, (ii) the anticipated sources of funding needed to fulfil the Group's commitments, (iii) the level of the Group's borrowings, (iv) the Group's borrowing requirements, or (v) the Group's indebtedness.

17 THE OFFER, TRADING AND DEALING ARRANGEMENTS

The offer(s), the subject of this prospectus, are not made to the general public or to any person other than eligible employees of the Group located in the United Kingdom, Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. Only such eligible employees of the Group may acquire Class A Shares pursuant to this prospectus, in accordance with the plan documents of the Share Purchase Plan.

No new Class A Shares (or any other securities of CGI) will be issued in connection with this prospectus. All Class A Shares which are available to be purchased by the Plan Administrator have either: (i) been registered with the SEC and are trading on the NYSE or (ii) are trading on the TSE. The ISIN number for the Class A Shares is CA39945C1095. No Class A Shares (or any other securities of CGI) are listed or admitted to trading on a regulated market within the EEA. As at the date of this prospectus, there is no intention to make an application for the Class A Shares to be listed or admitted to trading on any such EEA regulated market.

18 PROSPECTUS AND PASSPORTING

You can obtain a copy of the prospectus and the documents incorporated by reference herein free of charge from the Company's website at www.cgi.com/en/eea-spp-prospectus.

This prospectus will be passported, pursuant to Article 17 of the Prospectus Directive, into Belgium, the Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain and Sweden. A list of the names of the regulators in each of these jurisdictions is set out in Part 4 of this prospectus.

19 REASONS FOR THE OFFER, EXPENSES AND USE OF PROCEEDS

The purpose of the Share Purchase Plan is to encourage employee share ownership by offering eligible employees of the Group the ability to purchase Class A Shares via salary deductions matched by Company contributions. CGI believes that the Share Purchase Plan offers a convenient means for employees of the Group who might not otherwise own Class A Shares to purchase and hold Class A Shares and that the matching Company contribution feature of the Share Purchase Plan offers a meaningful incentive for eligible employees to participate. CGI also believes that the continuing economic interests of participating employees, as shareholders, in CGI's performance will provide additional incentives for such employees to contribute to the Group's potential for growth and profitability.

The total costs, charges and expenses incurred by CGI in preparing this prospectus and in connection with the offer of Class A Shares under the Share Purchase Plan are estimated to be £225,000.

The number of Class A Shares purchased on the open market under the Share Purchase Plan will depend on a number of factors including the level of employee participation in the Share Purchase Plan, the amount of the contributions made by Participants and the Company under the Share Purchase Plan and the value of Class A Shares at the time of purchase. As the offer(s) relate solely to the purchase by Group employees of Class A Shares already trading on the NYSE or the TSE and not the issue of shares of any class by CGI, no proceeds will be raised by CGI in respect of the offer(s) contained in this prospectus.

20 CGI'S PUBLIC FILINGS

The Company is required to publish and file documents and information with the CSA and the SEC. CGI's filings with the CSA and SEC are available through the Company's website at http://www.cgi.com. The Company's public filings are also available through the SEC's website at http://www.sec.gov and through the CSA's website at www.sedar.com.

Save as expressly provided in this prospectus, neither the content of the Company's website, the SEC's website or the CSA's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website, the SEC's website or the CSA's website (or any other website) is incorporated into, or forms part of, this prospectus and employees should not rely on it.

21 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Norton Rose Fulbright LLP (English legal advisers to the Company), 3 More London Riverside, London SE1 2AQ, United Kingdom:

(a) the Company's Articles of Association;

(b) the Company's By-Laws;

(c) the Form 6-K;

(d) the review report prepared by Ernst & Young LLP in connection with the interim financial information as at and for the three month period ended 31 December 2014 (the ***Review Report***);

(e) Notice of Annual General Meeting of Shareholders and Management Proxy Circular relating to the Annual General Meeting of Shareholders held on 28 January 2015 (the ***Proxy Statement***);

(f) the Form 40-F 2014;

(g) the Form 40-F 2013;

(h) the Form 40-F 2012; and

(i) this prospectus.

22 LEGAL AND ARBITRATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which CGI is aware) during a period covering at least the previous 12 months from the date of this prospectus which may have, or have had in the recent past, significant effects on CGI's and/or the Group's financial position or profitability.

PART 2: SUMMARY OF TAX CONSIDERATIONS

Terms defined in the Share Purchase Plan have the same meanings in this Part 2 unless the context indicates otherwise.

BELGIUM TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You may be subject to personal income tax on your employer's contribution to the Share Purchase Plan on your behalf at the moment of the payment of such contribution to the administrator of the Share Purchase Plan (the ***Plan Administrator***). Your employer reserves the right to withhold or deduct social security contributions in respect of the employer's contributions if and to the extent any such social security contributions are due.

Sale of Shares

When you subsequently sell your Class A Shares purchased under the Share Purchase Plan, you should, as a rule, not be subject to capital gains tax.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on the declared dividend, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. The dividend should be declared in your personal income tax return. To the extent that the dividend is subject to Canadian withholding tax, the Canadian tax withheld is deductible from the basis on which Belgian tax is calculated but cannot be credited against the Belgian tax.

Withholding and Reporting

Your employer reserves the right to withhold income tax, if it deems that withholding tax is due, and to report the income (and the amount of withholding levied, if any) on your salary slip. If your employer is not obliged to report the remuneration on your salary forms or to impose a withholding tax, you will be solely responsible for reporting the income in your personal income tax return.

If you are a Belgian resident, you are required to report any security or bank account (including any brokerage accounts) that you maintain outside of Belgium on your annual personal income tax return.

Social Security

Your employer reserves the right to withhold social insurance contributions in respect of the employer's contribution if it deems that withholding is due. If your employer is not obliged to withhold social insurance contributions, you will be solely responsible for paying any social insurance contributions due.

CZECH REPUBLIC TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

As your eligibility to participate in the Share Purchase Plan is dependent upon your employment by a Group company, your employer's contribution on your behalf to the administrator of the Share Purchase Plan (the ***Plan Administrator***) will be considered employment-related income and as such Czech personal income tax will be due on the amount by which the fair market value of any Class A Shares which are purchased by the Plan Administrator for your account using the employer's contribution (together with the value of any cash payment relating to fractional Class A Share entitlements, if any), at the moment when the Class A Shares are purchased for your account under the Share Purchase Plan (or, in relation to fractional entitlements, when you receive a cash payment equal to the value of the fractional Class A Shares) exceeds the Participant's Contributions (the **taxable amount**).

The taxable amount, increased by social security and health insurance contributions payable by the employer, will be subject to a flat income tax rate of 15 per cent. As the costs of the Share Purchase Plan will be borne by your local Czech employer, social security and/or health insurance contributions will be payable by the employer in respect of the taxable amount at a rate of 34 per cent. The taxable amount will also be subject to social security contributions of 6.5 per cent. and health insurance contributions of 4.5 per cent. payable by you. The maximum assessment base for calculating the social security contributions is CZK 1,277,328 for 2015.

The taxable amount may be further subject to a solidarity tax surcharge at the rate of 7 per cent., if the sum of your total annual employment income and the partial tax base from self-employment activities (if relevant) exceeds a maximum assessment base for calculating the social security contributions.

Sale of Shares (Purchased prior to 1 January 2014)

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any gain will not be subject to tax, provided that: (i) your total shareholding or voting rights in CGI (whether held directly by you or by the Plan Administrator for your account) does not exceed 5 per cent. of the total registered share capital of CGI during the last 24 months prior to the date of sale of the Class A Shares; and (ii) you have held your shares for a period exceeding six months.

If you hold or the Plan Administrator holds for your account the Class A Shares for six months or less (or for five years or less if your shareholding or voting rights in CGI exceeded 5 per cent. of the total registered share capital of CGI), you will be taxed on the difference between: (i) the proceeds from the sale of the Class A Shares and (ii) the sum of the purchase price (fair market value) of such Class A Shares and other expenses relating to the Class A Shares sold (including brokerage fees).

Sale of Shares (Purchased after 1 January 2014)

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any gain will not be subject to tax, provided that you have held your shares for a period exceeding three years.

If you hold or the Plan Administrator holds for your account the Class A Shares for three years or less and your total income from the sale of Class A Shares exceeds CZK 100,000 in any one calendar year, you will be taxed on the difference between: (i) the proceeds from the sale of the Class A Shares and (ii) the sum of the purchase price (fair market value) of such Class A Shares and other expenses relating to the Class A Shares sold (including brokerage fees).

Dividends

If you hold, or the Plan Administrator holds for your account, Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on dividends that you receive, even though dividends paid on the Class A Shares are automatically reinvested in Class A Shares. The dividends will be subject to personal income tax in the Czech Republic and to Canadian withholding tax. You may be entitled to credit Canadian withholding tax against Czech income tax, provided that certain conditions are met.

Withholding and Reporting

Your employer will be responsible for withholding payment of income tax and social security and health insurance contributions in respect of the employer's contribution when Class A Shares are purchased under the Share Purchase Plan for your account. It is your own responsibility to report in your annual personal income tax return and pay taxes resulting from the subsequent sale of Class A Shares and the receipt of any dividends. Generally, any such personal income tax return is due by 1 April of the calendar year following the year of a sale of Class A Shares (where not exempt from capital gain, as explained above) and/or the receipt of any dividends (unless this deadline is extended until 1 July or later in accordance with Czech law).

DENMARK TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In particular, employees participating in the Share Purchase Plan are advised that there is uncertainty surrounding the treatment of trust arrangements under Danish tax law, which may mean that this description is inapplicable or particularly vulnerable to changes in practice or interpretation. In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You will be subject to tax on the employer's contribution to the administrator of the Share Purchase Plan (the ***Plan Administrator***) on your behalf. Liability to tax will arise at the point in time at which you acquire the definitive legal right to the contributions made by the employer, which, under the Share Purchase Plan, will be the date the contributions are paid from the employer to the Plan Administrator.

The amount of the employer's contribution will be taxed as personal income at the personal tax rate applicable to you (a maximum rate of 55.56 per cent. in 2014, including labour market contributions but excluding applicable church tax).

Shares Held on Trust / Sale of Shares

The treatment of the Class A Shares for Danish tax purposes will depend upon whether the Plan Administrator is treated as a deposit entity (such as a bank) or is considered to be a transparent, financial investment entity, subject to special regulation. Certain features of the trust structure, including: (i) that the Plan Administrator will be registered as the owner of the Class A Shares on behalf of each employee; (ii) that each employee will be able to vote the Class A Shares held for his or

her account; and (iii) that employees are entitled to request that the Class A Shares held by the Plan Administrator be transferred to them, indicate that the Plan Administrator will most likely be considered to be a deposit entity under Danish tax law.

Assuming that the Plan Administrator is treated as a deposit entity under Danish tax law, you will be liable to share income tax in respect of any capital gains that you make when you sell Class A Shares purchased for your account under the Share Purchase Plan (i.e. you will be taxable on the difference between the sale price and the price of the Class A Shares at the time of purchase). In 2014, the applicable rates for share income tax are 27 per cent. on capital gains up to a threshold of DKK 49,900 and 42 per cent. on any capital gains exceeding that threshold. Losses on listed shares can only be deducted from income from listed shares and only to the extent that the Danish tax authorities have been informed of the acquisition of the shares.

Dividends

Assuming that the Plan Administrator is considered to be a deposit entity as a matter of Danish tax law, if you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on dividends that you receive, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. The dividends will be subject to tax in Denmark as share income. However, dividends will be subject to Canadian withholding tax. You may be entitled to a Danish tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer is likely to be required to withhold preliminary income tax and report the contribution to the Danish tax authorities when the contribution is paid to the Plan Administrator on your behalf. Please note that, irrespective of the obligations on your employer regarding withholding and reporting, it is concurrently your legal responsibility to ensure that all taxes (including labour market contributions) resulting from the contributions, purchase and sale of the Class A Shares and/or the receipt of any dividends, are paid correctly and within the applicable time limits.

Social Security

Your employer will not withhold social insurance contributions when Class A Shares are purchased under the Share Purchase Plan for your account.

Exchange Controls

You are required to inform the Danish Tax Administration about the Class A Shares purchased for your account under the Share Purchase Plan and to deposit the Class A Shares with a financial institution or CGI. The safety-deposit account of the Plan Administrator is likely to be accepted as a compliant safety-deposit account. For this purpose, you must file a Form V (Erklæring V) with the Danish Tax Administration. If the Plan Administrator or a broker or bank signs the Form V, it undertakes an obligation, without further request each year, to forward information to the Danish Tax Administration concerning the Class A Shares in the account. By countersigning the Form V with the Plan Administrator or a broker or bank, you authorise the Danish Tax Administration to examine the account. If the Plan Administrator or a broker or bank does not sign Form V, by signing Form V you undertake to provide compliant information to the Danish Tax Administration each year. Form V can be found at the following website: www.skat.dk.

In addition, if you open a brokerage account, such brokerage account will be likely to be treated as a deposit account because cash can be held in the account. Therefore, it is likely that you must also file a Form K (Erklæring K) with the Danish Tax Administration. If the broker signs the Form K, the broker will be under an obligation to forward information to the Danish Tax Administration information concerning the content of the brokerage account. By signing the Form K, you authorise the Danish Tax Administration to examine the account. If the broker does not sign the Form K, you undertake by signing the Form K the obligation to provide compliant information to the Danish Tax Administration each year. Form K can be found at the following website: www.skat.dk.

ESTONIA TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the **Plan Documents**). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You are not subject to tax on your employer's contributions to the administrator of the Share Purchase Plan (the ***Plan Administrator***).

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain (i.e. the difference between the sale price and the acquisition value of the Class A Shares) will be subject to capital gains tax. No social security contributions are payable. You can deduct documented brokerage fees that you have paid in connection with the sale of your Class A Shares.

However, capital gains derived by individuals from the disposal of financial assets (e.g. shares and securities traded publicly in any EEA or OECD country or, under certain conditions, in other countries) will not be immediately taxable if: (i) such financial assets were acquired with funds deposited in an investment account opened for such purpose with a credit institution of an EEA or OECD country; and (ii) the proceeds of sale of such financial assets will be transferred back to the investment account. It is therefore possible that taxation of proceeds of the sale of Class A Shares acquired under the Share Purchase Plan may be postponed if such proceeds are transferred back to the investment account in which the funds used to acquire the Class A Shares were held. The gains realised through such sale of Class A Shares will be taxable only when transferred out of the investment account.

In order to benefit from the above capital gains tax deferral on the sale of Class A Shares and to obtain a deferral for any gains attributable to dividends reinvested in Class A Shares, you must complete a declaration attributing the acquisition value of the Class A Shares to the investment account. Such a declaration must be submitted by you in your annual income tax return in the year of purchasing the Class A Shares.

The acquisition value of the Class A Shares purchased for your account using the employer's contributions will include the value of the employer's contributions in respect of which the employer is required to withhold or pay income tax. You can request a certificate from your employer proving that taxes have been paid in respect of the employer's contributions.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will not be subject to income tax on these dividends in Estonia. However, you will be subject to Canadian withholding tax.

Withholding and Reporting

It is your responsibility to pay and report any income tax due when you sell Class A Shares acquired under the Share Purchase Plan. Although you do not have to pay any Estonian income tax on dividends received from Class A Shares, you are still obliged to report such dividends on your annual income tax return.

FINLAND TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In particular, employees participating in the Share Purchase Plan are advised that there is uncertainty surrounding the treatment of trust arrangements under Finnish tax law, which may mean that this description is inapplicable or particularly vulnerable to changes in practice or interpretation. In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of a country other than Finland, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the **Plan Documents**). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employee's Contribution

Your contributions to the Share Purchase Plan will be withheld from your net post-tax salary and remitted at each of your pay periods by your employer to the administrator of the Share Purchase Plan (the ***Plan Administrator***). Full social security contributions are also payable on the withheld amount.

The Employer's Contribution

As there is no concept of "trustee" under Finnish tax law, the tax treatment of the Share Purchase Plan is unclear. However, as: (i) the Plan Administrator is required to hold the Shares purchased under the Share Purchase Plan on your behalf; (ii) the Plan Administrator has an obligation to establish and maintain separate accounts for and in the name of each person eligible to participate in the Share Purchase Plan; and (iii) there is no lock-up period incorporated into the terms of the Share Purchase Plan, so you may at any time withdraw from the Share Purchase Plan and receive either the Class A Shares held by the Plan Administrator for your account or a cash payment, the trust structure is highly likely to be deemed transparent for Finnish income tax purposes. Accordingly, the Class A Shares are likely to be considered to be in your possession from the moment the Plan Administrator purchases the Class A Shares for your account.

Accordingly, you are likely to be taxed on the employer's contribution on the date that such contribution is paid to the Plan Administrator. Such tax will be recovered by means of a withholding by the employer from the employer's contribution in accordance with your individual tax withholding rate, as evidenced by your individual tax withholding cards. The amount of the final tax may be adjusted based on the total amount of your annual earned income. Earned income is taxed on a progressive rate with a maximum rate being approximately 54 per cent. (in 2015).

The only employee social security contribution payable should be the employee's medical care premium, which is levied at a rate of 1.32 per cent. in 2015.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain will be treated as capital income and is thus subject to tax (in 2015) on a flat rate of 30 per cent. (33 per cent. to the extent your annual capital income exceeds €30,000). You may deduct from such capital gain the acquisition cost of the Class A Shares, which consists of: (i) the purchase price of the Class A Shares (including, in relation to any Class A Shares acquired by reinvesting dividends paid on Class A Shares, the amount reinvested into the purchase of such Class A Shares); (ii) any amounts taxed as earned income; and (iii) any brokerage fees that you have paid in accordance with the terms of the Share Purchase Plan. When calculating the taxable capital gain, you may alternatively just deduct 20 per cent. of the sales price of the shares (40 per cent. if you have held the shares for at least 10 years prior to the sale). In that case no brokerage fees may be deducted.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, it is likely that you will be subject to Finnish capital income tax on dividends that you receive, because the trust structure is likely to be deemed transparent (meaning that you are treated as the holder of the Class A Shares) for Finnish tax purposes. However, 15 per cent. of the dividend amount will be exempted income to you. It is likely that the dividends will be taxed at the time of payment even though dividends paid on the Class A Shares held by the Plan Administrator for your account are automatically reinvested in Class A Shares. The dividends will likely also be subject to Canadian withholding tax. You may be entitled to a Finnish tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer will withhold and report income tax when the employer's contributions are paid to the Plan Administrator under the Share Purchase Plan. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan or if dividends are paid.

Social Security

Your employer will withhold the employee's medical care *premidenmarkum* when the employer's contributions are paid to the Plan Administrator under the Share Purchase Plan.

GERMANY TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

This description applies to employees participating in the Share Purchase Plan who are German resident and who are both employed and carry out activities in Germany as part of such employment.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You will be subject to wage tax (plus a solidarity surcharge and church tax, if applicable) on your employer's contributions to the Share Purchase Plan on your behalf either when your employer pays such contributions to the administrator of the Share Purchase Plan (the ***Plan Administrator***) or when the Class A Shares are purchased by the Plan Administrator for your account (both of which will generally occur in the same month). The amount which is subject to tax is determined by converting the amount contributed by your employer into Euros on the day the employer's contribution on your behalf is paid to the Plan Administrator or on the day the Class A Shares are purchased by the Plan Administrator for your account. You also will be subject to social insurance contributions on your employer's contributions to the extent that you have not already exceeded the applicable contribution ceiling.

Additionally, the German Income Tax Act (sec. 3. No. 39) provides for a tax exemption in the amount of up to €360,00 per calendar year for certain share incentive schemes granted by employers to all its employees.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, you will be subject to capital gains tax at a flat rate of 25 per cent. (plus a solidarity surcharge and church tax, if applicable). The taxable amount will be the difference between the proceeds of sale of such Class A

Shares and the purchase price of such Class A Shares. However, you may elect to apply your personal income tax rate if the flat rate exceeds your personal income tax rate.

Employees should be aware that the capital gains flat tax rate does not apply to gains from the sale of Class A Shares if the employee holds or has held at least 1 per cent. of CGI's stated capital at any time during the last five years, or holds the Class A Shares as a business asset. In such circumstances, 60 per cent. of the capital gain realised will be taxed at the employee's personal income tax rate (plus a solidarity surcharge and church tax, if applicable).

Dividends

If you hold, or the Plan Administrator holds for your account, Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on such dividends, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. Dividends will be subject to tax in Germany at a flat rate of 25 per cent. (plus a solidarity surcharge and church tax, if applicable) and to Canadian withholding tax (subject to any reductions under the Germany-Canada double tax treaty). You may be entitled to a German tax credit for any Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer will withhold and report income tax when Class A Shares are purchased by the Plan Administrator for your account under the Share Purchase Plan. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid (or reinvested).

Social Security

Your employer will withhold social insurance contributions in respect of the employer's contribution (to the extent that you have not exceeded the applicable ceiling for social insurance contributions) when Class A Shares are purchased by the Plan Administrator for your account under the Share Purchase Plan.

Exchange Controls

Cross-border payments in excess of €12,500 (sec. 11. para. 2. no. 2 German Foreign Trade Law (AWG), sec. 67 para. 2. no. 2 Foreign Trade Decree (AWV)) must be reported monthly to the German Federal Bank. If you use a German bank to process a cross-border payment in connection with the purchase or sale of Class A Shares or the payment of dividends on Class A Shares, the bank will make the monthly reports for you.

HUNGARY TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

Employees are subject to personal income tax on the employer's contribution. The full amount of such contribution will be taxed at a linear rate of 16 per cent, which will be withheld and paid by the employer to the tax authorities at the point in time at which the employee is entitled to call for the Class A Shares purchased for his account under the Share Purchase Plan to be transferred to him, which will be the date of acquisition of the Class A Shares by the administrator of the Share Purchase Plan (the ***Plan Administrator***). Social security contributions will also be payable in respect of the employer's contribution, as explained below.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain (i.e. the difference between the sale price and the purchase price including any brokerage fees and other charges) will be subject to personal income tax of 16 per cent. in Hungary. However, if any additional tax is payable in relation to the capital gain to a non-Hungarian tax authority, credit will be given against your capital gains tax payable in Hungary for an amount equal to 90 per cent. of the overseas tax paid or such other percentage specified in an applicable double tax treaty, provided such credit shall never exceed the total tax payable in Hungary. The Hungarian tax shall be calculated, paid and reported by the employee.

Dividends

If you hold, or the Plan Administrator holds for your account, Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to personal income tax on any dividends that you receive, even though dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. The dividends will be subject to personal income tax in Hungary at a rate of 16 per cent. and to Canadian withholding tax. Based on the double tax treaty concluded between Hungary and Canada, you may be entitled to take into consideration the Canadian withholding tax paid up to 15 per cent., provided certain conditions are met.

Moreover, your dividend income will be subject to 14 per cent. health tax as well as up to annual limits of HUF 450,000 if the 7 per cent. health care contribution of the employee social security contributions paid on your annual employment income (and 14 per cent. health tax already paid on your other income and your health service contribution) do not exceed HUF 450,000 for the tax year. The 14 per cent. health tax should be paid and reported at the submission of your annual tax return.

Withholding and Reporting

Your employer will withhold and report advance income tax to the Hungarian tax authorities when Class A Shares are purchased by the Plan Administrator for your account under the Share Purchase Plan and you become entitled to call for those Class A Shares to be transferred to you. It is your responsibility to pay and report in your year-end Hungarian tax return any taxes due when you sell any of your Class A Shares acquired under the Share Purchase Plan and if dividends are paid. You should keep all receipts in connection with any transaction for five years as these receipts must be presented to the Hungarian tax authorities upon request.

Social Security

Since the purchase is performed with the contribution of your Hungarian employer, it is the local Hungarian employer's responsibility to withhold, pay and report the employee's social security contributions at a rate of 18.5 per cent. on any employer's contributions, when Class A Shares are purchased for your account under the Share Purchase Plan.

LUXEMBOURG TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in Luxembourg as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in Luxembourg, and if different, in your country of tax residence apply to your specific situation**.

If you are a citizen or resident of another country, are considered a resident of another country for local law purposes, the information contained in this description as concerns taxation of dividends and/or taxation of capital gains may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

The employer's contributions to the Share Purchase Plan on your behalf are subject to income tax as such contributions generally constitute additional income in kind when your employer pays such contributions to the administrator of the Share Purchase Plan (the **Plan Administrator**) and allows the Plan Administrator to purchase the Class A shares on your account.

The taxable basis will be the fair market value of the shares of the Plan acquired on your behalf.

You will also be subject to social security contributions on the said salary in kind to the extent that you have not already exceeded the applicable contribution ceiling.

The income tax and social security contributions are in principle withheld directly by your employer (see sections below "Withholding and Reporting" and "Social Security").

Sale of Shares

If you are Luxembourg tax resident and you or the Plan Administrator sell(s) your Class A Shares acquired under the Share Purchase Plan within the six months following your acquisition of them, any capital gain (i.e. the difference between the sale price of the Class A Shares and the purchase price of the Class A Shares, together with expenses such as brokerage fees) will be subject to taxation in

Luxembourg at your progressive standard personal income tax rates (taxation as a speculation benefit). However, if the aggregate of any speculative capital gains realised on the sale of any shares (i.e. not only the Class A Shares) held by the employee does not exceed €500 in a calendar year, that capital gain may be tax-exempt, provided that certain conditions are met.

The capital gains you realise on a disposal of Class A Shares are not subject to tax if the Class A Shares are sold or disposed of more than six months after your acquisition of them unless the employee or the Plan Administrator holds directly or indirectly on your behalf more than 10 per cent. of the share capital at any time during the last five years (sale of substantial participation).

Non-residents are only subject to tax in Luxembourg on capital gains if they sell a participation out of a substantial participation (as described above) within 6 months from its acquisition unless double tax treaty exemption applies.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on dividends that you receive, even though dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. The dividends will be subject to income tax in Luxembourg and to Canadian withholding tax. In Luxembourg, you will be required to pay tax on only half of the amount of dividends you receive provided certain conditions are met. You may be entitled to a Luxembourg tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer will withhold and report income tax when Class A Shares are purchased by the Plan Administrator for your account under the Share Purchase Plan. However, it is your responsibility to file tax returns and declare revenue and amounts eventually withheld appropriately, and to pay and report any taxes due when you or the Plan Administrator sells your Class A Shares acquired under the Share Purchase Plan and if dividends are paid (even if such dividends are automatically reinvested in Class A Shares).

Social Security

Your employer will withhold social insurance contributions in respect of the salary in kind, consisting of the shares acquired by the Plan Administrator on your behalf when Class A Shares are purchased by the Plan Administrator for your account under the Share Purchase Plan.

Exchange Controls

Any outward and inward remittance of funds must be reported to the Banque Central de Luxembourg and/or the Service Central de La Statistique et des Études Économiques for statistical purposes. If a Luxembourg financial institution is involved in the transaction, it will fulfil the reporting obligation on your behalf; otherwise you will be required to report the transaction yourself.

NETHERLANDS TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax laws in effect in the Netherlands (the Netherlands means the Kingdom of the Netherlands located in Europe) as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

For the purposes of Netherlands income tax, Class A Shares legally owned by a third party such as a trustee, foundation or similar entity or arrangement (a ***Third Party***), may under certain circumstances have to be allocated to the (deemed) settlor, grantor or similar originator (the ***Settlor***) or, upon the death of the Settlor, his/her beneficiaries (the ***Beneficiaries***) in proportion to their entitlement to the estate of the Settlor of such trust or similar arrangement (the ***Separated Private Assets***).

This description applies to you if you: (i) are an individual resident or deemed to be resident in the Netherlands; (ii) are a "qualifying non-resident taxpayer" (*kwalificerende buitenlandse belastingplichtige*) who is treated as a resident of the Netherlands for tax purposes on the basis of certain objective criteria; (iii) perform (work) activities in the Netherlands; or (iv) are a (supervisory) board director of a Netherlands Group company.

If you are a citizen or resident of another country or if you have a substantial interest in the Group, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

The amount of your employer's contribution to the Share Purchase Plan will be considered part of your income from employment from the time of the payment of the employer's contribution by the employer to the administrator of the Share Purchase Plan (the ***Plan Administrator***). In addition, to the extent that CGI assumes certain fees relating to the Share Purchase Plan (such as the brokerage fees attached to the purchase of Class A Shares), this may form part of your income from employment. Consequently, such

amounts will be subject to wage withholding tax at the applicable progressive rates (up to 52 per cent. for the year 2015).

In addition, mandatory social security contributions will be due, unless you have already reached the ceiling on social security contributions through payment of your normal wage. Your employer is obliged to withhold the wage withholding tax (including the social security contributions, if any) due. In this respect, it is important to note that wage withholding tax serves as an advance payment and can therefore be credited against your Netherlands personal income tax due.

Taxes on Income and Capital Gains

You will be subject to regular Netherlands income tax on the income derived from the Class A Shares and the gains realised upon the acquisition, redemption and/or disposal of the Class A Shares, if:

(a) you have an enterprise or an interest in an enterprise, to which enterprise the Class A Shares are attributable; and/or

(b) such income or capital gain forms "a benefit from miscellaneous activities" ("*resultaat uit overige werkzaamheden*") which would be the case if, for instance, the activities with respect to the Class A Shares exceed "normal active asset management" ("*normaal, actief vermogensbeheer*") or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (a "lucrative interest"; *lucratief belang*) that you have acquired under circumstances such that such income and gains are intended to be remuneration for work or services performed by you (or a related person) in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides you, economically speaking, with certain benefits that have a relation to the relevant work or services.

If either of the abovementioned conditions (a) or (b) applies, income or capital gains in respect of dividends distributed by CGI or in respect of any gain realised on the disposal of Class A Shares will in general be subject to Netherlands income tax as income from "employment and home ownership" (*werk en woning*) at the progressive rates up to 52 per cent.

If the abovementioned conditions (a) and (b) do not apply, you will not be subject to taxes on income and capital gains in the Netherlands. Instead, you will be taxed at a flat rate of 30 per cent. on deemed income from "savings and investments" ("*sparen en beleggen*"). This deemed income amounts to 4 per cent. of your "yield basis" ("*rendementsgrondslag*") at the beginning of the calendar year (minus a tax-free amount). The yield basis would include the fair market value of the Class A Shares.

As a holder of Class A Shares you are generally entitled, subject to certain limitations and restrictions, to a credit for the Canadian withholding tax on dividends received against your income tax liability in respect of income from employment and home ownership or from savings and investments (as applicable).

Withholding and Reporting

Your employer will withhold wage withholding tax upon making the employer's contribution to the Plan Administrator. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid.

NORWAY TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In particular, employees participating in the Share Purchase Plan are advised that there is uncertainty surrounding the treatment of the trustee arrangement under Norwegian tax law, which may mean that this description is inapplicable or particularly vulnerable to changes in practice or interpretation. In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You will be subject to tax on the employer's contribution, most likely when the employer's contribution is paid to the administrator of the Share Purchase Plan (the ***Plan Administrator***). The contribution will be considered income from employment and taxed at a marginal tax rate of 47.2 per cent. (according to 2015 rates, including the employee's social security contribution of 8.2 per cent.). Certain adjustments may be available that will reduce the taxable amount. As there is some uncertainty associated with the time of taxation and the availability of a tax reduction due to the uncertainty surrounding the tax treatment of trusts from a Norwegian tax perspective, we advise that you consult your personal tax advisor regarding this issue.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain (i.e. the difference between the sale price and the purchase price, less any fees incurred such as brokerage fees) will be subject to capital gains tax. Certain adjustments may be available that will reduce the capital gain.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax in Norway on dividends that you receive, even though dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. Certain adjustments may be available that will reduce the dividend income. In addition, the dividends will be subject to Canadian withholding tax. You may be entitled to a Norwegian tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Wealth Tax

You will be subject to wealth tax on your Class A Shares held at year-end. The taxable amount is the fair market value of the Class A Shares held on 1 January in the year following the relevant tax year.

Exit Tax

You may be subject to income tax on Class A Shares held by the Plan Administrator for your account at the time of emigration if you leave Norway. Please consult with your personal tax advisor regarding your tax obligations in the event that you emigrate from Norway.

Withholding and Reporting

Your employer will report income tax and withhold income tax most likely upon payment of the employer's contribution to the Plan Administrator. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid.

POLAND TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In particular, employees participating in the Share Purchase Plan are advised that there is uncertainty surrounding the treatment of trusts under Polish tax law, which may mean that this description is inapplicable or particularly vulnerable to changes in practice or interpretation. In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. ***Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation***.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself trigger the obligation to pay the tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

Although the tax treatment of trustee arrangements under Polish tax law is not clear, it is likely that you will be obliged to pay the income tax on the employer's contribution (1) when the shares will be purchased for your account or (2) when you receive the Class A Shares, or the proceeds from a sale of such Class A Shares, from the administrator of the Share Purchase Plan (the ***Plan Administrator***). At the time at which you become liable to pay income tax, health insurance and social security contributions may also be payable.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, the sale proceeds (i.e. the difference between the sale price and the purchase costs, which include employer's contribution, your contribution and other costs incurred – if any, for example, notary fees) will be subject to income tax (at a rate of 19 per cent.).

Dividends

If you hold, or the Plan Administrator holds for your account, Class A Shares and CGI declares a dividend on the Class A Shares, it will be subject to income tax on dividend payments that you receive, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are

automatically reinvested in Class A Shares. The dividends received will be subject to income tax in Poland (at a rate of 19 per cent.) and to Canadian withholding tax. You may be entitled to a Polish tax credit for the specified amount of the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer could be obliged to withhold income tax in respect of the employer's contribution when Class A Shares are purchased for your account under the Share Purchase Plan (only if this contribution is regarded as an income from an employment relationship). In other cases you will be obliged to disclose and pay the tax on your employer's contribution. It will also be your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid.

Social Security

Your employer could be obliged to withhold social and health insurance contributions when Class A Shares are purchased for your account under the Share Purchase Plan to the extent you have not already exceeded the applicable contribution threshold.

Exchange Controls

If you are a resident of Poland, you may be required to report Class A Shares held in a foreign company such as CGI, as well as any dividends received, to the National Bank of Poland. However, this obligation arises only if the value of the shares held in the foreign companies (or other assets or liabilities) is equal to at least 7 million PLN.

PORTUGAL TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

You are subject to income tax ("*Imposto sobre o Rendimento das Pessoas Singulares*") on the employer's contribution in the fiscal year in which the administrator of the Share Purchase Plan (the ***Plan Administrator***) purchases the Class A Shares for your account. The employer's contribution will, however, be treated as employment income, which will be subject to *Imposto sobre o Rendimento das Pessoas Singulares* at a progressive rate up to 48 per cent. Such tax will be computed by reference to the difference between the purchase price of the Class A Shares and the part of such price that is paid out of or deducted from your contributions to the Share Purchase Plan. In addition to such tax, an extraordinary surcharge of 3.5 per cent. (the proposed State Budget law for 2015 proposes maintaining such extraordinary surcharge for 2015), plus a solidarity surcharge of 2.5 per cent. (for taxable income between €80,000 and €250,000) or 5 per cent. (for taxable income exceeding €250,000) will be applicable.

Sale of Shares

You are subject to *Imposto sobre o Rendimento das Pessoas Singulares* in the fiscal year when either you or the Plan Administrator (acting on your behalf) sells your Class A Shares, which shall be payable upon the difference between the purchase price of the Class A Shares and the sale price of the Class A Shares (less any brokerage fees paid in respect of such sale). Such income shall be characterised as capital gains. Capital gains are subject to a flat tax rate of 28 per cent.

Dividends

You are subject to *Imposto sobre o Rendimento das Pessoas Singulares* in the fiscal year when dividends are received in respect of your Class A Shares. Such dividends are subject to a flat tax rate of 28 per cent.

Withholding and Reporting

Your employer is not required to withhold *Imposto sobre o Rendimento das Pessoas Singulares* when Class A Shares are purchased for your account under the Share Purchase Plan, nor when you receive dividends or realise capital gains from such Class A Shares.

If Canadian withholding tax arises on the employer's contributions to the Share Purchase Plan or on dividends or capital gains in respect of your Class A Shares, you may be entitled to credit such tax against the *Imposto sobre o Rendimento das Pessoas Singulares* due on such items of income provided certain conditions are met.

Your employer will report, to both you and the Portuguese tax authorities, the taxable benefits resulting from the purchase of Class A Shares under the Share Purchase Plan. It is your responsibility to pay and report taxes due upon the purchase of Class A Shares, the sale of Class A Shares or the receipt of any dividends.

Social Security

You will not be subject to contributions to Portuguese social security on the employer's contribution, capital gains or dividends in respect of your Class A Shares.

Exchange Controls

If you hold or the Plan Administrator holds for your account Class A Shares, the acquisition of such Class A Shares must be reported to the Portuguese Central Bank ("*Banco de Portugal*") for statistical purposes. If the Class A Shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will submit the report to the *Banco de Portugal*. If the Class A Shares are not deposited with a commercial bank or financial intermediary in Portugal, you will be responsible for submitting the report to the *Banco de Portugal* within fifteen working days following the month during which the transaction occurred.

SLOVAK REPUBLIC TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of a country other than the Slovak Republic, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

The employer's contribution will be considered to be employment related income and accordingly will be subject to Slovak income tax at the moment when the Class A Shares are purchased for your account under the Share Purchase Plan or when you receive a cash payment equal to any fractional Class A Share value.

You will also be subject to social security and health insurance contributions on your taxable income to the extent you have not already exceeded the applicable contribution ceiling.

Sale of Shares

You may be subject to tax when you subsequently sell your Class A Shares acquired under the Share Purchase Plan. The taxable amount will be the profit you realise on the sale of Class A Shares, i.e. the difference between: (i) the sum of the proceeds from sale of the Class A Shares; and (ii) the sum of the purchase price of the Class A Shares and other expenses relating to the Class A Shares sold.

Annual income from certain sources, including the profit from the sale of shares, is exempt from tax up to the amount of €500. If you receive income from the sale of Class A Shares along with income from other qualifying sources, the application of this tax exemption is limited to €500 in the relevant year for all of the relevant sources.

If you are subject to tax, the amount on which tax will be required to be paid is likely to be equal to the difference between: (i) the sum of the proceeds from sale of the Class A Shares and certain other income; and (ii) the sum of the purchase price of the Class A Shares and other expenses relating to the sold Class A Shares or other income.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will not be subject to income tax in the Slovak Republic, but you will be subject to Canadian withholding tax.

Dividends paid to you may be subject to Slovak health insurance contributions (as of 1 January 2014, at a rate of 14 per cent.) irrespective of whether they were paid in the form of cash or whether the proceeds were re-invested into a purchase of further Class A Shares. However, there are no health insurance contributions payable if your income reaches the statutory ceiling.

Withholding and Reporting

Your employer will withhold and report income tax when Class A Shares are purchased for your account under the Share Purchase Plan. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan. The income from the sale of shares should be reported via Slovak personal income tax return which should be submitted to the Slovak tax authorities until 31 March of the year following the year when the shares were sold.

Social Security and Health Insurance

Your employer will withhold social insurance and health insurance contributions (if applicable) when Class A Shares are purchased for your account under the Share Purchase Plan. You may also be obliged to report to your health insurance company the amount of dividends received and to pay health insurance contributions resulting from the receipt of dividends. This reporting obligation is applicable only to the dividends paid out from the profit of 2011 and 2012. For the dividends paid out from the profit of 2013 and onwards, you have no reporting obligations towards the Slovak health insurance company.

SPAIN TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinated voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In particular, Spanish participants in the Share Purchase Plan are advised that, as described below, there is an important degree of uncertainty surrounding the treatment of trusts (including the kind of trustee arrangement involved in the Share Purchase Plan) as a matter of Spanish tax law, which may mean that this description is inapplicable, or is particularly vulnerable to changes in practice or interpretation. In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of another country, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

Under Spanish law, the "trust" concept does not exist and there is no equivalent institution in the Spanish civil law system. Furthermore, Spain has not entered into any international or European convention by which matters concerning trusts are regulated. Therefore, there is a degree of uncertainty in the Spanish tax treatment of trusts.

Additionally, to our knowledge, the Spanish courts and tax authorities have issued little or almost no guidance in relation to the tax treatment of trusts in Spain.

According to the (very few) tax rulings issued by the Spanish tax authorities, it seems that the trust: (i) should be interpreted as a mere mandate or fiduciary agreement; and (ii) should be ignored for tax purposes (i.e. treated as a transparent entity), as if the transactions have been carried out directly between the parties involved in the trust. Following this interpretation:

- your Spanish employer's contributions to the Share Purchase Plan should be considered cash contributions made directly to you in order for you to acquire Class A Shares; and

- you should be considered to be the owner of the Class A Shares as from the date of their acquisition by the administrator of the Share Purchase Plan (the ***Plan Administrator***) for your account.

From a Spanish tax standpoint, contributions made by the Spanish employer to the Share Purchase Plan would have the same tax treatment as any other cash salary income obtained by you, so would be subject to withholding tax on account of Spanish individual income tax (***Spanish IIT***) at the applicable progressive rates.

You also will be subject to social insurance contributions on the taxable amount to the extent you have not already exceeded the applicable contribution ceiling.

Sale of Shares

Capital gains (i.e. the difference between (i) the sale price and (ii) the purchase price plus any amount on which you have already paid taxes and any expenses incurred (the *acquisition cost*)) realised by you upon the sale of Class A Shares would be included in Spanish IIT savings taxable income (*base del ahorro*).

During 2015 savings income: (i) up to €6,000 will be taxed at 20 per cent.; (ii) from €6,000 to €50,000 will be taxed at 22 per cent.; and (iii) in excess of €50,000 will be taxed at 24 per cent.

However, from 1 January 2016 onwards, savings income will be taxed at a rate of 19 per cent. on the first €6,000; at a rate of 21 per cent. on income ranging between €6,000 and €50,000; and at a rate of 23 per cent. thereafter.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to Spanish IIT on dividend payments received, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares.

Dividends paid on the Class A Shares would be included in your Spanish IIT savings taxable base (*base del ahorro*) and taxed accordingly (please refer to the paragraph on taxation of savings income above).

In the event that any dividends paid to you have been subject to Canadian withholding tax, you should be entitled to a Spanish tax credit for the Canadian withholding tax paid, provided that the conditions/requirements provided in Article 80 of the Spanish IIT Law are met.

Withholding and Reporting

If the taxable amount at purchase of the Class A Shares is considered to be cash salary income, the Spanish employer will withhold the corresponding withholding tax on account of your Spanish IIT. This amount will be withheld from your salary and reported to the Spanish tax authorities. You would be entitled to deduct the withholding tax from your Spanish IIT return. It is your responsibility to report and pay any tax due from the sale of Class A Shares or receipt of any dividends.

Social Security

Your employer will withhold social insurance contributions on the taxable amount (to the extent that you have not exceeded the applicable ceiling for social insurance contributions).

Wealth Tax (*Impuesto sobre el Patrimonio*)

Pursuant to Royal Decree-Law 13/2011 of 16 September (as amended by Law 22/2013 of 23 December), wealth tax has been temporarily restored in Spain for the 2015 tax period.

This tax is levied on the net worth of an individual's assets and rights at a progressive rate that, unless otherwise regulated by the relevant region (*Comunidad Autónoma*), ranges from 0.2 per cent. on the first €167,129 to 2.5 per cent. on amounts over €10.7 million, with some reductions that may be applicable. Notwithstanding the above, and unless otherwise regulated by the relevant region (*Comunidad Autónoma*) of residence, Spanish individual holders shall be exempt from any wealth tax on the first €700,000 of their net wealth.

For the purposes of calculating the wealth tax liabilities corresponding to 2015, individuals with tax residence in Spain who are required to pay wealth tax should take into account their wealth held as at 31 December 2015.

Obligation to Inform the Spanish Tax Authorities of the Ownership of Class A Shares

There is an obligation for Spanish residents to declare, on an annual basis, their foreign rights and assets (such as Class A Shares).

As regards the Class A Shares, such information would include: (i) ISIN code of Class A Shares; (ii) the name and corporate domicile of CGI; and (iii) the number and class of shares held on 31 December, along with their value, and would need to be provided to the Spanish tax authorities between 1 January and 31 March of the year immediately following.

This obligation would only need to be complied with if certain thresholds are met. If your only foreign rights/assets are the Class A Shares, this obligation would only apply if the value of the Class A Shares at purchase exceeds €50,000. If this threshold is met, a declaration would only be required in subsequent years if the value of the Class A Shares increases by more than €20,000 as compared with the declaration made previously.

Note that this obligation would also be applicable if you dispose of Class A Shares at some point during the 2015 tax year, provided that you had already declared your holding of those Class A Shares in a declaration corresponding to the 2014 or previous tax years (the latter to be made before 31 March 2014). In that case, the information to be included in the declaration would be the date of disposal of such Class A Shares.

Exchange Controls

It is your responsibility to comply with exchange control regulations in Spain. However, declaration of the acquisition of Class A Shares for statistical purposes to the *Dirección General de Comercio e Inversiones* (the ***DGCI***) of the *Ministerio de Economía* is compulsory only in three situations: (i) if the purchase price exceeds €1,502,530.26, (ii) if the investor holds a stake of at least 10 per cent. in CGI, or (iii) if the investor belongs to CGI's board of directors. If you purchase any Class A Shares through the use of a Spanish financial institution, that institution will automatically make the declaration to the DGCI for you; otherwise you must make the declaration by filing the appropriate form with the DGCI. You must also declare ownership of Class A Shares with the DGCI each January while the Class A Shares are owned, irrespective of the value of the shares.

SWEDEN TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of a country other than Sweden, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

The Employer's Contribution

When Class A Shares are purchased by the administrator of the Share Purchase Plan (the ***Plan Administrator***) for your account, you will be subject to income tax on the employer's contribution.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain (i.e. the difference between the sale proceeds of the Class A Shares, less the purchase price of the Class A Shares and any expenses relating to the Class A Shares) will be subject to capital gains tax at a rate of 30 per cent. If a number of Class A Shares have been sold which have been acquired at different purchase prices, the average purchase price should be used in the calculation.

As an alternative, as the Class A Shares are listed on an exchange, you may use 20 per cent. of the net sale proceeds as your acquisition cost for the Class A Shares.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on dividend payments that you receive, even though the dividends paid on the Class A Shares purchased under the Share Purchase

Plan are automatically reinvested in Class A Shares. The dividends received will be subject to capital income tax at a rate of 30 per cent. in Sweden and to Canadian withholding tax. You may be entitled to a Swedish tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

Your employer will withhold income tax in respect of the employer's contribution when Class A Shares are purchased for your account under the Share Purchase Plan. It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid.

UNITED KINGDOM TAX CONSEQUENCES

The following is a general summary description of the tax consequences of your participation in the Share Purchase Plan (the ***Share Purchase Plan***) of CGI Group Inc. (***CGI***) and its subsidiaries (together the ***Group***).

This description is based on the tax and other laws concerning equity awards in effect in your country as at 9 March 2015. Such laws are often complex and change frequently. As a result, the information contained in this prospectus may be out of date at the time you acquire Class A subordinate voting shares in CGI (***Class A Shares***) under the Share Purchase Plan or sell Class A Shares you acquire under the Share Purchase Plan.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Group is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation**.

If you are a citizen or resident of a country other than the UK, transfer employment after you acquire Class A Shares under the Share Purchase Plan, or are considered a resident of another country for local law purposes, the information contained in this description may not apply to you.

Note: The particular terms of the Share Purchase Plan are set forth in the applicable plan documents and the application form which you must complete and send to CGI in order to participate in the Share Purchase Plan (the ***Plan Documents***). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will govern. As stated in the Plan Documents, the ability to participate in the Share Purchase Plan is not a contract or a guarantee of continued employment. Employment is and always will be on the basis provided for in your employment agreement, if any. The Share Purchase Plan is not part of your salary and will not be included in calculations of any severance payments that may be payable upon termination of employment.

THE SHARE PURCHASE PLAN

Enrollment in the Share Purchase Plan

The fact of enrolling in the Share Purchase Plan will not in itself subject you to tax. Please read below for other tax considerations applicable to the Share Purchase Plan.

Purchase of Shares

When Class A Shares are purchased for your account, you will be subject to income tax on the employer's contribution to the administrator of the Share Purchase Plan (the ***Plan Administrator***). You also will be subject to employee's national insurance contributions (***NICs***) on that contribution.

Sale of Shares

When you subsequently sell your Class A Shares acquired under the Share Purchase Plan, any capital gain (i.e. the sale proceeds arising on the sale of the Shares less the price paid for such Class A Shares and any costs of acquisition) will be subject to capital gains tax to the extent the gain exceeds the annual personal exemption.

On a sale of Class A Shares, the amount by which capital gain exceeds the annual personal exemption (£11,000 for the 2014/2015 tax year) is called the "chargeable gain" and is subject to capital gains tax at a rate of either 18 per cent. or 28 per cent. The 18 per cent. rate will apply if your total chargeable gain and income (less income tax reliefs and allowances) in any tax year are less than the upper limit of the income tax basic rate band (£31,865 for the 2014/2015 tax year). The 28 per cent. rate will apply to gains (or any part of gains) where the upper limit of the income tax basic rate band is exceeded.

If you acquire Class A Shares from other sources, the share identification rules may need to be taken into account in calculating your capital gains tax liability.

Dividends

If you hold or the Plan Administrator holds for your account Class A Shares and CGI declares a dividend on the Class A Shares, you will be subject to income tax on dividend payments that you receive, even though the dividends paid on the Class A Shares purchased under the Share Purchase Plan are automatically reinvested in Class A Shares. The dividends received will be subject to income tax in the UK, however you will generally be entitled to a tax credit equivalent to 10 per cent. of the aggregate of the dividend and the tax credit (the *gross dividend*), such that the tax credit will satisfy the income tax liability of a basic rate taxpayer. The dividends will also be subject to Canadian withholding tax. You may be entitled to a UK tax credit for the Canadian withholding tax paid, provided certain conditions are met.

Withholding and Reporting

When Class A Shares are purchased for your account under the Share Purchase Plan, your employer will be responsible for withholding income tax under the Pay As You Earn system and employer's NICs in relation to the employer's contribution at the date of purchase and for paying the income tax and employee's NICs withheld to the UK HM Revenue and Customs on your behalf. Your employer will inform you of how it intends to recoup the income tax that it pays on your behalf. If you fail to pay to the employer the income tax due within 90 days of the date of purchase (proposed to be extended to 90 days after the end of the tax year in which the purchase was made where the employer's contribution is made on or after 6 April 2015), you will be deemed to have received a further taxable benefit equal to the amount of income tax the employer has paid on your behalf, and you will have to pay further tax on this amount.

It is your responsibility to pay and report any taxes due when you sell Class A Shares acquired under the Share Purchase Plan and if dividends are paid.

Social Security

Your employer will withhold employer's and employee's NICs in respect of the employer's contributions when Class A Shares are purchased for your account under the Share Purchase Plan.

PART 3: TABLE OF PRINCIPAL SUBSIDIARIES

The companies set out below are the principal operating subsidiaries of the Group. CGI owns, directly or indirectly, 100 per cent. of the shares of each company in this table.

Principal Affiliates and Addresses	Location of Incorporation	Principal Business
Conseillers en gestion et informatique CGI Inc. 1350 René-Lévesque Blvd. West, 25th Floor Montreal, Quebec Canada H3G 1T4	Québec, Canada	Information systems, information technology, consulting
CGI Information Systems and Management Consultants Inc. 125 Commerce Valley Drive West Markham, Ontario Canada L3T 7W4	Québec, Canada	Information systems, information technology, consulting
CGI Technologies and Solutions Inc. 11325 Random Hills Road Fairfax, Virginia 22030 USA	Delaware, United States of America	Information systems, information technology, consulting
CGI Federal Inc. 12601 Fair Lakes Circle, Suite 500 Fairfax, Virginia 22033 USA	Delaware, United States of America	Information systems, information technology, consulting
Stanley Associates, Inc. 1090 Vermont Avenue NW Washington, D.C. 20005 USA	Washington D.C., United States of America	Information systems, information technology, consulting
CGI IT UK Limited 250 Brook Drive, Green Park Reading RG2 6UA United Kingdom	United Kingdom	Information systems, information technology, consulting
CGI Sverige AB 164 98 Stockholm Sweden	Sweden	Information systems, information technology, consulting
CGI Suomi Oy Karvaamokuja 2 00380 Helsinki, Finland	Finland	Information systems, information technology, consulting
CGI Nederland B.V George Hintzenweg 89, 3068 AX Rotterdam, Netherlands	Netherlands	Information systems, information technology, consulting
CGI Deutschland Ltd. & Co. KG Leinfelder Str. 60 70771 Leinfelden-Echterdingen Germany	Germany	Information systems, information technology, consulting

Principal Affiliates and Addresses	Location of Incorporation	Principal Business
CGI France SAS Immeuble CB16 17 place des Reflets, 92400 Courbevoie, France	France	Information systems, information technology, consulting
CGI Information Systems and Management Consultants Private Limited E.City, Tower 2, No. 95/1 & 95/2, Electronic City Phase I (West), Bangalore, 560100, India	India	Information systems, information technology, consulting

PART 4: PASSPORTING COUNTRIES AND REGULATORS

Following is a table detailing the regulators in each country to which this prospectus will be passported.

Country	Name of Regulator	Address of Regulator
Belgium	Autorité des services et marchés financiers	Rue du Congrès, 12-14 1000 Bruxelles
Czech Republic	Czech Securities Commission	Washingtonova 7 P.O.Box 208 111 21 Prague
Denmark	Finanstilsynet	Aarhusgade 110, 2100, Copenhagen
Estonia	Finantsinspektsioon	Sakala 4, Tallinn 15030 Estonia
Finland	Rahoitustarkastus	Snellmaninkatu 6, 00101 Helsinki
Germany	Bundesanstalt für Finanzdienstleistungsaufsicht	Securities Supervision Lurgiallee 12 D 60 439 Frankfurt OR PO Box 50 01 54 D 60391 Frankfurt
Hungary	Hungarian Financial Supervisory Authority	H-1013 Budapest, Krisztina krt. 39 OR H-1534 Budapest BKKP Postafiók: 777
Luxembourg	Commission de Surveillance du Secteur Financier	110, route d'Arlon L-1150 Luxembourg OR L-2991 Luxembourg
Netherlands	Autoriteit Financiële Markten (AFM)	P.O. Box 11723 – 1001 GS Amsterdam
Norway	Kredittilsynet	Revierstredet 3, P.O. Box 1187 Sentrum NO-0107 Oslo
Poland	Polish Financial Supervision Authority (PFSA)	Komisja Nadzoru Finansowego, Plac Powstańców Warszawy 1, skr. poczt. 419, 00-950 Warszawa
Portugal	Comissão do Mercado de Valores Mobiliários	Rua Laura Alves, 4 1050-138 Lisbon
Slovak Republic	National Bank of Slovakia	Národná banka Slovenska Imricha Karvaša 1 813 25 Bratislava
Spain	Comisión Nacional del Mercado de Valores	Edison, 4 28006 Madrid
Sweden	Finansinspektionen	Box 7821, SE-103 97 Stockholm

PART 5: SHARE PURCHASE PLAN

CGI GROUP INC.

SHARE PURCHASE PLAN FOR CERTAIN EMPLOYEES OF CGI GROUP INC. AND ITS SUBSIDIARIES

1 PURPOSE OF THE PLAN

CGI Group Inc. (the "**Company**") has established this Share Purchase Plan for Certain Employees of CGI Group Inc. and its Subsidiaries to enable Participants (as defined below) to purchase Shares in the open market, such Shares to be purchased on behalf of the Participants by the Plan Administrator (as defined below) with contributions made to the Plan Administrator by the Participants and with contributions made by the Participating Employer. The Plan Administrator shall hold the Shares so purchased for the account of the Participants.

2 DEFINITIONS

In this Plan and the forms which form an integral part hereof, unless the context otherwise requires:

2.1 "**Administration Agreement**" means the agreement, as amended from time to time, referred to in Section 8.1;

2.2 "**Company**" has the meaning given in the first paragraph hereof;

2.3 "**Eligible Employee**" has the meaning given in Section 3.1.

2.4 "**Employee**" means an employee of a Participating Employer occupying a full or part-time position and whose employment relationship with the Participating Employer is not limited in time by a specific termination date or the occurrence of a specific termination event;

2.5 "**Last Working Day**" means the Employee's or Participant's last day of work for the Participating Employer, excluding any period representing pay in lieu of notice, severance pay, gratuitous payment or any other indemnity, amount or notice whatsoever on account of termination of employment;

2.6 "**Net Pay**" means a Participant's Remuneration after all deductions, e.g., applicable taxes, benefits, pension, employee share of insurance premiums and other deductions, statutory or otherwise;

2.7 "**Participant**" means an Eligible Employee who has duly joined the Plan while actively at work and who has not withdrawn therefrom or whose participation in the Plan has not otherwise been terminated;

2.8 "**Participant Basic Contribution**" has the meaning given in Section 4.1;

2.9 "**Participant Contribution Percentage**" has the meaning given in Section 4.1;

2.10 "**Participating Employer**" means the Company or a Subsidiary operating in a country in which the Plan is implemented and which is identified as such by either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company in relation to Eligible Employees in that country;

2.11 "**Plan**" means the Share Purchase Plan for Certain Employees of CGI Group Inc. and its Subsidiaries as established herein and as it may be amended from time to time;

2.12 "**Plan Administrator**" means the Plan administrator(s) or its or their successors appointed by the Company from time to time as the administrator(s) of the Plan pursuant to this Plan and the Administration Agreement;

2.13 "**Remuneration**" means, subject to Sections 4.2 and 6.4 and in all cases excluding any other benefits or compensation, either a Participant's annual gross base salary or, as determined by the Participating Employer in its sole discretion, the portion of the Participant's annual gross base salary actually earned by the Eligible Employee during the relevant year;

2.14 "**Share**" means a Class A subordinate voting share in the share capital of the Company, as it exists at the date hereof or as it may be modified, and any share into which such Share may be converted or against which it may be exchanged;

2.15 "**Subsidiary**" means any entity forming part of the CGI group of companies whose revenues are consolidated in whole or in part into those of the Company, and which is designated as a "Participating Employer" by any two of the Company's *Founder and Executive Chairman of the Board*, the *President and Chief Executive Officer*, or the most senior Officer responsible for Human Resources.

3 ELIGIBILITY AND PARTICIPATION

3.1 Eligibility

Any Employee of a Participating Employer who is actively at work at the time of enrolment is eligible to participate in the Plan ("**Eligible Employee**").

An Eligible Employee ceases to be eligible to participate in the Plan on his or her Last Working Day.

3.2 Participation

The eligible Employee shall, to become a Participant, enroll in the Plan in the manner specified from time to time by the Participating Employer. By enrolling in the Plan, the Participant confirms his or her acceptance of the terms and conditions of the Plan.

3.3 Participation Date

The participation of the Employee in the Plan commences as of the first practicable date immediately following enrolment in accordance with Section 3.2.

4 CONTRIBUTIONS

4.1 Participant Basic Contribution

The Participant contributes to the Plan through deductions at source, withheld from the Participant's Net Pay, made on each pay and computed based on a percentage of the Participant's Remuneration ("Participant Basic Contribution"). The Participant Basic Contribution shall be remitted at each pay period of the Participant by the Participating Employer to the Plan Administrator.

The maximum percentage of the Participant's Remuneration for the purposes of calculating the Participant's Basic Contribution ("Participant Contribution Percentage") shall be determined from time to time by either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company and may vary by position and by business unit as well as over time, as either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company may in his discretion determine, provided that the Contribution Percentage shall not exceed three and one-half per cent. (3.5%).

In enrolling in the Plan, the Participant shall select a Contribution Percentage which may be less than the maximum percentage determined in accordance with the preceding paragraph.

4.2 Amendment of the Participant's Basic Contribution

A Participant who is actively at work may increase or decrease the Participant Contribution Percentage in compliance with the provisions of Section 4.1 at any time, and shall do so in the manner specified from time to time by the Participating Employer. Such modification shall come into effect as soon as practicable following the date on which it was made. Upon a review of Remuneration, the Participant's Basic Contribution will be automatically computed based on the revised Remuneration. Such modification shall come into effect as soon as practicable following the date of such computation. However, this modification does not apply on the sums paid retroactively.

4.3 Participating Employer's Contributions

The Participating Employer contributes to the Plan for the account of each Participant an amount equal to a percentage of the Participant Basic Contribution (excluding the additional contributions provided for below). The percentage of the Participant Basic Contribution that the Participating Employer is required to pay shall be determined from time to time by either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company, provided that the contribution of the Participating Employer shall not exceed 100 per cent. of the aggregate amount contributed to the Plan by each Participant as Participant Basic Contribution. The percentage that the Participating Employer contributes may vary by position and by business unit as well as over time, as either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company may in his discretion determine.

4.4 Payment of the Participating Employer's Contributions

The Participating Employer shall pay to the Plan Administrator following deduction from payroll an amount equal to the contributions of the Participating Employer contemplated in Section 4.3 computed for the applicable pay period.

4.5 Additional Contributions

A Participant may make additional contributions to the Plan in excess of the Participant Basic Contribution ranging between 0.5 per cent. and 10 per cent. of his or her Remuneration, and this, by increments of 0.5 per cent. without taking into account the rate of participation provided hereinabove, in accordance with the same terms and conditions provided hereinabove. However, the Participating Employer will not match contributions in the case of such additional contributions by the Participant. A Participant wishing to make additional contributions shall do so in the manner specified from time to time by the Participating Employer.

4.6 Reports

The Plan Administrator will, through its website, make available to each Participant, an electronic report showing the number of Shares held by the Plan Administrator for the account of each Participant and stating also the number of Shares corresponding to the additional contributions of the Participant.

5 SHARE PURCHASE BY THE PLAN ADMINISTRATOR AND PARTICIPATING EMPLOYER CONTRIBUTIONS

5.1 The Plan Administrator shall, following receipt of contributions pursuant to Section 4, purchase Shares on the secondary market through an exchange on which the Shares are listed, being the Toronto Stock Exchange or the New York Stock Exchange. The Plan Administrator shall execute buying orders following receipt of the contributions. The Shares purchased by the Plan Administrator out of the contributions made by Participants and the Participating Employer shall

be attributed to the account of the Participants based on the applicable contributions made pursuant to Section 4 and the weighted average price paid by the Plan Administrator for the Shares on the applicable stock exchange. The Shares purchased by the Plan Administrator out of the contributions made by the Participants and the Participating Employer shall be held by the Plan Administrator for the account of the Participants.

5.2 The Participating Employer may, in addition to the contributions provided in Section 4.3, pay to the Plan Administrator, at its discretion, any amount as additional contribution to the Plan and the Plan Administrator shall purchase Shares on the secondary market through an exchange on which the Shares are listed in accordance with the instructions of the Participating Employer. The allocation of such Shares shall be made in accordance with Section 5.1.

6 WITHDRAWAL, SUSPENSION OR TERMINATION

6.1 Election of the Participant

In the cases contemplated in Sections 6.2, 6.3, and 6.5, the Participant may elect, in the manner specified from time to time by the Plan Administrator, to receive the Shares held by the Plan Administrator for the account of the Participant in lieu of the cash payment. In such case, the Plan Administrator shall deliver to the Participant as soon as possible a direct registration statement representing such Shares in the name of the Participant.

6.2 Full or Partial Withdrawal

A Participant may at any time withdraw, partially or in full, the Shares that the Plan Administrator holds for the Participant's account by providing notice in the manner specified by the Plan Administrator from time to time. Following such withdrawal, the Plan Administrator shall sell the Shares held for the account of the Participant in the open market through an exchange on which the Shares are listed and shall pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees together with, in the case of a complete withdrawal, every other property held by the Plan Administrator pursuant to the Plan for the account of the Participant. However, the Participant may make the election referred to in Section 6.1, by giving notice to the Plan Administrator in the manner specified from time to time by the Plan Administrator.

6.3 Withdrawal upon Termination of Employment

If the employment of a Participant terminates for any reason whatsoever and the Participant does not notify the Participating Employer and the Plan Administrator of his (her) choice in the manner described below (immediately after his (her) last contribution has been processed), the Plan Administrator shall, following receipt of a notice of termination of employment from the Participating Employer or the Participant, issue a direct registration statement for the Shares held by the Plan Administrator for the account of the Participant or will sell the Shares held by the Plan Administrator for the account of the Participant if it represents less than 100 shares, on receipt of the notice of termination, on the secondary market through an exchange on which the Shares are listed and shall pay to the Participant an amount in cash equal to the proceeds of such sale, less brokerage fees, together with any other property held by the Plan Administrator pursuant to the Plan for the account of the Participant. However, the Participant may make the election referred to in Section 6.1 by giving a notice to the Participating Employer and to the Plan Administrator immediately after his (her) last contribution has been attributed to the account of the Participant.

For the purposes of this Section 6.3 and for any other purposes hereof, the date of termination of employment means the Participant's Last Working Day.

6.4 Suspension of Participation to the Plan

In the event that a Participant is absent from work for any period of time and for any reason and receives no Remuneration from the Participating Employer during such absence, the

Participant's participation in the Plan shall be automatically suspended until the Participant returns to work or until the Participant elects, pursuant to Sections 6.5, to terminate his or her participation in the Plan.

6.5 Termination of Participation to the Plan at the Participant's Discretion

A Participant may at any time terminate his or her participation in the Plan by giving a notice in the manner specified from time to time by the Participating Employer to the Participating Employer and to the Plan Administrator. The Participant may decide to maintain his Shares in the Plan or withdraw all or part of his Shares, pursuant to Section 6.2.

6.6 Fractional Share

For the purposes of Section 6.1, no fractional Share shall be issued and where a fractional Share should be issued under Sections 6.2, 6.3, and 6.5, the Participant shall receive the cash value of the fractional Share.

7 DIVIDENDS

7.1 Dividends

All cash dividends and other cash distributions received by the Plan Administrator in respect of Shares held by the Plan Administrator for the account of Participants shall be invested by the Plan Administrator pursuant to Section 5.1. The Shares so acquired shall be allocated to the Participants in proportion to their respective interests. Stock dividends received by the Plan Administrator in respect of Shares shall be held by the Plan Administrator for the account of Participants

8 GENERAL PROVISIONS

8.1 Administration Agreement

The Company and the Plan Administrator must enter into an Administration Agreement with respect to the administration of the Plan. Such Administration Agreement forms part of the Plan and the rights of the Participants in respect of the Plan are subject to such agreement.

8.2 Plan Administrator

The Plan Administrator shall be selected by either the *Founder and Executive Chairman of the Board* of the Company or the *President and Chief Executive Officer* of the Company.

8.3 Administration of the Plan

The Board of Directors of the Company has full power and authority with respect to the interpretation of the Plan and to the ratification of rules, terms and other measures it may deem necessary for the management of the Plan.

8.4 Amendment, Suspension and Termination of the Plan

Except as otherwise provided herein, the Board of Directors of the Company may at any time amend, suspend or terminate the Plan; however, no modification, suspension or termination of the Plan may affect any vested right that a Participant may have in respect of the Shares subject to the Plan or in respect of the Plan until the date of amendment, suspension or termination of the Plan.

In the event of termination of the Plan, the Plan Administrator shall remit, as soon as possible, to each Participant a direct registration statement in the name of the Participant representing the Shares held by the Plan Administrator for the account of such Participant together with any

other property held by the Plan Administrator pursuant to the Plan for the account of Participants.

8.5 Limitation of Participants' Rights

Participation in the Plan only entitles the Participant to the benefits provided for in the Plan and only to the extent that the assets are remitted to the Plan Administrator, and does not confer upon any Participant the right to be Employee or to remain an Employee of the Company or any of its Subsidiaries.

Except as otherwise provided herein, the Board of Directors of the Company has full discretionary authority to set, adjust, modify, suspend or cancel the Participant's contributions and the contributions of the Participating Employer to the Plan, and nothing in this Plan shall create in favour of the Participants any vested, demandable or enforceable right to make and receive contributions for the purchase of Shares except in respect of those due as at the date of any modification, adjustment, suspension or termination of the Plan.

The Plan and Participant's participation in the Plan does not generate any acquired rights, is subject to the rules and criteria as may be determined by the Board of Directors from time to time and does not constitute an express or implied term of nor in any manner form part of the Participant's employment contract with the Participating Employer.

8.6 Transfer of Personal Data

By requesting to participate in the Plan and for the purposes of such participation, the Participant consents to the transfer by the Company or the Participating Employer of the Participant's personal data to the Plan Administrator or its affiliates where the Plan Administrator or its affiliates are situated or operate and further consents to the storage and processing of his or her personal data in such location(s).

8.7 Tax Consequences

The Participant is fully responsible for compliance with applicable tax legislation. Neither the Company nor the Participating Employer can be held responsible for any failure in that respect on the part of the Participant.

8.8 Fees and Expenses

All fees relating to the administration of the Plan and all brokerage fees attached to the purchase of Shares are to be borne by the Participating Employer or the Company. All other fees such as (i) brokerage fees attached to the sale of Shares, (ii) wire transfer fees, (iii) banking transaction fees, and (iv) currency conversion fees are at the charge of the Participant. The Participating Employer reserves the right to re-charge to the Participant additional administrative fees incurred for the account of the Participant.

8.9 Share Certificates in lieu of Direct Registration Statements

Where the Plan provides for the remittance of a direct registration statement, the Company reserves the right, in lieu of the direct registration statement, to remit share certificates in the name of the Participant representing the Shares held by the Plan Administrator for the account of such Participant.

8.10 Interest

The interest accruing on contributions provided for in Section 4 shall be paid to the Participating Employer to be used for the payment of expenses relating to the Plan.

8.11 Country- and Geographic Area-Specific Terms and Conditions

Schedule "A" attached hereto contains additional country and geographic area-specific terms and conditions that are incorporated by reference in respect of Participants residing in such countries or geographic areas.

8.12 Governing Laws

This Plan shall be governed by and construed in accordance with the laws in force in the Province of Québec (Canada).

8.13 No Assignment

The interest of a Participant under the Plan may not be transferred, assigned nor pledged by the Participant.

8.14 Headings and Sub-Headings

The headings and sub-headings appearing herein are stated for convenience purposes to facilitate the consultation of the Plan.

8.15 Language

The French language version of the Plan shall prevail over the English language version in case of discrepancies between versions.

8.16 Interpretation

In the event of differences, discrepancies or contradictions between the provisions of the Plan and those of the Administration Agreement, the provisions of the Administration Agreement shall prevail over those of the Plan.

Approved by the Board of Directors on November 12, 2014, however, the Share Purchase Plan's effectiveness is conditional on this prospectus being published.

SCHEDULE "A"

Country- and Geographic Area-Specific Terms and Conditions

Brazil

THE PLAN DOES NOT CONSTITUTE A PUBLIC OFFERING IN BRAZIL.

Canada

A Participant employed by a Participating Employer in Canada ("**Canadian Participant**") may contribute all or part of the Shares held by the Plan Administrator for his (her) account to a registered retirement savings plan (a "**RRSP**") or a Tax-Free Savings Account ("**TFSA**") (each hereafter referred to as a "**Registered Plan**"). A Canadian Participant may contribute the Shares held by the Plan Administrator for his (her) account to the Company's group RRSP (the "**Group RRSP**") or to the Company's group TFSA ("**Group TFSA**") at the Plan Administrator (or any other entity that may be designated from time to time by the Founder and Executive Chairman of the Board of the Company or the President and Chief Executive Officer of the Company) or to an individual Registered Plan.

In the event the Canadian Participant decides to contribute to a Registered Plan, the Canadian Participant may (a) contribute directly to the Group RRSP or the Group TFSA in the manner specified from time to time by the Participating Employer or (b) contribute outside the Group RRSP or Group TFSA and transfer the Shares to the Group RRSP or Group TFSA by in the manner specified from time to time by the Participating Employer.

In the event the Canadian Participant decides to contribute to an individual Registered Plan, the Participant shall make a withdrawal in accordance with Section 6.2 of the Plan and shall withdraw from the Plan the Shares he wants to contribute to his individual Registered Plan in the manner specified from time to time by the Plan Administrator.

The Canadian Participant remains responsible for the calculation of his (her) maximum annual contribution to a Registered Plan provided under the terms of the Income Tax Act (Canada) and the Taxation Act (Québec).

For the purposes of Section 8.8 of the Plan, the Canadian Participant shall also bear the expense for RRSP or TFSA contribution receipts covering any period ending more than 12 months prior to the date of the request.

European Economic Area

PARTICIPATION IN THE PLAN IS SUBJECT TO THE SAME RISKS AS INHERENT IN ANY INVESTMENT IN SHARES OF THE COMPANY. IF THE COMPANY PRODUCES A PROSPECTUS IN RELATION TO INVESTMENT IN SHARES OF THE COMPANY, ONCE SUCH PROSPECTUS IS APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY, EMPLOYEES IN THE EUROPEAN ECONOMIC AREA SHOULD REFER TO THE "RISK FACTORS" SECTION OF THE APPROVED PROSPECTUS. ANY SUCH PROSPECTUS WILL BE AVAILABLE ON THE COMPANY'S WEBSITE.

India

THIS DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. IT DOES NOT CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE SECURITIES ISSUED BY THE COMPANY. ACCORDINGLY, THIS DOCUMENT HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED WITH ANY REGULATORY AUTHORITIES IN INDIA.

THIS DOCUMENT IS NOT INTENDED FOR DISTRIBUTION AND IS MEANT SOLELY FOR THE CONSIDERATION OF THE PERSON TO WHOM IT IS ADDRESSED AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.

Morocco

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PLAN, AND IF THE PLAN IS IMPLEMENTED IN MOROCCO, THE AGGREGATE AMOUNT OF THE PARTICIPANT BASIC CONTRIBUTION AND THE ADDITIONAL CONTRIBUTION (IF ANY) PROVIDED FOR BY SECTION 4.5 OF THE PLAN MADE BY A PARTICIPANT EMPLOYED BY THE PARTICIPATING COMPANY IN MOROCCO MAY NOT, ON AN ANNUAL BASIS, EXCEED TEN PERCENT (10%) OF THE NET PAY OF SUCH PARTICIPANT.

PART 6: DOCUMENTS INCORPORATED BY REFERENCE

This prospectus should be read and construed in conjunction with the following documents, which have been previously published and filed with the FCA, and shall be deemed to be incorporated in, and form part of, this prospectus and which are available for inspection in accordance with paragraph 21 of Part 1 of this prospectus:

(1) the Form 40-F 2013 on pages F-1 to F-272 of the prospectus relating to the Share Purchase Plan dated 12 March 2014; and

(2) the Form 40-F 2012 on pages F-554 to F-831 of the prospectus relating to the Share Purchase Plan dated 18 March 2013,

together the ***Incorporated Documents***.

The table below sets out the information contained in the Incorporated Documents which is incorporated by reference into this prospectus so as to provide the information required under the Prospectus Rules and to ensure that employees are aware of all information which, according to the particular nature of the Class A Shares, is necessary to enable employees to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group and of the rights attaching to the Class A Shares.

CGI's website is www.cgi.com and this prospectus is available on that website. The other information on that website, and the information on any other website which is mentioned in this prospectus or mentioned on or, directly or indirectly, linked to or from CGI's website, has not been verified and is not incorporated into and does not form part of this prospectus (unless expressly specified) and investors and prospective investors should not rely on such information.

The Incorporated Documents have been incorporated by reference into this prospectus in compliance with Prospectus Rule 2.4.1. Any documents themselves incorporated by reference (or referred or cross-referred) in the Incorporated Documents shall not form part of this prospectus. Except as set forth below, no other information in the Incorporated Documents is incorporated by reference into this prospectus and any information contained in the Incorporated Documents which is not incorporated by reference into this prospectus is either not relevant for investors and prospective investors for the purposes of Article 5(1) of the Prospectus Directive or is covered elsewhere in this prospectus.

All references to F-pages in the table below are to the F-pages in the Incorporated Documents.

Information required by the Prospectus Directive	**Location in Incorporated Documents**
Selected Financial Information	
Selected historical financial information regarding the issuer (*Annex 1, Section 3.1 of Appendix 3 of the Prospectus Rules*)	p. F-221 and F-786
Information about the Issuer	
Principal Investments (*Annex 1, Section 5.2.1 of Appendix 3 of the Prospectus Rules*)	p. F-20-31, F-192-197, F-573-586 and F-741-743
Business Overview	
The issuer's principal activities (*Annex 1, Section 6.1.1 of Appendix 3 of the Prospectus Rules*)	p. F-14-18, F-154, F-216, F-568-571 and F-709, F-782
The issuer's principal markets (*Annex 1, Section 6.2 of Appendix 3 of the Prospectus Rules*)	p. F-199-200, F-224-231, F-745-747 and F-788-795

Operating and Financial Review

Analysis of the issuer's financial condition and results of operations (Annex 1, Section 9.1 of Appendix 3 of the Prospectus Rules)	p. F-211-265 and F-777-824
Reasons for material changes in net sales or revenue (*Annex 1, Section 9.2.2 of Appendix 3 of the Prospectus Rules*)	p. F-227-229 and F-791-793

Employees

The number of employees for the fiscal years ended 30 September 2013 and 30 September 2012 (*Annex 1, Section 17.1 of Appendix 3 of the Prospectus Rules*)	p. F-16 and F-569
Related party transactions (*Annex 1,* Section *19 of Appendix 3 of the Prospectus Rules*)	p. F-201 and F-748-749

Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses

Audited historical financial information and audit reports for the fiscal years ended 30 September 2013 and 30 September 2012	p.F-143-210 and F-698-776
Balance Sheet	p. F-151 and F-706
Income Statement	p. F-150 and F-705
A statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners	p. F-152, F-187, F-707 and F-732
Cash flow statement	p. F-153 and F-708
Accounting policies and explanatory notes (*Annex 1, Section 20.1 of Appendix 3 of the Prospectus Rules*)	p. F-154-210 and F-709-776
Confirmation that the consolidated annual financial statements are included in the prospectus (*Annex 1, Section 20.3 of Appendix 3 of the Prospectus Rules*)	p. F-144, F-154, F-699 and F-709
Statement that the historical financial information has been audited and details of qualifications and disclaimers (*Annex 1, Section 20.4.1 of Appendix 3 of the Prospectus Rules*)	p. F-146 and F-701

Additional Information

Share Capital

History of share capital (*Annex 1, Section 21.1.7 of Appendix 3 of the Prospectus Rules*)	p. F-10, F-187, F-564 and F-732

CGI will provide without charge to each person to whom a copy of this prospectus has been delivered, upon written or oral request, a copy of any of the Incorporated Documents, except that exhibits to such

Incorporated Documents will not be provided unless they are specifically incorporated by reference into this prospectus. Requests for copies of any such document should be directed to CGI at:

Investor Relations
1350 René-Lévesque Blvd. West
15th Floor
Montreal, Québec
H3G 1T4
Canada
Telephone: (514) 841-3200

PART 7: GROUP FINANCIAL INFORMATION AND PROXY STATEMENT

This Part 7 contains a reproduction in its entirety of:

(1)	the Proxy Statement	M-1 to M-76
(2)	the Form 40-F 2014	F-1 to F-250
(3)	the Form 6-K	F-251 to F-316
(4)	the Review Report	F-317

Ernst & Young LLP of 800 Rene-Levesque Boulevard West, Suite 1900, Montréal, QC, H3B 1X9, Canada has acted as CGI's independent registered public accounting firm to audit: (i) the consolidated financial statements of the Group for the year ended 30 September 2014 contained in this Part 7 and (ii) the consolidated financial statements of the Group for the years ended 30 September 2013 and 2012 contained in Part 6 (*Documents Incorporated by Reference*), in accordance with Canadian generally accepted standards and the standards of the PCAOB.

Ernst & Young LLP has reviewed the condensed interim financial statements, consisting of the condensed consolidated balance sheets as at 31 December 2014 and the condensed consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the three-month period ended 31 December 2014 and 2013 on the Form 6-K contained in this Part 7 in accordance with Canadian generally accepted standards and the standards of the PCAOB for a review of interim financial statements by an entity's auditor.

SECTION 1: PROXY STATEMENT

CGI

Notice of Annual General Meeting of Shareholders

To be held in Montreal, Quebec, Canada
on Wednesday, January 28, 2015
at 11:00 a.m.

at the

Ritz Carlton Hotel
Oval Room
1228 Sherbrooke Street West
Montreal, Quebec
Canada

Record Date: Friday, December 12, 2014

Proxy cut-off date and time:
11:00 a.m. Montreal Time on Tuesday, January 27, 2015

Letter to Shareholders
&
MANAGEMENT PROXY CIRCULAR
Dated December 12, 2014

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Montreal, Quebec, December 12, 2014

Notice is hereby given that an Annual General Meeting of Shareholders (the "Meeting") of CGI GROUP INC. ("CGI" or the "Company") will be held at the Ritz Carlton Hotel in the Oval Room, 1228 Sherbrooke Street West, in Montreal, Quebec, Canada, on Wednesday, January 28, 2015, at 11:00 a.m. (Montreal time) for the following purposes:

1) to receive the report of the directors, together with the consolidated balance sheet and statements of earnings, comprehensive income, changes in equity and cash flows, and the auditors' report for the fiscal year ended September 30, 2014;

2) to elect directors;

3) to appoint auditors and authorize the Audit and Risk Management Committee to fix their remuneration;

4) to consider shareholder Proposal Number One – Advisory Vote on the Compensation of Senior Executives – attached as Appendix C; and

5) to transact such other business as may properly come before the Meeting or any adjournment thereof.

The Meeting will be broadcast live on the Company's web site at www.cgi.com. The webcast will also be archived afterwards.

CGI has opted to use the Notice and Access rules adopted by Canadian securities regulators to reduce the volume of paper in the Meeting materials distributed for the Annual General Meeting of Shareholders. Instead of receiving the enclosed Management Proxy Circular with the form of proxy or voting instruction form, shareholders received a Notice of Meeting with instructions for accessing the remaining Meeting materials online. **This Management Proxy Circular and other relevant materials are available via the internet at www.envisionreports.com/gib2014 or on the Canadian Securities Administrators' site at www.sedar.com.**

Proxies submitted by mail, phone or internet must be received by Computershare Investor Services Inc. by 11:00 a.m., Montreal time, on Tuesday, January 27, 2015. Alternatively, shareholders who miss the phone and internet proxy return deadline may still submit a paper proxy which must be received by the Corporate Secretary of the Company prior to the Meeting or any adjournment thereof.

By order of the Board of Directors,

André Imbeau
Founder, Vice-Chairman of the Board
and Corporate Secretary

We wish to have as many shares as possible represented and voted at the Meeting, and for this reason, if you are unable to attend the Meeting in person, we would kindly ask you to (i) complete and return the form of proxy or voting instruction form in the postage prepaid envelope provided for that purpose, (ii) vote by phone, or (iii) vote using the internet. Instructions on how to vote by phone or by using the internet are provided in the Management Proxy Circular.

Record Date to Determine Shareholders Eligible to Vote and Attend the Meeting

Only persons shown on the register of shareholders at the close of business on Friday, December 12, 2014, or their proxy holders, will be entitled to attend the Meeting and vote. The register of shareholders is kept by CGI's transfer agent, Computershare Investor Services Inc.

LETTER TO SHAREHOLDERS

Dear fellow shareholders,

At CGI we are totally committed to providing high-value services to our clients. Our results speak for themselves. We deliver 95% of our projects on time and on budget whereas statistics show that, overall, 18% of IT projects fail, 74% experience schedule overruns, and 59% exceed budgeted costs.[1]

We achieve our goal by applying best practices and management tools that we have developed over the years in a methodical and consistent way. These are contained in our *Management Foundation*, which is a set of key elements that define and guide the management of the Company. It includes management frameworks for our three stakeholders: our customers, our shareholders and our employees, whom we call members. Each of our frameworks requires, among other key processes, that we measure the satisfaction levels of each group so as to ensure that we continuously improve our service delivery capabilities. Their input allows us to continually strive to meet or exceed their expectations and always maintain a consistent balance among their respective interests.

The development of an ownership mentality among our members is one of the keys to our success. Our members have traditionally made up one of the largest shareholder groups in the Company and continue to represent a very significant presence among our shareholders. At the present time, 70% of our members participate in the CGI Share Purchase Plan. In that way, our members become owners in every sense of the word and therefore reap the benefits of owning a customer-focused company whose interests are closely aligned with those of its customers, its shareholders, and its members.

Our success begins and ends with client satisfaction. The components of our *Management Foundation* contribute to the excellent client satisfaction scores we earn. Our unique approach ensures both quality and consistency of execution in all our operations, and this has allowed us to achieve ISO 9001 certification for approximately 97% of our operations.

The market for our services remains strong, and our sustained growth means that we are better placed than at any time in our history to provide services to our clients with truly global reach. Our client proximity model together with our sharp focus on clearly delineated vertical markets means that we develop a fundamental understanding of our clients' needs. In addition, we have centres strategically located to optimize delivery to our clients, so that while we operate globally, we remain singularly focused on interacting with our clients locally.

Our client focus begins in our local offices and extends throughout the business all the way to our board room. Our directors are selected for their expertise in our vertical markets and in our geographic segments, as well as for their financial literacy and business acumen. The composition of our Board of Directors is yet another key ingredient in CGI's recipe for continued success.

As you learn more about the Company you will come to appreciate that CGI's foundation is rock solid and that we have a robust and stable platform for continued growth. The scope of our operations, the enduring quality of our governance structures, and our well-defined business processes have been designed for exceptional financial strength and sustainable long-term success.

We encourage you to read our 2014 annual audited consolidated financial statements, *Management's Discussion and Analysis*, and *Management Proxy Circular* in order to become better acquainted with CGI. We are confident that, as you come to know us, you will appreciate the strength of our commitment to our three stakeholders including you, our shareholders. CGI was built to last.

---

1 Standish Group Report 2012; www.standishgroup.com

Annual General Meeting and Proxy Voting

On behalf of CGI's Board of Directors, management and members, we invite you to attend the Annual General Meeting of Shareholders that will be held at the Ritz-Carlton Hotel, in the Oval Room, 1228 Sherbrooke Street West, Montreal, Quebec, Canada, on Wednesday, January 28, 2015, at 11:00 a.m. (Montreal time).

The items of business are described in this *Notice of Annual General Meeting of Shareholders and Management Proxy Circular*.

At the Annual General Meeting of Shareholders, you will have the opportunity to hear CGI's senior leadership discuss the highlights of our performance in 2014. You will also hear about our plans for the future and will have the opportunity to ask any questions you may have about your Company.

If you are unable to attend the meeting we encourage you to exercise the power of your proxy by voting your shares by mail, by phone or by using the internet as outlined in the enclosed Management Proxy Circular.

Yours sincerely,

Serge Godin
Founder and Executive
Chairman of the Board

Thomas P. d'Aquino
Lead Director

MANAGEMENT PROXY CIRCULAR

This *Management Proxy Circular* is provided in relation to the solicitation of proxies by the management of CGI GROUP INC. (the "Company" or "CGI") for use at the Annual General Meeting of Shareholders (the "Meeting") of the Company which will be held on Wednesday, January 28, 2015, and at any adjournment thereof. Unless otherwise indicated, the information provided in this *Management Proxy Circular* that relates to financial information is provided as of September 30, 2014, all other information is provided as of December 12, 2014, and all currency amounts are shown in Canadian dollars.

NOTICE AND ACCESS

CGI has opted to use the new Notice and Access rules adopted by Canadian securities regulators to reduce the volume of paper in the materials distributed for the Annual General Meeting of Shareholders. Instead of receiving this Management Proxy Circular with the form of proxy or voting instruction form, shareholders received a Notice of Meeting with instructions for accessing the remaining materials online. CGI sent the Notice of Meeting and proxy form directly to registered shareholders, and the Notice of Meeting and voting instruction form directly to non-objecting beneficial owners. CGI intends to pay for intermediaries to deliver the Notice of Meeting, voting instruction form and other materials to objecting beneficial owners.

This Management Proxy Circular and other relevant materials are available via the internet at www.envisionreports.com/gib2014 or on the Canadian Securities Administrators' site at www.sedar.com.

If you would like to receive a paper copy of the current materials by mail, you must request one. There is no charge to you for requesting a copy. Registered shareholders and non-objecting beneficial shareholders may call toll free at 1-866-962-0498 within North America or +1 (514) 982-8716 outside North America and enter the control number as indicated on the Notice of Meeting to request a paper copy of the materials for the Meeting. Objecting beneficial shareholders may request a paper copy of the materials by calling *Broadridge Investor Communication Solutions, Canada* toll-free at 1-877-907-7643.

To ensure you receive the materials in advance of the voting deadline and Meeting date, all requests must be received not later than January 14, 2015. If you do request the current materials, please note that another Voting Instruction Form or Proxy Form will not be sent; please retain the one received with the Notice of Meeting for voting purposes.

To obtain paper copies of the materials after the Meeting date, please contact CGI's Investor Relations department as follows:

Investor Relations
CGI Group Inc.
1350 René-Lévesque Blvd. West
15th Floor
Montreal, Quebec
Canada
H3G 1T4
Tel.: (514) 841-3200

PROXIES

Solicitation of Proxies

The solicitation of proxies will be made primarily by mail for registered and beneficial shareholders and by e-mail and e-delivery for participants in the Company's Share Purchase Plan. Proxies may also be solicited personally by e-mail or by telephone by members of the Company at minimal cost. The Company does not expect to pay any compensation for the solicitation of proxies, but will pay brokers and other persons holding shares for other reasonable expenses for sending proxy materials to beneficial owners in order to obtain voting instructions. The Company has not retained the services of any third party to solicit proxies. Should it decide to do so, the fees payable to the proxy solicitor are not expected to exceed $50,000. The Company will bear all expenses in connection with the solicitation of proxies.

The persons whose appointment to act under the form of proxy solicited by the management of the Company are all directors of the Company.

In order to be voted at the Meeting, a proxy must be received by the Corporate Secretary of the Company prior to the Meeting or any adjournment thereof.

The persons whose names are printed on the form of proxy will vote all the shares in respect of which they are appointed to act in accordance with the instructions given on the form of proxy. **In the absence of a specified choice in relation to any matter to be voted on at the Meeting, or if more than one choice is indicated, the shares represented by the form of proxy will be voted:**

> **FOR the election as directors of the fourteen persons nominated in this Management Proxy Circular;**
>
> **FOR the appointment of Ernst & Young LLP as auditors; and**
>
> **AGAINST Proposal Number One – Advisory Vote on the Compensation of Senior Executives.**

Every proxy given to any person in the form of proxy that accompanies the Notice of Meeting will confer discretionary authority with respect to amendments or variations to the items of business identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting.

Appointment and Revocation of Proxies

Every shareholder has the right to appoint a person to act on his or her behalf at the Meeting other than the persons whose names are printed in the form of proxy that accompanies the Notice of Meeting. To exercise this right, the shareholder should insert the nominee's name in the space provided for that purpose in the form of proxy or prepare another proxy in proper form appointing the nominee. The paper form of proxy or internet voting are the only voting options for shareholders who wish to appoint a person as proxy other than the nominees named on the form of proxy.

A proxy may be revoked at any time by the person giving it to the extent that it has not yet been exercised. A proxy may be revoked by filing a written notice with the Corporate Secretary of the Company. The powers of the proxy holders may also be revoked if the shareholder attends the Meeting in person and so requests.

Record Date

Only persons shown on the register of shareholders at the close of business on Friday, December 12, 2014, or their proxy holders, will be entitled to attend the Meeting and vote. The register of holders of Class A subordinate voting shares is kept by CGI's transfer agent, Computershare Investor Services Inc.

Voting by Registered Shareholders

Registered shareholders, rather than returning the form of proxy by mail or hand delivery, may vote by phone or by using the internet. Proxies submitted by mail, phone or internet must be received by Computershare Investor Services Inc. by 11:00 a.m., Montreal time, on Tuesday, January 27, 2015. Alternatively, shareholders who miss the phone and internet proxy return deadline may still submit a paper proxy which must be received by the Corporate Secretary of the Company prior to the Meeting or any adjournment thereof.

Telephone Voting

If a shareholder wishes to vote by phone, a touch-tone phone must be used to transmit voting preferences to a toll free number. Shareholders must follow the instructions of the voice-response system and refer to the form of proxy they received in the mail which provides the toll free number, the holder account number and the proxy control number which are located on the front side of the proxy form.

Internet Voting

If a shareholder elects to vote using the internet, the shareholder must access the following web site: www.investorvote.com. Shareholders must follow the instructions that appear on the screen and refer to the form of proxy they received in the mail which provides the holder account number and the proxy control number which are located on the front side of the proxy form.

Voting by Non-Registered Shareholders

Non-registered shareholders or "beneficial shareholders" are holders whose shares are held on their behalf through a ''nominee'' such as a bank, a trust company, a securities broker or other financial institution. Most of CGI's shareholders hold their shares in this way. Non-registered or beneficial shareholders must seek instructions from their nominees as to how to complete their voting instruction form if they wish to vote their shares themselves. Non-registered or beneficial shareholders who received or who were given access to this *Management Proxy Circular* in a mailing from their nominee must adhere to the voting instructions provided to them by their nominee.

Since CGI's registrar and transfer agent, Computershare Investor Services Inc., may not have a complete record of the names of the Company's non-registered shareholders, the transfer agent may not have knowledge of a non-registered shareholder's right to vote, unless the nominee has appointed the non-registered shareholder as proxyholder. Non-registered shareholders who wish to vote in person at the Meeting must insert their own name in the space provided on the voting instruction form, and adhere to the signing and return instructions provided by their nominee. By doing so, non-registered shareholders are instructing their nominee to appoint them as proxyholder.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Company's authorized share capital consists of an unlimited number of First Preferred Shares ("First Preferred Shares"), issuable in series, an unlimited number of Second Preferred Shares ("Second Preferred Shares"), issuable in series, an unlimited number of Class A subordinate voting shares ("Class A subordinate voting shares") and an unlimited number of Class B shares (multiple voting) ("Class B shares"), all without par value, of which, as of December 12, 2014, 280,336,500 Class A subordinate voting shares and 33,272,767 Class B shares were issued and outstanding.

The following summary of the material features of the Company's authorized share capital is given subject to the detailed provisions of its articles of incorporation.

Class A Subordinate Voting Shares and Class B Shares

Voting Rights

The holders of Class A subordinate voting shares are entitled to one vote per share and the holders of Class B shares are entitled to ten votes per share. As of December 12, 2014, 45.7% and 54.3% of the aggregate voting rights are attached to the outstanding Class A subordinate voting shares and Class B shares, respectively.

Subdivision or Consolidation

The Class A subordinate voting shares or Class B shares may not be subdivided or consolidated unless simultaneously the Class B shares or the Class A subordinate voting shares, as the case may be, are subdivided or consolidated in the same manner and in such an event, the rights, privileges, restrictions and conditions then attaching to the Class A subordinate voting shares and Class B shares shall also attach to the Class A subordinate voting shares and Class B shares as subdivided or consolidated.

Rights upon Liquidation

Upon liquidation or dissolution of the Company or any other distribution of its assets among its shareholders for the purposes of winding up its affairs, all the assets of the Company available for payment or distribution to the holders of Class A subordinate voting shares and holders of Class B shares will be paid or distributed equally, share for share.

Conversion Rights of Class A Subordinate Voting Shares in Specific Circumstances

Subject to what is hereinafter set out, if a take-over bid or exchange bid or an issuer bid, other than an exempt bid (as defined in the articles of incorporation of the Company), for the Class B shares is made to the holders of Class B shares without being made simultaneously and on the same terms and conditions to the holders of Class A subordinate voting shares, each Class A subordinate voting share shall become convertible into one Class B share, at the holder's option, in order to entitle the holder to accept the offer from the date it is made. However, this right of conversion shall be deemed not to come into effect if the offer is not completed by its offeror or if the senior executives and full-time employees of the Company or its subsidiaries and any corporate entity

under the control of one or more of such senior executives, as owners, as a group, of more than 50% of the outstanding Class B shares, do not accept the offer.

The articles of incorporation of the Company contain a complete description of the types of bids giving rise to the rights of conversion, provide certain procedures to be followed to perform the conversion and stipulate that upon such a bid, the Company or the transfer agent will communicate in writing to the holders of Class A subordinate voting shares full details as to the bid and the manner of exercising the right of conversion.

Conversion of Class B Shares

Each Class B share may, from time to time, at the holder's option, be converted into one Class A subordinate voting share.

Issue of Class B Shares

The Company's articles of incorporation provide for pre-emptive rights in favour of holders of Class B shares. Therefore, the Company may not issue Class A subordinate voting shares or securities convertible into Class A subordinate voting shares without offering, in the manner determined by the Board of Directors, to each holder of Class B shares, pro rata to the number of Class B shares it holds, the right to subscribe concurrently with the issue of Class A subordinate voting shares or of securities convertible into Class A subordinate voting shares, as the case may be, an aggregate number of Class B shares or securities convertible into Class B shares, as the case may be, sufficient to fully maintain its proportion of voting rights associated with the Class B shares. The consideration to be paid for the issuance of each Class B share or security convertible into Class B shares, as the case may be, shall be equal to the issue price of each Class A subordinate voting share or security convertible into Class A subordinate voting shares then issued.

The pre-emptive rights do not apply in the case of the issuance of Class A subordinate voting shares or securities convertible into Class A subordinate voting shares:

- in payment of stock dividends;
- pursuant to the stock option plans or share purchase plans of the Company;
- further to the conversion of Class B shares into Class A subordinate voting shares pursuant to the articles of incorporation of the Company; or
- further to the exercise of the conversion, exchange or acquisition rights attached to securities convertible into Class A subordinate voting shares.

Any holder of Class B shares may assign its pre-emptive rights to other holders of Class B shares.

Dividends

The Class A subordinate voting shares and Class B shares participate equally, share for share, in any dividend which may be declared, paid or set aside for payment thereon. In fiscal 2014, considering, among other matters, the needs for reinvestment in the Company's operations, the scope of investment projects, the repayment of the Company's debt, and the repurchase of outstanding Class A subordinate voting shares under the Company's Normal Course Issuer Bid, the Board of Directors determined that the Company, in keeping with its long-standing practice, would not pay a dividend. The Board of Directors re-evaluates the Company's dividend policy annually.

Amendments

The rights, privileges, conditions and restrictions attaching to the Class A subordinate voting shares or Class B shares may respectively be amended if the amendment is authorized by at least two-thirds of the votes cast at a meeting of holders of Class A subordinate voting shares and Class B shares duly convened for that purpose. However, if the holders of Class A subordinate voting shares as a class or the holders of Class B shares as a class were to be affected in a manner different from that of the other classes of shares, such amendment shall, in addition, be authorized by at least two-thirds of the votes cast at a meeting of holders of shares of the class of shares so affected in a different manner.

Rank

Except as otherwise provided hereinabove, each Class A subordinate voting share and each Class B share carry the same rights, rank equally in all respects and are to be treated by the Company as if they constituted shares of a single class.

Normal Course Issuer Bid

On January 29, 2014, the Board of Directors authorized the renewal of a Normal Course Issuer Bid (the "Issuer Bid") and the purchase of up to 10% of the public float of the Company's Class A subordinate voting shares as at January 24, 2014. The Issuer Bid enables the Company to purchase on the open market through the facilities of the *Toronto Stock Exchange* and certain alternative markets up to 21,798,645 Class A subordinate voting shares for cancellation. As at January 24, 2014, there were 276,181,109 Class A subordinate voting shares of the Company outstanding of which approximately 79% were widely held. The Company was authorized to purchase Class A subordinate voting shares under the Issuer Bid commencing on February 11, 2014 and may continue to do so until February 10, 2015, or until such earlier date when the Company completes its purchases or elects to terminate the Issuer Bid. As of December 12, 2014, the Company had not purchased any Class A subordinate voting shares under the Issuer Bid. A copy of the Company's *Notice of Intention to make a Normal Course Issuer Bid* may be obtained free of charge from CGI's Investor Relations department. See the heading *Additional Information* at the end of this document.

First Preferred Shares

The First Preferred Shares may be issued from time to time in one or more series and the Board of Directors of the Company has the right to determine, by resolution, the designation, rights, privileges, restrictions and conditions attaching to each series. The First Preferred Shares of each series rank equal to the First Preferred Shares of all other series and rank prior to the Second Preferred Shares, the Class A subordinate voting shares and Class B shares with respect to payment of dividends and repayment of capital. The holders of First Preferred Shares are entitled to receive notice of and attend any shareholders' meetings and are entitled to one vote per share. As of December 12, 2014, no First Preferred Shares were outstanding.

Second Preferred Shares

The Second Preferred Shares may be issued from time to time in one or more series and the Board of Directors has the right to determine, by resolution, the designation, rights, privileges, restrictions and conditions attaching to each series. The Second Preferred Shares of each series rank equal to all other Second Preferred Shares of all other series and rank prior to the Class A subordinate voting shares and Class B shares with respect to payment of dividends and repayment of capital. The Second Preferred Shares are non-voting. As of December 12, 2014, no Second Preferred Shares were outstanding.

Principal Holders of Class A Subordinate Voting Shares and Class B Shares

As of December 12, 2014, to the knowledge of the directors and executive officers of the Company, the only persons who beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of CGI's outstanding Class A subordinate voting shares or Class B shares were Serge Godin, André Imbeau, the *Caisse de dépôt et placement du Québec* (the "Caisse"), and FMR LLC (Fidelity Investments). Their holdings are set out in the tables that follow.

Name	Shares – Class "A"		Shares – Class "B"		Shares – Class "A" and "B"		
	Number	%	Number	%	Total % of Equity	Total Number of Votes	Total % of Vote
Serge Godin	13,124[(a)]	0.00%			0.00%	13,124	0.00%
			23,007,351[(b)]	69.15%	7.34%	230,073,510	37.53%
			5,209,156[(c)]	15.66%	1.66%	52,091,560	8.50%
			360,582[(d)]	1.08%	0.11%	3,605,820	0.59%
Total	**13,124**	**0.00%**	**28,577,089**	**85.89%**	**9.11%**	**285,784,014**	**46.62%**

(a) These shares are owned directly or indirectly by Mr. Godin.
(b) These shares are owned by Distinction Capital Inc., a company controlled by Mr. Godin.
(c) These shares are owned by 3727912 Canada Inc., a company controlled by Mr. Godin.
(d) These shares are owned by 9164-7586 Québec Inc., a company controlled by Mr. Godin.

Name	Shares – Class "A"		Shares – Class "B"		Shares – Class "A" and "B"		
	Number	%	Number	%	Total % of Equity	Total Number of Votes	Total % of Vote
André Imbeau	267,724[(a)]	0.10%			0.09%	267,724	0.04%
			3,477,071[(b)]	10.45%	1.11%	34,770,710	5.67%
			798,588[(c)]	2.40%	0.25%	7,985,880	1.30%
Total	**267,724**	**0.10%**	**4,275,659**	**12.85%**	**1.45%**	**43,024,314**	**7.01%**

(a) These shares are owned directly or indirectly by Mr. Imbeau.
(b) These shares are owned by 9088-0832 Québec Inc., a company controlled by Mr. Imbeau.
(c) These shares are owned by 9102-7003 Québec Inc., a company controlled by Mr. Imbeau.

CGI's Investor Relations department regularly surveys the Company's largest institutional shareholders.

The following table sets out, as at December 12, 2014, the top ten institutional holders of CGI's Class A subordinate voting shares, based on the shareholder identification data available to the Company.

Name	Shares – Class "A"		Shares – Class "B"		Shares – Class "A" and "B"		
	Number	%	Number	%	Total % of Equity	Total Number of Votes	Total % of Vote
Caisse de dépôt et placement du Québec	58,174,038	20.75%	-	-	18.55%	58,174,038	9.49%
FMR LLC (Fidelity Investments)	30,125,000	10.75%	-	-	9.61%	30,125,000	4.91%
BlackRock Asset Management Canada Limited	12,460,000	4.44%	-	-	3.97%	12,460,000	2.03%
CI Investments Inc.	10,335,000	3.69%	-	-	3.30%	10,335,000	1.69%
Invesco Advisers, Inc.	9,400,000	3.35%	-	-	3.00%	9,400,000	1.53%
1832 Asset Management L.P.	7,403,173	2.64%	-	-	2.36%	7,403,173	1.21%

Name	Shares – Class "A"		Shares – Class "B"		Shares – Class "A" and "B"		
	Number	%	Number	%	Total % of Equity	Total Number of Votes	Total % of Vote
BMO Capital Markets (US)	6,540,000	2.33%	-	-	2.09%	6,540,000	1.07%
Fiera Capital Corporation	6,075,000	2.17%	-	-	1.94%	6,075,000	0.99%
TD Securities Inc.	5,679,129	2.03%	-	-	1.81%	5,679,129	0.93%
Connor, Clark & Lunn Investment Management Ltd.	5,640,000	2.01%	-	-	1.80%	5,640,000	0.92%

As of December 12, 2014, the directors and officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, 3,259,457 Class A subordinate voting shares and 33,272,767 Class B shares representing respectively 1.16% of the issued and outstanding Class A subordinate voting shares and 100% of the issued and outstanding Class B shares.

BUSINESS TO BE TRANSACTED AT THE MEETING

The following items of business will be presented to the shareholders at the Meeting:

1. Presentation of the Annual Audited Consolidated Financial Statements

The annual audited consolidated financial statements for the fiscal year ended September 30, 2014 and the report of the auditors will be placed before the Meeting. The annual audited consolidated financial statements were mailed with the Notice of Meeting to shareholders who requested them. Additional copies of the fiscal 2014 annual audited consolidated financial statements may be obtained from CGI upon request and will be available at the Meeting.

2. Election of Directors

Fourteen directors are to be elected to hold office until the close of the next Annual General Meeting of Shareholders or until their successor is elected or appointed. Each of the persons presented in this *Management Proxy Circular* is proposed to be nominated as a director of the Company and each nominee has agreed to serve as a director if elected.

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the election as directors of the fourteen persons nominated in this Management Proxy Circular unless shareholders direct otherwise.

3. Appointment of Auditors

The Board of Directors recommends that Ernst & Young LLP be appointed as the auditors of the Company to hold office until the next Annual General Meeting of Shareholders or until their successors are appointed. Ernst & Young LLP were first appointed as the Company's auditors at the Annual General Meeting of Shareholders held on January 27, 2010.

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the appointment of Ernst & Young LLP as auditors and to vote to authorize the Audit and Risk Management Committee to fix the remuneration of the auditors unless shareholders direct otherwise.

4. Shareholder Proposals

Four shareholder proposals have been submitted by the *Mouvement d'éducation et de défense des actionnaires* ("Médac"). Médac is a not for profit company whose registered office is situated at 82 Sherbrooke Street West, in Montreal, Quebec, Canada, H2X 1X3, holding 100 Class A subordinate voting shares that it acquired on February 13, 2014.

The fourth proposal was withdrawn by Médac following discussions with the Company. The three remaining proposals (the "Proposals") are enclosed below as Appendix C, along with the responses of the CGI Board of Directors. As agreed with Médac, only Proposal Number One – Advisory Vote on the Compensation of Senior Executives – will be presented at the Meeting for a vote by the Company's shareholders.

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting AGAINST the adoption of Proposal Number One – Advisory Vote on the Compensation of Senior Executives – unless shareholders direct otherwise.

NOMINEES FOR ELECTION AS DIRECTORS

The persons whose names are printed in the form of proxy intend to vote for the election as directors of the proposed nominees whose names are set forth in the following table. Each director elected will hold office until the next Annual General Meeting of Shareholders or until that director's successor is duly elected or appointed, unless the office is earlier vacated.

The information below lists the name of each candidate proposed by the Board of Directors on the recommendation of the Corporate Governance Committee for election as a director; whether the director has been determined by the Board of Directors to be independent of, or related to, the Company; whether the candidate complies with the Company's share ownership guideline; the candidate's age; the principal occupation; the municipality, province or state, and country of residence; the year when the person first became a director; their standing committee memberships; the skills the director brings to the Board of Directors based on the Board of Directors skills matrix; the number of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised; the number of Deferred Stock Units ("DSUs") of the Company (see the heading *Stock Options and Deferred Stock Units Granted to Directors* later in this document); the number of stock options of the Company held (see the heading *Share Option Plan* later in this document); and the number of Performance Share Units ("PSUs") of the Company held (see the heading *Performance Share Unit Plan* later in this document); as well as the other companies on whose board of directors the candidate serves.

By filling in the form of proxy, shareholders may vote for all directors or choose to withhold their vote from some or all of the directors proposed for election.

Information relating to shares, DSUs, stock options, and PSUs beneficially owned, or over which control or direction is exercised has been provided by each of the candidates as of December 12, 2014.

Alain Bouchard
Independent director, complies with the share ownership guideline
Age 65
Lorraine, Quebec, Canada
Director since 2013

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√		Global	Retail and distribution	√	√	√	√

Member of the Human Resources Committee
Class A subordinate voting shares: 17,500 (*)
Deferred Stock Units: 3,043 (+)
Stock options: 13,902 (‡)

Mr. Bouchard is Founder and Executive Chairman of the Board and a director of Alimentation Couche-Tard Inc., a company listed on the Toronto Stock Exchange that operates more than 13,000 convenience stores in Canada, the United States, Europe and ten other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Mexico, Vietnam, the Philippines, and the United Arab Emirates). The company is the largest independent convenience store operator in North America in terms of number of company-operated stores. Mr. Bouchard founded the company in 1980, led its growth, and has more than 45 years of experience in the retail industry.

Bernard Bourigeaud
Independent director, complies with the share ownership guideline
Age 70
Waterloo, Belgium
Director since 2008

Operational Literacy				Governance Risk and Compliance: Financial Literacy			Governance Risk and Compliance
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	Expert	√	√

Member of the Human Resources Committee
Class A subordinate voting shares: 10,000 (*)
Deferred Stock Units: 1,497 (+)
Stock options: 18,330 (‡)

Mr. Bourigeaud, a chartered professional accountant, is Chairman of BJB Consulting, a CEO to CEO consultancy business. Until September 2007, Mr. Bourigeaud was Chairman of Atos Origin S.A., a leading global IT services company which he founded through a chain of successful mergers which began in 1991. Prior to that, he spent 11 years at Deloitte, Haskins and Sells where he was the head of the management consulting group. Mr. Bourigeaud holds positions on various boards including the board of advisors of Jefferies International Limited. In December 2011, Mr. Bourigeaud was appointed non-executive Chairman of Oberthur Technologies Holding and non-executive Vice-Chairman of Oberthur Technologies SA. He is also an international operating partner of Advent International and President of CEPS (*Centre d'Etude et Prospective Stratégique*). Mr. Bourigeaud is an Affiliate Professor at HEC School of Management in Paris and a member of HEC's International Advisory Board. In 2004, he was appointed *Chevalier de la Légion d'Honneur*.

Jean Brassard
Independent director, complies with the share ownership guideline
Age 70
Verdun (Nuns' Island), Quebec, Canada
Director since 1978

Operational Literacy				Governance Risk and Compliance: Financial Literacy			Governance Risk and Compliance
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Member of the Audit and Risk Management Committee
Class A subordinate voting shares: 228,027 (*)
Class B shares: 420,019 (*)
Deferred Stock Units: 13,195 (+)
Stock options: 40,838 (‡)

Mr. Brassard has had an extensive career as an IT professional practitioner and senior manager. He joined the Company in 1978 as a Vice-President and led the development and implementation of major IT projects in all economic sectors served by CGI. He became President and Chief Operating Officer in January 1997 and was Vice-Chairman of the Company's Board of Directors for 25 years. Mr. Brassard contributed significantly to CGI's international profitable growth until he retired in 2000.

Robert Chevrier
Independent director, complies with the share ownership guideline
Age 71
Verdun (Nuns' Island), Quebec, Canada
Director since 2003

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√		Global	Retail and distribution	√	Expert	√	√

Chair of the Human Resources Committee
Class A subordinate voting shares: 10,000 (*)
Deferred Stock Units: 34,948 (+)
Stock options: 79,679 (‡)

Mr. Chevrier is President of Roche Management Co. Inc., a holding and investment company. A chartered professional accountant, he was previously Chairman and Chief Executive Officer of Rexel Canada Inc. (formerly Westburne Inc.). Mr. Chevrier is Chair of the Board of Directors of Uni-Select Inc. and Executive Chairman of the Board of Rona Inc.

Dominic D'Alessandro
Independent director, complies with the share ownership guideline
Age 67
Toronto, Ontario, Canada
Director since 2010

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√		Global	Financial services	√	Expert	√	√

Member of the Human Resources Committee
Class A subordinate voting shares: 10,000 (*)
Deferred Stock Units: 14,865 (+)
Stock options: 44,234 (‡)

Mr. D'Alessandro, a fellow of the Institute of Chartered Accountants, was President and Chief Executive Officer of Manulife Financial Corporation from 1994 until 2009. During his tenure, Manulife undertook a dramatic expansion of its operations and emerged as one of the world's leading life insurers. In recognition of his achievements, Mr. D'Alessandro was named by his peers Canada's Outstanding CEO for 2002 and was named Canada's Most Respected CEO for 2004. He is an Officer of the Order of Canada. Mr. D'Alessandro is also a director of Suncor Energy Inc.

Paule Doré
Independent director, complies with the share ownership guideline
Age 63
Outremont, Quebec, Canada
Director since 1995

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Member of the Corporate Governance Committee
Class A subordinate voting shares: 99,774 (*)
Deferred Stock Units: 5,098 (+)
Stock options: 27,142 (‡)

Mrs. Doré joined CGI in 1990 as Vice-President Communications and Human Resources, and was Executive Vice-President and Chief Corporate Officer and Secretary until September of 2006 when she assumed the role of Advisor to the Founder and Executive Chairman, a position she held until her retirement in August of 2009. Mrs. Doré is also a director of Cogeco Inc. and Héroux Devtek Inc.

Richard B. Evans
Independent director, complies with the share ownership guideline
Age 67
San Francisco, California, USA
Director since 2009

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√		Global	Multiple vertical markets	√	√	√	√

Member of the Audit and Risk Management Committee
Class A subordinate voting shares: 10,000 (*)
Deferred Stock Units: 16,123 (+)
Stock options: 49,249 (‡)

Prior to his retirement in April 2009, Mr. Evans was Executive Director of London-based Rio Tinto plc and Melbourne-based Rio Tinto Ltd. While with Rio Tinto, he was Chief Executive of Rio Tinto Alcan. Prior to that, he was President and Chief Executive Officer of Alcan Inc. until its acquisition by Rio Tinto in October of 2007. He is now Chairman of the Board of Constellium Inc., and is also a director of Noranda Aluminum Holding Corp. and Tyhee Gold Corp.

Julie Godin
Director related to CGI, complies with the share ownership guideline
Age 39
Verdun (Nun's Island), Quebec, Canada
Director since 2013

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Class A subordinate voting shares: 5,851 (*)
Stock options: 154,810 (‡)

Ms. Godin is CGI's Executive Vice-President, Global Human Resources and Strategic Planning, and is therefore a related director. She has led CGI's global human resources group since 2009 and the Company's strategic planning process since 2011. Ms. Godin oversees the development of enterprise-wide human resources policies, programs and processes and their application across all CGI business units around the world, and is also responsible for CGI's leadership, organizational development and strategic planning initiatives and programs.

Serge Godin
Director related to CGI, complies with the share ownership guideline
Age 65
Westmount, Quebec, Canada
Director since 1976

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Class A subordinate voting shares: 13,124 (*)
Class B shares: 28,577,089 (*)
Stock options: 1,399,005 (‡)
Performance Share Units: 893,187 (§)

As a Co-Founder of CGI, Executive Chairman of the Board and a key member of CGI's senior leadership team, Serge Godin is a related director. Mr. Godin also owns a majority interest in CGI's Class B shares (see *Principal Holders of Class A Subordinate Voting Shares and Class B Shares* earlier in this document). Under Mr. Godin's leadership, CGI has grown to become the fifth largest independent information technology and business process services firm in the world. Mr. Godin is a member of the Order of Canada and the Ordre national du Québec. In 2008, he was inducted into the Canadian Business Hall of Fame, and, in 2011, he received the Conference Board of Canada's Honorary Associate Award, the Board's highest honor. Mr. Godin has been chosen to receive the International Horatio Alger Award in 2015, a prestigious award presented by the Horatio Alger Association of Distinguished Americans to honor individuals who have succeeded in spite of adversity and who encourage young people to pursue their dreams through higher education.

Timothy J. Hearn
Independent director, complies with the share ownership guideline
Age 70
Calgary, Alberta, Canada
New candidate for election as director

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√		Global	Manufacturing, retail and distribution	√	√	√	√

Class A subordinate voting shares: 7,500 (*)

Mr. Hearn is Chairman of the consulting, investment management, and philanthropic organization Hearn & Associates, and was, until March 2008, the Chairman and Chief Executive Officer of Imperial Oil Limited. Mr. Hearn has over 40 years' experience in the oil and gas industry and in the course of his career he held executive leadership positions in Canada and abroad having spent 10 years with Exxon Mobil Corporation heading global businesses while living in the United States, and Asia. He is a past Chairman and an honorary director of the C.D. Howe Institute, and a member of the Joint Public Advisory Committee (JPAC) of the Commission for Environmental Cooperation (CEC). Mr. Hearn is also a director of the Royal Bank of Canada, and ARC Resources Ltd.

André Imbeau
Director related to CGI, complies with the share ownership guideline
Age 65
Beloeil, Quebec, Canada
Director since 1976

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Class A subordinate voting shares: 267,724 (*)
Class B shares: 4,275,659 (*)
Stock options: 117,808 (‡)
Performance Share Units: 7,923 (§)

Mr. Imbeau co-founded CGI in 1976 and was, until July 2006, Executive Vice-President and Chief Financial Officer. He now acts as Founder, Vice-Chairman of the Board and Corporate Secretary, and as Advisor to the Founder and Executive Chairman of the Board, and is therefore a related director. Mr. Imbeau holds an interest in the Company's Class B shares (see the heading *Principal Holders of Class A Subordinate Voting Shares and Class B Shares* earlier in this document). His financial and operational expertise and deep understanding of CGI's operations are important assets to the Company's Board of Directors.

Gilles Labbé

Independent director, complies with the share ownership guideline
Age 58
Montreal, Quebec, Canada
Director since 2010

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Manufacturing and distribution	√	Expert	√	√

Chair of the Audit and Risk Management Committee
Class A subordinate voting shares: 25,000 (*)
Deferred Stock Units: 11,754 (+)
Stock options: 38,012 (‡)

Mr. Labbé is President and Chief Executive Officer, and a director, of Héroux Devtek Inc., a Canadian company specializing in the design, development, manufacture, repair, and overhaul of landing gear systems and components for the Aerospace market. He has held these positions since June 2000. Prior to the acquisition of Devtek in that year, Mr. Labbé was President and Chief Executive Officer and a director of Héroux Inc. since 1989. A Fellow of the Institute of Chartered Accountants, Mr. Labbé is the recipient of numerous business awards and is also a director of the Aerospace Industries Association of Canada, and Aéro Montreal.

Michael E. Roach

Director related to CGI, complies with the share ownership guideline
Age 62
Westmount, Quebec, Canada
Director since 2006

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Class A subordinate voting shares: 884,798 (*)
Stock options: 1,883,380 (‡)
Performance Share Units: 893,187 (§)

As President and Chief Executive Officer of CGI, Michael E. Roach is a related director. Mr. Roach has served as President and CEO since 2006. Prior to this role, he served as President and Chief Operating Officer, a role he assumed in 2002. Mr. Roach joined CGI in 1998 from a major telecommunications company where he held a number of leadership positions and spearheaded the outsourcing of the company's IT operations into CGI. He sits on the boards of directors of the Conference Board of Canada and is also a member of the Canadian Council of Chief Executives. Mr. Roach was recognized as "Most Innovative CEO" for 2014 by *Canadian Business* magazine.

Joakim Westh
Independent director, complies with the share ownership guideline
Age 53
Stockholm, Sweden
Director since 2013

Operational Literacy				Governance Risk and Compliance			
				Financial Literacy			
Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
√	√	Global	Multiple vertical markets	√	√	√	√

Member of the Audit and Risk Management Committee
Stock options: 7,813 (‡)

Mr. Westh is an independent director sitting on the boards of directors of several leading Nordic companies. Until 2009, Mr. Westh was a Senior Vice-President and executive team member at LM Ericsson AB with responsibility for strategy, operational excellence and sourcing. Mr. Westh is well-known as a leading expert in the fields of technology and management, particularly in Scandinavia. He is also a director of Saab Group, Swedish Match AB, and Absolent AB.

(*) Number of shares beneficially owned, or controlled, or directed, directly or indirectly.
(+) For more information concerning DSUs, please refer to the heading *Compensation of Directors* later in this document.
(‡) For more information concerning stock options, please refer to the headings *Share Option Plan* and *Compensation of Directors* later in this document.
(§) For more information concerning PSUs, please refer to the heading *Performance Share Unit Plan* later in this document.

COMMITTEE REPORTS

REPORT OF THE HUMAN RESOURCES COMMITTEE

Executive Compensation Discussion and Analysis

Executive Compensation Policy

CGI's executive compensation policy emphasizes **incentive compensation linked to business success** to ensure that the financial interests of the Company's executives are closely aligned with those of shareholders. CGI measures business success on the basis of profit and growth as well as client and member satisfaction.

CGI's compensation policy is rooted in its fundamental belief that a company with an inspiring dream, uncompromising integrity, a caring human resources philosophy and solid values is better able to attract and respond to the profound aspirations of high-calibre, competent people. These people in turn will deliver high-quality services, in keeping with the Company's profitability objectives. The growth and profitability generated as a result will allow CGI to continue to offer its shareholders value for their investment.

This belief drives the Company's compensation programs, which are designed to attract and retain the key talent CGI needs to remain competitive in a challenging market and achieve continued and profitable growth for shareholders.

In keeping with CGI's compensation policy, the same principles that are used to determine the compensation of the named executive officers (the CEO, the CFO and the three other most highly compensated executive officers of the Company, hereafter referred to as the "Named Executive Officers") are also applied to all management team members, taking into account the results of their respective business units. In the case of CGI's senior executives, there is an added emphasis on closely aligning executives' financial interests with those of shareholders through incentive compensation.

This report outlines the main features of CGI's executive compensation policy and programs.

The Human Resources Committee of the Board of Directors

The Committee reviews management's proposals and makes recommendations to the Board of Directors of the Company in relation to the compensation of certain senior executives, including the entitlements under short and long-term incentive and benefit plans and the corporate objectives that the Founder and Executive Chairman of the Board, the President and Chief Executive Officer and other senior executive officers are responsible for meeting. It is similarly responsible for approving and making recommendations in relation to the compensation of the Company's outside directors and succession plans for senior executive officers.

The Committee is made up of Messrs. Robert Chevrier, Chair of the Committee, Alain Bouchard, Bernard Bourigeaud and Dominic D'Alessandro, all of whom are independent directors. The Committee met four times in fiscal 2014. Mr. Chevrier's role and responsibilities as Chair of the Committee are described later in this document in the report of the Corporate Governance Committee under the heading *Role and Responsibilities of the Lead Director and Standing Committee Chairs*.

Each of the members of the Committee has significant experience in the role of chief executive officer that includes ample experience in matters relating to human resources management and executive compensation. Mr. Chevrier was Chairman and Chief Executive Officer of Rexel Canada Inc. (formerly Westburne Inc.), Mr. Bouchard was President and Chief Executive Officer and is now Founder and Executive Chairman of the Board of Alimentation Couche-Tard Inc., Mr. Bourigeaud was Chairman and Chief Executive Officer of Atos Origin S.A., and Mr. D'Alessandro was President and Chief Executive Officer of Manulife Financial Corporation.

The role and responsibilities of the Committee are contained in the Committee's charter. The Committee's charter forms part of CGI's *Fundamental Texts* and the charter is incorporated by reference in this *Management Proxy Circular* (see the heading *Mandate, Structure and Composition of the CGI Board of Directors* later in this document) and is available on CGI's web site at www.cgi.com.

The role and responsibilities of the Committee include:

(a) Advising the Board of Directors on human resources planning;

(b) Reviewing and advising the Board of Directors on management's succession plans for executive officers, with special emphasis on the Executive Chairman of the Board and Chief Executive Officer succession;

(c) Reviewing and advising the Board of Directors on CGI's compensation philosophy and policies, including the remuneration strategy and remuneration policies for the executive officer level as proposed by the Executive Chairman of the Board and the Chief Executive Officer;

(d) Making recommendations to the Board of Directors for the appointment of the Executive Chairman of the Board, the Chief Executive Officer and other executive officers, and the corporate objectives which the Executive Chairman of the Board and such other executive officers, as the case may be, are responsible for meeting, as well as the assessment of the Executive Chairman of the Board and of the Chief Executive Officer against these objectives;

(e) Monitoring of the Executive Chairman of the Board's performance and providing advice and counsel in the execution of his duties;

(f) Reviewing and advising the Board of Directors on CGI's overall remuneration plan including the adequacy and form of compensation realistically reflecting the responsibilities and risks of the position for the Executive Chairman of the Board and for the Chief Executive Officer of the Company and, in that regard, considering appropriate information, including information from the Board of Directors with respect to the overall performance of the Executive Chairman of the Board and of the Chief Executive Officer;

(g) Reviewing and advising the Board of Directors on the remuneration for executive officers, annual adjustment to executive salaries, and the design and administration of short and long-term incentive plans, stock options, benefits and perquisites as proposed by the Executive Chairman of the Board and the Chief Executive Officer;

(h) Reviewing and advising the Board of Directors on employment and termination arrangements for senior management;

(i) Making recommendations on the adoption of new, or significant modifications to, pay and benefit plans;

(j) Recommending the appointment of new officers as appropriate;

(k) Reviewing and advising the Board of Directors on significant organizational changes;

(l) Reviewing and approving the Committee's executive compensation report to be contained in the Company's annual *Management Proxy Circular*;

(m) Reviewing and advising the Board of Directors on management development programs for the Company;

(n) Reviewing and advising the Board of Directors on special employment contracts or arrangements with officers of the Company, if any, including any contracts relating to change of control; and

(o) Reviewing and advising the Board of Directors on the remuneration for members of the Board of Directors and its committees, including the adequacy and form of compensation realistically reflecting the responsibilities and risks of the positions, and recommending changes where applicable.

The Committee also performs such other duties as are from time to time assigned to it by the Board of Directors.

The Committee reports to the Board of Directors on its proceedings, the reviews it undertakes, and its recommendations.

In executing its mandate, the Committee retains the services of Towers Watson, the Company's external human resources consultant. Towers Watson was first retained to provide consulting services in 1995. Towers Watson's mandate is to:

- Provide the Committee with information on market trends and best practices on executive and director compensation;
- Develop recommendations on the composition of the reference groups of companies used as the basis for determining the compensation of the directors, the Founder and Executive Chairman of the Board, the President and Chief Executive Officer and other senior executive officers of the Company;
- Conduct market research and provide the Committee with data and analysis on compensation practices of reference groups to allow the Company to align its compensation policy with the market as it applies to the directors, the Founder and Executive Chairman of the Board, the President and Chief Executive Officer and other senior executive officers; and

- Review the design of the annual and long-term incentive programs and provide data and analysis on reference groups' practices in this area.

To ensure the quality of services provided to the Committee by its external advisor, as well as the external advisor's independence, the Committee has established the following processes as part of its annual work plan:

- Once a year or as required, each of the external advisors retained by the Committee will provide to the Committee a statement of the services to be provided to the Committee at its request and those to be provided at the request of management for the purpose of enabling the Committee to pre-approve all services to be provided by the external advisor;
- The Committee may request from each external advisor information concerning the advisor's organizational structure and employees who provide services to the Committee so that the Committee may agree with the advisor on measures to address any real or perceived conflicts of interest that may arise from the services provided by the advisor to the Company at the request of management; and
- The Committee reviews the independence policy annually to ensure that it continues to meet the Committee's requirements.

Executive Compensation Related Fees

During the years ended September 30, 2014 and 2013, CGI's external human resources consultant billed the following fees for its services:

Service retained	Fees billed	
	2014	2013
Advice in relation to executive compensation and the compensation of directors[(a)]	$169,671	$115,622
All other fees[(b)]	$451,809	$1,016,323
Total fees billed	**$621,480**	**$1,131,945**

(a) All fees billed by the human resources consultant for the years ended September 30, 2014 and 2013 were related to recurring work for the Committee.
(b) The other fees billed by the human resources consultant for the year ended September 30, 2014 were mainly in relation to global rewards, compensation programs, human resources policies, retirement plans and health and group benefit plans. The other fees billed by the human resources consultant for the year ended September 30, 2013 were mainly in relation to global talent and rewards issues and health and group benefits.

Compensation Policy and Process for the 2014 Fiscal Year

Composition of Reference Groups

To determine appropriate compensation levels, the Named Executive Officers' positions are compared with similar positions within a reference group made up of companies leading their industry. These companies include information technology consulting firms and companies similar to CGI with regard to size, and operational and managerial complexity. The Committee reviews the composition of the reference groups annually.

With 84% of its 2014 revenues generated outside Canada, as well as constant international expansion, CGI must ensure that it offers competitive compensation in the challenging markets in which it operates and recruits high-performing executives. All of the Company's major competitors are based either in the U.S. or Europe and they compete against CGI both in Canada and internationally.

In response to this market reality, the Committee based Named Executive Officers' compensation for the year ended September 30, 2014 on the U.S. market for executives based in Canada and the U.S., on the UK market for the executive based in the U.K., and on the Australian market for the executive based in Australia.

The selection criteria used to determine the composition of the comparator groups are the following:

- Autonomous and publicly-traded companies;
- Large number of professionals;
- Growing companies;
- High-end IT consulting, systems integration, IT outsourcing and business solutions providers;

- International scope;
- Companies for which IT is very strategic; and
- Participation in the data bank for the U.S., the U.K. or other geographies maintained by Towers Watson, the Company's external human resources consultant, as the case may be.

Each company in the following table meets at least one of the foregoing criteria:

U.S. Comparator Group: 16 companies

Accenture plc	Fidelity National Information Services Inc.
Atos SE	Fiserv, Inc.
Automatic Data Processing, Inc.	Indra Sistemas SA
CACI International Inc.	SAIC, Inc.
Cap Gemini SA	SNC-Lavalin Group Inc.
Cognizant Technology Solutions Corporation	Tata Consultancy Services Limited
Computer Sciences Corporation	Unisys Corporation
Experian plc	Xerox Corporation

UK Comparator Group: 14 companies

Accenture plc	Groupe Steria SCA
Agilent Technologies Inc	Hewlett-Packard Company
Atos SE	International Business Machines Corp.
BT Group plc	Indra Sistemas SA
Cap Gemini SA	Tieto OYJ
Cognizant Technology Solutions Corporation	Unisys Corporation
Computer Sciences Corporation	Verizon Communications Inc.

Australian Comparator Group: 6 companies

ASG Group Limited	SMS Management & Technology LTD
DWS Limited	UXC Limited
Oakton Limited	Unidentified[(a)]

(a) For confidentiality reasons, this peer company's name was not disclosed to the Company.

The foregoing comparator groups were used to determine the compensation of the Named Executive Officers for the fiscal year ended September 30, 2014.

Executive Compensation Components

CGI's total executive compensation is made up of five components: base salary, short-term incentive plan, long-term incentive plan, benefits and perquisites. In keeping with the Company's values, **incentive compensation** and **share ownership** are emphasized to ensure that executives' interests are aligned with CGI's profitability and growth objectives, which in turn results in increased value for all shareholders under normal market conditions. CGI's Named Executive Officers do not participate in any defined benefit pension plans.

Component	Description	Alignment with Reference Group
Base salary	Annual base salary based on each executive's responsibilities, competencies and contribution to the Company's success.	Aligned with **median** base salary offered in the reference group, while allowing for compensation above the median to recognize an executive's exceptional and sustained contribution to the Company's success.
Short-term incentive plan	Annual bonus based on the achievement of business objectives in accordance with CGI's Profit Participation Plan (details are provided later in this document).	Aligned with **median** short-term incentives of the reference group, when business objectives are met.
Long-term incentive plan	Grants under the Share Option Plan and awards under the Performance Share Unit Plan based on achievement of business objectives (details are provided later in this document).	Aligned with **median** total compensation of the reference group, or above the median to recognize an executive's exceptional performance, when business objectives are met.
Benefits	Group benefits and employer contributions under the Share Purchase Plan.	Aligned with **median** benefits of the reference group.
Perquisites	Company car and related expenses, tax services, health insurance, and medical exams are the principal perquisites.	Aligned with **median** perquisites of the reference group.
Total compensation		Aligned with the **median** of the reference group while allowing for total compensation above the median to recognize an executive's exceptional performance, when business objectives are met.

The following table shows for each Named Executive Officer the compensation components as a percentage of total compensation, at target levels for the short term and long term incentives, for the year ended September 30, 2014:

Name and title	Base salary	CGI Profit Participation Plan	Long-term incentive	Benefits and perquisites
Serge Godin Founder and Executive Chairman of the Board	11.69%	23.37%	64.46%	0.48%
Michael E. Roach President and Chief Executive Officer	11.56%	23.12%	63.76%	1.56%
R. David Anderson[(a)] Executive Vice-President and Chief Financial Officer	18.44%	18.44%	62.29%	0.83%
Timothy W. Gregory President, United Kingdom	39.58%	23.75%	28.35%	8.32%
Colin Holgate President, Asia Pacific	41.01%	20.50%	33.09%	5.40%

(a) Mr. Anderson retired from his role as Chief Financial Officer on September 30, 2014.

The Founder and Executive Chairman of the Board and the President and Chief Executive Officer may from time to time exercise their discretion to recommend to the Committee and the Board of Directors that incentive compensation under the Profit Participation Plan, and the performance-based vesting of stock options under the *Share Option Plan for Employees, Officers and Directors of CGI Group Inc. and its Subsidiaries* (the "Share Option Plan") and of PSUs under the *Performance Share Unit Plan for the Executive Chairman, the Executive Vice-Chairman, the President and Chief Executive Officer and Other Designated Participants of CGI Group Inc.* (the "PSU Plan"), be adjusted in order to ensure that actual profit participation and vested stock options are equitable and balance the interests of each of the Company's stakeholders based on the overall performance of the Company and exceptional market conditions.

Base Salary

The base salaries paid to Named Executive Officers are reviewed every year based on each executive's scope of responsibilities, competencies and contribution to the Company's success. The objective of CGI's compensation policy for base salaries is to align them with the median base salary in the reference group, while allowing for compensation to rise above the median in recognition of a particular executive's exceptional and sustained contribution to the Company's success. As part of the methodology used for fiscal 2014, Named Executive Officers' positions were compared with generic positions in the compensation databases for the U.S, the U.K. and Australia maintained by Towers Watson, the Company's external human resources consultant. When differences in the level and scope of responsibilities for the comparable generic executive position are observed, the value of the generic position is adjusted to ensure that there is an appropriate basis for comparison.

Profit Participation Plan: Annual Bonus

The Named Executive Officers participate in CGI's Profit Participation Plan, a short-term incentive plan that pays an annual bonus **based on achievement of business objectives** as approved at the beginning of the fiscal year by the Board of Directors on the recommendation of the Committee. The Profit Participation Plan is designed to provide CGI's management and members with an incentive to increase the profitability and growth of the Company.

The Committee makes a recommendation to the Board of Directors in relation to the payment of bonuses to the Named Executive Officers under the Profit Participation Plan based on the Company's achievement of performance objectives.

Individual incentive awards are based on the executive's target bonus under the Profit Participation Plan and the achievement of objectives. The target bonus varies as a percentage of base salary depending on the executive's position. The target bonus is then adjusted in accordance with a **performance factor** that is directly linked to the level of achievement of business objectives set out in the Company's annual plan. Executive bonus targets are reviewed annually to ensure they remain aligned with the Company's compensation policy and continue to be competitive with CGI's applicable reference group.

Performance Factor

The performance factor used to adjust each Named Executive Officer's target bonus is based on two separate measures: profitability and growth. Achievement of profitability and growth objectives determines the performance factor that is applied to calculate the annual bonus. Such adjustment may result in a reduction or an increase in the bonus. In the latter case, the payout may not exceed two times the target award.

The profitability performance factor is based on the degree of achievement of the net earnings margin objective approved by the Board of Directors as part of the Company's annual budget and strategic plan. The growth performance factor is based on the degree of achievement of the year-over-year percentage revenue growth objective also approved by the Board of Directors as part of the Company's annual budget and strategic plan.

We ensure that only factors that are the results of actual management operation activities are taken into account in the application of performance factors for compensation purposes. The performance factors for achievement of results between levels are prorated.

The performance factors for profitability and growth are determined by applying the following formula.

Profitability	
Net earnings margin	**Profitability Performance Factor**
Budgeted margin objectives on a scale of four levels	0
	0.5
	1.0
	1.33

X

Revenue	
Revenue	**Revenue Performance Factor**
Budgeted revenue objectives on a scale of four levels	0
	1.0
	1.25
	1.5

For instance, to determine the payout under the Company's Profit Participation Plan, the following formula is used:

SALARY times **TARGET BONUS** times **PROFITABILITY PERFORMANCE FACTOR** times **REVENUE PERFORMANCE FACTOR**

The effect of the formula for fiscal 2014 was to place importance on meeting both the growth and the profitability objectives. If either of such key minimum thresholds is not met, no bonus is paid under the plan.

In the case of Presidents of Strategic Business Units, half of their target bonus was based on the formula above while the other half was determined based on the performance of the business units for which they are responsible using the same performance measures.

CGI does not disclose specific performance objectives because it considers that the information would place it at a significant competitive disadvantage if the objectives became known. Disclosing the specific performance objectives that are set as part of the Company's annual budget and strategic planning process would expose CGI to serious prejudice and negatively impact its competitive advantage. For example, to the extent that the Company's performance objectives became known, its ability to negotiate accretive business agreements would be significantly impaired, putting incremental pressure on its profit margins. In addition, we believe that disclosing performance objectives would be inconsistent with CGI's policy of not providing guidance to the market and limiting all other forward-looking information.

Achievement of the performance objectives presents a meaningful challenge for the Company's management team since the Company consistently sets ambitious goals as part of its annual budget and strategic planning process. The payouts to the Named Executive Officers for fiscal 2014, 2013, and 2012 of compensation that was subject to performance objectives averaged 62.6% of the target compensation at risk, which clearly indicates the difficulty of achieving the performance objectives.

The table below shows the portion of the total compensation at risk that was paid out to the Named Executive Officers for the 2014 fiscal year.

Name and title	Percentage of total compensation at risk	Percentage payout for fiscal 2014[(a)]
Serge Godin Founder and Executive Chairman of the Board	87.83%	44.80%
Michael E. Roach President and Chief Executive Officer	86.88%	44.80%
R. David Anderson[(b)] Executive Vice-President and Chief Financial Officer	80.73%	47.10%

Name and title	Percentage of total compensation at risk	Percentage payout for fiscal 2014[(a)]
Timothy W. Gregory President, United Kingdom	52.10%	75.73%
Colin Holgate President, Asia Pacific	53.59%	82.24%

(a) This percentage shows the proportion of the Named Executive Officer's compensation at risk that was actually earned, based on the achievement of objectives, including the performance-based vesting of the Company's stock options and, where applicable, PSUs.
(b) Mr. Anderson retired from his role as Chief Financial Officer on September 30, 2014.

The total aggregate compensation paid to the Named Executive Officers as indicated in the *Net Total Compensation Table* and in the *Summary Compensation Table* later in this document, is in keeping with the Company's compensation policy as described earlier in this document and, overall, the net total compensation was below the median of the reference group at approximately 84% of the median target total compensation of the reference group, resulting from the operation of the pay for performance policy.

The Committee is responsible for ensuring that CGI's executive compensation policies do not expose the Company to significant risks such as providing incentives for senior executives to engage in business strategies that could yield compensation for the executive while placing the Company in financial jeopardy.

The Committee considers that the Company's executive compensation policies, particularly those that relate to the portion of compensation for which the achievement of performance measures apply, do not expose the Company to risks that could have a material adverse effect on the Company. The short term and long term incentive performance-based compensation components require that the Company's profitability objectives be met. Business strategies that impair the Company's profitability, whether in the short or long term, will not result in payouts to the executive team. Since the measures are based on generally accepted accounting principles ("GAAP") measures, which in the case of the Company are International Financial Reporting Standards ("IFRS"), the results are subject to the same controls over financial reporting and disclosure controls and procedures that apply to the disclosure of the Company's financial results. These controls include controls and procedures that are designed to protect against, and provide early warning of, fraud and falsification.

All of the Company's senior executives and directors are required to prepare and file reports disclosing their trading activities in the Company's securities, including derivative instruments, and the Company prepares and files the reports on their behalf. The Company therefore monitors all securities transactions by its senior executives and directors and also requires that they pre-clear their transactions with the Company. Although the Company does not have a policy that prevents a senior executive from hedging his or her exposure to a decrease in the value of the Company's shares, in the event that a senior executive or director intended to hedge their exposure, the matter would be brought to the Company's attention.

Long-Term Incentive Plans

CGI's long term incentive plans include the Share Option Plan and the PSU Plan. In line with practices among certain of the Company's peers, the Company's compensation policy is to grant, on a case by case basis, either stock options issued under the Share Option Plan or PSUs awarded under the PSU Plan as the long term incentive component of certain of its senior executives' compensation.

Share Option Plan

CGI's executives participate in the Share Option Plan. Like the Profit Participation Plan and the PSU Plan, the Share Option Plan is designed to ensure that executives' interests are closely aligned with those of all shareholders. The Share Option Plan is designed in accordance with the Company's ownership philosophy.

The Company's practice is to apply performance-based vesting rules for all stock options granted under the Share Option Plan as part of the Company's long-term incentive program. CGI's general grant of stock options is made at the beginning of the fiscal year. The percentage of stock options that become eligible to vest is based on the degree of achievement of profitability and revenue growth objectives. Stock options that do not become eligible to vest are forfeited and cancelled.

Stock options that have become eligible to vest then vest on a time basis as follows: one-quarter when the fiscal year's results are approved, one quarter on the second anniversary of the grant, one-quarter on the third anniversary of the grant, and the final quarter on the fourth anniversary of the grant.

See the heading *Key Features of CGI's Long Term Incentive Plans* later in this document for a summary of the features of the Share Option Plan.

Stock Options Granted in Fiscal 2014

During fiscal 2014, 127,895 stock options were granted to the Named Executive Officers. The number of stock options granted was determined based on the long-term compensation value required to align the Named Executive Officer's total compensation with the Company's compensation policy.

The number of stock options granted is a function of the current year's compensation objectives and, for that reason, previous grants of stock option based awards are not taken into account when considering the annual grant of incentive stock options.

All the stock options granted as part of the long-term incentive plan for fiscal 2014 were granted for a term of ten years and were eligible to vest based on the achievement of profitability and growth objectives for the year ended September 30, 2014. The details of these grants are shown in the table entitled *Stock Options held by Named Executive Officers* which appears in Appendix A.

Based on the degree of achievement of profitability and growth objectives of the Company and the Named Executive Officers' respective Strategic Business Units during fiscal 2014, 80.52% of the stock options granted to two of the Named Executive Officers in respect of the long-term incentive awards for fiscal 2014 became eligible to vest.

Grant Date Fair Value

The grant date fair value for compensation purposes for the fiscal 2014, 2013 and 2012 grants of stock options was determined by applying a Black-Scholes value of $7.35, $4.98 and $5.52 respectively as the grant date fair value for the stock options. The following table sets out the key assumptions and estimates used to determine the stock options' grant date fair values.

Stock Option Valuation Methods for Compensation Purposes			
	Black Scholes Pricing Method		
Assumptions	2014	2013	2012
Grant date fair value ($)	7.35	4.98	5.52
Dividend yield (%)	0.00	0.00	0.00
Expected volatility (%)	23.41	23.67	27.63
Risk-free interest rate (%)	1.50	1.29	1.20
Expected life (years)	4.00	4.00	4.75
Exercise Price ($)	34.95	23.89	19.71

The accounting fair value of the stock options is determined in accordance with IFRS 2 using the Black-Scholes stock option pricing model and therefore complies with the requirements under GAAP.

For the three years ended September 30, 2014, 2013 and 2012 the grant date fair value for executive compensation purposes, the grant date fair value for accounting purposes, and the differences in fair values are shown in the following table:

Fiscal Year	Black-Scholes Value for compensation purposes	Black-Scholes Value for accounting purposes	Difference
2014	$7.35	$7.98	$0.63
2013	$4.98	$4.98	$0.00
2012	$5.52	$4.67	$0.85

The fair value of the stock option grants presented in the *Summary Compensation Table* later in this document was based on the fair value estimated immediately prior to the grant date using the Black-Scholes option pricing model. The difference between the values for compensation and accounting purposes results from the calculation of the fair value in accordance with GAAP which uses a weighted average exercise price, as well as adjustments to the expected life assumption made subsequent to the grant date for accounting purposes, whereas the fair value for compensation purposes is a one-time measurement based on assumptions made immediately prior to the grant.

Performance Share Unit Plan

The PSU Plan is designed to ensure that executives' interests are closely aligned with those of all shareholders and is similar in function to the Share Option Plan in that the plan is designed in accordance with the Company's ownership philosophy.

PSUs have performance-based vesting rules that are the same as those that apply to stock options granted under the Share Option Plan. The PSUs are part of the Company's long-term incentive program and serve the same purpose as stock options. CGI's general award of PSUs is made at the beginning of the fiscal year. The percentage of PSUs that become eligible to vest is based on the degree of achievement of the same profitability and revenue growth objectives as for stock options. PSUs that do not become eligible to vest are forfeited and cancelled.

See the heading *Key Features of CGI's Long Term Incentive Plans* later in this document for a summary of the features of the PSU Plan.

Performance Share Units Awarded in Fiscal 2014

During fiscal 2014, 619,888 PSUs were awarded to certain of the Named Executive Officers. The number of PSUs granted was determined based on the long-term compensation value required to align the Named Executive Officer's total compensation with the Company's compensation policy.

All PSUs awarded as part of the long-term incentive plan for 2014 were granted for a term of three years following the calendar year in which they became eligible to vest, and were eligible to vest based on the achievement of profitability and growth objectives for the year ended September 30, 2014. The details of these awards are shown in the *Net Total Compensation Table* and in the *Summary Compensation Table* later in this document.

Based on the degree of achievement of profitability and growth objectives during fiscal 2014, 61.05% of the PSUs awarded to the Named Executive Officers in respect of the long-term incentive awards for fiscal 2014 became eligible to vest.

A table showing all outstanding unvested PSU awards held by the Company's Named Executive Officers as at September 30, 2014 as well as the market value of such unvested PSUs is provided in Appendix A.

Award Date Fair Value

The award date fair value for compensation purposes for the fiscal 2014, 2013, and 2012 awards of PSUs was determined by applying a factor of 0.75 to the award date price of the Class A subordinate voting shares underlying the PSUs. This discount method was suggested by Towers Watson, the Company's external human resources consultant, because in its databanks of companies that make up the Company's comparator groups, such performance discount methods are used when performance vesting conditions are required for the PSU unitholder.

The accounting fair value of the PSUs was determined in accordance with IFRS 2 as the market value of the underlying Class A subordinate voting shares on the award date. The stock-based compensation cost related to PSUs recorded in costs of services, selling and administrative expenses for fiscal 2014, 2013, and 2012 takes into account the actual result of the performance-based vesting and amortizes the resulting net PSU value over the four-year vesting period.

For the three years ended September 30, 2014, 2013 and 2012 the award date fair value for executive compensation purposes, the award date fair value for accounting purposes, and the differences in fair values are shown in the following table:

Fiscal Year	Value for compensation purposes	Value for accounting purposes	Difference
2014	$26.25	$36.15	$9.90
2013	$17.74	$23.65	$5.91
2012	$14.78	$19.71	$4.93

The difference between the value used for compensation purposes disclosed above and that used for accounting purposes results from the fact that for accounting purposes there is no recognition of a performance discount at the date of grant but a recognition of the actual performance vesting condition at the date of the performance vesting.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year[(a)] ($)	Share-based awards – Value vested during the year[(b)] ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Serge Godin	2,429,819	-	-
Michael E. Roach	2,429,819	-	-
R. David Anderson[(c)]	990,810	-	-
Timothy W. Gregory	515,894	-	256,369[(d)]
Colin Holgate	308,863	-	264,855[(e)]

(a) The stock options that vested during the 2014 fiscal year were the performance-based stock options granted in the 2011, 2012, and 2013 fiscal years that became eligible to vest and for which the exercise prices were $15.49, $19.71, and $23.65 respectively. One-quarter of the stock options granted for fiscal 2011, and one-quarter of the stock options granted for fiscal 2012 vested on October 1, 2013 when the closing price of the shares was $36.55 and one-quarter of the stock options granted for fiscal 2013 vested on November 13, 2013 when the closing price of the shares was $37.62.

(b) The share-based awards for fiscal 2014 are PSUs. 61.05%, 95.3%, and 35.6% of the PSUs granted for the 2014, 2013 and 2012 fiscal years respectively became eligible to vest. The participants who are Named Executive Officers elected to defer the acquisition of their PSUs in accordance with the PSU Plan.

(c) Mr. Anderson retired from his role as Chief Financial Officer on September 30, 2014.

(d) Mr. Gregory is paid in British pounds sterling. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the Company's annual audited consolidated financial statements which was CAD$1.7953, CAD$1.5846, and CAD$1.5878, for each British pound in 2014, 2013 and 2012 respectively. Please refer to the disclosure concerning the foreign exchange rates used for financial reporting purposes on page 15 of the *Management's Discussion and Analysis* for the fiscal year ended September 30, 2014 under the heading *Foreign Exchange*.

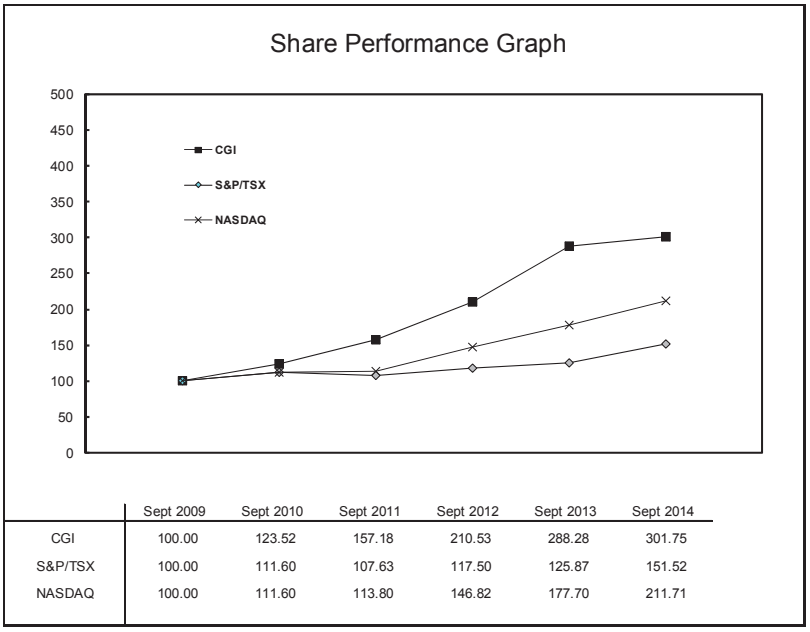
(e) Mr. Holgate is paid in Australian dollars. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the Company's annual audited consolidated financial statements which was CAD$0.9971, CAD$1.0105, and CAD$1.0368, for each Australian dollar in 2014, 2013 and 2012 respectively. Please refer to the disclosure concerning the foreign exchange rates used for financial reporting purposes on page 15 of the *Management's Discussion and Analysis* for the fiscal year ended September 30, 2014 under the heading *Foreign Exchange*.

Compensation Awarded to the Named Executive Officers in Fiscal 2014

The compensation paid to the Named Executive Officers for the fiscal year ended September 30, 2014 was determined according to the Company's executive compensation policy described earlier in this document that applies to all executives. All compensation was paid in accordance with the policy.

Performance Graph

The following graph compares the annual variations in the total cumulative return on CGI's Class A subordinate voting shares with the total cumulative return of the S&P/TSX and NASDAQ stock indexes for the past five fiscal years of the Company.



	Sept 2009	Sept 2010	Sept 2011	Sept 2012	Sept 2013	Sept 2014
CGI	100.00	123.52	157.18	210.53	288.28	301.75
S&P/TSX	100.00	111.60	107.63	117.50	125.87	151.52
NASDAQ	100.00	111.60	113.80	146.82	177.70	211.71

Value of $100 invested on September 30, 2009

CGI's approach to compensation, as discussed earlier in this document under the heading *Executive Compensation Policy*, is designed to promote long-term growth and profitability, with a strong focus on share ownership and profit-sharing. CGI's management team, including the Named Executive Officers, are compensated on the basis of metrics that the Company considers to be fundamental, namely the Company's growth and profitability, rather than on the basis of factors tied to the performance of the Company's shares in the market.

For the two-year period ended on September 30, 2011, the compensation paid to the CEO and CFO increased, reflecting CGI's need to adjust compensation levels for the Company's Named Executive Officers to reflect global markets in order to ensure CGI's ability to attract and retain the highly qualified staff it needs to compete effectively. For fiscal 2012, the total compensation paid to the CEO and CFO year over year declined by approximately 50% reflecting the operation of CGI's compensation policy based on financial performance. For fiscal 2013, the increase in compensation to the Named Executive Officers resulted from an increase in base salaries commensurate with the increased scope of responsibilities and accountabilities as the size of the Company more than doubled as a result of the acquisition of *Logica plc*, as well as payouts under the short term and long term incentive programs that are based on the degree of achievement of performance objectives. For fiscal 2014, the reduction in total compensation for the Founder and Executive Chairman, the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer reflects the operation of the pay-for-performance aspect of the Company's executive compensation policy with an average incentive-based compensation payout of approximately 46% of the compensation at risk. The payout for the remaining two Named Executive Officers averaged approximately 79% of the compensation at risk which reflects the performance of the respective Strategic Business Units they lead.

Since 1986, the year the Company became publicly listed, the price of CGI's Class A subordinate voting shares increased on average by approximately 18% per year. Over the five-year period ended on September 30, 2014, the price of the Company's shares increased by more than 300%. The percentage increase in the share price is extremely significant when compared to the evolution of the total compensation of the Executive Chairman, CEO, and CFO over the same period.

As mentioned earlier in this document, the compensation awarded to the Named Executive Officers is well in line with the Company's compensation policy. The resulting net aggregate compensation paid to the Named Executive Officers for fiscal 2014 is below the median of the reference group at approximately 84% of the median target total compensation of the reference group, resulting from the operation of the pay-for-performance policy.

Compensation of Named Executive Officers

The *Net Total Compensation Table* and the *Summary Compensation Table* that follow show detailed information on actual net total compensation, and total compensation for regulatory purposes, respectively, for Serge Godin, *Founder and Executive Chairman of the Board*, Michael E. Roach, *President and Chief Executive Officer*, R. David Anderson, *Executive Vice-President and Chief Financial Officer*, who retired from his role as Chief Financial Officer on September 30, 2014, as well as for the two other Named Executive Officers for services rendered during the fiscal years ended September 30, 2014, 2013, and 2012.

The regulatory requirements that determine the content of the *Summary Compensation Table* can result in a substantial overstatement of the compensation awarded to CGI's Named Executive Officers. The overstatement arises because the regulation requires that for stock options and share based compensation amounts, the amount of compensation shown must be the grant date fair value. In the case of CGI's compensation policies, all long term incentive compensation, including all stock option awards and share based compensation awards, is performance-based. To the extent that stock options and PSUs awarded for the fiscal year in question fail to become eligible to vest as a result of the degree of achievement of performance objectives, the stock options and PSUs are forfeited and cancelled.

The following table shows the amount by which the combined value of the stock option grant and of the PSU award must be reduced to reflect the net compensation amount attributable to the long-term incentive component of compensation disclosed in the *Summary Compensation Table* later in this document. The table is necessary to communicate the true, actual total compensation earned by each of the Named Executive Officers.

Net Total Compensation Table

Name and Principal Position as at September 30, 2014	Year	Summary Compensation Table Total compensation ($)	Performance-based vesting reduction[(a)] ($)	Net total compensation ($)
Serge Godin Founder and Executive Chairman of the Board	2014	8,524,359	(2,793,103)	5,731,256
	2013	8,818,066	(264,575)	8,553,491
	2012	4,760,013	(2,069,121)	2,690,892
Michael E. Roach President and Chief Executive Officer	2014	8,645,303	(2,793,103)	5,852,200
	2013	8,937,585	(264,575)	8,373,010
	2012	5,762,246	(2,951,178)	2,811,068
R. David Anderson[(b)] Executive Vice- President and Chief Financial Officer	2014	3,228,734	(960,514)	2,268,220
	2013	4,231,824	(101,799)	4,130,025
	2012	2,317,488	(1,066,232)	1,251,256
Timothy W. Gregory President, United Kingdom	2014	1,432,270	(85,152)	1,347,118
	2013	1,470,692	(5,788)	1,464,904
	2012	774,329	(238,022)	536,307
Colin Holgate President, Asia Pacific	2014	1,472,953	(97,932)	1,375,021
	2013	1,509,339	(4,536)	1,504,803
	2012	174,607	-	174,607

(a) The vesting eligibility conditions for the stock options granted and PSUs awarded as part of the long-term incentive for the fiscal year ended September 30, 2014 were based solely on the Company's performance. On the basis of the degree of achievement of profitability and growth objectives, 61.05% of the PSUs and stock options became eligible to vest. In the case of Messrs. Gregory and Holgate, the performance-based vesting of their stock options also depended on the performance results at the Strategic Business Unit level, resulting in 80.52% of their stock options becoming eligible to vest. Stock options and PSUs that did not become eligible to vest based on such performance were forfeited and cancelled. The reduction amount shown is the dollar value required to be deducted from the fair value of the grants and awards to reflect accurately the net value of the stock option grant and PSU award for the Named Executive Officer as part of his total compensation for the 2014 fiscal year.

(b) Mr. Anderson retired from his role as Chief Financial Officer on September 30, 2014.

The following table shows the compensation paid to the Company's Named Executive Officers for regulatory purposes.

As noted above, securities regulations require that for stock options and share based compensation amounts, the amount of compensation to be disclosed must be the grant date fair value. In the case of CGI's compensation policies, all long term incentive compensation, including all stock option awards and share based compensation awards are performance-based. A number of stock options and PSUs awarded to Named Executive Officers do not become eligible to vest as a result of the degree of achievement of performance objectives, and those stock options and PSUs are then forfeited and cancelled. To that extent the total compensation amount shown in this table overstates the true total compensation received by the Company's Named Executive Officers.

Summary Compensation Table

Name and Principal Position as at September 30, 2014	Year	Salary ($)	Share-based awards[(a)] ($)	Option-based awards[(b)] ($)	Non-equity incentive plan compensation Annual incentive plans ($)	Pension value ($)	All other compensation[(c)] ($)	Total compensation ($)
Serge Godin Founder and Executive Chairman of the Board	2014	1,300,000	7,170,443	-	-	-	53,916	8,524,359
	2013	1,250,000	5,925,372	-	1,585,132	-	57,562	8,818,066
	2012	995,900	3,700,518	-	-	-	46,688	4,760,013
Michael E. Roach President and Chief Executive Officer	2014	1,300,000	7,170,443	-	-	-	174,859[(d)]	8,645,303
	2013	1,250,000	5,925,372	-	1,585,132	-	177,081[(d)]	8,937,585
	2012	1,005,806	4,582,575	-	-	-	173,865[(d)]	5,762,246
R. David Anderson[(e)] Executive Vice-President and Chief Financial Officer	2014	730,000	2,465,828	-	-	-	32,907	3,228,734
	2013	720,000	2,444,281	-	1,032,518	-	35,025	4,231,824
	2012	600,836	1,655,640	-	-	-	36,733	2,317,488
Timothy W. Gregory[(f)] President, United Kingdom	2014	610,402	-	437,207	256,369	-	128,292	1,432,270
	2013	530,841	-	494,180	358,993	-	86,678	1,470,692
	2012	396,950	-	331,199	-	-	46,180	774,329
Colin Holgate[(g)] President, Asia Pacific	2014	623,188	-	502,821	264,855	-	82,090	1,472,953
	2013	572,448	-	440,522	434,825	-	61,543	1,509,339
	2012	155,795	-	-	-	-	18,812	174,607

(a) The award date fair value used for determining the number of PSUs awarded to Named Executive Officers as a component of their total compensation was determined using the pricing model suggested by Towers Watson that yielded grant date fair values of $26.25 for fiscal 2014, $17.74 for fiscal 2013, and $14.78 for fiscal 2012. The fair value of the PSUs for accounting purposes was the market value of the Class A subordinate voting shares on the award date resulting in an award date fair value for accounting purposes of $36.15 for fiscal 2014, $23.65 for fiscal 2013 and $19.71 for fiscal 2012. Please refer to the heading *Award Date Fair Value* earlier in this document for an explanation of the differences between fair values, and the reasons behind the choice of valuation methods. The PSUs awarded to the Named Executive Officers include the PSUs awarded as part of the long term incentive grant, and the PSUs awarded as part of the special incentive grant for the integration of *Logica plc*. Please refer to the heading *Stock Options Granted in Fiscal 2014* earlier in this document.

(b) The grant date fair value used for determining the number of stock options issued to Named Executive Officers as a component of their total compensation was determined using the Black-Scholes stock option pricing model that yielded a grant date fair value of $7.35 for fiscal 2014, $4.98 for 2013, and $5.52 for 2012. The fair value of the stock options for accounting purposes was determined using the Black-Scholes stock option pricing model that yielded a grant date fair value of $7.98, $4.98, and $4.67, in fiscal 2014, 2013 and 2012 respectively. Please refer to the heading *Grant Date Fair Value* earlier in this document for an explanation of the difference between fair values, and the reasons behind the choice of valuation models.

(c) This amount includes the Company's contribution under the CGI Share Purchase Plan, the contribution towards health insurance benefits and related insurance coverage, but, except as shown in note (d), excludes the value of perquisites and other personal benefits which in the aggregate is less than $50,000 or 10% of the aggregate salary and bonus under the Profit Participation Plan for the particular fiscal year which is therefore not required to be disclosed.

(d) These amounts include the Company's contribution under the CGI Share Purchase Plan, the contribution towards health insurance benefits and related insurance coverage, as well as perquisites totalling $116,385.78 of which the only component in excess of 25% of the total amount was an amount of $72,000 paid in each year towards housing costs for Mr. Roach.

(e) Mr. Anderson retired from his role as Chief Financial Officer on September 30, 2014

(f) Mr. Gregory is paid in British pounds sterling. The amounts shown (other than those for stock option-based compensation) are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the Company's annual audited consolidated financial statements which was CAD$1.7953, CAD$1.5846, and CAD$1.5878, for each British pound in fiscal 2014, 2013 and 2012 respectively. Please refer to the disclosure concerning the foreign exchange rates used for financial reporting purposes on page 15 of the *Management's Discussion and Analysis* for the fiscal year ended September 30, 2014 under the heading *Foreign Exchange*.

(g) Amounts earned by Mr. Holgate from *Logica plc* and its affiliates prior to the acquisition by the Company are excluded. Mr. Holgate is paid in Australian dollars. The amounts shown are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the Company's annual audited consolidated financial statements which was CAD$0.9971, CAD$1.0105, and CAD$1.0368, for each Australian dollar in fiscal 2014, 2013 and 2012 respectively. Please refer to the disclosure concerning the foreign exchange rates used for financial reporting purposes on page 15 of the *Management's Discussion and Analysis* for the fiscal year ended September 30, 2014 under the heading *Foreign Exchange*.

Termination Benefits

The entitlement of the Named Executive Officers in the case of termination of employment is the same as that which applies to all members under the laws of the jurisdiction that applies to their employment. The provisions that apply to termination of employment under the Share Option Plan and under the Performance Share Unit Plan apply in the same way to all participants under those plans and they described below under the headings *Share Option Plan* and *Performance Share Unit Plan*.

Key Features of CGI's Long Term Incentive Plans

Share Option Plan

The Share Option Plan is governed by the Board of Directors. The Committee makes recommendations to the Board of Directors in relation to the Share Option Plan and to grants of stock options, and is responsible for overseeing its administration. The Board of Directors has the ultimate and sole power and authority to grant stock options under the Share Option Plan and to interpret the terms and conditions of stock options that have been granted. The Board of Directors grants stock options by identifying the members, directors, and officers who are to receive stock options, including the number of stock options, the subscription price, the stock option period and the vesting conditions. The determinations, designations, decisions and interpretations of the Board of Directors are binding and final. Management of the Company looks after the day to day administration of the Share Option Plan.

The total number of Class A subordinate voting shares authorized to be issued under the Share Option Plan is 53,600,000 representing, as at December 12, 2014, 17.09% of the currently issued and outstanding Class A subordinate voting shares and Class B shares. The maximum number of stock options that may be issued in the aggregate to any single individual under the Share Option Plan cannot exceed five percent of the total number of Class A subordinate voting shares and Class B shares issued and outstanding at the time of the grant. The number of Class A subordinate voting shares issuable to insiders in aggregate, at any time, pursuant to the Share Option Plan and any other securities-based compensation arrangement cannot exceed 10% of the Class A subordinate voting shares and Class B shares issued and outstanding. The number of Class A subordinate voting shares issued to insiders within any one-year period pursuant to the Share Option Plan and any other securities-based compensation arrangement cannot exceed 10% of the Class A subordinate voting shares and Class B shares issued and outstanding. As at December 12, 2014, stock options for an aggregate of 19,600,259 Class A subordinate voting shares are outstanding pursuant to the Share Option Plan, representing 6.25% of the currently issued and outstanding Class A subordinate voting shares and Class B shares.

Under the Share Option Plan, the Board of Directors may at any time amend, suspend or terminate the Share Option Plan, in whole or in part, subject to obtaining any required approval from the *Toronto Stock Exchange*, the Company's shareholders or other regulatory authorities. More detailed information on the rules for amending the Share Option Plan is provided later in this document under the heading *Amending Formula*. Stock options may not be assigned, pledged or otherwise encumbered with the exception of bequests made in wills or otherwise in accordance with the laws relating to successions.

Under the Share Option Plan, the Board of Directors, on the recommendation of the Committee, may grant to eligible participants stock options to purchase Class A subordinate voting shares. The exercise price of the stock options granted is determined by the Board of Directors and cannot be lower than the closing price for Class A subordinate voting shares on the *Toronto Stock Exchange* on the trading day immediately preceding the day on which the stock option is granted. The Board of Directors also determines the applicable stock option period and vesting rules.

Employees, officers, and directors of the Company may receive stock options under the Share Option Plan. The Board of Directors, on the recommendation of the Committee, has determined that stock options will no longer be granted to outside directors beginning with the 2016 fiscal year.

Stock options that have been granted under the Share Option Plan cease to be exercisable upon the expiry of the term which cannot exceed ten years from the date of the grant.

Upon resignation or termination, stock options that have not vested are forfeited, and vested stock options must be exercised during a 90 day period.

Employees who retire, directors who leave the Board of Directors, and the estates of deceased stock option holders benefit from the automatic vesting of stock options that have become eligible to vest in accordance with performance-based vesting rules, but that have yet to vest due to time-based vesting. Those stock options must be exercised within 90 days in the case of retirement or 180 days if the stock option holder dies, subject to the extension of the exercise periods explained in more detail below. The Board of Directors, on the recommendation of the Committee, has the discretion to vary these periods and to accelerate the vesting period, provided that the maximum term for any stock option is ten years from the time it is granted.

The Company does not currently provide any financial assistance to participants under the Share Option Plan.

Extension of Exercise Periods

Blackout Periods

In keeping with CGI's *Policy on Insider Trading and Blackout Periods*, stock options must not be exercised by reporting insiders when a trading blackout period is in effect.

The policy is designed to ensure that reporting insiders and CGI members who have access to undisclosed material information regarding CGI comply with insider trading laws. Under the policy, those who normally have access to undisclosed material information may only trade in CGI securities within the period beginning on the third business day following the release of CGI's quarterly financial results and fiscal year-end results and ending at the close of business on the fourteenth calendar day preceding the end of the following fiscal quarter.

Blackout periods may also be prescribed from time to time as a result of special circumstances relating to the Company when insiders should be precluded from trading in its securities.

If the date on which a stock option expires occurs during a blackout period or within ten business days after the last day of a blackout period, the date of expiry of the stock option will be the tenth business day following the termination of the blackout period.

Extensions for Length of Service

Retiring members, directors and officers, as well as the estates of deceased stock option holders earn one day of extension for every three days of service to the Company, up to a maximum extension period of three years. The extension period is earned pro-rata day by day during the stock option holder's service to the Company. The extension period for length of service cannot extend the life of a stock option beyond the period of time determined by the Board of Directors as the stock option term which may not exceed ten years from the date of grant.

Amending Formula

The Board of Directors, on the recommendation of the Committee, may amend, suspend or terminate the Share Option Plan, or amend any term of an issued and outstanding stock option provided that no amendment, suspension or termination may be made without:

- obtaining approval of the shareholders of the Company, except when approval is not required under the terms of the plan, as explained in more detail below;
- obtaining any required approval of any applicable regulatory authority or stock exchange; and
- in the case of issued and outstanding stock options, obtaining the consent or, subject to regulatory approval, the deemed consent of the concerned optionee in the event that the amendment materially prejudices the optionee's rights.

Shareholder approval is not required with respect to the following amendments, in as much as the amendment is in accordance with applicable regulatory requirements:

- changing the eligibility for, and limitations on, participation in the Share Option Plan;
- modifying the periods during which stock options may be exercised, subject to (i) the stock option period terminating on or before the tenth anniversary of the date of the grant of the stock option and subject to the effect of blackout periods, and (ii) a maximum stock option exercise period extension of three years;
- changing the terms on which stock options may be granted and exercised including, without limitation, the provisions relating to the price at which shares may be purchased under the plan to the extent that the subscription price is not reduced, vesting, expiry, assignment and the adjustments to be made in the event of certain changes such as stock splits that affect all shareholders;
- making amendments that are necessary to comply with applicable law or the requirements of any applicable regulatory authority or stock exchange;
- correcting or rectifying any ambiguity, defective provision, error or omission in the Share Option Plan; and
- changing the provisions of the Share Option Plan that relate to its administration.

Finally, any amendment that would reduce the subscription price of an issued and outstanding stock option, lead to a significant or unreasonable dilution of the outstanding shares, extend the expiry date of stock options held by insiders beyond the exercise periods contemplated under the Share Option Plan, or provide additional material benefits to insiders of the Company automatically requires shareholder approval.

If the amendment that reduces the subscription price of any outstanding stock option held by an insider or extends the expiry date of stock options held by an insider beyond the exercise periods contemplated under the Share Option Plan, the approval of the shareholders of the Company, other than the relevant insiders, must be obtained.

Amendments to the Share Option Plan Adopted in 2014

Amendments to the Share Option Plan were approved by the Board of Directors on November 12, 2014.

The amendments related to:

- clarifying that options issued under the Share Option Plan cannot be re-priced without requiring shareholder approval;
- removing the possibility of granting stock options to consultants;
- removing the possibility of granting shares to employees, officers and directors of entities which do not qualify as “related entities” under applicable Canadian securities legislation;
- clarifying the sections dealing with the extension periods for the benefit of retirees, estates, and departing directors (without extending or modifying their rights);
- aligning administration provisions with current practices; and
- other minor clarifications.

Shareholder approval was not required for these amendments in accordance with the amending provisions of the Share Option Plan and applicable stock exchange rules.

Equity Compensation Plan Information as of September 30, 2014

The following table shows the total number of shares to be issued upon the exercise of outstanding stock options under all of CGI's equity-based compensation plans, their weighted average exercise price, and the number of shares available for future issuance.

Plan Category	Number of Class A subordinate voting shares to be issued upon the exercise of outstanding stock options (#)	Weighted-average exercise price of outstanding stock options ($)	Number of Class A subordinate voting shares remaining available for future issuance under equity compensation plans (excluding shares issuable under outstanding stock options) (#)
Equity compensation plans approved by securityholders	19,662,939	22.86	21,448,273
Equity compensation plans not approved by securityholders			
Total	19,662,939	22.86	21,448,273

Performance Share Unit Plan

The PSU Plan is governed by the Board of Directors and the Committee makes recommendations to the Board of Directors in relation to the PSU Plan and to awards of PSUs. The Board of Directors has the ultimate and sole power and authority to award PSUs under the PSU Plan and to interpret the terms and conditions of PSUs that have been awarded. The Committee is responsible for the administration of the PSU Plan, and management looks after its day to day implementation.

Under the PSU Plan, the Board of Directors may at any time amend, suspend or terminate the PSU Plan, in whole or in part. PSUs may not be assigned, pledged or otherwise encumbered with the exception of bequests made in wills, or otherwise in accordance with the laws relating to successions.

Under the PSU Plan, the Board of Directors, on the recommendation of the Committee, may award PSUs to executives and to other participants that it determines are eligible. Each PSU entitles the participant to receive one Class A subordinate voting share, subject to the degree of achievement of the profitability and revenue growth objectives set by the Board of Directors as part of the Company's annual budget and strategic planning process. The number of PSUs awarded is determined based on the dollar amount of long-term compensation required to align the participant's total compensation with the Company's compensation policy, and takes into account stock options granted under the Share Option Plan.

Within 90 days after an award of PSUs, the plan trustee purchases in the open market the shares required to be delivered to the participants on settlement. The plan trustee holds the shares in trust for the purposes of the PSU Plan.

On each settlement entitlement date, the PSU Plan participants receive from the plan trustee a number of Class A subordinate voting shares equal to the number of PSUs that have vested. Participants may elect to defer the settlement of PSUs to a later date not later than the expiry date of the PSUs.

Upon resignation or termination, PSUs that have not become eligible to vest are forfeited, and PSUs that have become eligible to vest are settled on the date of resignation or termination, as the case may be.

Participants who retire and the estates of deceased participants benefit from the automatic vesting of PSUs that have become eligible to vest in accordance with performance-based vesting rules, but that have yet to vest due to time-based vesting. Those PSUs are settled on the date of retirement or death, as the case may be and the plan trustee remits the Class A subordinate voting shares as soon as practicable thereafter.

PSUs expire on the business day preceding December 31 of the third calendar year following the end of the fiscal year during which the PSU award is made. On the expiry date, all remaining PSUs in the participant's account that are eligible to vest but that have not yet vested are automatically vested and settled.

The Company does not provide any financial assistance to participants under the PSU Plan.

COMPENSATION OF DIRECTORS

Board of Directors and Standing Committee Fees

Ms. Julie Godin and Messrs. Serge Godin, André Imbeau and Michael E. Roach are not compensated for their roles as directors of the Company.

The compensation paid to outside directors for the year ended September 30, 2014 was adjusted by increasing the Board retainer from $90,000 to $100,000 with the amount of the increase to be paid in DSUs. In addition, the annual retainer for the Chairs of the Audit and Risk Management Committee and Human Resources Committee increased to $15,000. The resulting elements of directors' compensation are set out in the following table:

Component	Amount
Board retainer	$100,000
Lead Director retainer	$15,000
Committee annual retainer	
Members	$2,000
Audit and Risk Management Committee Chair	$15,000
Human Resources Committee Chair	$15,000
Governance Committee Chair	$10,000
Per-meeting fees	
Board of Directors	$1,500
Audit and Risk Management Committee	$2,500
Human Resources Committee	$2,500
Corporate Governance Committee	$2,500

The first $50,000 in retainer fees is paid as a rule in DSUs and beginning in January 2015, directors will be able to elect to receive all or a portion of their per-meeting fees in DSUs as well. However, a director may elect to receive the equivalent of his or her mandatory portion in cash instead of in DSUs if i) the director is not a resident of Canada for income tax purposes, or ii) the director purchases in the open market the same number of Class A subordinate voting shares he or she would have received in the form of DSUs, or iii) the director is otherwise exempted by the Board of Directors.

Directors who must travel long distances to attend meetings of the Board of Directors and standing committees also receive long distance travel allowances.

For the year ended September 30, 2014, the compensation paid to the directors was as follows:

Directors' Compensation Table

Name	Fees earned ($)	Share-based awards[(a)] ($)	Option-based awards[(b)(c)] ($)	All other compensation[(d)] ($)	Total ($)
Alain Bouchard	121,000	102,000	69,377	-	190,377
Bernard Bourigeaud[(e)]	132,532	83,798	51,413	21,898	205,843
Jean Brassard	125,000	102,000	69,186	-	194,186
Robert Chevrier	135,500	115,000	74,110	-	209,610
Dominic D'Alessandro	122,500	102,000	69,377	-	191,877
Thomas P. d'Aquino	148,000	125,000	78,601	-	226,601
Paule Doré	125,000	50,000	48,510	-	173,510
Richard B. Evans[(e)]	136,897	109,490	71,442	16,431	224,770
Julie Godin	-	-	257,250	382,712	639,962
Serge Godin	Mr. Godin's compensation is set out in the *Net Total Compensation Table* and in the *Summary Compensation Table* earlier in this document				
André Imbeau	-	-	29,400	317,762	347,162
Gilles Labbé	133,250	115,000	74,345	-	207,595
Michael E. Roach	Mr. Roach's compensation is set out in the *Net Total Compensation Table* and in the *Summary Compensation Table* earlier in this document				
Joakim Westh[(e)]	132,524	-	29,400	87,592	249,516

(a) The column shows the dollar value of DSUs issued to the director. The DSUs paid are in lieu of a portion of the fees earned by the director shown in the fees column based on the director's decision to receive a percentage of his or her retainer fees in DSUs instead of cash. The DSU value is therefore already included in the fee remuneration shown in the fee column and is not in addition to that remuneration.

(b) 4,000 performance-based stock options are granted to the outside directors annually. The remaining stock options are issued in proportion to the DSUs that the director chooses to receive. See the heading *Stock Options and Deferred Stock Units Granted to Directors* below. All such stock options are valued for the purpose of the Directors' Compensation Table using the same Black-Scholes stock option pricing model as used for Named Executive Officers in the *Summary Compensation Table* earlier in this document. The fair value of the stock options for accounting purposes was determined using the Black-Scholes stock option pricing model that yielded a grant date fair value of $7.35 for 2014. Please refer to the heading *Grant Date Fair Value* earlier in this document.

(c) 61.05% of the 4,000 annual performance-based stock option grant became eligible to vest in the 2014 fiscal year. Stock options that did not become eligible to vest based on such performance were forfeited and cancelled. A proportionate reduction amount of $11,451 is required to be deducted from the grant date fair value for the annual grant of 4,000 stock options to reflect accurately the net value of the stock option grant for the director as part of his or her total compensation for the 2014 fiscal year. See the heading *Stock Options Granted in Fiscal 2014* earlier in this document.

(d) Messrs. Bourigeaud, Evans and Westh are paid in U.S. dollars at par, based on the same fee arrangement as other outside directors. The amounts shown (other than those for option-based compensation) are in Canadian dollars converted on the basis of the average exchange rate used to present expense information in the Company's annual audited consolidated financial statements which was CAD$1.0833 for each U.S. dollar for 2014. Please refer to the disclosure concerning the foreign exchange rates used for financial reporting purposes on page 15 of the *Management's Discussion and Analysis* for the fiscal year ended September 30, 2014 under the heading *Foreign Exchange*.

(e) The amounts shown as "All other compensation" for Messrs. Bourigeaud, Evans and Westh are in respect of long distance travel allowances, and for Ms. Godin and Mr. Imbeau are amounts received as remuneration in respect of their service as an executive and an officer of the Company, respectively.

Stock Options and Deferred Stock Units Granted to Directors

Up until the 2015 fiscal year members who join the Board of Directors for the first time are entitled to a grant of 4,000 stock options on the date of their election or appointment. In addition, members of the Board of Directors receive annually a grant of 4,000 stock options. These stock options are granted to directors under the Share Option Plan.

For the fiscal year ended September 30, 2014, members of the Board of Directors were entitled to choose to receive part or all of their retainer fees in DSUs. Effective as of January 2015, directors will be entitled to receive their per-meeting fees in DSUs as well. The number of DSUs credited to a director on each fee payment date is equal to the amount of the retainer due to be paid in DSUs divided by the closing price of CGI's Class A subordinate voting shares on the *Toronto Stock Exchange* on the day immediately preceding the retainer payment date. Once credited, the value at any time of the number of DSUs credited to a director's DSU account is determined based on the market price of CGI's Class A subordinate voting shares.

Directors are required to receive the first $50,000 of the annual retainer entirely in DSUs. However, a director may elect to receive the equivalent of his or her mandatory portion in cash instead of in DSUs if i) the director is not a resident of Canada for income tax purposes or ii) the director purchases in the open market the same number of CGI Class A subordinate voting shares he or she would have received in the form of DSUs, or iii) the director is otherwise exempted by the Board of Directors.

The value of DSUs credited to the director's account is payable only upon the director ceasing to be a member of the Board of Directors. The amount paid at the time of redemption corresponds to the number of DSUs accumulated by the member multiplied by the closing price of the Class A subordinate voting shares on the payment date selected by the director. Directors may select a redemption date for the DSUs subsequent to the date on which they cease to be members of the Board of Directors, but such date cannot be later than December 15 of the calendar year following the year in which they leave the Board of Directors. The amount is paid in cash and is subject to applicable withholding taxes.

For each DSU credited in lieu of cash fees, the director receives two stock options under the Share Option Plan. Each stock option is issued with a ten-year exercise period and vests at the time of grant. The exercise price is equal to the closing price of CGI's Class A subordinate voting shares on the *Toronto Stock Exchange* on the trading day immediately preceding the date of the grant.

The vesting of the 4,000 stock options granted to the members of the Board of Directors during the year ended September 30, 2014 under the Share Option Plan depended on the degree of achievement of profitability and growth objectives. The performance targets required to be met in order for the stock options to vest were the same as those set for the Named Executive Officers, but without taking into account the performance of the Strategic Business Units. Based on the degree of achievement of profitability and growth objectives for the fiscal year ended September 30, 2014, 61.05% of the stock options became eligible to vest. One-quarter of the stock options eligible to vest based on the achievement of the objectives vested on November 12, 2014 when the results for the fiscal year ended September 30, 2014 were approved by the Board of Directors, one-quarter will vest on October 1, 2015, one-quarter will vest on October 1, 2016, and the final quarter will vest on October 1, 2017. Stock options that did not become eligible to vest as a result of the vesting conditions were forfeited and cancelled.

The Board of Directors has determined that stock options will no longer be granted to directors beginning with the 2016 fiscal year.

Stock Options Held by Directors

A table showing all outstanding stock options held by the members of the Board of Directors who are not Named Executive Officers as at September 30, 2014 as well as the in-the-money-value of such stock options and the aggregate value of DSUs that are vested but remain unpaid is provided in Appendix B.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year ($)	Share-based awards Value vested during the year[a] ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Alain Bouchard	10,892[b][c]	102,000	-
Bernard Bourigeaud	34,703[b][c]	83,798	-
Jean Brassard	34,624[b][c]	102,000	-
Robert Chevrier	34,755[b][c]	115,000	-
Dominic D'Alessandro	34,624[b][c]	102,000	-
Thomas P. d'Aquino	34,856[b][c]	125,000	-
Paule Doré	34,101[b][c]	50,000	-
Richard B. Evans	34,681[b][c]	109,490	-
Julie Godin	279,859[b][c]	-	85,000
Serge Godin	Mr. Godin's compensation is set out in the *Net Total Compensation Table* and in the *Summary Compensation Table* earlier in this document		
André Imbeau	579,589[b][c]	-	-
Gilles Labbé	34,755[b][c]	115,000	-
Michael E. Roach	Mr. Roach's compensation is set out in the *Net Total Compensation Table* and in the *Summary Compensation Table* earlier in this document		
Joakim Westh	9,864[b]	-	-

(a) The share-based awards are DSUs. See the heading *Stock Options and Deferred Stock Units Granted to Directors* earlier in this document.

(b) The stock options that vested during the 2014 fiscal year were the performance-based stock options granted in the 2011, 2012, and 2013 fiscal years that became eligible to vest and for which the exercise prices were $15.49, $19.71, and $23.65 respectively. One-quarter of the stock options granted for fiscal 2011, and one-quarter of the stock options granted for fiscal 2012 vested on October 1, 2013 when the closing price of the shares was $36.55 and one-quarter of the stock options granted for fiscal 2013 vested on November 13, 2013 when the closing price for the shares was $37.62.

(c) The remaining stock options are stock options that directors received as a result of the receipt of DSUs. See the heading *Stock Options and Deferred Stock Units Granted to Directors* earlier in this document. Those stock options vested at the time of grant. Since the stock option exercise price is equal to the closing price of the shares on the *Toronto Stock Exchange* on the trading day preceding the date of grant, the value at the time of vesting reflects the positive difference, if any, between the closing price of the shares on the grant date and the exercise price.

INDEBTEDNESS OF DIRECTORS AND NAMED EXECUTIVE OFFICERS

As of December 12, 2014, no directors, Named Executive Officers, former directors or former senior officers of the Company were indebted to the Company.

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee of the Board of Directors has responsibility for all corporate governance matters including making recommendations to the Board of Directors in relation to composition of the Board of Directors and its standing committees. The Committee also administers the self-assessment process for the Board, its standing committees and individual directors.

The Committee is composed of Mrs. Paule Doré and Mr. Thomas P. d'Aquino, Lead Director and Chair of the Committee, both of whom are independent directors.

Mr. d'Aquino has decided that he will not seek re-election at the 2015 Annual General Meeting of Shareholders and as a result of that decision, his term as a director, as Chair of the Committee, and as Lead Director, will come to an end at the time of the Meeting. A new Chair of the Committee and a new Lead Director will be appointed by the Board of Directors following the election of directors at the Meeting.

The Committee met five times during fiscal 2014.

The role and responsibilities of the Chair of the Committee are described under the heading *Role and Responsibilities of the Lead Director and Standing Committee Chairs* later in this document.

Corporate Governance Practices

Adherence to high standards of corporate governance is a hallmark of the way CGI conducts its business. The disclosure that follows sets out CGI's corporate governance practices.

CGI's corporate governance practices conform to those followed by U.S. domestic companies under the *New York Stock Exchange* listing standards.

CGI's Shareholders

CGI's shareholders are the first and most important element in the Company's governance structures and processes. At each Annual General Meeting of Shareholders, the Company's shareholders elect the members of the Company's Board of Directors and give them a mandate to manage and oversee the management of the Company's affairs for the coming year. Shareholders have the option of withholding their votes from individual directors, should they wish to do so.

In the normal course of operations, certain corporate actions which may be material to CGI are initiated from time to time by the Company's senior management and, at the appropriate time, are submitted to CGI's Board of Directors for consideration and approval. When appropriate, such matters are also submitted for consideration and approval by CGI's shareholders. All such approvals are sought in accordance with the charters of the Board of Directors and standing committees, CGI's corporate governance practices and applicable corporate and securities legislation. Messrs. Serge Godin and André Imbeau, respectively CGI's *Founder and Executive Chairman of the Board,* and CGI's *Founder, Vice-Chairman of the Board and Corporate Secretary,* are members of the Board of Directors of CGI and, as of December 12, 2014, beneficially owned, directly or indirectly, or exercised control or direction over, shares of CGI representing respectively 46.62% and 7.01% of the votes attached to all of CGI's outstanding voting shares.

Majority Voting Policy

On April 29, 2014 the Board of Directors, on the recommendation of the Committee, adopted a *Majority Voting Policy for Directors* (the "Policy"). The purpose of the Policy is to ensure that the Board of Directors of the Company remains composed of directors elected by a majority of the votes cast in favour of their election.

In an uncontested election of directors of the Company, a nominee for election to the Board of Directors must offer to resign by tendering a resignation letter to the Chairman of the Board of Directors following the shareholders meeting at which the election took place if the number of votes that have been withheld from the director is greater than the number of votes cast in favour of the director. The Committee will meet promptly following the receipt of the resignation to consider the director's offer to resign.

The Committee will recommend to the Board of Directors that the resignation be accepted unless the Committee determines that circumstances exist that justify the Committee's recommendation that the resignation not be accepted. In making its recommendation the Committee will consider all the factors it considers to be relevant to its recommendation including, without limitation, the needs of the Company, of the Board of Directors and of its

standing committees; the Company's corporate governance practices; the reasons given by shareholders who withheld votes from the director; the director's qualifications; the director's contribution to the Board of Directors; and the length of the director's service.

The Board of Directors will act on the Committee's recommendation within ninety days following the shareholders' meeting at which the director was elected. In deciding whether to accept the recommendation of the Committee, the Board of Directors will consider the factors examined by the Committee and may in addition consider any information it considers in its sole discretion to be relevant to its decision.

Following its decision, the Board of Directors will issue a press release concerning its decision, and giving the reasons for not accepting the resignation if that is the case.

A director who is required to offer a resignation in accordance with the Policy may attend and address the meeting or meetings of the Committee and of the Board of Directors convened to consider the resignation but shall withdraw from the meeting during the deliberations and shall not vote on the matter. A director who fails to offer to resign in accordance with the Policy will not be re-nominated by the Board of Directors for election by the shareholders.

Mandate, Structure and Composition of the CGI Board of Directors

The Committee and the Board of Directors are of the view that the size and composition of the Board of Directors and its standing committees are well suited to the circumstances of the Company and allow for the efficient functioning of the Board of Directors as an independent decision-making body.

Board of Directors and Committee Charters

Each standing committee operates according to its charter approved by the Board of Directors which sets out the committee's duties and responsibilities.

The Board of Directors charter and the charter of each of the standing committees require that the charters be reviewed annually. As part of that process each standing committee undertakes a review of its mandate and tables any recommendations for changes with the Corporate Governance Committee at its September meeting each year. The Committee reviews the submissions of the standing committees and also reviews the Board of Directors charter. The Committee then makes a recommendation to the Board of Directors based on the conclusion of the review. The Board of Directors takes the Committee's recommendation into account in making such changes as it determines to be appropriate.

The Board of Directors and standing committee charters are contained in CGI's *Fundamental Texts* which may be found as Appendix A to CGI's 2014 *Annual Information Form* which was filed with the Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the 2014 *Annual Information Form* will be provided promptly to shareholders upon request. The charters are hereby incorporated by reference from the *Fundamental Texts* as follows:

- Board of Directors Charter ..... page 15
- Corporate Governance Committee Charter ..... page 23
- Human Resources Committee Charter ..... page 29
- Audit and Risk Management Committee Charter ..... page 34

The following table summarizes the structure, responsibilities and membership of each of the Company's standing committees.

COMMITTEE	MEMBERSHIP
Audit and Risk Management Committee Composed entirely of independent directors, the Audit and Risk Management Committee: is mandated by the Board of Directors to recommend the appointment of the external auditors and the terms of their engagement; reviews with the auditors the scope of the audit; reviews with the auditors and management the effectiveness of the Company's accounting policies and practices, the Company's internal control procedures, programs and policies and the adequacy and effectiveness of the Company's internal controls over the accounting and financial reporting systems; reviews related party transactions; and reviews the Company's interim and annual audited consolidated financial statements and all public disclosure documents containing audited or unaudited financial information and recommends their approval by the Board of Directors.	Gilles Labbé (Chair) Jean Brassard Richard B. Evans Joakim Westh
Corporate Governance Committee Composed entirely of independent directors, the Corporate Governance Committee: is responsible for developing the Company's approach to governance issues and the Company's response to corporate governance requirements and guidelines; reviews the composition of the Board of Directors, its standing committees and members and recommends Board nominees; carries out the annual Board of Directors self-assessment process; oversees the orientation and continuing education program for directors; and helps to maintain an effective working relationship between the Board of Directors and management.	Thomas P. d'Aquino (Chair) Paule Doré
Human Resources Committee Composed entirely of independent directors, the Human Resources Committee: is responsible for reviewing the compensation of certain senior executives of the Company and for making recommendations to the Board of Directors in respect thereto; and performs functions such as reviewing the Company's succession planning and such other matters that the Committee may consider suitable with respect to compensation or as may be specifically directed by the Board of Directors from time to time.	Robert Chevrier (Chair) Alain Bouchard Bernard Bourigeaud Dominic D'Alessandro

Role and Responsibilities of the Executive Chairman and of the CEO

Elected by the shareholders, the Board of Directors has delegated to management the responsibility for day-to-day management of the business of the Company in accordance with the Company's *Operations Management Framework* which has been adopted by the Board of Directors. The *Operations Management Framework* sets out the overall authority of the Company's management team as well as the level of management approval required for the various types of operations and transactions that make up the ordinary course of the Company's business.

The Executive Chairman's role allows Mr. Serge Godin to devote his time to the development and implementation of strategic initiatives, including strengthening the Company's partnerships with existing clients and fostering key relationships that lead to new business, including large outsourcing contracts and strategic acquisitions. The nature of the Executive Chairman's responsibilities are such that he is a senior executive officer of the Company and is not an independent chairman of the Board.

All operational and corporate functions, other than the office of the Chairman and the corporate secretariat which report to the Executive Chairman, report to the CEO who reports directly to the Board of Directors. The CEO, jointly with the management team, develops the strategies and corporate objectives which are approved by the Board of Directors. Each year the Human Resources Committee assesses the performance of the senior executive team in achieving the objectives and makes recommendations to the Board of Directors in relation to the vesting of stock options and PSUs and the payment of bonuses to the Named Executive Officers under the Company's Profit Participation Plan.

Taken together, the *Operations Management Framework* and the corporate objectives approved by the Board of Directors annually define the scope of management's authority and responsibilities, including those of the Executive Chairman and of the CEO, in relation to the Company's day to day operations and the attainment of its objectives. The Executive Chairman and the CEO table reports to the Board of Directors at each regularly scheduled Board meeting and their performance relative to objectives is assessed annually. Ultimately, the Board of Directors reports to the shareholders at the Annual General Meeting of Shareholders.

Role and Responsibilities of the Lead Director and Standing Committee Chairs

Lead Director

Mr. Thomas P. d'Aquino, an independent member of the Board of Directors, is currently CGI's Lead Director. Given that Mr. d'Aquino's term as Lead Director will end when he leaves the Board of Directors on January 28, 2015, the Board of Directors will select a replacement to act in that capacity following the Meeting.

The Charter of the Board of Directors, which is incorporated by reference in this *Management Proxy Circular* (see the heading *Mandate, Structure and Composition of the CGI Board of Directors* earlier in this document), requires that the Board of Directors appoint a Lead Director from among the independent directors. The Lead Director is responsible for ensuring that the Board of Directors acts independently of the Company's management and is alert to its obligations to the shareholders.

In fulfilling his responsibilities, the Lead Director provides input to the Executive Chairman in the preparation of Board of Directors meeting agendas, sets the agenda for, and chairs the meetings of, the independent directors, and leads the annual self-evaluation process for the Board of Directors.

In conjunction with the Executive Chairman, the Lead Director facilitates the effective and transparent interaction of Board members and management. The Lead Director also provides feedback to the Executive Chairman and acts as a sounding board with respect to strategies, accountability, relationships and other matters.

Standing Committee Chairs

The role and responsibilities of each of the Chairs of the standing committees of the Board of Directors are set forth in the charter of each committee. The standing committee charters are incorporated by reference in this *Management Proxy Circular* (see the heading *Mandate, Structure and Composition of the CGI Board of Directors* earlier in this document).

The Chair of each committee is responsible for leading the committee's work and, in that capacity, ensuring that the committee's structure and mandate are appropriate and adequate to support the fulfilment of its responsibilities, that the committee has adequate resources as well as timely and relevant information to support its work, and that the scheduling, organization and procedures of committee meetings provide adequate time for the consideration and discussion of relevant issues. The committee Chair is responsible for ensuring that the effectiveness of the committee is assessed on a regular basis.

The Committee Chair presides the committee's meetings and works with the Corporate Secretary, the Executive Chairman and the Company's relevant executive officers in setting both the calendar of the committee's meetings and the agendas for each meeting and has the authority to convene special meetings of the committee. The committee Chair acts as liaison with the Company's management in relation to the committee's work program and ensures that the committee reports to the full Board of Directors at each subsequent meeting of the Board of Directors in relation to the committee's deliberations, decisions and recommendations.

Criteria for Tenure on the CGI Board of Directors

Each year, the Committee reviews all of the Company's corporate governance practices as part of an exercise that takes place well in advance of the annual preparation and review of the Company's *Management Proxy Circular*, so that such practices, including those that govern the conditions for tenure on the Board of Directors, receive careful consideration apart from the year-end and the preparation cycle for the Annual General Meeting of Shareholders.

Independence

CGI's corporate governance practices require that a majority of the members of CGI's Board of Directors be independent. This means that they must be and remain free from any material ties to the Company, its management and its external auditors that could, or could reasonably be perceived to, materially interfere with the directors' ability to act in the best interests of the Company, and otherwise in keeping with industry best practices and the definitions of independence applicable under stock exchange and securities regulators' governance guidelines and rules.

The Board of Directors has concluded that the position of Lead Director, in place since 1996, ensures that the Board of Directors is able to act independently of management in an effective manner. The Lead Director holds

regular meetings of the outside directors, as well as regular meetings of the independent directors without related directors present. The Lead Director held six meetings of the independent directors during the year ended September 30, 2014.

The Board of Directors has determined that the directors identified as being independent in this *Management Proxy Circular* do not have interests in or relationships with CGI or with any of CGI's significant shareholders that could, or could reasonably be perceived to, materially interfere with the directors' ability to act in the best interests of the Company, and that they are therefore independent under the applicable guidelines and rules.

The independence of the Board of Directors and its standing committees is further enhanced by their ability to engage outside advisors as needed. In addition, individual directors may also retain the services of outside advisors with the authorization of the Chair of the Corporate Governance Committee.

Shareholders of CGI, or any person who has an interest in the Company, who wish to contact CGI's non-management or independent directors may do so by e-mail sent to lead_director@cgi.com or by using the contact page for the Lead Director on CGI's website at www.cgi.com.

Expertise and Financial and Operational Literacy

CGI's corporate governance practices require that all members of CGI's Board of Directors be both financially and operationally literate. The financial literacy of individual Board members need not be as extensive as that of members who sit on CGI's Audit and Risk Management Committee. Having operational literacy means that the director must have substantial experience in the execution of day to day business decisions and strategic business objectives acquired as a result of meaningful past experience as a chief executive officer or as a senior executive officer in another capacity but with a broad responsibility for operations.

The directors' experience and subject matter expertise is examined by the Committee annually when it reviews and makes recommendations to the Board of Directors in relation to succession planning for the Board of Directors in the context of the Board of Directors and standing committee self-evaluation process (see the heading *Participation in the Annual Self-Assessment Process* later in this document). Expertise in the industry vertical markets in which the Company operates (financial services; government; health; telecommunications and utilities; and manufacturing, retail and distribution), operational expertise and literacy, and financial literacy make up the key criteria that are used to select candidates for Board membership, to review and determine the composition of CGI's Board, and to assess the performance of directors annually as part of the annual Board of Directors and standing committee self-evaluation process. The Board of Directors' objective in relation to its composition is to ensure that it has expert representation for each of the Company's targeted vertical markets.

The members of the Board of Directors who serve on the Company's Audit and Risk Management Committee must be operationally literate and be financially literate in the sense of having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by CGI's financial statements, and otherwise in keeping with applicable governance standards under applicable securities laws and regulations.

The Committee and the Board of Directors have determined that all members of the Audit and Risk Management Committee are financially literate and that the Committee Chair, Mr. Gilles Labbé, has financial expertise as required by the *New York Stock Exchange* corporate governance rules and the rules adopted by the U.S. *Securities and Exchange Commission* ("SEC") in accordance with the *Sarbanes Oxley Act of 2002*. Mr. Labbé is a Fellow of the *Institute of Chartered Accountants*.

The remaining members of the Audit and Risk Management Committee, Messrs. Jean Brassard, Richard B. Evans, and Joakim Westh are financially literate in the sense that they have the knowledge and skills necessary to allow them to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by CGI's financial statements.

Mr. Jean Brassard acquired his financial literacy as a result of having served as CGI's Chief Operating Officer until his retirement in October 2000.

Mr. Richard B. Evans acquired his financial literacy while serving as Chief Executive of *Rio Tinto Alcan* (and as President and Chief Executive Officer of *Alcan Inc.* prior to its acquisition by *Rio Tinto plc*). In his role as Chief Executive Officer he was responsible for the supervision of the chief financial officer of the company and was ultimately responsible for operations as well as accounting and financial reporting.

Mr. Joakim Westh acquired his financial literacy while serving as Senior Vice-President, Head of Group Function Strategy and Operational Excellence of *LM Ericsson AB*, and prior to that position as a Group Vice-President for *Assa Abloy AB* in the capacity of Chairman of the Board of the company's German subsidiary. Mr. Westh also serves on the audit committees of *Saab Group* and *Swedish Match AB*.

The following table presents a skills matrix for each of the Company's directors.

	Operational Literacy				Governance Risk and Compliance			
					Financial Literacy			
Director	Executive Leadership	Consulting Services and IT Industry	Geography	Vertical market	Finance	Accounting	Risk	Governance and Human Resources
Alain Bouchard	√		Global	Retail and distribution	√	√	√	√
Bernard Bourigeaud	√	√	Global	Multiple vertical markets	√	Expert	√	√
Jean Brassard	√	√	Global	Multiple vertical markets	√	√	√	√
Robert Chevrier	√		Global	Retail and distribution	√	Expert	√	√
Dominic D'Alessandro	√		Global	Financial services	√	Expert	√	√
Paule Doré	√	√	Global	Multiple vertical markets	√	√	√	√
Richard B. Evans	√		Global	Multiple vertical markets	√	√	√	√
Julie Godin	√	√	Global	Multiple vertical markets	√	√	√	√
Serge Godin	√	√	Global	Multiple vertical markets	√	√	√	√
Timothy J. Hearn	√		Global	Manufacturing, retail and distribution	√	√	√	√
André Imbeau	√	√	Global	Multiple vertical markets	√	√	√	√
Gilles Labbé	√	√	Global	Manufacturing and distribution	√	Expert	√	√
Michael E. Roach	√	√	Global	Multiple vertical markets	√	√	√	√
Joakim Westh	√	√	Global	Multiple vertical markets	√	√	√	√

Attendance at Board and Standing Committee Meetings

The Committee monitors director attendance and, in addition to considering attendance in relation to the recommendation for directors to be proposed for election at the Annual General Meeting of Shareholders, the Committee discloses the attendance record for all directors in the *Management Proxy Circular*. The overall attendance rate for CGI's Board of Directors for fiscal 2014 was 95% for the Board of Directors, 95% for the Audit and Risk Management Committee, 100% for the Human Resources Committee and 100% for the Corporate Governance Committee. Detailed meeting and attendance information is provided in the following table.

Board and Standing Committee Meetings and Attendance Year ended September 30, 2014					
	Board Meetings Attended 6 regular meetings 1 special meeting		Committee Meetings Attended **Audit** 5 regular meetings **Governance** 3 regular meetings, 2 special meetings **Human Resources** 4 regular meetings		
Director					
Alain Bouchard	6 of 7	86%	Human Resources	4 of 4	100%
Bernard Bourigeaud	6 of 7	86%	Human Resources	4 of 4	100%
Jean Brassard	7 of 7	100%	Audit	5 of 5	100%
Robert Chevrier	7 of 7	100%	Human Resources (Chair)	4 of 4	100%
Dominic D'Alessandro	7 of 7	100%	Human Resources	4 of 4	100%
Thomas P. d'Aquino	7 of 7	100%	Governance (Chair)	5 of 5	100%
Paule Doré	7 of 7	100%	Governance	5 of 5	100%
Richard B. Evans	7 of 7	100%	Audit	5 of 5	100%
Julie Godin	6 of 7	86%			
Serge Godin (Chair)	7 of 7	100%			
André Imbeau	7 of 7	100%			
Gilles Labbé	6 of 7	86%	Audit (Chair)	5 of 5	100%
Michael E. Roach	7 of 7	100%			

Board and Standing Committee Meetings and Attendance Year ended September 30, 2014					
Director	**Board Meetings Attended** 6 regular meetings 1 special meeting		**Committee Meetings Attended** **Audit** 5 regular meetings **Governance** 3 regular meetings 2 special meetings **Human Resources** 4 regular meetings		
Joakim Westh	6 of 7	86%	Audit	4 of 5	80%

Share Ownership Guideline for Directors

A share ownership guideline was adopted for directors on June 15, 2004. CGI's directors are required to hold at least 10,000 Class A subordinate voting shares or DSUs within the later of i) three years of their election or appointment to the Board of Directors and ii) three years from the adoption of the guideline on June 15, 2004. All directors' holdings respect the guideline.

The share ownership on the part of the Company's outside directors as of December 12, 2014 and the date on which their holding must meet the minimum level of share ownership are set out in the following table.

Outside Directors' Share Ownership[(a)]							
Director	**Fiscal Year**	**Number of Class A subordinate voting shares**	**Number of DSUs**	**Total Number of shares and DSUs**	**Total "at risk" value of shares and DSUs[(b)]**	**Shares or DSUs to be acquired to meet minimum ownership level**	**Date by which minimum ownership level must be met**
Alain Bouchard	2014	17,500	3,043	20,543	$829,732	n.a.	Complies with the ownership guideline
	2013	7,500	923	8,423	$301,628		
	Change	**10,000**	**2,120**	**12,120**	**$528,104**		
Bernard Bourigeaud	2014	10,000	1,497	11,497	$464,364	n.a.	Complies with the ownership guideline
	2013	10,000	-	10,000	$358,100		
	Change	**-**	**1,497**	**1,497**	**$106,264**		
Jean Brassard[(c)]	2014	228,027	13,195	241,222	$9,742,957	n.a.	Complies with the ownership guideline
	2013	228,027	10,405	238,432	$8,538,250		
	Change	**-**	**2,790**	**2,790**	**$1,204,707**		
Robert Chevrier	2014	10,000	34,948	44,948	$1,815,450	n.a.	Complies with the ownership guideline
	2013	10,000	31,802	41,802	$1,496,930		
	Change	**-**	**3,146**	**3,146**	**$318,520**		
Dominic D'Alessandro	2014	10,000	14,865	24,865	$1,004,297	n.a.	Complies with the ownership guideline
	2013	10,000	12,745	22,745	$814,498		
	Change	**-**	**2,120**	**2,120**	**$189,799**		
Thomas P. d'Aquino	2014	-	34,881	34,881	$1,408,844	n.a.	Complies with the ownership guideline
	2013	-	32,283	32,283	$1,156,054		
	Change	**-**	**2,598**	**2,598**	**$252,789**		
Paule Doré	2014	99,774	5,098	104,872	$4,235,780	n.a.	Complies with the ownership guideline
	2013	99,774	3,730	103,504	$3,706,478		
	Change	**-**	**1,368**	**1,368**	**$529,302**		

Outside Directors' Share Ownership[(a)]							
Director	**Fiscal Year**	**Number of Class A subordinate voting shares**	**Number of DSUs**	**Total Number of shares and DSUs**	**Total "at risk" value of shares and DSUs[(b)]**	**Shares or DSUs to be acquired to meet minimum ownership level**	**Date by which minimum ownership level must be met**
Richard B. Evans	2014	10,000	16,123	26,123	$1,055,108	n.a.	Complies with the ownership guideline
	2013	10,000	13,867	23,867	$854,677		
	Change	**-**	**2,256**	**2,256**	**$200,431**		
Gilles Labbé	2014	25,000	11,754	36,754	$1,484,494	n.a.	Complies with the ownership guideline
	2013	25,000	9,364	34,364	$1,230,575		
	Change	**-**	**2,390**	**2,390**	**$253,919**		
Joakim Westh	2014	-	-	-	-	10,000	April 29, 2016
	2013	-	-	-	-		
	Change	**-**	**-**	**-**	**-**		

(a) 2014 information is provided as of December 12, 2014 and 2013 information is provided as of December 13, 2013.
(b) Based on the closing prices of the Company's shares on the *Toronto Stock Exchange* on December 12, 2014 and December 13, 2013 respectively.
(c) The number of shares shown for Mr. Brassard combines the Class A subordinate voting shares and Class B shares that he owns or controls, directly or indirectly.

Availability and Workload

The Board of Directors has endorsed the Committee's recommendation not to adopt formal guidelines on the number of boards or committees on which independent directors may sit on the basis that the contribution of each director to the work of the Board of Directors forms part of the Board of Directors self-assessment process and that arbitrary limits might not serve the interests of the Company.

Mr. Richard B. Evans serves on the audit committee of one other company, Mr. Westh sits on two other audit committees, and Mr. Labbé is President and Chief Executive Officer and a director, of Héroux Devtek Inc., an aerospace and industrial products manufacturer. Mr. Brassard does not sit on any other audit committees. The Board of Directors and the Committee have determined that none of the Committee members' commitments impair their capacity to serve the Company's Audit and Risk Management Committee effectively.

Conflicts of Interest

A process is in place for directors to acknowledge annually CGI's *Code of Ethics and Business Conduct* in the same way as officers and members do. All directors have also declared their interests in all other companies where they serve as directors or officers. The Board of Directors has endorsed the Committee's recommendation to maintain the practice of having directors tender their resignation for consideration upon a major change in their principal occupation.

Participation in the Orientation and Continuing Education Program

Each new director participates in a formal orientation and continuing education program. The program consists of a detailed presentation of the Company's current three-year strategic plan, coupled with a series of meetings between the new director and i) the Founder and Executive Chairman of the Board, ii) the Lead Director, iii) the President and Chief Executive Officer, iv) the Chair of each standing committee to which the director will be assigned, and v) other key senior executive officers of the Company. Depending on the director's experience and background and the results of the executive meetings, additional meetings may be scheduled. In addition to the executive briefings, new directors receive the CGI *Director Reference Binder*, a comprehensive set of documents containing both public and non-public information concerning the Company, which includes detailed information in relation to the Company; its operations; financial condition; management structure; policies and public disclosure record; the work programs and minutes of past meetings of the Board of Directors and of its standing committees; biographies of CGI's key senior officers; materials related to the director's duties and responsibilities, including, a synopsis of the Company's insurance coverage for directors and officers liability; and the Company's process for reporting transactions in its shares carried out by its reporting insiders.

In addition to the formal orientation program, the continuing education program includes presentations on a variety of topics of interest, including on recent developments in the global information technology market, which are provided to the Board of Directors on a regular basis. Detailed presentations are also made to the standing committees of the Board of Directors on technical subjects such as the application of accounting principles in the preparation of the Company's financial statements, corporate governance rules and practices, and trends in executive and directors' compensation.

Directors also receive updates on business and governance initiatives as well as responses to questions raised by the members of the Board of Directors from time to time. Directors who wish to do so may make arrangements with the Corporate Secretary to participate, at CGI's expense, in board-level industry associations or conferences, to attend continuing education courses that are relevant to their role as a director of the Company or otherwise to pursue activities that contribute in a meaningful way to the value they bring to the Board of Directors.

Members of the Board of Directors are invited to attend CGI's annual Leadership Conference where the bottom-up strategic planning cycle begins, as well as sessions of the *Leadership Institute*'s training program for the Company's managers.

Participation in the Annual Self-Assessment Process

The Lead Director, in concert with the Committee, coordinates an annual self-assessment of the effectiveness of the Board of Directors as a whole, of the standing committees of the Board, and of the contribution of individual directors. The Committee is also responsible for establishing the competencies, skills and personal qualities it seeks in new Board members with a view to adding value to the Company, and directors are assessed against the contribution they are expected to make. This assessment is based on an annual questionnaire to which directors respond.

Once the responses are received, the Lead Director compiles and analyses the results. He then discusses the self-assessments with each director. Following the one-on-one discussions with directors, the Lead Director reviews the overall results of the self-assessment process with the Founder and Executive Chairman of the Board, and with the Chairs of the standing committees. The Committee then meets to review the results of the self-assessment process and subsequently presents the final result to the Board of Directors for discussion.

The Board of Directors reviews the assessment of its performance and the recommendations provided by the Committee annually with the objective of increasing the Board's effectiveness in carrying out its responsibilities. The Board of Directors takes appropriate action based on the results of the review process.

Retirement Age and Director Term Limits

The Board of Directors has endorsed the Committee's recommendation not to adopt a formal retirement age or term limits for directors.

CGI's success is due in large measure to the Company's experience and expertise in its vertical markets. The selection criteria for CGI's Board of Directors which are explained earlier in this document under the heading *Expertise and Financial and Operational Literacy* recognize this and are designed to ensure that the Company has subject matter experts on the Board of Directors who can effectively provide intelligence, experience, expertise and business and operational insight into each of the Company's industry vertical markets. Imposing a

term limit or an arbitrary retirement age would unnecessarily expose the Company to losing valuable resources that could not be easily replaced. The Committee and the Board of Directors are therefore of the view that a mandatory retirement age or term limits might arbitrarily and needlessly deprive the Board of Directors of valuable talent.

As with the other aspects of CGI's corporate governance practices, director term limits and the Board of Directors retirement policy are reviewed annually. When the time comes to discuss term limits or a retirement age, the directors who would be affected in the event that such limits were adopted withdraw from the meeting and abstain from voting on the matter.

Nomination Process for the Board of Directors

The shareholders are responsible for electing CGI's directors. The responsibility for proposing candidates for election by the shareholders lies with the Board of Directors. The Board of Directors relies on the nomination recommendations of the Committee.

Based on the results of the Board of Directors self-evaluation (see the heading *Participation in the Annual Self-Assessment Process* earlier in this document) or on its own assessment from time to time of the needs of the Company, the Committee may recommend that the composition of the Board or its standing committees be varied in order to ensure that it continues to serve the best interests of the Company and to ensure an appropriate succession of directors. By way of example, when it is appropriate to do so, additional directors may be appointed to committees so as to ensure that knowledge is passed along in order to facilitate a smooth transition should the need arise.

When changes to Board of Directors composition are required, potential candidates are identified either through referrals from directors or senior management, or with the assistance of third parties. The selection of nominees from among the potential candidates is based on the candidate's expertise and knowledge in the industry vertical markets in which the Company operates and their operational and financial literacy based on the Board of Directors skills matrix (see the heading *Expertise and Financial and Operational Literacy* earlier in this document). The Committee, the Founder and Executive Chairman of the Board, and the Lead Director consult with each other with respect to the actions to be taken and the necessary steps are then taken to interview the candidates and confirm their willingness to serve on the Board of Directors.

Once the selection of candidates is made, the Committee recommends to the Board of Directors that the candidate or candidates be either appointed by the Board of Directors if there is a vacancy to be filled or if there is a need to increase the size of the Board of Directors, or be nominated for election at the next meeting of shareholders.

Under the terms of a *Registration Rights Agreement* between the Company and the *Caisse de dépôt et placement du Québec* (the "Caisse") entered into as of August 20, 2012 in the context of the acquisition of *Logica plc*, the Caisse has the right, as long as it beneficially owns or exercises control or direction over 15% or more of the outstanding Class A subordinate voting shares, to recommend to CGI one nominee to be part of any slate of directors proposed for election by CGI and to be included in a proxy circular relating to the election of directors of CGI, provided that the nominee shall have no material relationship with CGI or the Caisse, that he or she shall be eligible to serve as a director under CGI's articles and laws of incorporation, and that his or her nomination shall be subject to a favourable recommendation of the Committee. CGI has no shareholder's agreement with the Caisse and the Caisse has not yet exercised its right to recommend a nominee for election to the Board of Directors.

Board of Directors Participation in Strategic Planning

The Board of Directors is directly and closely involved in the preparation and approval of CGI's rolling three-year strategic plan which is reviewed and assessed annually by the Board of Directors.

CGI has adopted a bottom-up process for budgeting and strategic planning in order to ensure that the resulting business plan is as closely attuned as possible to maximizing the Company's business opportunities and mitigating operational and other risks. The Board of Directors receives a detailed briefing early in the planning process covering all aspects of CGI's strategic planning so that the directors are in a position to contribute to the process in a meaningful way before the final business plan has taken shape.

In keeping with CGI's three-year rolling strategic planning process, the strategic plan begins with the initiatives, directions and priorities identified at the business unit level by the Company's management team that are shared at the Company's annual Leadership Conference. The plan is then presented to the directors in July for review

and discussion. In the next step, the plan is refined by management and is subsequently presented to the Board of Directors for approval in September. The rolling three-year planning process provides a meaningful opportunity for the directors to contribute to the strategic planning process. In addition to the formal planning process, every Board meeting agenda features a standing item entitled *Directors' Round Table* that serves as a forum for continuing free-ranging discussion between the Board and management in relation to the Company's strategic direction.

Guidelines on Disclosure of Information

CGI's *Guidelines on Timely Disclosure of Material Information and Transactions in Securities of CGI by Insiders* adopted by the Board of Directors (the "Guidelines") set out the essential principles underlying the Company's disclosure practices in keeping with the rules of regulatory authorities and best disclosure practices.

Under the Guidelines, the Board of Directors has the responsibility to oversee the content of the Company's major communications to its shareholders and the investing public. The Board of Directors believes that it is management's role to communicate on behalf of the Company with its shareholders and the investment community. The Company maintains an effective investor relations process to respond to shareholder questions and concerns. In 2004, the Company adopted the CGI *Shareholder Partnership Management Framework* ("SPMF"). The SPMF structures the processes and information flows between CGI and its shareholders as well as with the investment community, including both the buy-side (institutional investors) and sell-side (investment dealers) research analysts. CGI obtained ISO 9001 certification for the application of the SPMF in the Company's operations.

As part of the SPMF process, CGI conducts a survey of sell-side analysts and institutional shareholders every year as a means of measuring shareholder satisfaction. The survey is designed to provide insights into investor sentiment and to improve the investor relations program.

The SPMF annual assessment conducted during the 2014 fiscal year returned an overall score for CGI of 7.95 out of 10 which compares favourably to the average score for other public companies of 6.65 out of 10.

Following the assessment, suggestions for improvement received in the course of the survey are acted upon as a means of assuring continuous improvement.

The Board of Directors reviews and, where required, approves statutory disclosure documents prior to their dissemination to the market and to the Company's shareholders.

The Charter of the Board of Directors which is incorporated by reference in this *Management Proxy Circular* (see the heading *Mandate, Structure and Composition of the CGI Board of Directors* earlier in this document) provides that directors' duties include the oversight of the integrity of the Company's internal control and management information systems. The Audit and Risk Management Committee has the primary responsibility under its charter to review the internal control and management information systems of the Company. The Committee reports to the Board of Directors in that regard.

Directors' Compensation

The Human Resources Committee reviews directors' compensation periodically. In determining directors' remuneration, the Committee considers the directors' compensation offered by the companies comprised in the reference group of companies used as a guide in determining compensation matters, and the risks and responsibilities that the directors of the Company assume in keeping with the roles of the Board of Directors and of the standing committees. See the heading *Compensation of Directors* in the report of the Human Resources Committee earlier in this document.

Codes of Ethics and Business Conduct

CGI's *Code of Ethics and Business Conduct* and its *Executive Code of Conduct* are contained in CGI's *Fundamental Texts* which may be found as Appendix A to CGI's 2014 *Annual Information Form* which was filed with the Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the 2014 *Annual Information Form* will be provided promptly to shareholders upon request.

The Board of Directors monitors compliance with the *Code of Ethics and Business Conduct*, which includes the *Anti-Corruption Policy,* and under the Board of Directors charter is responsible for any waivers of the codes' provisions granted to directors or officers. No such waivers have been granted to date.

It is the Committee that is principally responsible for the annual review of the *Code of Ethics and Business Conduct*, overseeing compliance with the code of ethics, reviewing any request to waive or exempt from its application, and making recommendations on these matters to the Board of Directors.

Under the terms of the *Code of Ethics and Business Conduct*, all of CGI's members are required to comply with the code and to see that it is complied with. The code requires that infractions be reported to management or alternatively to the Chair of the Audit and Risk Management Committee and the Corporate Secretary.

The Board of Directors has established procedures approved by the Audit and Risk Management Committee for the receipt, retention, and treatment of complaints regarding accounting, internal accounting control or auditing matters, and corruption, as well as other breaches of the *Code of Ethics and Business Conduct*, of the *Anti-Corruption Policy*, or of the *Executive Code of Conduct*. In that regard, the Company adopted the *CGI Serious Ethical Incidents Reporting Policy* which allows members who wish to submit a complaint to do so via a third party ethics reporting hotline and secure web site which assures that members who wish to preserve their anonymity are able to do so with confidence. The Audit and Risk Management Committee is primarily responsible for receiving and dealing with these incident reports. A report on the process and on incident reports received is provided quarterly to the Audit and Risk Management Committee by the Executive Vice-President and Chief Legal Officer.

A program for the integration of new members ensures that new members receive an orientation that familiarizes them with CGI's policies, their responsibilities as members and the benefits to which they are entitled. In order to ensure that all of CGI's members are aware of the importance that the Company attaches to compliance with the *Code of Ethics and Business Conduct*, each new member is informed about the code and the process for reporting ethics breaches, and is required to undertake in writing to comply with the code. In countries where local law is an impediment to a formal undertaking, members are asked to acknowledge the code. This written undertaking or acknowledgement, as the case may be, is renewed annually at the same time as the member's evaluation.

CGI's *Leadership Institute* regularly provides an intensive series of courses designed to ensure that new managers are familiar with CGI's methods of operation and its policies, including the *Code of Ethics and Business Conduct* and the process for reporting breaches.

In addition, the Company provides an internet portal that ensures that all members have access to the Company's policies, including the code of ethics and the process for reporting breaches.

These measures are in addition to quarterly reports tabled with the Audit and Risk Management Committee by the internal audit department, the internal controls review function, and the legal department on matters for which they are responsible. These reports may include reports of breaches of the code of ethics when such breaches are raised in internal audit mandates or in claims made against the Company.

In addition to CGI's *Code of Ethics and Business Conduct*, CGI's principal executive and financial officers, including the *Founder and Executive Chairman of the Board,* the *Founder, Vice-Chairman of the Board and Corporate Secretary,* the *President and Chief Executive Officer* and the *Executive Vice-President and Chief Financial Officer*, the principal accounting officer or controller, and other persons performing similar functions, are subject to CGI's *Executive Code of Conduct* which they are required to review and acknowledge on an annual basis.

CGI Federal Inc., the Company's operating subsidiary that provides services to the U.S. federal government, has adopted policies and procedures to comply with specific requirements under U.S. Federal government procurement laws and regulations.

Relationship with Shareholders and Decisions Requiring their Consent

In keeping with CGI's policy of seeking to align the interests of its three stakeholder groups (see the *Letter to Shareholders* on page v earlier in this document), CGI implemented the SPMF which forms part of the Company's ISO certification. See the heading *Guidelines on Disclosure of Information* earlier in this document for a more detailed discussion of the SPMF.

In the normal course of operations certain corporate actions which may be material to CGI are initiated from time to time by the Company's senior management and, at the appropriate time, are submitted to CGI's Board of Directors for consideration and approval. When appropriate, such matters are also submitted for consideration and approval by CGI's shareholders. All such approvals are sought in accordance with the charters of the Board

of Directors and standing committees, CGI's corporate governance principles and applicable corporate and securities legislation. Messrs. Serge Godin and André Imbeau, respectively CGI's *Founder and Executive Chairman of the Board* and *Founder, Vice-Chairman of the Board and Corporate Secretary*, are members of the Board of Directors of CGI and, as of December 12, 2014, beneficially owned, directly or indirectly, or controlled or directed shares of CGI representing respectively 46.62% and 7.01% of the votes attached to all of CGI's outstanding voting shares.

REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee of the Board of Directors is composed entirely of independent directors who meet the independence and experience requirements of *National Instrument 52-110* adopted by the *Canadian Securities Administrators* as well as those of the *New York Stock Exchange* and of the U.S. *Securities and Exchange Commission*.

The Committee is composed of Mr. Gilles Labbé, Chair of the Committee, and Messrs. Jean Brassard, Richard B. Evans, and Joakim Westh. The Committee met five times during fiscal 2014. Mr. Labbé's role and responsibilities as Chair of the Committee are described earlier in this document in the report of the Corporate Governance Committee under the heading *Role and Responsibilities of the Lead Director and Standing Committee Chairs*.

The role and responsibilities of the Committee are contained in the Committee's charter. The Committee's charter forms part of CGI's *Fundamental Texts* and the charter is incorporated by reference in this *Management Proxy Circular* (see the heading *Mandate, Structure and Composition of the CGI Board of Directors* earlier in this document) and is available on CGI's web site at www.cgi.com. The role and responsibilities of the Committee include:

(a) reviewing all public disclosure documents containing audited or unaudited financial information concerning CGI;

(b) identifying and examining the financial and operating risks to which the Company is exposed, reviewing the various policies and practices of the Company that are intended to manage those risks, and reporting on a regular basis to the Board of Directors concerning risk management;

(c) reviewing and assessing the effectiveness of CGI's accounting policies and practices concerning financial reporting;

(d) reviewing and monitoring CGI's internal control procedures, programs and policies and assessing their adequacy and effectiveness;

(e) reviewing the adequacy of CGI's internal audit resources including the mandate and objectives of the internal auditor;

(f) recommending to the Board of Directors the appointment of the external auditors, asserting the external auditors' independence, reviewing the terms of their engagement, assessing the quality of their performance, and pursuing ongoing discussions with them;

(g) reviewing all related party transactions in accordance with the rules of the *New York Stock Exchange* and other applicable laws and regulations;

(h) reviewing the audit procedures including the proposed scope of the external auditors' examinations; and

(i) performing such other functions as are usually attributed to audit committees or as directed by the Board of Directors.

The Committee fulfilled all aspects of its mandate for the fiscal year ended September 30, 2014.

External Auditors' Independence

The Committee is required to assert the independence of CGI's external auditors and, to this end, entertains discussions with the external auditors on applicable criteria and obtains yearly confirmations from them as to their independence.

Auditor Independence Policy

In order to satisfy itself as to the independence of the external auditors, the Committee has adopted an auditor independence policy which covers (a) the services that may and may not be performed by the external auditors, (b) the governance procedures to be followed prior to retaining services from the external auditors, and (c) the responsibilities of the key participants. The following is a summary of the material provisions of the policy:

Performance of Services

Services are either acceptable services or prohibited services.

The acceptable services are: (a) audit and review of financial statements, (b) prospectus work, (c) audit of pension plans, (d) special audits on control procedures, (e) tax planning services on mergers and acquisitions activities, (f) due diligence relating to mergers and acquisitions, (g) tax services related to transfer pricing, (h) sales tax planning, (i) research and interpretation related to taxation, (j) research relating to accounting issues, (k) proposals and related services for financial structures and large tax planning projects, (l) preparation of tax returns, and (m) all other services that are not prohibited services.

The prohibited services are: (a) bookkeeping services, (b) design and implementation of financial information systems, (c) appraisal or valuation services or fairness opinions, (d) actuarial services, (e) internal audit services, (f) management functions, (g) human resources functions, (h) broker-dealer services, (i) legal services, (j) services based on contingency fees, and (k) expert services.

Governance Procedures

The following control procedures are applicable when considering whether to retain the external auditors' services:

For all services falling within the permitted services category, whether they are audit or non-audit services, a request for approval must be submitted to the Committee through the *Executive Vice-President and Chief Financial Officer* prior to engaging the auditors to perform the services.

In the interests of efficiency, certain permitted services are pre-approved quarterly by the Committee and thereafter only require approval by the *Executive Vice-President and Chief Financial Officer* as follows:

- The Committee can pre-approve envelopes for certain services to pre-determined dollar limits on a quarterly basis;
- Once pre-approved by the Committee, the *Executive Vice-President and Chief Financial Officer* may approve the services prior to the engagement;
- For services not captured within the pre-approved envelopes and for costs in excess of the pre-approved amounts, separate requests for approval must be submitted to the Committee; and
- At each meeting of the Committee, a consolidated summary of all fees by service type is presented including a breakdown of fees incurred within each of the pre-approved envelopes.

Key Participants' Responsibilities

Management and the Committee are the Company's two key participants for the purposes of the Company's Auditor Independence Policy.

The primary responsibilities of management are: (a) creating and maintaining a policy that follows applicable auditor independence standards, (b) managing compliance with the policy, (c) reporting to the Committee all mandates to be granted to the external auditors, and (d) monitoring and approving services to be performed within the pre-approved envelopes.

The primary responsibilities of the Committee are: (a) nominating the external auditors for appointment by the Company's shareholders, (b) approving fees for audit services, (c) approving the auditor independence policy and amendments to the policy, (d) monitoring management's compliance with the policy, (e) obtaining yearly confirmations of independence from the external auditors, (f) monitoring audit partner rotation requirements, (g) monitoring the twelve-month "cooling off" period when hiring members of the audit engagement team in a financial reporting oversight role, (h) reviewing the appropriateness of required audit fee disclosure, (i) interpreting the policy in the event that its application is unclear, and (j) approving all auditor mandates or pre-approving envelopes for specific services.

Under the Auditor Independence Policy, the Committee has the ultimate responsibility to assert the independence of CGI's external auditors.

Annual External Auditor Assessment

The Committee instituted an annual assessment process to assist the Committee in making its recommendation to the Board of Directors in relation to the appointment of the Company's external auditors. The process was initiated in November of 2014 and was completed prior to the Committee's recommendation that was made on December 2, 2014.

The annual external auditors assessment is based on the recommendations of *Chartered Professional Accountants Canada* in collaboration with the *Canadian Public Accountability Board*. The process is expected to provide an additional element of structure for the Committee in making its recommendation and to help in identifying areas for improvement for the external audit firm and the Company's audit processes.

Following the completion of the annual assessment, the Committee recommended to the Board of Directors that Ernst & Young LLP be proposed for re-appointment by the Company's shareholders at the Meeting.

Fees Billed by the External Auditors

During the years ended September 30, 2014 and 2013, CGI's external auditors invoiced the following fees for their services:

Service retained	Fees billed	
	2014	2013
Audit fees	$7,946,682	$8,442,468
Audit related fees[(a)]	$1,055,796	$1,144,061
Tax fees[(b)]	$596,072	$2,282,078
All other fees[(c)]	-	$249,629
Total fees billed	**$9,598,550**	**$12,118,236**

(a) The audit related fees billed by the external auditors for the years ended September 30, 2014 and 2013 were in relation to service organization control procedures audits and assistance, and information technology assistance services, and 401(k) and special audits.

(b) The tax fees billed by the external auditors for the years ended September 30, 2014 and 2013 were in relation to tax compliance, advisory services and human capital services.

(c) The other fees billed by the external auditors for the year ended September 30, 2013 were in relation to other advisory services.

Related Party Transactions

The Committee is responsible under its charter for reviewing and making recommendations to the Board of Directors in relation to any transaction in which a director or a member of senior management has an interest. To the extent that it is necessary to do so, the Committee may retain outside advisors to assist it in reviewing related party transactions.

For more important transactions, the Board of Directors generally establishes an *ad hoc* committee made up entirely of independent directors that is mandated to review the transaction and to make a recommendation to the Board of Directors. Such committee may retain independent legal and accounting advisors to assist in reviewing the transaction.

Whether it is the Committee or an *ad hoc* committee, the committee mandated with reviewing the transaction tables its report with the Board of Directors and it is the Board of Directors that has the responsibility of approving the transaction if it determines that it is appropriate to do so.

OTHER BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Management of the Company is not aware of any matter to be submitted at the Meeting other than the matters set forth in the Notice of Meeting. Every proxy given to any person in the form of proxy that accompanied the Notice of Meeting will confer discretionary authority with respect to amendments or variations to the items of business identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting.

ADDITIONAL INFORMATION

The Company will provide to any person, upon request to the Corporate Secretary, a copy of this *Management Proxy Circular*, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in this *Management Proxy Circular*.

Additional financial and other information relating to the Company is included in its 2014 audited annual and unaudited quarterly financial statements, annual and quarterly *Management's Discussion and Analysis of Financial Position and Results of Operations* and other continuous disclosure documents which are available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. For additional copies of this *Management Proxy Circular*, for a copy of the Company's *Notice of Intention* in relation to its *Normal Course Issuer Bid*, or other financial information, please contact Investor Relations by sending an e-mail to ir@cgi.com, by visiting the Investors section on the Company's web site at www.cgi.com or by contacting us by mail or telephone:

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APPROVAL BY THE DIRECTORS

The Board of Directors has approved the content and the delivery of this *Management Proxy Circular*.

Serge Godin
Founder and Executive
Chairman of the Board

APPENDIX A

Stock Options and Share-Based Awards Held by Named Executive Officers

The following tables show all outstanding stock options and share-based awards held by the Named Executive Officers as at September 30, 2014.

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
Serge Godin Founder and Executive Chairman of the Board							
	468,750	9.31	October 1, 2018	13,373,438			
	468,750	12.54	September 30, 2019	11,859,375			
	461,505	15.49	September 30, 2020	10,314,637			
					731,206	27,668,835	
				Total: 35,547,449	731,206	27,668,835	

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
Michael E. Roach, President and Chief Executive Officer							
	437,500	11.39	October 1, 2017	11,571,875			
	468,750	9.31	October 1, 2018	13,373,438			
	515,625	12.54	September 30, 2019	13,045,313			
	461,505	15.49	September 30, 2020	10,314,637			
					731,206	27,668,835	
				Total: 48,305,262	731,206	27,668,835	

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
R. David Anderson, Executive Vice-President and Chief Financial Officer							
	171,875	12.54	September 30, 2019	4,348,438			
	188,188	15.49	September 30, 2020	4,206,002			
					262,883	9,947,493	
				Total: 8,554,439	262,883	9,947,493	

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
Timothy W. Gregory, President, United Kingdom							
	18,750	15.49	September 30, 2020	419,063			
	16,880	19.71	September 30, 2021	306,034			
	50,000	23.65	November 26, 2022	709,500			
	49,066	23.65	November 26, 2022	696,247			
	59,484	36.15	September 30, 2023	100,528			
	100,000	37.82	September 22, 2024	2,000			
			Total:	2,233,371			

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
Colin Holgate President, Asia Pacific							
	50,000	23.65	November 26, 2022	709,500			
	38,436	23.65	November 26, 2022	545,407			
	68,411	36.15	September 30, 2023	115,615			
	100,000	37.82	September 22, 2024	2,000			
			Total:	1,372,521			

(a) Shows stock options and share-based awards held as at the end of the fiscal year ended September 30, 2014.
(b) Based on $37.84, the closing price of the Company's Class A subordinate voting shares on the Toronto Stock Exchange on September 30, 2014.
(c) Shows the market value for the aggregate number of PSUs held as at the end of the fiscal year ended September 30, 2014.

APPENDIX B

Stock Options and Share-Based Awards Held by Directors

The following tables show all outstanding stock options held by the members of the Board of Directors who are not Named Executive Officers as at September 30, 2014 as well as the in-the-money-value of such stock options. The outside members of the Board of Directors are also eligible to receive DSUs. See the heading *Stock Options and Deferred Stock Units Granted to Directors* in the *Management Proxy Circular* earlier in this document. All DSUs are fully vested at the time of issuance.

The corresponding information for directors who are also Named Executive Officers may be found in Appendix A.

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Alain Bouchard							
	3,813	27.28	April 28, 2023	40,265			
	650	30.79	July 10, 2023	4,583			
	4,000	36.15	September 30, 2023	6,760			
	1,198	38.41	October 16, 2023	0			
	1,471	34.68	January 22, 2024	4,648			
	1,410	36.17	April 16, 2024	2,355			
	1,360	37.50	July 23, 2024	462			
	4,000	37.82	September 22, 2024	80			
							115,147
			Total:	59,153			115,147

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Bernard Bourigeaud							
	834	9.31	October 1, 2018	23,794			
	834	9.31	October 1, 2018	23,794			
	1,666	12.54	September 30, 2019	42,150			
	2,500	15.49	September 30, 2020	55,875			
	1,688	19.71	September 30, 2021	30,603			
	3,813	23.65	November 26, 2022	54,106			
	4,000	36.15	September 30, 2023	6,760			
	1,537	36.17	April 16, 2024	2,567			
	1,458	37.50	July 23, 2024	496			
	4,000	37.82	September 22, 2024	80			
							56,646
			Total:	240,225			56,646

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Jean Brassard							
	2,500	15.49	September 30, 2020	55,875			
	1,997	19.28	January 27, 2021	37,064			
	1,897	20.30	April 24, 2021	33,273			
	1,877	20.51	July 28, 2021	32,528			

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Jean Brassard							
	1,688	19.71	September 30, 2021	30,603			
	1,995	19.30	October 20, 2021	36,987			
	1,986	19.39	January 26, 2022	36,642			
	1,807	21.31	April 19, 2022	29,870			
	1,605	23.99	July 26, 2022	22,229			
	1,472	26.16	October 18, 2022	17,193			
	3,813	23.65	November 26, 2022	54,106			
	1,577	24.41	January 23, 2023	21,179			
	277	27.12	February 13, 2023	2,969			
	1,690	26.62	April 17, 2023	18,962			
	1,462	30.79	July 10, 2023	10,307			
	4,000	36.15	September 30, 2023	6,760			
	1,172	38.41	October 16, 2023	0			
	1,471	34.68	January 22, 2024	4,648			
	1,410	36.17	April 16, 2024	2,355			
	1,360	37.50	July 23, 2024	462			
	4,000	37.82	September 22, 2024	80			
							473,984
			Total:	454,095			473,984

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Robert Chevrier							
	1,756	7.69	January 21, 2015	52,943			
	964	7.00	April 29, 2015	29,730			
	922	7.32	July 8, 2015	28,139			
	808	8.35	October 14, 2015	23,828			
	4,000	8.55	October 21, 2015	117,160			
	771	9.40	January 20, 2016	21,927			
	4,000	7.72	November 20, 2016	120,480			
	1,062	10.36	April 13, 2017	29,184			
	932	11.80	July 20, 2017	24,269			
	2,500	11.39	October 1, 2017	66,125			
	1,024	10.74	October 26, 2017	27,750			
	1,095	10.05	February 1, 2018	30,430			
	1,143	11.64	April 11, 2018	29,947			
	1,353	10.90	August 1, 2018	36,450			
	2,500	9.31	October 1, 2018	71,325			
	1,630	9.05	October 24, 2018	46,928			
	1,706	10.11	January 30, 2019	47,307			
	3,376	10.85	April 24, 2019	91,118			
	3,573	10.67	July 31, 2019	97,078			
	2,500	12.54	September 30, 2019	63,250			
	2,903	13.26	October 22, 2019	71,356			
	2,659	14.48	January 28, 2020	62,114			
	2,099	15.51	April 22, 2020	46,871			
	2,033	14.76	July 29, 2020	46,922			
	2,500	15.49	September 30, 2020	55,875			
	1,880	15.96	October 21, 2021	41,134			
	2,204	19.28	January 27, 2021	40,906			
	2,094	20.30	April 24, 2021	36,729			
	2,072	20.51	July 28, 2021	35,908			
	1,688	19.71	September 30, 2021	30,603			
	2,202	19.30	October 20, 2021	40,825			
	2,192	19.39	January 26, 2022	40,442			

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Robert Chevrier							
	1,994	21.31	April 19, 2022	32,961			
	1,772	23.99	July 26, 2022	24,542			
	1,625	26.16	October 18, 2022	18,980			
	3,813	23.65	November 26, 2022	54,106			
	1,741	24.41	January 23, 2023	23,382			
	277	27.12	February 13, 2023	2,969			
	1,878	26.62	April 17, 2023	21,071			
	1,624	30.79	July 10, 2023	11,449			
	4,000	36.15	September 30, 2023	6,760			
	1,302	38.41	October 16, 2023	0			
	1,658	34.68	January 22, 2024	5,239			
	1,590	36.17	April 16, 2024	2,655			
	1,533	37.50	July 23, 2024	521			
	4,000	37.82	September 22, 2024	80			
							1,293,863
			Total:	1,809,771			1,293,863

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Dominic D'Alessandro							
	2,500	14.69	January 26, 2020	57,875			
	1,192	15.51	April 22, 2020	26,617			
	1,762	14.76	July 29, 2020	40,667			
	2,500	15.49	September 30, 2020	55,875			
	1,629	15.96	October 21, 2020	35,643			
	1,997	19.28	January 27, 2021	37,064			
	1,897	20.30	April 24, 2021	33,273			
	1,877	20.51	July 28, 2021	32,528			
	1,688	19.71	September 30, 2021	30,603			
	1,995	19.30	October 20, 2021	36,987			
	1,986	19.39	January 26, 2022	36,642			
	1,807	21.31	April 19, 2022	29,870			
	1,605	23.99	July 26, 2022	22,229			
	1,471	26.16	October 18, 2022	17,181			
	3,813	23.65	November 26, 2022	54,106			
	1,577	24.41	January 23, 2023	21,179			
	277	27.12	February 13, 2023	2,969			
	1,728	26.62	April 17, 2023	19,388			
	1,494	30.79	July 10, 2023	10,533			
	4,000	36.15	September 30, 2023	6,760			
	1,198	38.41	October 16, 2023	0			
	1,471	34.68	January 22, 2024	4,648			
	1,410	36.17	April 16, 2024	2,355			
	1,360	37.50	July 23, 2024	462			
	4,000	37.82	September 22, 2024	80			
							562,492
			Total:	615,537			562,492

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Thomas P. d'Aquino							
	625	15.49	September 30, 2020	13,969			
	2,386	19.28	January 27, 2021	44,284			
	2,408	20.30	April 24, 2021	42,236			
	2,438	20.51	July 28, 2021	42,251			
	1,688	19.71	September 30, 2021	30,603			
	2,591	19.30	October 20, 2021	48,037			
	2,579	19.39	January 26, 2022	47,583			
	2,223	21.31	April 19, 2022	36,746			
	1,917	23.99	July 26, 2022	26,550			
	1,758	26.16	October 18, 2022	20,533			
	3,813	23.65	November 26, 2022	54,106			
	1,884	24.41	January 23, 2023	25,302			
	277	27.12	February 13, 2023	2,969			
	2,010	26.62	April 17, 2023	22,552			
	1,867	30.79	July 10, 2023	13,162			
	4,000	36.15	September 30, 2023	6,760			
	1,497	38.41	October 16, 2023	0			
	1,802	34.68	January 22, 2024	5,694			
	1,728	36.17	April 16, 2024	2,886			
	1,667	37.50	July 23, 2024	567			
	4,000	37.82	September 22, 2024	80			
							1,319,897
			Total:	486,872			1,319,897

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Paule Doré							
	2,500	12.54	September 30, 2019	63,250			
	2,500	15.49	September 30, 2020	55,875			
	648	19.28	January 27, 2021	12,027			
	616	20.30	April 24, 2021	10,805			
	609	20.51	July 28, 2021	10,554			
	1,688	19.71	September 30, 2021	30,603			
	648	19.30	October 20, 2021	12,014			
	645	19.39	January 26, 2022	11,900			
	587	21.31	April 19, 2022	9,703			
	521	23.99	July 26, 2022	7,216			
	478	26.16	October 18, 2022	5,583			
	3,813	23.65	November 26, 2022	54,106			
	512	24.41	January 23, 2023	6,876			
	277	27.12	February 13, 2023	2,969			
	751	26.62	April 17, 2023	8,426			
	650	30.79	July 10, 2023	4,583			
	4,000	36.15	September 30, 2023	6,760			
	521	38.41	October 16, 2023	0			
	721	34.68	January 22, 2024	2,278			
	691	36.17	April 16, 2024	1,154			
	667	37.50	July 23, 2024	227			
	4,000	37.82	September 22, 2024	80			
							180,497
			Total:	316,990			180,497

	Option-based Awards				Share-based Awards		
Name and title	securities	exercise	Option expiration date	the-money options[b]	shares or	payout value	value of
Richard B. Evans							
	2,500	12.54	September 30, 2019	63,250			
	2,500	12.54	September 30, 2019	63,250			
	44	13.26	October 22, 2019	1,082			
	1,796	14.48	January 28, 2020	41,955			
	1,676	15.51	April 22, 2020	37,425			
	1,762	14.76	July 29, 2020	40,667			
	2,500	15.49	September 30, 2020	55,875			
	1,629	15.96	October 21, 2020	35,643			
	1,997	19.28	January 27, 2021	37,064			
	1,825	20.30	April 24, 2021	32,011			
	1,779	20.51	July 28, 2021	30,830			
	1,688	19.71	September 30, 2021	30,603			
	2,024	19.30	October 20, 2021	37,525			
	2,034	19.39	January 26, 2022	37,527			
	1,798	21.31	April 19, 2022	29,721			
	1,629	23.99	July 26, 2022	22,562			
	1,441	26.61	October 18, 2022	16,182			
	3,813	23.65	November 26, 2022	54,106			
	1,554	24.41	January 23, 2023	20,870			
	277	27.12	February 13, 2023	2,969			
	1,724	26.62	April 17, 2023	19,343			
	1,539	30.79	July 10, 2023	10,850			
	4,000	36.15	September 30, 2023	6,760			
	1,207	38.41	October 16, 2023	0			
	1,576	34.68	January 22, 2024	4,980			
	1,507	36.17	April 16, 2024	2,517			
	1,430	37.50	July 23, 2024	486			
	4,000	37.82	September 22, 2024	80			
							610,094
				Total:	736,134		610,094

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
Julie Godin							
	9,375	12.54	September 30, 2019	237,188			
	9,375	15.49	September 30, 2020	209,531			
	6,330	19.71	September 30, 2021	114,763			
	33,363	23.65	November 26, 2022	473,421			
	25,000	23.65	November 26, 2022	354,750			
	35,000	37.11	November 12, 2023	25,550			
	50,000	37.82	September 22, 2024	1,000			
				Total:	1,416,203		

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested[a] (#)	Market or payout value of share-based awards that have not vested[b][c] ($)	Market Payout value of vested share-based awards not paid out or distributed ($)
André Imbeau							
	107,553	15.49	September 30, 2020	2,403,810			
	3,813	23.65	November 26, 2022	54,106			
	4,000	36.15	September 30, 2023	6,760			
					22,854	864,795	
				Total:	2,464,676	22,854	864,795

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Gilles Labbé							
	2,500	14.69	January 26, 2020	57,875			
	596	15.51	April 22, 2020	13,309			
	881	14.76	July 29, 2020	20,333			
	2,500	15.49	September 30, 2020	55,875			
	815	15.96	October 21, 2020	17,832			
	1,349	19.28	January 27, 2021	25,037			
	1,281	20.30	April 24, 2021	22,469			
	1,268	20.51	July 28, 2021	21,974			
	1,688	19.71	September 30, 2021	30,603			
	1,347	19.30	October 20, 2021	24,973			
	1,315	19.39	January 26, 2022	24,262			
	1,278	21.31	April 19, 2022	21,125			
	1,172	23.99	July 26, 2022	16,232			
	1,075	26.16	October 18, 2022	12,556			
	3,813	23.65	November 26, 2022	54,106			
	1,152	24.41	January 23, 2023	15,471			
	277	27.12	February 13, 2023	2,969			
	1,925	26.62	April 17, 2023	21,599			
	1,665	30.79	July 10, 2023	11,738			
	4,000	36.15	September 30, 2023	6,760			
	1,334	38.41	October 16, 2023	0			
	1,658	34.68	January 22, 2024	5,239			
	1,590	36.17	April 16, 2024	2,655			
	1,533	37.50	July 23, 2024	521			
	4,000	37.82	September 22, 2024	80			
							444,771
			Total:	485,597			444,771

	Option-based Awards				Share-based Awards		
Name and title	Number of securities underlying unexercised options[a] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[b] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market Payout value of vested share-based awards not paid out or distributed[b][c] ($)
Joakim Westh							
	3,813	27.28	April 28, 2023	40,265			
	4,000	36.15	September 30, 2023	6,760			
	4,000	37.82	September 22, 2024	80			
			Total:	47,105			

(a) Shows stock options held as at the end of the fiscal year ended September 30, 2014.
(b) Based on $37.84, the closing price of the Company's Class A subordinate voting shares on the Toronto Stock Exchange on September 30, 2014.
(c) Shows the aggregate payout value of DSUs held as at the end of the fiscal year ended September 30, 2014.

APPENDIX C

Shareholder Proposals

Proposal Number One – Advisory Vote on the Compensation of Senior Executives

It is proposed that the board of directors adopt a policy setting out that the compensation policy for its five most senior executives shall be submitted to a shareholder advisory vote.

Currently, the shareholders of *CGI Group Inc.* cannot express their opinion on the corporation's senior executive compensation policies. Today, close to one hundred companies offer their shareholders such an opportunity.

It seems that many shareholders are concerned about the company's compensation policy because, at the last annual general meeting, 14% voted against the resolution to approve the replenishment of the shares reserved for issuance under the *Share Option Plan for Employees, Officers and Directors of CGI Group Inc. and its Subsidiaries*.

An advisory vote on the compensation of senior executives is a basic element of good relations with shareholders and allows the Board of Directors to ensure that shareholders are satisfied with its compensation policy and that it maintains a good dialogue with its shareholders, without regard to the number of shares they hold which preserves the good reputation of the company with its various stakeholders and the financial community. It also avoids excessive withholding of votes in the case of directors who serve on compensation committees which may affect their reputation as a director, when shareholders do not have access to an advisory vote to express their dissatisfaction. It is our view that dissatisfaction with respect to a compensation policy should be expressed with respect to the Board of Directors as a whole and not with respect to certain directors.

Board of Directors Response

Devising a compensation policy and related practices as a solid foundation for a successful business is a challenging task that takes a deep understanding of the business and its competitive environment to ensure that our overall compensation approach serves the best interests of the Company.

Shareholders elect directors annually to perform that critical oversight role on their behalf. CGI's Board of Directors has established a Human Resources Committee made up of independent directors who have expertise in human resources management, as well as access to expert advice, comparative data and best practices in the establishment and oversight of executive compensation policy and practices.

As such, CGI's directors devised an executive compensation policy that emphasizes incentive compensation linked to business success, thereby ensuring that the financial interests of the Company's executives are closely aligned with those of shareholders. CGI measures business success on the basis of profit and growth as well as client and member satisfaction. This belief drives the Company's compensation programs, which are designed to attract and retain the key talent CGI needs to remain competitive in a challenging market and achieve continued and profitable growth for shareholders.

Advisory votes, by their binary yes or no nature, do not provide meaningful insight to the Board of Directors and therefore accomplish little to promote a meaningful dialogue with shareholders. The current Canadian regulatory context prevents public companies from knowing who their shareholders really are. In addition, the rules forbidding selective disclosure similarly militate against discussions with interest groups.

The advisory vote process also raises the question of whether all shareholders should benefit from the same voting rights. Studies have shown that, on average, shares of North American public companies are held for short periods of time, often less than six months. A review of applicable legislation to distinguish between short term speculators and investors who have an interest in the long term interests of companies would therefore be in order before the rights of all shareholders are broadened.

Furthermore, several institutional investors exercise their voting power based on recommendations by investor services firms, thereby essentially delegating their voting rights to such organizations. Our

experience has been that these firms' one-size-fits-all approach and the quality of their research can be deficient. Advisory firms are also often in blatant conflicts of interest as they provide corporate governance advisory services while also making voting recommendations based on the practices that they advocate. These considerations raise concerns that should also be addressed before considering expanding shareholder rights.

We therefore believe that our directors, whose fiduciary duties include ensuring that the Company's executive compensation policies and practices are the best fit for the Company's business in the competitive arena in which it operates, are uniquely qualified and positioned to effectively play this important governance function in an effective manner.

The Board of Directors therefore recommends that shareholders **vote against** Proposal Number One.

Proposal Number Two – Information on Director Qualifications

It is proposed that the Management Proxy Circular provide more information on the directors' skills as well as the continuing education they receive.

In order to provide shareholders with a better appreciation of the skills that nominee directors bring to the Board, a fair number of companies present a table describing the nominees' experience and skills. In addition, some companies disclose the continuing education courses that directors have taken, which allows shareholders to appreciate whether the directors are remaining current with respect to evolving requirements relating to financial disclosure, risk management, governance, ethics, and executive compensation policy. This type of information allows shareholders to gain a better appreciation for the quality of the candidates proposed for election. We cite the following disclosure concerning a candidate taken from the most recent Management Proxy Circular of the Toronto Dominion Bank:

David E. Kepler

Age: 61
Midland, MI
U.S.A.
Director Since:
December 2013
Independent

Mr. Kepler is the Executive Vice President, Business Services, Chief Sustainability Officer and Chief Information Officer of The Dow Chemical Company, a chemical, plastics and advanced materials manufacturer. Mr. Kepler holds an undergraduate degree in chemical engineering from the University of California, Berkeley, and serves as a trustee for the Berkeley Foundation. Mr. Kepler is also a member of the U.S. National Infrastructure Advisory Council.

Key Areas of Expertise/Experience

- Corporate Responsibility
- Risk Management
- Senior Executive/Strategic Leadership
- Technology

Other Public Company directorships in the past five years

- Teradata Corporation (2007 — present)

Board/Committee Membership	Attendance[7]
Board Risk Combined Total	N/A

Equity Ownership

Year[2]	Common Shares	DSUs	Total of Common Shares and DSUs	Total Value of Common Shares and DSUs[4]	Amount Exceeding/Below SOR
2014	3,000	2,119	5,119	$256,232	($283,768)

These best practices are strongly encouraged by the *Canadian Coalition for Good Governance*.

Board of Directors Response

CGI already provides detailed disclosure concerning our directors' participation in continuing education initiatives. The information is presented in our Management Proxy Circular in the report of the Corporate Governance Committee under the heading *Participation in the Orientation and Continuing Education Program*.

However, we have added a skills matrix to the disclosure concerning our corporate governance practices showing the skills that each of our directors contributes to the CGI Board of Directors. The information is presented in our Management Proxy Circular in the report of the Corporate Governance Committee under the heading *Expertise and Financial and Operational Literacy*.

We have also added the skillset to each director's biography in the Management Proxy Circular, in the same format as the one used in the skills matrix.

On the basis of these changes made to our Management Proxy Circular, and following discussions with the *Mouvement d'éducation et de défense des actionnaires* ("Médac"), it was agreed that Proposal Number Two **would not be submitted to the Meeting for a vote**.

Proposal Number Three – Abolition of Stock Options for Directors

It is proposed that the Board of Directors abolish the practice of granting stock options to its directors.

At the present time, directors who join the Board of Directors for the first time are eligible, at the time of their election, to receive a grant of 4,000 stock options. In addition, the members of the Board of Directors receive each year a grant of 4,000 stock options.

It is our view that the best way to align the interests of directors with those of shareholders is to require a minimum shareholding. That is the position taken by the Caisse and Desjardins in this matter, we cite the position taken by Desjardins[2]:

> "They will vote AGAINST the creation of stock option plans for managers or directors, and will vote AGAINST any addition to existing plans, except for start-up and small cap companies"

While the practice may have been useful in the first years of the company's existence as a result of its limited means to compensate its directors, there is no longer a reason to do so. This may lead to excessive risk-taking and conflicts of interest between the directors and the company.

Board of Directors Response

Following ongoing discussions with certain of the Company's shareholders as part of a process initiated two years ago the Board of Directors has undertaken to cease its practice of granting stock options to its outside directors beginning with the 2016 fiscal year.

On that basis, and following discussions with Médac, it was agreed that Proposal Number Three **would not be submitted to the Meeting for a vote**.

Proposal Number Four – Abolition of Stock Options

This proposal was presented to the Company by Médac but **withdrawn** after discussions between the Company and Médac.

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[2] *Policy on the exercise of proxy voting rights*, Desjardins Funds, 2014, Desjardins Wealth Management http://fondsdesjardins.com/information/droit_vote_en.pdf

SECTION 2: FORM 40-F 2014

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 40-F

(Check one)

☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

☑ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended September 30, 2014

Commission file number 1-14858

GROUPE CGI INC./CGI GROUP INC.

(Exact name of Registrant as Specified in Its Charter)

CGI Group Inc.
(Translation of Registrant's Name Into English)

Québec, Canada
(Province or Other Jurisdiction of Incorporation or Organization)

7374
(Primary Standard Industrial Classification Code Number)

[Not Applicable]
(I.R.S. Employer Identification Number)

1350 René-Lévesque Boulevard West, 15th Floor
Montréal, Québec
Canada H3G 1T4
(514) 841-3200
(Address and Telephone Number of Registrant's Principal Executive Offices)

CGI Technologies and Solutions Inc.
11325 Random Hills
Fairfax, VA22030
(703) 267-8679
(Name, Address and Telephone Number of Agent For Service in the United States)

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

Title Of Each Class	Name Of Each Exchange On Which Registered
Class A Subordinate Voting Shares	New York Stock Exchange

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

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

For annual reports, indicate by check mark the information filed with this form:

☑ Annual Information Form ☑ Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 279,311,564 Class A Subordinate Shares, 33,272,767 Class B Shares

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes X No____

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or such shorter period that the Registrant was required to submit and post such files). Yes____ No_____

Undertaking

Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

Controls and Procedures

The Registrant has established a system of controls and other procedures designed to ensure that information required to be disclosed in its periodic reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. These disclosure controls and procedures have been evaluated under the direction of the Registrant's Chief Executive Officer and Chief Financial Officer as of the end of the Registrant's most recently completed fiscal year on September 30, 2014. Based on such evaluations, the Chief Executive Officer and Chief Financial Officer have concluded that the disclosure controls and procedures are effective. No change was made in the Registrant's internal controls over financial reporting during the fiscal year ended September 30, 2014 that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting. No significant changes were made in the Registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Audit Committee

The Audit and Risk Management Committee of the Board of Directors is composed entirely of unrelated directors who meet the independence and experience requirements of the New York Stock Exchange, the Toronto Stock Exchange, the U.S. Securities and Exchange Commission rules and National Instrument 52-110, as amended.

The Audit and Risk Management Committee is composed of Mr. Gilles Labbé, Chair of the committee, and Messrs. Jean Brassard, Richard B. Evans and Joakim Westh.

The Registrant's Board of Directors has determined that the following members of the Audit and Risk Management Committee of the Board of Directors are "audit committee financial experts" within the meaning of paragraph (8) of General Instruction B to Form 40-F:

- Gilles Labbé

Principal Accountant Fees and Services

In order to satisfy itself as to the independence of the external auditors, the Audit and Risk Management Committee has adopted an auditor independence policy which covers (a) the services that may and may not be performed by the external auditors, (b) the governance procedures to be followed prior to retaining services from the external auditors, and (c) the responsibilities of the key participants. The following is a summary of the material provisions of the policy.

Performance of Services

Services are either acceptable services or prohibited services.

The acceptable services are (a) audit and review of financial statements, (b) prospectus work, (c) audit of pension plans, (d) special audits on control procedures, (e) tax planning services on mergers and acquisitions activities, (f) due diligence relating to mergers and acquisitions, (g) tax services related to transfer pricing, (h) sales tax planning, (i) research and interpretation related to taxation, (j) research relating to accounting issues, (k) proposals and related services for financial structures and large tax planning projects, (l) preparation of tax returns and (m) all other services that are not prohibited services.

The prohibited services are (a) bookkeeping services, (b) design and implementation of financial information systems, (c) appraisal or valuation services or fairness opinions, (d) actuarial services, (e) internal audit services, (f) management functions, (g) human resources functions, (h) broker-dealer services, (i) legal services, (j) services based on contingency fees and (k) expert services.

Governance Procedures

The following control procedures are applicable when considering whether to retain the external auditors' services:

For all services falling within the permitted services category, whether they are audit or non-audit services, a request for approval must be submitted to the Audit and Risk Management Committee through the Executive Vice-President and Chief Financial Officer prior to engaging the auditors to perform the services.

In the interests of efficiency, certain permitted services are pre-approved quarterly by the Audit and Risk Management Committee and thereafter only require approval by the Executive Vice-President and Chief Financial Officer as follows:

- The Audit and Risk Management Committee can pre-approve envelopes for certain services to pre-determined dollar limits on a quarterly basis;
- Once pre-approved by the Audit and Risk Management Committee, the Executive Vice-President and Chief Financial Officer may approve the services prior to the engagement;
- For services not captured within the pre-approved envelopes and for costs in excess of the pre-approved amounts, separate requests for approval must be submitted to the Audit and Risk Management Committee;
- At each meeting of the Audit and Risk Management Committee a consolidated summary of all fees by service type is presented including a breakdown of fees incurred within each of the pre-approved envelopes.

Fees Billed by the External Auditors

During the years ended September 30, 2014 and September 30, 2013, CGI's external auditors billed the following fees for their services:

Service retained	**Fees billed**	
	2014	**2013**
Audit fees	$7,946,682	$8,442,468
Audit related fees[(a)]	$1,055,796	$1,144,061
Tax fees[(b)]	$596,072	$2,282,078
All other fees[(c)]	-	$249,629
Total fees billed	**$9,598,550**	**$12,118,236**

(a) The audit related fees billed by the external auditors for the years ended September 30, 2014 and 2013 were in relation to service organization control procedures audits and assistance, information technology assistance services, and 401(k) and special audits.

(b) The tax fees billed by the external auditors for the years ended September 30, 2014 and 2013 were in relation to tax compliance, advisory services and human capital services.

(c) The other fees billed by the external auditors for the year ended September 30, 2013 were in relation to other advisory services.

Code of Ethics

In addition to its Code of Ethics and Business Conduct (including the CGI Anti-Corruption Policy) that applies to all the Registrant's employees, officers and directors, the Registrant has adopted an Executive Code of Conduct that applies specifically to the Registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or other persons performing similar functions (collectively, the "Officers"). The Executive Code of Conduct is designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that the Registrant files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Registrant;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of the Executive Code of Conduct to an appropriate person or persons identified in the Executive Code of Conduct; and
- Accountability for adherence to the Executive Code of Conduct.

The Registrant's Executive Code of Conduct, its Code of Ethics and Business Conduct (including the CGI Anti-Corruption Policy) have been posted on the Registrant's website at http://www.cgi.com.

The Board of Directors monitors compliance with the Executive Code of Conduct and the Code of Ethics and Business Conduct (including the CGI Anti-Corruption Policy) and, under the Board of Directors charter, is responsible for any waivers of such codes' provisions granted to directors or officers. No such waivers have been granted to date.

Corporate Governance Practices

CGI's corporate governance practices conform to those followed by U.S. domestic companies under the *New York Stock Exchange* listing standards.

Off-balance sheet arrangements

The Registrant does not enter into off-balance sheet financing as a matter of practice except for the use of operating leases for office space, computer equipment and vehicles as well as accounts receivable factoring, none of which are off-balance sheet arrangements within the meaning of paragraph (11) of General Instruction B to Form 40-F.

As disclosed in Note 30 to the Registrant's Consolidated Financial Statements, in the normal course of business, the Registrant enters into agreements that may provide for indemnification and guarantees to counterparties in transactions such as consulting and outsourcing services, business divestitures, lease agreements and financial obligations. These indemnification undertakings and guarantees may require the Company to compensate counterparties for costs and losses incurred as a result of various events, including breaches of representations and warranties, intellectual property right infringement, claims that may arise while providing services or as a result of litigation that may be suffered by counterparties. The nature of most indemnification undertakings prevent the Registrant from making a reasonable estimate of the maximum potential amount the Registrant could be required to pay counterparties, as the agreements do not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. The Registrant does not expect that any sum it may have to pay in connection with these guarantees will have a materially adverse effect on its Consolidated Financial Statements.

Tabular Presentation of Contractual Obligations

As of September 30, 2014, the Registrant's commitments under the terms of contractual obligations with various expiration dates, primarily for the rental of premises, computer equipment used in outsourcing contracts and long-term service agreements, were as follows:

Commitment type	Total	Less than 1 year	2nd and 3rd years	4th and 5th years	After 5 years
In thousands of CAD					
Long-term debt	2,632,873	48,048	1,162,658	337,010	1,085,157
Estimated interests on long-term debt	477,658	89,709	137,788	105,742	144,419
Finance lease obligations	61,698	32,319	28,506	873	—
Estimated interests on finance lease obligations	2,699	1,494	1,184	21	—
Operating leases					
Rental of office space	1,287,438	278,159	459,651	326,096	223,532
Computer equipment	42,153	21,349	17,223	3,427	154
Automobiles	84,091	36,862	33,250	10,151	3,828
Long-term service agreements and other	190,083	74,291	92,875	22,917	—
Total contractual obligations	**4,778,693**	**582,231**	**1,933,135**	**806,237**	**1,457,090**

Our required benefit plan contributions have not been included in this table as such contributions depend on periodic actuarial valuations for funding purposes. Our contributions to defined benefit plans are estimated at $20.1 million for fiscal 2015 as described in note 17 to the financial statements.

Information to be Filed on This Form

The following materials are filed as a part of this Annual Report:

1. Annual Information Form for the fiscal year ended September 30, 2014

2. Audited Annual Financial Statements for the fiscal year ended September 30, 2014

3. Management's Discussion and Analysis of Financial Position and Results of Operations

The following documents are filed as exhibits to this Annual Report:

23.1 Consent of Ernst & Young LLP

99.1 Certification of the Registrant's Chief Executive Officer required pursuant to Rule 13a-14(a).

99.2 Certification of the Registrant's Chief Financial Officer required pursuant to Rule 13a-14(a).

99.3 Certification of the Registrant's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.4 Certification of the Registrant's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

ANNUAL INFORMATION FORM

For the fiscal year ended
September 30, 2014

December 12, 2014

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This Annual Information Form is dated December 12, 2014 and, unless specifically stated otherwise, all information disclosed in this form is provided as at September 30, 2014, the end of CGI's most recently completed fiscal year. All dollar amounts are in Canadian dollars, unless otherwise stated.

INCORPORATION AND DESCRIPTION OF CAPITAL STOCK

Corporate Structure

CGI Group Inc. (the "Company", "CGI", "we", "us" or "our") was incorporated on September 29, 1981 under Part IA of the Companies Act (Quebec), predecessor to the Business Corporations Act (Quebec), which came into force on February 14, 2011 and which now governs the Company. The Company continued the activities of Conseillers en gestion et informatique CGI Inc., which was originally founded in 1976. The executive and registered offices of the Company are situated at 1350 boul. René-Lévesque Blvd. West, 15th Floor, Montreal, Quebec Canada H3G 1T4. CGI became a public company on December 17, 1986, upon completing an initial public offering of its Class A subordinate voting shares ("Class A subordinate voting shares").

The activities of the Company are conducted either directly or through subsidiaries. The table below lists the principal subsidiaries of each reportable segment of the Company as at September 30, 2014, each of which is directly or indirectly wholly-owned by the Company. Certain subsidiaries whose total assets did not represent more than 10% of the Company's consolidated assets or whose revenues did not represent more than 10% of the Company's consolidated revenues as at September 30, 2014, have been omitted. The subsidiaries that have been omitted represent, as a group, less than 20% of the consolidated assets and revenues of the Company as at September 30, 2014. This table omits subsidiaries whose primary role is to hold investments in other CGI subsidiary entities.

Canada
Conseillers en Gestion et Informatique CGI Inc.
CGI Information Systems and Management Consultants Inc.
United States of America
CGI Technologies and Solutions Inc.
CGI Federal Inc.
Stanley Associates, Inc.
Nordics, Southern Europe and South America
CGI Sverige AB
CGI Suomi Oy
Central and Eastern Europe (including the Netherlands, Germany and Belgium)
CGI Nederland B.V.
CGI (Germany) GmbH & Co. KG[1]
United Kingdom
CGI IT UK Limited
Asia Pacific (including Australia, India, the Philippines and the Middle East)
CGI Information Systems and Management Consultants Private Limited
France (including Luxembourg and Morocco)
CGI France SAS

[1] On December 1, 2014, CGI (Germany) GmbH & Co. KG merged into CGI Deutschland Ltd. & Co. KG

In addition to its principal operating subsidiaries, CGI has a number of other subsidiaries that serve specific markets, serve as holding companies, or serve other corporate purposes.

Capital Structure

The Company's authorized share capital consists of an unlimited number of Class A subordinate voting shares carrying one vote per share and an unlimited number of Class B shares (multiple voting) ("Class B shares") carrying 10 votes per share, all without par value, of which, as of December 12, 2014, 280,336,500 Class A subordinate voting shares and 33,272,767 Class B shares, were issued and outstanding. These shares represent respectively 45.7% and 54.3% of the aggregate voting rights attached to the outstanding Class A subordinate voting shares and Class B shares. Two classes of preferred shares also form part of CGI's authorized capital: an unlimited number of First Preferred Shares, issuable in series, and an unlimited number of Second Preferred Shares, also issuable in series. As of December 12, 2014 there were no preferred shares outstanding.

The Company incorporates by reference the disclosure contained under the headings *Class A Subordinate Voting Shares and Class B Shares* on page 3, and *First Preferred Shares* and *Second Preferred Shares* on page 5 of CGI's Management Proxy Circular dated December 12, 2014 which was filed with Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the Management Proxy Circular will be provided promptly to shareholders upon request.

Stock Splits

As of December 12, 2014, the Company had proceeded with four subdivisions of its issued and outstanding Class A subordinate voting shares as follows:

- August 12, 1997 on a two for one basis;
- December 15, 1997 on a two for one basis;
- May 21, 1998 on a two for one basis; and
- January 7, 2000 on a two for one basis.

Market for Securities, Trading Price and Volume

CGI's Class A subordinate voting shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol GIB.A and on the New York Stock Exchange, under the symbol GIB. A total of 235,407,599 Class A subordinate voting shares were traded on the TSX during the year ended September 30, 2014 as follows:

Month	High[(a)] ($)	Low[(a)] ($)	Volume
October 2013	38.66	34.66	23,797,427
November 2013	41.47	34.36	22,718,118
December 2013	39.24	35.35	28,036,045
January 2014	35.84	32.71	37,592,451
February 2014	37.40	32.81	19,850,061
March 2014	36.76	33.76	17,145,067
April 2014	40.93	33.98	19,836,536
May 2014	40.21	35.42	16,529,824
June 2014	38.73	36.08	12,477,732
July 2014	39.89	36.76	13,339,257
August 2014	39.83	36.52	12,254,080

Month	High[(a)] ($)	Low[(a)] ($)	Volume
September 2014	40.17	37.15	11,831,001

(a) The high and low prices reflect the highest and lowest prices at which a board lot trade was executed in a trading session during the month.

Normal Course Issuer Bid and Share Repurchases

On January 29, 2014, CGI announced that it was renewing its normal course issuer bid to repurchase up to 10% of the Company's public float of its issued and outstanding Class A subordinate voting shares during the normal course issuer bid term that commenced on February 11, 2014 and will expire on February 10, 2015 at the latest. See *Description of CGI's Business – Significant developments of the Three Most Recent Fiscal Years – Fiscal Year ended September 30, 2014 – Share Repurchase Program* later in this document.

CORPORATE GOVERNANCE

Board and Standing Committee Charters and Codes of Ethics

CGI's Code of Ethics and Business Conduct, its Executive Code of Conduct, the charter of the Board of Directors and the charters of the standing committees of the Board of Directors, including the charter of the Audit and Risk Management Committee, are set out in CGI's Fundamental Texts which are annexed as Appendix A to this Annual Information Form.

Audit Committee Information

The Company incorporates by reference the disclosure contained under the heading *Expertise and financial and operational literacy* on page 43 and following and the disclosure under the heading *Report of the Audit and Risk Management Committee* on page 52 and following of CGI's Management Proxy Circular dated December 12, 2014 which was filed with Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the Management Proxy Circular will be provided promptly to shareholders upon request to the Company.

Directors and Officers

Directors

The Company incorporates by reference the disclosure under the heading *Nominees for Election as Directors* relating to the Company's directors contained on pages 9 to 16, and the table on Board of Directors committee membership on page 41 of CGI's Management Proxy Circular dated December 12, 2014 which was filed with Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the Management Proxy Circular will be provided promptly to shareholders upon request to the Company.

Officers

The following table states the names of CGI's senior officers, their place of residence and their principal occupation as at December 12, 2014:

Name and place of residence	Principal occupation
João Baptista London, United Kingdom	President, Nordics, Southern Europe and South America

Name and place of residence	Principal occupation
Jean-Michel Baticle Precy sur Oise, France	President, France (including Luxembourg and Morocco)
François Boulanger Brossard, Quebec Canada	Executive Vice-President and Chief Financial Officer[1]
Jame Cofran Annapolis, Maryland USA	Senior Vice-President and Chief Marketing Officer
Benoit Dubé St-Lambert, Quebec Canada	Executive Vice-President, Chief Legal Officer and Deputy Corporate Secretary
Serge Dubrana Asnières sur Seine France	President, Central and Eastern Europe
Julie Godin Verdun (Nuns' Island), Quebec Canada	Executive Vice-President, Global Human Resources and Strategic Planning
Serge Godin Westmount, Quebec Canada	Founder and Executive Chairman of the Board
Lorne Gorber Longueuil, Quebec Canada	Senior Vice-President, Global Communications and Investors Relations
Timothy W. Gregory Chislehurst, Kent United Kingdom	President, United Kingdom
Colin Holgate Pymble, Sydney Australia	President, Asia Pacific
André Imbeau Beloeil, Quebec Canada	Founder, Vice-Chairman of the Board and Corporate Secretary
Kevin Linder Montreal, Quebec Canada	Senior Vice-President and Corporate Controller[2]
Eva Maglis Montreal, Quebec Canada	Executive Vice-President and Global Chief Information Officer
Claude Marcoux Sainte-Foy, Quebec Canada	Chief Operating Officer, Canada
Douglas McCuaig Toronto, Ontario Canada	Executive Vice-President, Global Client Transformation Services
Luc Pinard St-Lambert, Quebec Canada	Executive Vice-President, Corporate Performance
Michael E. Roach Outremont, Quebec Canada	President and Chief Executive Officer
Daniel Rocheleau Longueuil, Quebec Canada	Executive Vice-President and Chief Business Engineering Officer

Name and place of residence	Principal occupation
Jacques Roy Boucherville, Quebec Canada	Senior Vice-President, Finance and Treasury
George Schindler Fairfax, Virginia USA	President, United States
Claude Séguin Montreal, Quebec Canada	Senior Vice-President, Corporate Development and Strategic Investments

1. As at September 30, 2014, R. David Anderson was the Executive Vice-President and Chief Financial Officer of the Company. Mr. François Boulanger succeeded Mr. Anderson in such function effective October 1, 2014.
2. As at September 30, 2014, François Boulanger was the Senior Vice-President and Corporate Controller of the Company. Mr. Kevin Linder was appointed Senior Vice-President and Corporate Controller, effective October 1, 2014.

Except as noted below, all of the officers named in the table have either held the position set out opposite their name, or other executive or equivalent management functions in the Company or its subsidiaries during the last five years.

João Baptista was appointed President, Nordics, Southern Europe and South America on August 20, 2012. Prior to his appointment as President, Nordics, Southern Europe and South America with the Company, Mr. Baptista was Chief Executive Officer Northern and Central Europe (2010-2012) and Chief Executive of International (2008-2009) with Logica plc ("Logica").

Jean-Michel Baticle was appointed President, France (including Luxembourg and Morocco) on June 18, 2013. Mr. Baticle joined the Company in 1989 as Oracle Offerings Leader and occupied various positions before becoming Vice President, Regions in 2011. In 2012 M. Baticle was promoted to Senior Vice-President, Regions.

François Boulanger was appointed Senior Vice-President and Corporate Controller on October 1, 2008. Mr. Boulanger was appointed Executive Vice-President and Chief Financial Officer effective October 1, 2014.

Jame Cofran was appointed as Senior Vice-President and Chief Marketing Officer on May 4, 2012. Prior to this appointment, he served as the Company's Global Marketing Lead for the Financial Services industry since 2009. Mr. Cofran was the U.S. Banking & Investments Industry Lead from 2007 and before that he lead the global Credit Solutions Group.

Benoit Dubé was appointed Executive Vice-President, Chief Legal Officer and Deputy Corporate Secretary on June 4, 2010 and prior to his appointment was a Vice-President in the Company's Legal Department.

Serge Dubrana was appointed President, Central and Eastern Europe on August 20, 2012 and prior to his appointment was Chief Executive Officer Technology & Alliances (2008-2009), Chief Executive Officer Global operations & International (2010-2011) and Group Chief Operating Officer (2012) at Logica.

Julie Godin was appointed Executive Vice-President, Global Human Resources and Strategic Planning, on September 1, 2012. Ms. Godin joined CGI as Administrative Vice-President and was appointed Senior Vice-President, Human Resources and Strategic Planning on July 26, 2010.

Lorne Gorber was appointed Senior Vice-President, Global Communications and Investor Relations on October 1, 2010. Mr. Gorber previously served the Company as Vice-President, Global Communications and Investor Relations since October 2006.

Timothy W. Gregory was appointed President, United Kingdom on August 20, 2012 and prior to his appointment was President, Europe and Australia with the Company (2011-2012) and Business Unit Leader UK (2009-2011).

Colin Holgate was appointed President, Asia-Pacific on August 20, 2012 and prior to his appointment was Chief Executive Officer Australia at CGI Technologies and Solutions Australia Pty Limited (formerly known as Logica Australia Pty Ltd) (2007-2010), Chief Executive officer Asia Pacific (2010-2011) and Managing Director, Asia Pacific, Middle East and Africa (2011-2012) at Logica.

Kevin Linder was appointed as Senior Vice-President and Corporate Controller on October 1, 2014. Prior to this appointment, he served as Vice-President Financial Business Services (2013–2014), Vice-President Finance, Canada (2011–2013), and Vice-President Corporate Reporting (2006–2011).

Eva Maglis was appointed Executive Vice-President and Global Information Officer on June 1, 2012. Prior to her appointment, Ms. Maglis served as President, Global Infrastructure Services (since May 27, 2011) and was previously Senior Vice-President and General Manager responsible for CGI's global infrastructure services, solutions and consulting (since October 1, 2008). She has been an officer of the Company since July 26, 2010.

Doug McCuaig was appointed Executive Vice-President, Global Client Transformation Services on January 30, 2013. Prior to his appointment, Mr. McCuaig served as President, Canada (since June 4, 2010) and was previously a Senior Vice-President of the Company.

Luc Pinard was appointed Executive Vice-President, Corporate Performance on August 3, 2011. Prior to such appointment, Mr. Pinard was Executive Vice-President, Chief Technology and Quality Officer of the Company.

Prior to his appointment as Chief Operating Officer, Canada on January 30, 2013, Mr. Marcoux was Chief Operations Officer (since August 17, 2012) and Senior Vice-President and General Manager (since July 26, 2010) of the Company.

George Schindler was appointed President, United States on September 22, 2014. Previously, he served as President, United States and Canada (since January 30, 2013), President, United States (since September 28, 2011) and President, CGI Federal (from 2006).

Ownership of Securities on the Part of Directors and Officers

The Company incorporates by reference the disclosure under the heading *Principal Holders of Class A Subordinate Voting Shares and Class B Shares* on page 6 of CGI's Management Proxy Circular dated December 12, 2014 which was filed with Canadian securities regulatory authorities and which is available at www.sedar.com and on CGI's web site at www.cgi.com. A copy of the Management Proxy Circular will be provided promptly to shareholders upon request to the Company.

DESCRIPTION OF CGI'S BUSINESS

Mission and Vision

The mission of CGI is to help its clients with professional services of outstanding quality, competence and objectivity, delivering the best solutions to fully satisfy client objectives in information technology ("IT"), business processes and management. In all we do, we foster a culture of partnership, intrapreneurship and integrity, building a global IT and business process services ("BPS") company. CGI's vision is to be a global world-class IT and BPS leader helping our clients succeed.

CGI's Mission, Vision, Dream and Values are explained in the Company's Fundamental Texts, which are annexed as Appendix A, and are posted on the Company's web site at www.cgi.com.

Business Structure

The Company is managed through the following seven operating segments, namely: United States of America ("U.S."); Nordics, Southern Europe and South America ("NSESA"); Canada; France (including Luxembourg and Morocco) ("France"); United Kingdom ("U.K."); Central and Eastern Europe (primarily the Netherlands and Germany) ("CEE"); and Asia Pacific (including Australia, India and the Philippines) ("Asia Pacific"). Please refer to section 3.4 and 3.6 of CGI's Management's Discussion and Analysis for Fiscal Year 2014 and to Note 28 of our audited consolidated financial statements for additional information on our segments.

To assist in better understanding the operational performance of our Company since the acquisition of Logica plc ("Logica") in 2012, we refer to our operations in two broad groupings. Our activities prior to Logica were predominantly comprised of the Canada and the U.S. segments which we refer to as our North American operations or segments. The acquired operations, which we refer herein as our European operations or segments, is comprised of the NSESA, France, U.K., CEE and Asia Pacific segments.

The following table provides a summary of the year-over-year changes in our revenue, in total and by segment, in fiscal 2014 and 2013:

Segment	**2014**	**2013**
In thousands of CAD		
U.S. revenue	2,664,876	2,512,530
NSESA revenue	2,090,240	2,010,693
Canada revenue	1,638,320	1,685,723
France revenue	1,333,792	1,273,604
U.K. revenue	1,283,847	1,158,520
CEE revenue	1,063,533	1,003,950
Asia Pacific revenue	425,084	439,604
Total	**10,499,692**	**10,084,624**

Services Offered by CGI

CGI provides high-end IT and management consulting services, systems integration and management of IT and business functions (outsourcing). The Company's client-proximity model provides for CGI services and solutions to be delivered in a number of ways and considering a number of factors: onsite at client premises; or from any combination of onsite, near-shore and/or offshore delivery centers located throughout the world.

We offer the following services:

- Consulting - CGI provides a full range of IT and management consulting services, including business transformation, IT strategic planning, business process engineering and systems architecture.
- Systems Integration - CGI integrates and customizes leading technologies and software applications to create IT systems that respond to clients' strategic needs.
- Management of IT and Business Functions ("Outsourcing") - Clients delegate entire or partial responsibility for their IT or business functions to CGI to achieve significant savings and access the best suited technology, while retaining control over strategic IT and business functions. As part of

these agreements, we implement our quality processes and practices to improve the efficiency of the clients' operations. We may also integrate clients' operations into our technology network. Finally, we may take on specialized professionals from our clients, enabling our clients to focus on key operations. Services provided as part of an outsourcing contract may include development and integration of new projects and applications; applications maintenance and support; technology infrastructure management (enterprise and end-user computing and network services); transaction and business processing such as payroll, claims processing, and document management services. Outsourcing contracts typically have terms from five to ten years.

CGI has a wide range of proprietary business solutions that help shape opportunities and drive value for our clients and shareholders, including the following:

- *Momentum*™ is an integrated enterprise resource planning suite in use by over 85 federal organizations across the three branches of the U.S. federal government, including 16 agencies subject to the *Chief Financial Officer and Federal Financial Reform Act of 1990*. *Momentum*™ is provided as an on-premises implementation, as a managed service hosted in CGI's data center, or as "software as a service" (subscription based offering for the software).

- CGI's leading enterprise resource planning solution, *CGI Advantage*®, helps state and local governments improve their back office operations and better serve their citizens with a full suite of built-for-government tools, including financial management, payroll, budgeting, human resources management, procurement, permitting, case management and business intelligence. *CGI Advantage*® supports operations across 400+ implementations spanning states, cities and counties. Our clients include 23 state governments, the two largest US cities by population and four of the six largest counties by population, including the largest. *CGI Advantage*® is provided as an on-premise implementation, as a managed service hosted in CGI's data center or as a Software as a Service (SaaS) hosted in CGI's secure community cloud.

- CGI's Credit Services Solutions, including Collections360®, Gateway360®, *CACS*™, *CACS-G*™, ACAPS™, *Bureaulink*™, *Strata*™ and other components, are in use by hundreds of businesses around the world to improve their consumer and small business credit operations.

Markets for CGI's Services

CGI offers its end-to-end services to a focused set of industry vertical markets where we have developed extensive and deep subject matter expertise. This allows us to fully understand our clients' business realities and to have the knowledge and solutions needed to advance their business goals. Our targeted vertical markets include: financial services, government, health, telecommunications & utilities, manufacturing, retail and distribution ("MRD"), which together account for more than 90% of global IT spend.

In addition, CGI's proprietary business solutions include Enterprise Resource Planning solutions, energy management, credit and debt collections, tax management, claims auditing and fraud detection.

Human Resources

As of September 30, 2014, CGI had approximately 68,000 employees, whom we refer to as members.

In order to encourage the high degree of commitment necessary to ensure the quality and continuity of client service, CGI, for several years, has offered its members the right to acquire Class A subordinate voting shares pursuant to a *Share Purchase Plan*. Among the countries in which we currently offer the Share Purchase Plan, approximately 70% of our employees were also owners of CGI through our Share Purchase Plan. Also, from the beginning, the Company has had a *Profit Participation Plan* which, from 1990 onwards, has been based on the performance of its business units and overall corporate results.

CGI Offices and Global Delivery Model

CGI and its affiliated companies operate from more than 400 offices. CGI also serves its clients from global delivery centers located on four continents. These delivery centers enable CGI to provide its clients with the right mix of onsite, nearshore and offshore IT services that best suits their business needs.

CGI's delivery centers and its main offices are listed below:

Canada

Burnaby, BC	Laval, QC	Ottawa, ON	Sherbrooke, QC‡
Calgary, AB	Markham, ON	Quebec City, QC‡	Stratford, PEI‡
Edmonton, AB	Mississauga, ON	Regina, SK	Toronto, ON
Fredericton, NB‡	Moncton, NB‡	Saguenay, QC‡	Victoria, BC
Halifax, NS‡	Montréal, QC‡	Saskatoon, SK	

United States

Albany, NY	Columbus, OH	Lawton, OK	Sacramento, CA
Alexandria, VA	Dallas / Fort Worth, TX	Lebanon, VA‡	San Angelo, TX
Andover, MA	Dumfries, VA	Los Angeles, CA	San Antonio, TX
Annapolis Junction, MD	Durham, VA	Manassas, VA	San Diego, CA
Atlanta, GA	Fairfax, VA	New York, NY	Sierra Vista, AZ
Baltimore, MD	Houston, TX	Norfolk, VA	Somersworth, NH
Belton, TX‡	Huntsville, AL	North Charleston, SC	Troy, AL‡
Cleveland, OH	Lafayette, LA‡	Phoenix, AZ	Washington, DC
Columbia, SC	Lakewood, CO		

Europe, Asia Pacific and Africa

Aarhus, Denmark	Düsseldorf, Germany	Leinfelden-Echterdingen, Germany	Paris, France
Amiens, France‡	Edinburgh, U.K.	Lille, France	Porto, Portugal‡
Arnhem, Netherlands	Eindhoven, Netherlands	Lima, Peru	Prague, Czech Republic‡
Ballerup, Denmark	Espoo, Finland	Linköping, Sweden	Rabat, Morocco‡
Bangalore, India‡	Frankfurt, Germany	Lisbon, Portugal‡	Reading, U.K.
Bertrange, Luxembourg	Gävle, Sweden	London, U.K.	Rennes, France
Birmingham, U.K.	Gloucester, U.K.	Lyon, France‡	Riihimäki, Finland
Bordeaux, France‡	Göteborg, Sweden	Madrid, Spain‡	Rotterdam, Netherlands
Borlänge, Sweden	Grenoble, France	Málaga, Spain‡	Sacavém, Portugal
Bratislava, Slovakia	Groningen, Netherlands	Malmö, Sweden	Santiago, Chile
Bremen, Germany	Hamburg, Germany	Manila, Philippines‡	São Paulo, Brazil
Bridgend, U.K.‡	Heerlen, Netherlands	Melbourne, Australia	Sintra, Portugal
Bristol, U.K.	Helsinki, Finland	Milton Keynes, U.K.	St. Albans, U.K.
Brno, Czech Republic‡	Hobart, Australia‡	Mogi das Cruzes, Brazil	Stavanger, Norway
Bromölla, Sweden	Hoofddorp, Netherlands	Montpellier, France‡	Stockholm, Sweden
Caracas, Venezuela	Hyderabad, India‡	Mumbai, India‡	Strasbourg, France
Casablanca, Morocco‡	Karlstad, Sweden	Munich, Germany	Sundsvall, Sweden
Chennai, India‡	Köln / Bonn, Germany	Nantes, France	Sydney, Australia
Clermont-Ferrand, France	Krakow, Poland‡	Nice, France	Tampere, Finland
Darmstadt, Germany	Kuala Lumpur, Malaysia‡	Oslo, Norway	Toulouse, France‡
Didsbury, U.K.	Lahti, Finland	Östersund, Sweden‡	Turku, Finland
Diegem, Belgium	Leatherhead, U.K.	Oulu, Finland	Warsaw, Poland‡

‡ indicates cities where CGI operates global delivery centres.

All of CGI's offices are located in rented premises with the exception of the following properties, which are owned by CGI: one property in Belton, Texas; one property in Lebanon, Virginia where the Land is leased with a right to acquire; one property in Montreal, Quebec where one of our data centres is located; two properties in Mississauga, Ontario, one of which is a data centre and the other of which is an adjacent

office building; one property in Santiago, Chile; one property in Riihimäki, Finland; one property in Mumbai, India consisting of an office building, but that is built on land that we lease; two properties in Odivelas, Portugal; one property in Bromölla, Sweden; two properties in Bridgend, United Kingdom, one of which is an office building and the other of which is a parcel of land; and one property in Caracas, Venezuela.

Commercial Alliances

CGI currently has commercial alliance agreements with various business partners. These non-exclusive commercial agreements with hardware and software providers allow the Company to provide its clients with high quality technology, often on advantageous commercial terms. CGI's business partners include prominent hardware and software providers.

Quality Processes

CGI's ISO 9001 certified operations that are reflected in its management frameworks ensure that its clients' objectives are clearly defined, that projects are properly scoped and that the necessary resources are applied to meet objectives. These processes ensure that clients' requirements drive CGI's solutions. Clients are constantly kept informed; their degree of satisfaction is regularly measured and part of the incentive remuneration of CGI managers is linked to the results.

In 1993, the Company began working towards obtaining ISO 9001 certification for the portion of its operations covered by its *Project Management Framework*. CGI's Quebec City office was granted ISO 9001 certification in June 1994, which allowed CGI to become North America's first organization in the IT consulting field to receive ISO 9001 certification for the way in which it managed projects. Since 1995, CGI expanded the ISO 9001 certification throughout its Canadian, U.S. and international offices as well as its corporate headquarters. Over the past several years, in the context of CGI's high growth rate, its ISO certified quality system has been a key ingredient in spreading its culture, in part because it helps to integrate new members successfully. As part of the Logica integration completed on September 30th, 2014, we implemented the necessary changes to integrate Logica's members and operations under the ISO 9001 certified processes described in the CGI Management Foundation (as defined on p. 12 of this Annual Information Form).

Our ongoing efforts to extend the ISO 9001 certification to the operations resulting from the Logica acquisition is a key ingredient in CGI's integration program.

As clients grow and IT projects become increasingly complex, CGI strives to further refine its quality processes while allowing them to branch out across all its activities. CGI's enhanced quality system of which the *Client Partnership Management Framework* ("CPMF") forms part, is simpler and provides the Company's business units with greater autonomy in a context of decentralized activities. One of CGI's key focus areas remains the successful management of client relationships, leading to long-term partnerships. CGI applications development centres in Mumbai, Hyderabad, Chennai and Bangalore in India, have achieved SEI CMMi DEV Level 5 quality certification and ISO 27001 security management system certification.

CGI also obtained ISO 9001 certification for the application of its *Member Partnership Management Framework* in its operations and, in 2004, we similarly obtained ISO 9001 certification for the portion of our operations covered by our *Shareholder Partnership Management Framework* ("SPMF"). The SPMF structures the processes and information flows between CGI and its shareholders as well as with the investment community.

CGI now holds ISO quality certification for the management of its partnerships with each of its three major stakeholder groups, namely clients, members and shareholders.

The IT Services Industry

Trends and Outlook

Although the current state of the economy makes it difficult to predict future trends in IT spending, CGI intends to continue its "build and buy" growth strategy, expanding both through organic growth ("build") and through acquisition ("buy"). Today more than ever, IT services are essential in both businesses and governments. Any new service, program or efficiency improvement brings a need for additional IT.

As part of our annual strategic planning activities in 2014, we held more than 800 face-to-face interviews with our clients. A few key trends and priorities, common across industries and geographies emerged from these conversations: the need for digital transformation brought about by an increasingly mobile and digital world; the ever increasing regulatory compliance requirements not only in finance but in a broad range of domains; and the growth in cybersecurity threats.

These trends, along with the rise of the Internet of Everything, combine to create a need to ensure that IT infrastructures are more secure than ever. Achieving this requires significant investments and understanding that IT infrastructures are not a commodity but a crucial asset to be protected.

Budget pressures and the need to improve performance remain an ongoing trend across industries, thereby presenting opportunities that the Company has successfully exploited in the past. We believe that the potential in IT and business process services outsourcing remains enormous. CGI has from time to time commissioned a study from *International Data Corp.* ("IDC") which provides CGI with insight as to spending on IT and business process services in Canada, the United States and Europe.

According to IDC's research conducted in 2013, the IT domain spending was estimated to be US$757 billion in the U.S., US$693 billion in Europe and US$65 billion in Canada. These numbers exclude the value of services already outsourced and indicate a large untapped potential market for outsourcing services.

Vision and Strategy

At CGI, we have a vision of being a global world-class IT and BPS leader, who helps its clients succeed. This business vision begins with our dream, which is "to create an environment in which we enjoy working together and, as owners, contribute to building a company we can be proud of." From this dream we developed our build and buy strategy, comprised of four pillars that combine organic growth ("build") and acquisitions ("buy").

The first two pillars of our strategy focus on organic growth. The first pillar focuses on smaller contract wins, renewals and extensions. The second involves the pursuit of new large, long-term outsourcing contracts, leveraging our end-to-end services, global delivery model and critical mass.

The third pillar of our growth strategy focuses on the acquisition of smaller firms or niche players. We identify niche acquisitions through a strategic mapping program that systematically searches for targets that will strengthen our vertical market knowledge or increase the richness of our service offerings.

The fourth pillar involves the pursuit of transformational acquisitions focused on expanding our geographic presence and critical mass. This approach further enables us to strengthen our qualifications to compete for large outsourcing contracts. CGI continues to be a consolidator in the IT services industry.

This four-pillar growth strategy has resulted in our ability to build critical mass in key client geographies, gain a deep knowledge of clients' business sectors and develop specialized practices and innovative solutions.

This four-pillar growth strategy has resulted in our ability to build critical mass in key client geographies, gain a deep knowledge of clients' business sectors and develop specialized practices and innovative solutions.

CGI remains committed to profitable growth and the fundamentals that help all of CGI's stakeholders succeed, while fulfilling CGI's strategic objective of doubling the size of the Company.

Today, with a presence in 40 countries, strong expertise in all of our target markets and a complete range of IT services, CGI is able to meet our clients' business needs anywhere, anytime. While remaining true to our constitution, CGI continues to adapt to best respond to changes in the IT market, the local and global business climate of clients, and to our professionals' and shareholders' expectations.

Competitive Environment

As a global provider of end-to-end information technology and business process services, CGI operates in a highly competitive and rapidly evolving global industry. Our competition comprises a variety of global players, from niche companies providing specialized services to other end-to-end service providers, mainly in the U.S., Europe and India, all of whom are competing to deliver some or all of the services we provide.

Recent merger and acquisition activity has resulted in CGI being positioned as one of the few remaining IT services firms that operates independently of any hardware or software vendor. Our independence allows CGI to deliver the best-suited technology available to our clients.

CGI offers its end-to-end services to a select set of targeted vertical markets in which we have deep business and technical expertise. To compete effectively, CGI focuses on high-end systems integration, consulting and outsourcing where vertical market industry knowledge and expertise are required.

Our business model is designed to listen to the needs of our clients and adapt our offerings to provide the best solutions to meet each client's unique needs. Our client approach focuses on:

- **Local accountability:** We live and work near our clients to provide a high level of responsiveness. We speak our clients' language, understand their business environment, and collaborate with them to meet their goals and advance their business.

- **Global capabilities:** Our local presence is backed by an expansive global delivery network that ensures our clients have access to resources that best fit their needs and offer proximity.

- **Quality processes:** Our investment in quality frameworks and rigorous client satisfaction assessments provides for a consistent track record of on-time and on-budget project delivery, enabling our clients to focus on their business objectives.

- **Committed experts:** Our professionals have vast industry, business and technology expertise to help our clients. In addition, a majority of our professionals are shareholders of the Company, providing an added level of commitment to our clients' success.

- **Practical innovation:** We provide a full set of innovative solutions in areas of big data, predictive analytics and mobility, which are complemented by our expertise in business consulting, systems integration and outsourcing services to offer creative business strategies to our clients.

CGI's business operations are based on the Management Foundation (the "Management Foundation"), encompassing governance policies, sophisticated management frameworks and an organizational model for its business units and corporate processes. This foundation, along with our appropriate internal systems is followed by all our business units and helps in providing a disciplined high standard of quality service to our clients across all of our operations, and additional value to our stakeholders.

There are many factors involved in winning and retaining IT and BPS contracts, including the following: total cost of services; ability to deliver; track record; vertical market expertise; investment in business solutions; local presence; global delivery capability; and the strength of client relationships. CGI compares favourably with its competition with respect to all of these factors.

In summary, CGI's competitive value proposition encompasses the following: end-to-end IT and BPS capability; expertise and proprietary business solutions in our targeted vertical markets covering the majority of global IT spending; a unique global delivery model, which includes industry leading delivery capabilities; a disciplined Management Foundation; and our focus on client satisfaction which is supported by our client proximity business model.

Significant Developments of the Three Most Recent Fiscal Years

Key Performance Measures

The Company reports its financial results in accordance with International Financial Reporting Standards ("IFRS"). However, we use a combination of financial measures, ratios, and non-GAAP measures to assess our Company's performance. The non-GAAP measures used to report our financial results do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS.

The table below summarizes our non-GAAP measures and most relevant key performance measures:

Profitability	*Adjusted EBIT (non-GAAP)* – is a measure of earnings before integration-related costs, finance costs, finance income and income tax expense as these items are not directly related to the cost of operations. Management believes this measure is useful to investors as it best reflects the profitability of our operations and allows for better comparability from period to period as well as to analyze the trends in our operations. A reconciliation of the yearly and current quarter's adjusted EBIT to its closest IFRS measure can be found on pages 22 and 38 of CGI's Management's Discussion and Analysis for Fiscal Year 2014. *Net earnings prior to specific items (non-GAAP)* – is a measure of earnings before the integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability and allows for better comparability from period to period. A reconciliation of the yearly and current quarter's net earnings prior to specific items to its closest IFRS measure can be found on pages 24 and 39 CGI's Management's Discussion and Analysis for Fiscal Year 2014. Specific items related to the resolution of acquisition-related provisions are described on page 20 of CGI's Management's Discussion and Analysis for Fiscal Year 2014. *Basic and diluted earnings per share prior to specific items (non-GAAP)* – is defined as the net earnings excluding integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions on a per share basis, assuming all dilutive elements are exercised. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability on a per share basis and allows for better comparability from period to period. The yearly and current quarter's diluted net earnings reported in accordance with IFRS can be found on pages 23 and 38 while the yearly and current quarter's diluted net earnings prior to specific items can be found on pages 24 and 39 of CGI's Management's Discussion and Analysis for Fiscal Year 2014. Specific items related to the resolution of

acquisition-related provisions are described on page 20 of CGI's Management's Discussion and Analysis for Fiscal Year 2014.

Net earnings – is a measure of earnings generated for shareholders.

Diluted earnings per share – is a measure of earnings generated for shareholders on a per share basis, assuming all dilutive elements are exercised.

Liquidity

Cash provided by operating activities – is a measure of cash generated from managing our day-to-day business operations. We believe strong operating cash flow is indicative of financial flexibility, allowing us to execute our corporate strategy.

Days sales outstanding ("DSO") (non-GAAP) – is the average number of days needed to convert our trade receivables and work in progress into cash. DSO is obtained by subtracting deferred revenue from trade accounts receivable and work in progress; the result is divided by the quarter's revenue over 90 days. Deferred revenue is net of the fair value adjustments on revenue-generating contracts. Management tracks this metric closely to ensure timely collection, healthy liquidity, and is committed to a DSO target of 45 days or less. We believe this measure is useful to investors as it demonstrates the Company's ability to timely convert its trade receivables and work in progress into cash.

Growth

Constant currency growth (non-GAAP) – is a measure of revenue growth before foreign currency impacts. This growth is calculated by translating current period results in local currency using the conversion rates in the equivalent period from the prior year. Management believes that it is helpful to adjust revenue to exclude the impact of currency fluctuations to facilitate period-to-period comparisons of business performance. We believe that this measure is useful to investors for the same reason.

Backlog (non-GAAP) – Backlog includes new contract wins, extensions and renewals ("bookings" (non-GAAP)), partially offset by the backlog consumed during the year as a result of client work performed and adjustments related to the volume, cancellation and/or the impact of foreign currencies to our existing contracts. Backlog incorporates estimates from management that are subject to change. Management tracks this measure as it is a key indicator of management's best estimate of revenue to be realized in the future and believes that this measure is useful to investors for the same reason.

Book-to-bill ratio (non-GAAP) – is a measure of the proportion of contract wins to our revenue in the period. This metric allows management to monitor the Company's business development efforts to ensure we grow our backlog and our business over time. Management remains committed to maintaining a target ratio greater than 100% over a 12-month period. Management believes that the longer period is a more effective measure as the size and timing of bookings could cause this measurement to fluctuate significantly if taken for only a three-month period.

Capital Structure

Net debt (non-GAAP) – is obtained by subtracting our cash and cash equivalents, short-term investments and long-term investments from our debt. Management uses the net debt metric to monitor the Company's financial leverage. We believe that this metric is useful to investors as it provides insight into our financial strength. A reconciliation of net debt to its closest IFRS measure can be found on page 30 of CGI's Management's Discussion and Analysis for Fiscal Year 2014.

Net debt to capitalization ratio (non-GAAP) – is a measure of our level of financial leverage and is obtained by dividing the net debt by the sum of shareholder's equity

and debt. Management uses the net debt to capitalization metric to monitor the proportion of debt versus capital used to finance our operations and to assess the Company's financial strength. We believe that this metric is useful to investors as it provides insight into our financial strength.

Return on equity ("ROE") (non-GAAP) – is a measure of the rate of return on the ownership interest of our shareholders and is calculated as the proportion of earnings for the last 12 months over the last four quarter's average equity. Management looks at ROE to measure its efficiency at generating profits for the Company's shareholders and how well the Company uses the invested funds to generate earnings growth. We believe that this measure is useful to investors for the same reasons.

Return on invested capital ("ROIC") (non-GAAP) – is a measure of the Company's efficiency at allocating the capital under its control to profitable investments and is calculated as the proportion of the after-tax adjusted EBIT for the last 12 months, over the last four quarter's average invested capital, which is defined as the sum of equity and net debt. Management examines this ratio to assess how well it is using its funds to generate returns. We believe that this measure is useful to investors for the same reasons.

Fiscal Year ended September 30, 2014

Significant Developments

Key performance figures for the year include:

- Revenue of $10,499.7 million, up 4.1%;
- Adjusted EBIT of $1,356.9 million, up 26.1%;
- Adjusted EBIT margin of 12.9%, up 220 basis points;
- Net earnings prior to specific items[1] of $893.5 million, or diluted EPS of $2.80, up 22.8%;
- Net earnings of $859.4 million, or diluted EPS of $2.69, up 88.5%;
- Cash provided by operating activities of $1,174.8 million, up 75.0%;
- Bookings of $10.2 billion and backlog of $18.2 billion;
- Net debt reduced by $626.6 million;
- Return on invested capital of 14.5%;
- Return on equity of 18.8%.

[1] Specific items include the integration costs related to the acquisition of Logica, the tax adjustments and the resolution of acquisition-related provisions which are discussed on page 20 of CGI's Management's Discussion and Analysis for Fiscal Year 2014.

Acquisition of Logica plc

On August 20, 2012, CGI completed its acquisition of Logica for 105 pence ($1.63) per ordinary share which is equivalent to a total purchase price of $2.7 billion plus the assumption of Logica's net debt of $0.9 billion. Subsequent to August 20, 2012, our results incorporated the operations of Logica.

As of September 30, 2014, we completed the integration of Logica, a full year earlier than planned. In addition to the previously announced $525 million program, we actioned an incremental $26.5 million of new opportunities while foreign currency fluctuations unfavorably impacted the program by approximately $24.0 million over the two-year period. In summary, a total of $575.5 million in one-time costs were spent to drive annual savings in excess of $400 million and EPS accretion to CGI.

Long-term Debt

In the first quarter of Fiscal Year 2014, the unsecured revolving credit facility of $1,500.0 million was extended by one year to December 2017. On July 25, 2014, the facility was further extended by another year to December 2018 and can be further extended annually. All other terms and conditions including interest rates and banking covenants remain unchanged.

In April 2014, we repaid the first maturing tranche of the term loan credit facility of $486.7 million using the proceeds from our credit facilities.

In September 2014, the Company entered into a $955 million debt private placement comprised of four tranches of Senior U.S. unsecured notes for US$745 million, and one tranche of Senior euro unsecured note for €85 million, with a weighted average maturity of 7.9 years and a weighted average fixed coupon of 3.62%. The Company used the proceeds of the issuance of the new private placement notes to repay the May 2015 maturing tranche of the term loan credit facility of $494.7 million and the outstanding balance of the credit facilities. Further details are provided in section 4.1.3 of CGI's Management's Discussion and Analysis for Fiscal Year 2014.

Share Repurchase Program

On January 29, 2014, the Company's Board of Directors authorized and subsequently received the approval from the TSX for the renewal of the normal course issuer bid ("NCIB") to purchase up to 21,798,645 Class A subordinate shares for cancellation, representing 10% of the Company's public float as of the close of business on January 24, 2014. The Class A subordinate shares may be purchased under the NCIB commencing February 11, 2014 and ending on the earlier of February 10, 2015, or the date on which the Company has either acquired the maximum number of Class A subordinate shares allowable under the NCIB, or elects to terminate the NCIB.

During fiscal 2014, the Company repurchased 2,837,360 Class A subordinate shares for $111.5 million at an average price of $39.29 under the annual aggregate limit of the previous NCIB. Included in this number are 2,490,660 Class A subordinate voting shares sold by the *Caisse dépôt et placement du Québec* (the "Caisse") and purchased by the Company for cancellation on November 29, 2013. In accordance with Toronto Stock Exchange rules, the repurchase by the Company of the shares held by the Caisse are taken into account when calculating the annual aggregate limit that the Company is entitled to repurchase under its current NCIB. As at September 30, 2014, the Company could purchase up to 21.8 million shares under the current NCIB.

Significant Share Transactions

On November 29, 2013, the Caisse reduced its holding in the Company by 9,962,660 Class A subordinate voting shares. The reduction was in accordance with the Caisse's portfolio rebalancing policy based on the increase in the share price for the Company's Class A subordinate voting shares that nearly doubled since the private placement by the Caisse in May of 2012. As indicated in the above paragraph, 25% of the shares sold by the Caisse were purchased by the Company for cancellation under its current NCIB at a price per share of $40.15 corresponding to the net price that the Caisse obtained from the broker who acquired the remaining 75% of the shares.

Bookings and Book-To-Bill Ratio

Bookings for the year were $10.2 billion, representing a book-to-bill ratio of 96.8%. Of the $10.2 billion in bookings signed during this year, 39% came from new business, while 61% came from extensions and renewals.

Our largest verticals for bookings were Manufacturing, retail and distribution, Government and Financial services, making up approximately 28%, 28% and 20% of total bookings, respectively. From a

geographical perspective, NSESA accounted for 26% of total bookings, followed by the U.S. at 19% and France at 15%.

Information regarding our bookings is a key indicator of the volume of our business over time. However, due to the timing and transition period associated with outsourcing contracts, the realization of revenue related to these bookings may fluctuate from period to period. The values initially booked may change over time due to their variable attributes, including demand-driven usage, modifications in the scope of work to be performed caused by changes in client requirements as well as termination clauses at the option of the client. As such, information regarding our bookings is not comparable to, nor should it be substituted for an analysis of our revenue; it is instead a key indicator of our future revenue used by the Company's management to measure growth. For the year ended September 30, 2014, the book-to-bill ratio of our North American operations was at 76.0% while it was at 112.2% for our European operations for a total book-to-bill ratio of 96.8%.

Foreign currency impact

Foreign currency rate fluctuations favourably impacted our revenue by 7.0%. This compares with a favourable impact of 1.2% in fiscal 2013, and a favourable impact of 0.9% in fiscal 2012. The foreign currency impact in 2014 was mainly due to the strengthening of the euro, U.S. dollar and British pound.

Fiscal Year ended September 30, 2013

Significant Developments

Fiscal 2013 marks the first full year of results from Logica's businesses. Operational highlights for the year include:

- Revenue of $10.1 billion, up 111.3%;
- Bookings of $10.3 billion, up 99.0%;
- Backlog of $18.7 billion, up more than $1 billion;
- Adjusted EBIT of $1,075.6 million, up 96.7%;
- Adjusted EBIT margin of 10.7%;
- Net earnings of $727.7 million, or diluted EPS of $2.30, excluding acquisition-related and integration costs and net unfavourable tax adjustments;
- Net earnings of $455.8 million, or diluted EPS of $1.44 on a GAAP basis, including acquisition-related and integration costs and net unfavourable tax adjustments;
- Cash provided by operating activities of $671.3 million, or $2.12 per diluted share;
- Net debt reduced by $365.4 million and repurchased 723,100 shares during the year; and
- Return on invested capital of 11.8%.

Integration of Logica plc

On August 20, 2012, CGI completed its acquisition of Logica for 105 pence ($1.63) per ordinary share which is equivalent to a total purchase price of $2.7 billion plus the assumption of Logica's net debt of $0.9 billion. Subsequent to August 20, 2012, our results incorporated the operations of Logica.

As announced in Q2 2013, the Company decided to stretch its integration goals increasing the annual savings target from $300 million to $375 million per year to drive additional long-term savings and EPS accretion. The one-time cost to accomplish the expanded plan had been increased from $400 million to $525 million.

Of the announced integration costs of $525.0 million, $109.7 million was expensed in fiscal 2012 while $338.4 million was expensed in fiscal 2013 for a total of $448.2 million since the beginning of the program.

For the first full year of results following the transaction, the Company exceeded its accretion target and realized an EPS before acquisition-related and integration costs and other adjustments of $2.30 per diluted share compared to $1.50 for the previous year.

Share Repurchase Program

On January 30, 2013, the Company's Board of Directors authorized and subsequently received the approval from the TSX for the renewal of the Normal Course Issuer Bid ("NCIB") to purchase up to 10% of the public float of the Company's Class A subordinate voting shares as of the close of business on January 25, 2013. The NCIB enables CGI to purchase, on the open market, up to 20,685,976 Class A subordinate voting shares for cancellation. The Class A subordinate voting shares may be purchased under the NCIB commencing February 11, 2013 and ending on the earlier of February 10, 2014, or the date on which the Company has either acquired the maximum number of Class A subordinate voting shares allowable under the NCIB, or elects to terminate the NCIB.

During fiscal 2013, the Company repurchased for cancellation 723,100 of its Class A subordinate voting shares for $22.9 million at an average price of $31.63 under the current and previous NCIB. As at September 30, 2013, the company may purchase up to an additional 20.0 million shares under the current NCIB.

Bookings and Book-to-Bill Ratio

Bookings for the year were $10.3 billion, representing a book-to-bill ratio of 102.2%. Of the $10.3 billion in bookings signed during this year, 46% came from new business, while 54% came from extensions and renewals.

Our largest verticals for bookings were Manufacturing, retail and distribution, Government and Financial services, making up approximately 27%, 26% and 23% of total bookings, respectively. From a geographical perspective, the U.S. accounted for 27% of total bookings, followed by NSESA at 21% and Canada at 17%.

Foreign Currency Impact

Foreign currency rate fluctuations favourably impacted our revenue by 1.2%. This compares with a favourable impact of 0.9% in fiscal 2012, and an unfavourable impact of 3.1% in fiscal 2011. The foreign currency impact in 2013 was mainly due to the strengthening of the euro.

Fiscal Year ended September 30, 2012

Significant Developments

The Company continued to grow year-over-year and our adjusted EBIT margin continues to remain strong, providing necessary cash from operations to pay down our long-term debt and to increase the return to our shareholders. The highlights are below:

- Revenue of $4.8 billion, increase of 12.1% year-over-year on a constant currency basis;
- Bookings of $5.2 billion resulting in a book-to-bill ratio of 109%;
- Backlog of $17.6 billion;
- Strong underlying profitability delivered across legacy CGI operations;
- Accelerating profitable growth and bookings in U.S. operations; and
- Cash from operations of $613.3 million, or $2.24 per share.

Acquisition of Logica plc

On August 20, 2012, CGI completed the recommended cash acquisition of Logica for 105 pence (C$1.63) per ordinary share, equivalent to a total purchase price of £1.7 billion (C$2.7 billion as at August 20, 2012) plus the assumption of Logica's net debt of £571.0 million (C$866.7 million). The cash acquisition of all the issued and to be issued ordinary shares of Logica was effected by means of a Court-sanctioned scheme of arrangement in the United Kingdom. Our results for the year ended September 30, 2012 incorporated the operations of Logica subsequent to August 20, 2012. CGI had incurred $255.0 million in acquisition-related and integration costs over the last half of fiscal 2012.

Logica was a business and technology services company, employing 41,000 people. It provided business consulting, systems integration and outsourcing services to clients around the world, including many of Europe's largest business.

The consideration paid under the Logica acquisition was funded through a combination of:

- cash proceeds of C$1.0 billion from the issuance of 46,707,146 subscription receipts exchangeable for new Class A subordinate voting shares in the Company to the Caisse at $21.41 per subscription receipt pursuant to a subscription agreement entered into by the Caisse and the Company on May 31, 2012 (the "Subscription Agreement"), a subscription receipt agreement entered into by the Caisse, the Company and *Computershare Trust Company of Canada* as subscription receipt agent, on May 31, 2012 (the "Subscription Receipt Agreement");
- debt funding from a syndicate of lenders pursuant to £1.245 billion (C$1.9 billion) senior unsecured term loan credit facilities under a credit agreement dated May 31, 2012 (the "Term Loan Credit Agreement"), a fee letter dated May 31, 2012 (the "Fee Letter") and a syndication letter dated May 31, 2012 (the "Syndication Letter"); and
- debt funding from a syndicate of lenders pursuant to a revolving credit facility under the Company's existing $1.5 billion credit agreement.

Under the Subscription Receipt Agreement, the 46,707,146 subscription receipts that were issued to the Caisse on May 31, 2012 were automatically exchanged into new Class A subordinate voting shares as a result of the completion of the Logica acquisition on August 20, 2012. The Subscription Agreement contains, among its terms and conditions, customary representations and warranties and indemnities by the Company to the Caisse, which were in effect until August 20, 2014, except for customary exceptions for tax matters and in the case of fraud.

As contemplated in the Subscription Agreement, the Company and the Caisse entered into a registration rights agreement dated August 20, 2012 (the "Registration Rights Agreement") which provides, among other terms and conditions:

- The Caisse will have the right, as long as it beneficially owns or exercises control or direction over 15% or more of the outstanding Class A subordinate voting shares, to recommend to the Company one nominee to be part of any slate proposed by the Company and included in a proxy circular relating to the election of directors of the Company, provided that the nominee shall have no material relationship with the Company or the Caisse, shall be eligible to serve as a director under the Company's articles and laws of incorporation and that the nomination shall be subject to a favourable recommendation of the Company's Corporate Governance Committee. CGI has no shareholder's agreement with the Caisse and the Caisse has not yet exercised its board nomination right;
- The Registration Rights Agreement also provides that the Caisse is entitled, at any time and from time to time, as long as it beneficially owns or exercises control or direction over 20% or more of all outstanding Class A subordinate voting shares, to require CGI to file a Canadian prospectus and take such other steps as may be reasonably necessary to facilitate a secondary offering in

Canada, at the Caisse's expense, on the terms and conditions set out in the Registration Rights Agreement;

- In addition, if the Company proposes to make a distribution in Canada for its own account or if an existing shareholder proposes to make a distribution in Canada through a secondary offering, the Company will be required, at that time, upon request by the Caisse, provided that it beneficially owns or exercises control or direction over 15% of the outstanding Class A subordinate voting shares, use commercially reasonable efforts to cause to be included in the distribution the shares that the Caisse has requested to be included, up to a maximum of 15% of the shares to be offered in the distribution, with expenses to be shared on a pro rata basis, and otherwise upon the terms and conditions set out in the Registration Rights Agreement;

- In connection with any prospectus-exempt sale by the Caisse in Canada or in the U.S., the Company will be required to use commercially reasonable efforts, at the Caisse's expense, to assist the Caisse and its representatives in the preparation of the required documentation and to allow any prospective buyer to conduct reasonable due diligence on the Company. If the Company proposes to file a registration statement for the distribution of shares to the public in the U.S., the Caisse and the Company will, prior to such distribution taking place, supplement the Registration Rights Agreement so as to provide the Caisse with registration rights enabling the distribution of shares to the public in the U.S. that are substantially equivalent to the registration rights provided under the Registration Rights Agreement.

We filed a Business Acquisition Report in relation to our acquisition of Logica on November 5, 2012.

Credit Facility and Private Debt Placement

On December 7, 2011, the Company renewed its unsecured revolving credit facility of $1.5 billion for an additional five years, through December 2016. The facility, which can be extended annually, includes an accordion feature in support of acquisitions providing for an additional $750.0 million, bringing the facility's potential capacity to $2.25 billion. In addition, during the first quarter of fiscal 2012, the Company received the proceeds of the US$475.0 million private debt placement with US institutional investors that was entered into during the fourth quarter of fiscal 2011.

Share Repurchase Program

On February 1, 2012, the Company's Board of Directors authorized and received the approval from the TSX for the renewal of the NCIB to purchase up to 10% of the public float of the Company's Class A subordinate voting shares over the next twelve months. The NCIB enables CGI to purchase, on the open market, up to 22,064,163 Class A subordinate voting shares for cancellation. The Class A subordinate voting shares may be purchased under the NCIB commencing February 9, 2012 and ending on the earlier of February 8, 2013, or the date on which the Company either acquired the maximum number of Class A subordinate voting shares allowable under the NCIB, or elected to terminate the NCIB.

During fiscal 2012, the Company repurchased 5,368,000 of its Class A subordinate voting shares for $102.8 million at an average price of $19.16, under the current and previous NCIB. As at September 30, 2012, the Company could purchase up to an additional 21.0 million shares under the current NCIB.

Bookings and Book-to-Bill Ratio

The Company achieved a book-to-bill ratio of 109% for the year. Of the $5.2 billion in bookings signed during the year, 56% came from new business, while 44% came from extensions and renewals.

Our largest verticals for bookings were government and financial services, making up approximately 45% and 22% of total bookings, respectively. From a geographical perspective, the U.S. accounted for 58% of total bookings, followed by Canada at 27% and Europe at 15%.

Foreign Currency Impact

Foreign currency rate fluctuations favourably impacted our revenue by 0.9%. This compared with an unfavourable impact of 3.1% in fiscal 2011, and a favourable impact of 5.8% in fiscal 2010. The foreign currency impact in 2012 was mainly due to the strengthening of the U.S. dollar.

FORWARD LOOKING INFORMATION AND RISKS AND UNCERTAINTIES

Forward-Looking Information

All statements in this Annual Information Form that do not directly and exclusively relate to historical facts constitute "forward-looking statements" within the meaning of that term in Section 27A of the United States *Securities Act of 1933*, as amended, and Section 21E of the United States *Securities Exchange Act of 1934*, as amended, and are "forward-looking information" within the meaning of Canadian securities laws. These statements and this information represent CGI's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors, of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements or forward-looking information. These factors include but are not restricted to: the timing and size of new contracts, acquisitions and other corporate developments; the ability to attract and retain qualified members; market competition in the rapidly evolving information technology industry; general economic and business conditions, foreign exchange and other risks identified in this Annual Information Form, in the Management's Discussion & Analysis filed with Canadian securities authorities (filed on SEDAR at www.sedar.com), and in CGI's *Annual Report* on Form 40-F filed with the U.S. Securities and Exchange Commission (filed on EDGAR at www.sec.gov) as well as assumptions regarding the foregoing.

The words "believe," "estimate," "expect," "intend," "anticipate," "foresee," "plan," and similar expressions and variations thereof, identify certain of such forward-looking statements or forward-looking information, which speak only as of the date on which they are made. In particular, statements relating to future performance are forward-looking statements and forward-looking information. CGI disclaims any intention or obligation to publicly update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements or on this forward-looking information.

Risks and Uncertainties

While we are confident about our long-term prospects, the following risks and uncertainties could affect our ability to achieve our strategic vision and objectives for growth and should be considered when evaluating our potential as an investment.

Risks Related to the Market

Economic risk

The level of business activity of our clients, which is affected by economic conditions, has a bearing upon the results of our operations. We can neither predict the impact that current economic conditions will have on our future revenue, nor predict when economic conditions will show meaningful improvement. During an economic downturn, our clients and potential clients may cancel, reduce or defer existing contracts and delay entering into new engagements. In general, companies also decide to undertake fewer IT systems projects during difficult economic times, resulting in limited implementation of new technology and smaller engagements. Since there are fewer engagements in a downturn, competition usually increases and pricing for services may decline as competitors, particularly companies with significant financial resources, decrease rates to maintain or increase their market share in our industry and this may trigger pricing adjustments related to the benchmarking obligations within our contracts. Our pricing, revenue and profitability could be negatively impacted as a result of these factors.

Risks Related to our Industry

The competition for contracts

CGI operates in a global marketplace in which competition among providers of IT services is vigorous. Some of our competitors possess greater financial, marketing, sales resources, and larger geographic scope in certain parts of the world than we do, which, in turn, provides them with additional leverage in the competition for contracts. In certain niche, regional or metropolitan markets, we face smaller competitors with specialized capabilities who may be able to provide competing services with greater economic efficiency. Some of our competitors have more significant operations than we do in lower cost countries that can serve as a platform from which to provide services worldwide on terms that may be more favourable. Increased competition among IT services firms often results in corresponding pressure on prices. There can be no assurance that we will succeed in providing competitively priced services at levels of service and quality that will enable us to maintain and grow our market share.

The availability and retention of qualified IT professionals

There is strong demand for qualified individuals in the IT industry. Hiring and retaining a sufficient amount of individuals with the desired knowledge and skill set may be difficult. Therefore, it is important that we remain able to successfully attract and retain highly qualified professionals and establish an effective succession plan. If our comprehensive programs aimed at attracting and retaining qualified and dedicated professionals do not ensure that we have staff in sufficient numbers and with the appropriate training, expertise and suitable government security clearances required to serve the needs of our clients, we may have to rely on subcontractors or transfers of staff to fill resulting gaps. If our succession plan fails to identify those with potential or to develop these key individuals, we may lose key members and be required to recruit and train these new resources. This might result in lost revenue or increased costs, thereby putting pressure on our earnings.

The ability to continue developing and expanding service offerings to address emerging business demands and technology trends

The rapid pace of change in all aspects of information technology and the continually declining costs of acquiring and maintaining information technology infrastructure mean that we must anticipate changes in our clients' needs. To do so, we must adapt our services and our solutions so that we maintain and improve our competitive advantage and remain able to provide cost effective services. The market for the services and solutions we offer is extremely competitive and there can be no assurance that we will succeed in developing and adapting our business in a timely manner. If we do not keep pace, our ability to retain existing clients and gain new business may be adversely affected. This may result in pressure on our revenue, profit margin and resulting cash flows from operations.

Infringing on the intellectual property rights of others

Despite our efforts, the steps we take to ensure that our services and offerings do not infringe on the intellectual property rights of third parties may not be adequate to prevent infringement and, as a result, claims may be asserted against us or our clients. We enter into licensing agreements for the right to use intellectual property and may otherwise offer indemnities against liability and damages arising from third-party claims of patent, copyright, trademark or trade secret infringement in respect of our own intellectual property or software or other solutions developed for our clients. In some instances, the amount of these indemnity claims could be greater than the revenue we receive from the client. Intellectual property claims or litigation could be time-consuming and costly, harm our reputation, require us to enter into additional royalty or licensing arrangements, or prevent us from providing some solutions or services. Any limitation on our ability to sell or use solutions or services that incorporate software or technologies that are the subject of a claim could cause us to lose revenue-generating opportunities or require us to incur additional expenses to modify solutions for future projects.

Benchmarking provisions within certain contracts

Some of our outsourcing contracts contain clauses allowing our clients to externally benchmark the pricing of agreed upon services against those offered by other providers in an appropriate peer comparison group. The uniqueness of the client environment is factored in and, if results indicate a difference outside the agreed upon tolerance, we may be required to work with clients to reset the pricing for their services.

Protecting our intellectual property rights

Our success depends, in part, on our ability to protect our proprietary methodologies, processes, know-how, tools, techniques and other intellectual property that we use to provide our services. CGI's business solutions will generally benefit from available copyright protection and, in some cases, patent protection. Although CGI takes reasonable steps to protect and enforce its intellectual property rights, there is no assurance that such measures will be enforceable or adequate. The cost of enforcing our rights can be substantial and, in certain cases, may prove to be uneconomic. In addition, the laws of some countries in which we conduct business may offer only limited intellectual property rights protection. Despite our efforts, the steps taken to protect our intellectual property may not be adequate to prevent or deter infringement or other misappropriation of intellectual property, and we may not be able to detect unauthorized use of our intellectual property, or take appropriate steps to enforce our intellectual property rights.

Risks Related to our Business

Risks associated with our growth strategy

CGI's *Build and Buy* strategy is founded on four pillars of growth: first, organic growth through contract wins, renewals and extensions in the areas of outsourcing and system integration; second, the pursuit of new large outsourcing contracts; third, acquisitions of smaller firms or niche players; and fourth, transformational acquisitions.

Our ability to grow through organic growth and new large outsourcing transactions is affected by a number of factors outside of our control, including a lengthening of our sales cycle for major outsourcing contracts.

Our ability to grow through niche and transformational acquisitions requires that we identify suitable acquisition targets and that we correctly evaluate their potential as transactions that will meet our financial and operational objectives. There can be no assurance that we will be able to identify suitable acquisition candidates and consummate additional acquisitions that meet our economic thresholds, or that future acquisitions will be successfully integrated into our operations and yield the tangible accretive value that had been expected.

If we are unable to implement our *Build and Buy* strategy, we will likely be unable to maintain our historic or expected growth rates.

The variability of financial results

Our ability to maintain and increase our revenues is affected not only by our success in implementing our *Build and Buy* strategy, but also by a number of other factors, including: our ability to introduce and deliver new services and products; a lengthened sales cycle; the cyclicality of purchases of technology services and products; the nature of a customer's business; and the structure of agreements with customers. These, and other factors, make it difficult to predict financial results for any given period.

Business mix variations

The proportion of revenue that we generate from shorter-term systems integration and consulting ("SI&C") projects, versus revenue from long-term outsourcing contracts, will fluctuate at times, affected by

acquisitions or other transactions. An increased exposure to revenue from SI&C projects may result in greater quarterly revenue variations.

The financial and operational risks inherent in worldwide operations

We manage operations in numerous countries around the world. The scope of our operations subjects us to various issues that can negatively impact our operations: the fluctuations of currency (see foreign exchange risk); the burden of complying with a wide variety of national and local laws (see regulatory risk); the differences in and uncertainties arising from local business culture and practices; political, social and economic instability including the threats of terrorism, civil unrest, war, natural disasters and pandemic illnesses. Any or all of these risks could impact our global business operations and cause our profitability to decline.

Organizational challenges associated with our size

With the acquisition of Logica, our organization has more than doubled in size with expanded operations in both Europe and Asia. Our culture, standards, core values, internal controls and our policies need to be instilled across the newly acquired businesses as well as maintained within our existing operations. To effectively communicate and manage these standards throughout a large global organization is both challenging and time consuming. Newly acquired businesses may be resistant to change and may remain attached to past methods, standards and practices which may compromise our business agility in pursuing opportunities. Cultural differences in various countries may also present barriers to introducing new ideas or aligning our vision and strategy with the rest of the organization. If we cannot overcome these obstacles in maintaining a strategic bond throughout the Company worldwide, we may not be able to achieve our growth and profitability objectives.

Taxes

In estimating our income tax payable, management uses accounting principles to determine income tax positions that are likely to be sustained by applicable tax authorities. However, there is no assurance that our tax benefits or tax liability will not materially differ from our estimates or expectations. The tax legislation, regulation and interpretation that apply to our operations are continually changing. In addition, future tax benefits and liabilities are dependent on factors that are inherently uncertain and subject to change, including future earnings, future tax rates, and anticipated business mix in the various jurisdictions in which we operate. Moreover, our tax returns are continually subject to review by applicable tax authorities; it is these tax authorities that will make the final determination of the actual amounts of taxes payable or receivable, of any future tax benefits or liabilities and of income tax expense that we may ultimately recognize. Any of the above factors could have a material adverse effect on our net income or cash flows by affecting our operations and profitability, the availability of tax credits, the cost of the services we provide, and the availability of deductions for operating losses as we develop our international service delivery capabilities.

Credit risk with respect to accounts receivable and work in progress

In order to sustain our cash flows and net earnings from operations, we must invoice and collect the amounts owed to us in an efficient and timely manner. Although we maintain provisions to account for anticipated shortfalls in amounts collected, the provisions we take are based on management estimates and on our assessment of our clients' creditworthiness which may prove to be inadequate in the light of actual results. To the extent that we fail to perform our services in accordance with our contracts and our clients' reasonable expectations, and to the extent that we fail to invoice clients for our services correctly in a timely manner, our collections could suffer resulting in a direct and adverse effect to our revenue, net earnings and cash flows. In addition, a prolonged economic downturn may cause clients to curtail or defer projects, impair their ability to pay for services already provided, and ultimately cause them to default on existing contracts, in each case, causing a shortfall in revenue and impairing our future prospects.

Material developments regarding major commercial clients resulting from such causes as changes in financial condition, mergers or business acquisitions

Consolidation among our clients resulting from mergers and acquisitions may result in loss or reduction of business when the successor business' information technology needs are served by another service provider or are provided by the successor company's own personnel. Growth in a client's information technology needs resulting from acquisitions or operations may mean that we no longer have a sufficient geographic scope or the critical mass to serve the client's needs efficiently, resulting in the loss of the client's business and impairing our future prospects. There can be no assurance that we will be able to achieve the objectives of our growth strategy in order to maintain and increase our geographic scope and critical mass in our targeted markets.

Early termination risk

If we should fail to deliver our services according to contractual agreements, some of our clients could elect to terminate contracts before their agreed expiry date, which would result in a reduction of our earnings and cash flow and may impact the value of our backlog. In addition, a number of our outsourcing contractual agreements have termination for convenience and change of control clauses according to which a change in the client's intentions or a change in control of CGI could lead to a termination of the said agreements. Early contract termination can also result from the exercise of a legal right or when circumstances that are beyond our control or beyond the control of our client prevent the contract from continuing. In cases of early termination, we may not be able to recover capitalized contract costs and we may not be able to eliminate ongoing costs incurred to support the contract.

Cost estimation risks

In order to generate acceptable margins, our pricing for services is dependent on our ability to accurately estimate the costs and timing for completing projects or long-term outsourcing contracts. In addition, a significant portion of our project-oriented contracts are performed on a fixed-price basis. Billing for fixed-price engagements is carried out in accordance with the contract terms agreed upon with our client, and revenue is recognized based on the percentage of effort incurred to date in relation to the total estimated costs to be incurred over the duration of the respective contract. These estimates reflect our best judgment regarding the efficiencies of our methodologies and professionals as we plan to apply them to the contracts in accordance with the CGI Client Partnership Management Framework ("CPMF"), a process framework which helps ensure that all contracts are managed according to the same high standards throughout the organization. If we fail to apply the CPMF correctly or if we are unsuccessful in accurately estimating the time or resources required to fulfil our obligations under a contract, or if unexpected factors, including those outside of our control, arise, there may be an impact on costs or the delivery schedule which could have an adverse effect on our expected profit margins.

Risks related to teaming agreements and subcontracts

We derive substantial revenues from contracts where we enter into teaming agreements with other providers. In some teaming agreements we are the prime contractor whereas in others we act as a subcontractor. In both cases, we rely on our relationships with other providers to generate business and we expect to do so in the foreseeable future. Where we act as prime contractor, if we fail to maintain our relationships with other providers, we may have difficulty attracting suitable participants in our teaming agreements. Similarly, where we act as subcontractor, if our relationships are impaired, other providers might reduce the work they award to us, award that work to our competitors, or choose to offer the services directly to the client in order to compete with our business. In either case, our business, prospects, financial condition and operating results could be harmed.

Our partners' ability to deliver on their commitments

Increasingly large and complex contracts may require that we rely on third party subcontractors including software and hardware vendors to help us fulfil our commitments. Under such circumstances, our success depends on the ability of the third parties to perform their obligations within agreed upon budgets and timeframes. If our partners fail to deliver, our ability to complete the contract may be adversely affected, which may have an unfavourable impact on our profitability.

Guarantees risk

In the normal course of business, we enter into agreements that may provide for indemnification and guarantees to counterparties in transactions such as consulting and outsourcing services, business divestitures, lease agreements and financial obligations. These indemnification undertakings and guarantees may require us to compensate counterparties for costs and losses incurred as a result of various events, including breaches of representations and warranties, intellectual property right infringement, claims that may arise while providing services or as a result of litigation that may be suffered by counterparties.

Risk related to human resources utilization rates

In order to maintain our profit margin, it is important that we maintain the appropriate availability of professional resources in each of our geographies by having a high utilization rate while still being able to assign additional resources to new work. Maintaining an efficient utilization rate requires us to forecast our need for professional resources accurately and to manage recruitment activities, professional training programs, attrition rates and restructuring programs appropriately. To the extent that we fail to do so, or to the extent that laws and regulations, particularly those in Europe, restrict our ability to do so, our utilization rates may be reduced; thereby having an impact on our revenue and profitability. Conversely, we may find that we do not have sufficient resources to deploy against new business opportunities in which case our ability to grow our revenue would suffer.

Client concentration risk

We derive a significant portion of our revenue from the services we provide to the U.S. federal government and its agencies, and we expect that this will continue for the foreseeable future. In the event that a major U.S. federal government agency were to limit, reduce, or eliminate the business it awards to us, we might be unable to recover the lost revenue with work from other agencies or other clients, and our business, prospects, financial condition and operating results could be materially and adversely affected. Although IFRS considers a national government and its agencies as a single client, our client base in the U.S. government economic sector is in fact diversified with contracts from many different departments and agencies.

Government business risk

Changes in government spending policies or budget priorities could directly affect our financial performance. Among the factors that could harm our government contracting business are the curtailment of governments' use of consulting and IT services firms; a significant decline in spending by governments in general, or by specific departments or agencies in particular; the adoption of new legislation and/or actions affecting companies that provide services to governments; delays in the payment of our invoices by government payment offices; and general economic and political conditions. These or other factors could cause government agencies and departments to reduce their purchases under contracts, to exercise their right to terminate contracts, to issue temporary stop work orders, or not to exercise options to renew contracts, any of which would cause us to lose future revenue. Government spending reductions or budget cutbacks at these departments or agencies could materially harm our continued performance under these contracts, or limit the awarding of additional contracts from these agencies.

Regulatory risk

Our global operations require us to be compliant with laws in many jurisdictions on matters such as: anticorruption, trade restrictions, immigration, taxation, securities regulation, anti-competition, data privacy and labour relations, amongst others. Complying with these diverse requirements worldwide is a challenge and consumes significant resources. Some of these laws may impose conflicting requirements; we may face the absence in some jurisdictions of effective laws to protect our intellectual property rights; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings and reduce our earnings, all of which may expose us to penalties for non-compliance and harm our reputation.

Our business with the U.S. federal government and its agencies requires that we comply with complex laws and regulations relating to government contracts. These laws relate to the integrity of the procurement process, impose disclosure requirements, and address national security concerns, among others matters. For instance, we are routinely subject to audits by U.S. government agencies with respect to compliance with these rules. If we fail to comply with these requirements we may incur penalties and sanctions, including contract termination, suspension of payments, suspension or debarment from doing business with the federal government, and fines.

Legal claims made against our work

We create, implement and maintain IT solutions that are often critical to the operations of our clients' business. Our ability to complete large projects as expected could be adversely affected by unanticipated delays, renegotiations, and changing client requirements or project delays. Also, our solutions may suffer from defects that adversely affect their performance; they may not meet our clients' requirements or may fail to perform in accordance with applicable service levels. Such problems could subject us to legal liability, which could adversely affect our business, operating results and financial condition, and may negatively affect our professional reputation. We typically use reasonable efforts to include provisions in our contracts which are designed to limit our exposure to legal claims relating to our services and the applications we develop. We may not always be able to include such provisions and, where we are successful, they may not protect us adequately or may not be enforceable under some circumstances or under the laws of some jurisdictions.

Information and infrastructure risks

Our business often requires that our clients' applications and information, which may include their proprietary information, be processed and stored on our networks and systems, and in data centres that we manage. Digital information and equipment is subject to loss, theft or destruction, and services that we provide may become temporarily unavailable as a result thereof or upon an equipment or system malfunction. Failures can arise from human error in the course of normal operations, maintenance and upgrading activities, or from hacking, vandalism (including denial of service attacks and computer viruses), theft and unauthorized access by third parties, as well as from power outages or surges, floods, fires, natural disasters or from any other causes. The measures that we take to protect information and software, including both physical and logical controls on access to premises and information and backup systems may prove in some circumstances to be inadequate to prevent the loss, theft or destruction of client information or service interruptions. Such events may expose the Company to financial loss or damages.

Risk of harm to our reputation

CGI's reputation as a capable and trustworthy service provider and long term business partner is key to our ability to compete effectively in the market for information technology services. The nature of our operations exposes us to the potential loss, unauthorized access to, or destruction of our clients' information, as well as temporary service interruptions. Depending on the nature of the information or services, such events may have a negative impact on how the Company is perceived in the marketplace.

Under such circumstances, our ability to obtain new clients and retain existing clients could suffer with a resulting impact on our revenue and profit.

Risks associated with the integration of new operations

The successful integration of new operations arising from our acquisition strategy or from large outsourcing contracts requires that a substantial amount of management time and attention be focused on integration tasks. Management time that is devoted to integration activities may detract from management's normal operations focus with resulting pressure on the revenues and earnings from our existing operations. In addition, we may face complex and potentially time-consuming challenges in implementing the uniform standards, controls, procedures and policies across new operations to harmonize their activities with those of our existing business units. Integration activities can result in unanticipated operational problems, expenses and liabilities. If we are not successful in executing our integration strategies in a timely and cost-effective manner, we will have difficulty achieving our growth and profitability objectives.

Internal controls risks

Due to the inherent limitations of internal controls including the circumvention or overriding of controls, or fraud, there can only be reasonable assurance that the Company's internal controls will detect and prevent a misstatement. If the Company is unable to design, implement, monitor and maintain effective internal controls throughout its different business environments, the efficiency of our operations might suffer, resulting in a decline in revenue and profitability, and the accuracy of our financial reporting could be impaired.

Liquidity and funding risks

The Company's future growth is contingent on the execution of its business strategy, which, in turn, is dependent on its ability to grow the business organically as well as conclude business acquisitions. By its nature, our growth strategy requires us to fund the investments required to be made using a mix of cash generated from our existing operations, money borrowed under our existing or future credit agreements, and equity funding generated by the issuance of shares of our capital stock to counterparties in transactions, or to the general public. Our ability to raise the required funding depends on the capacity of the capital markets to meet our financing needs in a timely fashion and on the basis of interest rates and share prices that are reasonable in the context of profitability objectives. Increasing interest rates, volatility in our share price, and the capacity of our current lenders to meet our liquidity requirements are all factors that may have an adverse effect on our access to the funding we require. If we are unable to obtain the necessary funding, we may be unable to achieve our growth objectives.

Foreign exchange risk

The majority of our revenue and costs are denominated in currencies other than the Canadian dollar. Foreign exchange fluctuations impact the results of our operations as they are reported in Canadian dollars. This risk is partially mitigated by a natural hedge in matching our costs with revenue denominated in the same currency and through the use of derivatives in our hedging strategy. As we continue our global expansion, natural hedges may begin to diminish and the use of hedging contracts exposes us to the risk that financial institutions will fail to perform their obligations under our hedging instruments. Other than the use of financial products to deliver on our hedging strategy, we do not trade derivative financial instruments.

Our functional and reporting currency is the Canadian dollar. As such, our American, European and Asian investments, operations and assets are exposed to net change in currency exchange rates. Volatility in exchange rates could have an adverse effect on our business, financial condition and results of our operations.

LEGAL PROCEEDINGS

The Company is involved in legal proceedings, audits, claims and litigation arising in the ordinary course of its business. Certain of these matters seek damages in significant amounts. Although the outcome of such matters is not predictable with assurance, the Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a material adverse effect on the Company's financial position, results of operations or the ability to carry on any of its business activities. Please refer to Notes 13 and 30 to the audited consolidated financial statements for more detailed information for legal proceedings.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent for the Company's Class A subordinate voting shares and Class B shares is Computershare Investor Services Inc. whose head office is situated in Toronto, Ontario. Share transfer service is available at Computershare's Montreal, Quebec, and Toronto, Ontario, offices as well as at the principal office of Computershare Trust Company, N.A. in Highlands Ranch, Colorado.

AUDITORS

The auditors of the Company are Ernst & Young LLP. They have confirmed their independence to the Company's Audit and Risk Management Committee.

ADDITIONAL INFORMATION

The Company will provide to any person, upon request to the Company, (i) a copy of this Annual Information Form of the Company, together with a copy of any document incorporated by reference therein, (ii) a copy of the consolidated financial statements of the Company for the year ended September 30, 2014 together with the accompanying report of the auditor and a copy of any subsequent interim financial statements, (iii) a copy of the Management Proxy Circular dated December 12, 2014 and (iv) a copy of the Management's Discussion & Analysis of the Company for the year ended September 30, 2014.

Additional information, including directors' and officers' remuneration and indebtedness, securities authorized for issuance under equity compensation plans and principal holders of the Company's shares, is included in the Management Proxy Circular dated December 12, 2014.

Additional financial information in relation to the last fiscal year ended September 30, 2014 is presented in the audited consolidated financial statements of the Company and in the related Management's Discussion & Analysis of the Company.

The documents mentioned above are available on SEDAR at www.sedar.com and on the Company's web site at www.cgi.com. You can also obtain a copy of such documents by contacting Investor Relations by sending an e-mail to ir@cgi.com, by visiting the Investors section on the Company's Web site at www.cgi.com or by contacting us by mail or telephone:

Investor Relations
1350 René-Lévesque Blvd. West
15th Floor
Montreal, Quebec
H3G 1T4
Canada
Telephone: (514) 841-3200

APPENDIX A

CGI GROUP INC.

Fundamental Texts

The following documents form part of CGI's Fundamental Texts and may be found on the pages indicated below:

Dream, Vision, Mission and Values	2
CGI Management Foundation	10
Documents and Policies Pertaining to Corporate Governance	
– Charter of the Board of Directors	15
– Charter of the Corporate Governance Committee	23
– Charter of the Human Resources Committee	29
– Charter of the Audit and Risk Management Committee	34
Codes of Ethics	
– Code of Ethics and Business Conduct	44
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– CGI Anti-Corruption Policy	64

Experience the commitment®

Fundamental Texts of CGI Group Inc.

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Presentation

This set of documents presents the fundamental texts that define CGI and its management approach. The fundamental texts address not only members of the board of directors, CGI's executive team and the company's shareholders, but also all CGI members as well as anyone who wishes to consult them. Their main objective is to provide a better understanding of the most essential aspects of the company. It is our hope that this understanding will generate a shared vision of what constitutes CGI and of the community of thought that is essential to the company's success. The document will also provide all CGI members with an understanding that will allow them to participate fully in the life of the company and to better represent CGI.

THE FUNDAMENTAL TEXTS INCLUDE:

Presentation 1

1. Dream, Vision, Mission, and Values 1

2. CGI Management Foundation 9

3. Documents and Policies Pertaining to Corporate Governance 14

3.1 Charter of the Board of Directors 15

3.2 Charter of the Corporate Governance Committee 23

3.3 Charter of the Human Resources Committee 29

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1. Dream, Vision, Mission, and Values

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Dream, Vision, Mission and Values

This document constitutes Chapter 1 of the Fundamental Texts of CGI Group Inc. It begins with the mission statement of the company and is followed by the vision, the dream and the values of CGI. By “dream,” we essentially mean the intent or initial desire that led to the creation of our company and continues to drive its operation and growth. It also extends to the main principles and governing ideas that define the company’s philosophy in its important cultural and organic aspects. This presentation of CGI’s dream and values is therefore intended to impart in a succinct manner the company’s character, essence, dynamism, values and culture, and the creative impulse that culminated in its creation and of which it is an extension.

A. THE CGI DREAM

A number of governing ideas inspired the creation of CGI and continue to drive its development. These ideas constitute what we call the CGI “dream.” It is a dream based on a set of values to which we are profoundly attached.

The dream has allowed us to assemble, all around the world, a team of extraordinary men and women who share it and are building a company that reflects their aspirations - who are, in fact, building their “own” company. Over the years, our team has built a clientele we are extremely proud of and whom we are dedicated to serving with the utmost skill.

This dream has its roots in the original and simple idea that first motivated CGI’s founders when they created the company:

“To create an environment in which we enjoy working together and, as owners, contribute to building a company we can be proud of.”

From this very basic idea grew an entire business philosophy.

It goes without saying that creating this type of environment is particularly challenging in consulting companies such as ours. Personnel generally work at client locations, making it difficult to develop a sense of belonging through a shared workplace. There is the risk of certain people being “forgotten” when they spend long periods at a client site, and this risk is amplified when these individuals have few CGI colleagues working on the same engagement.

B. THE CGI VISION AND MISSION

Our vision is to be a global world class information technology and business process services leader helping our clients succeed.

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The mission of CGI is to help our clients succeed through outstanding quality, competence and objectivity, providing thought leadership and delivering the best services and solutions to fully satisfy client objectives in information technology, business processes and management.

In all we do, we foster a culture of partnership, intrapreneurship, teamwork and integrity, building a global world class information technology and business process services company.

With this mission statement, we are endeavouring to describe not only the company's purpose, but also our ambition and values. In doing so, we hope, in a few words, to advance an overall understanding of these essential aspects of CGI.

The following section will foster a more thorough comprehension of the dream associated with this mission and the values referred to in the mission statement.

C. THE CGI CULTURE AND VALUES

To succeed in creating a highly favourable environment within such a context, CGI has fostered a corporate culture rooted in participation in the company and focused on each of its members. Developing a corporate culture, despite members often working at a distance, began with explicitly defining and then sharing common values. Our fundamental belief is that a company with an inspiring dream, unparalleled integrity, a caring, humane management philosophy and solid values is better able to attract and respond to the profound aspirations of remarkably high-calibre, competent people. These people in turn will seek out a select clientele, one aware of the company's values, and will deliver high-quality services at a competitive price, while meeting the company's profitability objectives. The growth and profitability generated as a result will allow CGI to offer its shareholders a superior and sustained return on their investment.

To support our dream and to create such an environment, we have adhered to a number of principles or governing ideas:

1. Sharing the same values
2. Embracing the objectives of our clients
3. Adopting a caring, humane approach towards our members
4. Focusing on synergy and the strength of teamwork
5. Participating in the development of our company as its owner-shareholders, and sharing in its wealth
6. Promoting robust, healthy and sustainable growth to the benefit of all stakeholders
7. Implementing a management model aligned with our dream and values

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1. Sharing the same values

Sharing the same values allows us to enjoy considerable autonomy and swiftness of action without compromising our cohesiveness. It also allows us to mobilize teams more rapidly and bring together the most experienced individuals from across the company, who are able to quickly work as one to address a given challenge. And, of course, these values also guide our decisions and actions.

PARTNERSHIP AND QUALITY

For us, partnership and quality are both a philosophy and a way of life. We constantly deepen our understanding of our clients' business and we develop and follow the best management practices. We entrench these approaches into client relationship and service delivery frameworks in order to foster long term and strong partnerships with our clients. We listen to our clients and we are committed to their total satisfaction in everything we do.

OBJECTIVITY AND INTEGRITY

We exercise the highest degree of independent thinking in selecting the products, services and solutions we recommend to clients. In doing so, we adhere to the highest values of quality, objectivity and integrity. We do not accept any remuneration from suppliers. We always act honestly and ethically. We never seek to gain undue advantages and we avoid conflicts of interest, whether real or perceived.

INTRAPRENEURSHIP AND SHARING

Our collective success is based on our competence, commitment and enthusiasm. We promote a culture of innovation and initiative where we are empowered with a sense of ownership in supporting clients, thus ensuring our profitable growth. Through teamwork, sharing our know-how and expertise across our global operations, we bring the best of CGI to our clients. As members, we share in the value we create through equity ownership and profit participation.

RESPECT

In all we do, we are respectful of our fellow members, clients, business partners and competitors. As a global company, we recognize the richness that diversity brings to the company and welcome this diversity while embracing the overall CGI business culture.

FINANCIAL STRENGTH

We strive to deliver strong, consistent financial performance which sustains long term growth and benefits both members and shareholders. Financial strength enables us to continuously invest in our members' capabilities, our services and our business solutions to the benefit of our clients. To this end, we manage our business to generate industry superior returns.

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Our business model is designed to ensure that we are close to our clients and communities. As members, we embrace our social responsibilities and contribute to the continuous development of the communities in which we live and work.

2. Embracing the objectives of our clients

At CGI, we believe that accomplishing outstanding work provides one with a strong sense of fulfilment. Our high-quality work allows us to forge rewarding relationships with our colleagues and clients and to experience the pleasure of our own creativity when we find an ideal solution to address our clients' needs.

To this end, we strongly encourage our members to develop a listening attitude to ensure that an understanding of the client's particular situation and needs takes priority in all that we do. For this reason, we foster a culture of independence, objectivity and integrity. We want our clients to know that we understand their objectives and are committed to finding the solution that is right for them. Our flexibility in establishing customized business relationships demonstrates our keen interest in our clients' objectives, cultural environment and values.

This in-depth understanding of our clients' objectives is one of the keys to our success and is as present in our short-term engagements as it is in our outsourcing contracts extending over multiple years.

However, embracing the objectives of our clients goes far beyond simply understanding them. It demands, for example, that we sincerely commit to offering the very best of ourselves in order to demonstrate to clients that we support them as completely as if we were their own employees. It is essential that they "experience our commitment."

3. Adopting a caring, humane approach towards our members

Although the demands of our industry are considerable, CGI has always believed that this in no way conflicts with the very humane and caring approach we take in all of the relationships we foster. And while our human resources policies and Member Partnership Management Framework embody this concern and commitment, for CGI, this is also an issue of maturity and genuine leadership. It is a question of the quality of "being." To foster this attitude of caring and sensitivity towards others, CGI has led by example. Since the inception of the company, this approach has been transmitted, most notably through the example set by our founders as well as by teamwork and the CGI Leadership Institute, and is today an integral component of CGI's spirit and culture.

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4. Focusing on synergy and the strength of teamwork

CGI favours the accomplishment of work through synergy, which refers to the pooling of our members' skills, experience and creative abilities in all aspects of corporate life. Whether deciding on the direction to take in a service proposal or determining the best solution for a client, we incorporate synergy into everything we do.

Normally, a synergy group will hold meetings at key milestones throughout the entire lifespan of a given engagement. The group not only includes subject matter experts, but also less experienced members, who gain knowledge from their colleagues and are therefore able to more rapidly hone their own expertise. The objective is always to find appropriate and proven solutions for our clients. This practice is entrenched in our Quality System, which has earned ISO 9001 certification.

The practice of synergy underscores an outstanding cultural trait: at CGI, we believe that we are stronger and that everyone benefits when we work as a team. Our clients receive services of higher quality, and our members constantly learn from one another through concrete achievements.

5. Participating in the development of our company as its owner-shareholders, and sharing in its wealth

It is important that our members consider CGI as "their" company and that they participate in its growth and development. Involvement in professional groups that help maintain CGI's leadership position is just one of the many such forms of participation.

However, for this involvement in the company to be complete and rewarding, we feel it necessary that all CGI members be able to also share in the benefits generated by their activities. For this reason, since its founding, CGI has offered all of its members the opportunity to be shareholders and owners of their company. To this end, CGI has implemented a Share Purchase Plan, through which it pays half the cost of shares up to a certain amount. Members also qualify for a portion of the company's annual profits when objectives are met (Profit Participation Plan). This capital sharing opportunity has existed since CGI was established.

It is an approach that incorporates many advantages:

FOR OUR CLIENTS

Because of this approach, CGI has very few freelance or contract employees. This helps assure our clients that the experience we acquire through working with them is more likely to remain in the company. Moreover, the people they deal with at CGI are also owners of the company and are therefore completely committed to producing high-quality, dependable work in order to strengthen the client relationship.

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FOR OUR SHAREHOLDERS

Our external shareholders can rest assured that, as fellow owners, all of CGI's members have their mutual interests at heart, i.e. a desire to see the company grow and the drive to execute each contract in a way that will yield the targeted profit margin. This also impacts business development, for, as shareholders, our members strive to promote the company's growth, but will not sacrifice profitability by submitting counter-productive bids. And finally, shareholders are also assured that all of our members will manage the company's costs as if they were their own.

FOR OUR MEMBERS

As members and shareholders, we feel above all that the growth in value, which we are contributing to, does provide us with a lucrative return over the long term. It is indeed more stimulating to work for a company that values the sharing of wealth. This also guarantees greater transparency in the management of the company. Because we must communicate our financial results to everyone, all of CGI's managers are more accountable to the people they lead and are more likely to involve them in the decision process. We believe that our approach to corporate ownership fosters greater overall dynamism and cohesiveness of action. This also allows us to attract and retain individuals with a genuine desire to build and develop the company.

6. Promoting robust, healthy and sustainable growth to the benefit of all stakeholders

Robust, healthy and sustained growth is vital to the company's success. Much of our clientele consists of large companies with operations extending over many countries. We are committed to serving these clients well, often through long-term relationships that require us to deploy professionals in sufficient numbers where clients operate. The growth of our clients' business requires that we grow with them. Also, as a result of our success, an increasing number of clients call upon us to provide them with services. Robust growth is therefore intrinsic to the nature of the business we are in.

Growth is not only a vital component of our activities and essential to our clients, it also benefits our members. It provides them with an opportunity to embark upon new and stimulating challenges and develop their own potential. And growth, when financially healthy and profitable, clearly benefits all of our shareholders (including our member shareholders) through the value it generates.

To maintain healthy and sustained growth, it is important that the companies or groups that join our ranks be welcomed and well integrated into our operations. In order to succeed in its growth strategy, CGI has developed its integration capability into a core competency. This capacity to integrate is based on three main axes. The first axis is aimed primarily at welcoming newcomers, answering their legitimate questions, confirming their new conditions of employment and, above all, allowing them to discover CGI by sharing its dream and values. The second axis is directed towards establishing the various synergy goals linked to an acquisition or an outsourcing deal. This encourages all parties to understand that this combination of strengths offers new, stimulating opportunities. The third axis is aimed at assuring the organizational transition and a rapid transfer to the CGI Management Foundation, especially with regards to the Quality System.

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It follows that there ought to be an equilibrium of interests among all of the company's core stakeholders: clients, members and shareholders.

It is of course also essential that, as it grows, our company continues to act as a responsible corporate citizen by respecting and supporting the communities in which it operates and by respecting the environment.

The following are a few concrete examples of how this balanced approach promotes the healthy and sustained growth of CGI:

- We must ensure, at every step of our growth that we preserve the quality of the services we offer to our current and future clients.
- We must also ensure that our members are adequately prepared to face the new challenges we offer them and that they have the resources needed to accomplish their work.
- Growth must not come at the expense of the communities where we do business, or of the environment in general. In fact, we are committed to participating in the development of these communities and the protection of the environment.
- We strive to ensure that our growth and development efforts provide short-term benefits without negatively impacting our long-term performance. We believe this also to be in the best interests of our shareholders.

When the above conditions are met, robust, healthy, balanced and sustainable growth will follow.

7. Implementing a management model aligned with our dream and values

When the above conditions are met, robust, healthy, balanced and sustainable growth will follow.

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2. CGI Management Foundation

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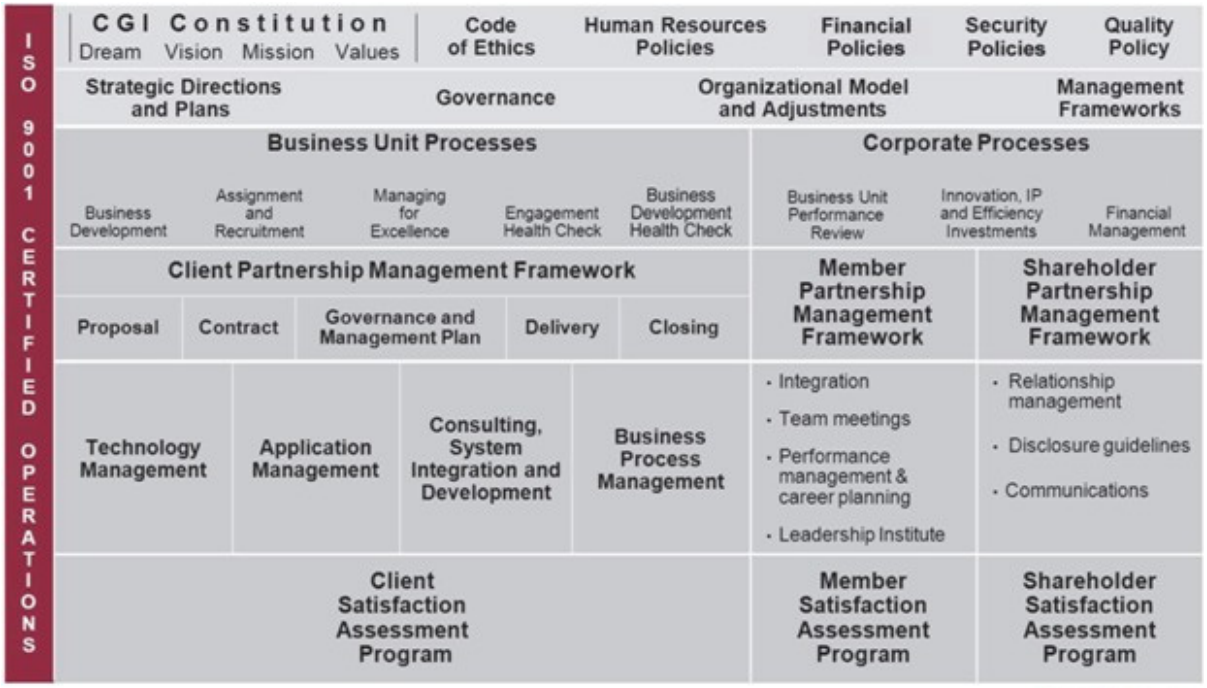
CGI Management Foundation

INTRODUCTION



In the above diagram, we have assembled the key elements that define and guide the management of CGI. For this reason, these elements have been called the CGI Management "Foundation." They reflect our collective experience and have been developed to make our actions as efficient as possible. This efficiency must first and foremost respect a number of principles, which are themselves integrated into the CGI Management Foundation and deserve to be emphasized:

1) the primacy of the dream, the vision, the mission and the values of the company;

2) the equilibrium between the legitimate interests of our clients, members and shareholders;

3) the balance between the need to assure cohesiveness and rigour in the management of the company and the commitment to promote autonomy, initiative and entrepreneurship.

The CGI Management Foundation intends to guide rather than prescribe.

Thus, it offers a certain amount of freedom in order to remain focused on our essential goal: to provide high-quality services truly adapted to our clients' needs.

We will now examine the individual elements of the Foundation.

DREAM, VISION, MISSION, VALUES, QUALITY POLICY, STRATEGIC DIRECTIONS AND PLANS

The first section of the diagram aims at ensuring that all decisions are well aligned on the dream, vision, mission, and values of the company. These are described in the first section of this document.

The next component is our Quality Policy. It has earned ISO 9001 certification, which requires that CGI demonstrate every year to external evaluators that its Quality Policy is applied across all of its operations.

The final component of this uppermost section focuses on Strategic Directions and Plans. These are established on an annual and triennial basis according to a rigorous process that includes extensive participation from within the company as well as from our clients and our shareholders. The emphasis placed on involving all business units and corporate services in the planning process helps ensure that the objectives established and methods selected are shared by all to the fullest extent possible and that they generate enthusiastic commitment in their implementation.

GOVERNANCE POLICIES AND FRAMEWORKS, HUMAN RESOURCES POLICIES, FINANCIAL POLICIES AND ORGANIZATIONAL MODEL

The first component of the second section refers to the company's governance policies and frameworks. These policies and frameworks are comprised of the following documents:

1) the Charters of the Board of Directors and its standing committees;

2) the Codes of Ethics, to which members, officers and directors of the company must adhere;

3) the Operations Management Framework, which outlines the delegation framework with respect to decision making (e.g. who may authorize and sign a million dollar proposal; who may authorize promotion to a vice-president's position).

The second component involves human resources policies. CGI members can access all of the company's human resources policies, from compensation and training to career development, on CGI's internal portal.

The third component focuses on financial policies. It covers how we determine our profitability objectives, target ratios (e.g. profit margins, maximum percentage allotted to certain expenses), how and when our financial results are prepared, the rules governing disclosure of results, etc. These policies and rules are outlined in a document under the responsibility of the Chief Financial Officer, and the most pertinent elements are communicated to all of our members.

Finally, the organizational model favoured by CGI is one that provides considerable autonomy to our business units. This model consists of creating business units in major cities in the regions that we serve. We also put a high priority on establishing solid business relationships within these regions, particularly with the decision makers from the companies operating in these cities. Each of these "metropolitan" business units is structured according to the key economic sectors served by CGI (finance, telecommunications, etc.). The implementation of a service offering for clients which have operations in multiple regions or countries is achieved through collaboration among business units, which, in the case of large contracts and particularly those involving outsourcing, can result in entire business units being dedicated to our major clients or to

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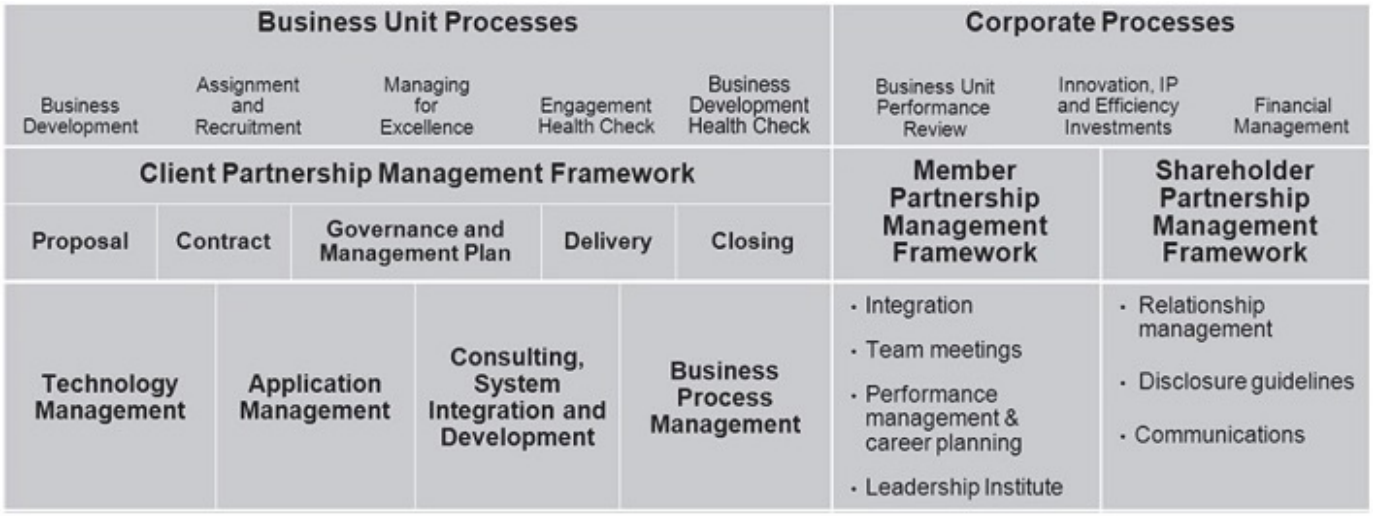
groups of clients who share the same needs. Consulting services and centres of expertise throughout CGI ensure that knowledge, strategies and leading-edge solutions are shared within the entire company.

BUSINESS UNIT PROCESSES AND PARTNERSHIP MANAGEMENT FRAMEWORKS



The Business Unit Processes explain how the Client Partnership Management Framework and the Member Partnership Management Framework are applied locally in each business unit. They also describe how business development activities and other initiatives crucial to the smooth operation of each business unit should be managed.

The activities at the core of the operational management of CGI are aligned onto three management frameworks: the Client Partnership Management Framework, the Member Partnership Management Framework and the Shareholder Partnership Management Framework. These frameworks are the cornerstones of a continuous improvement process that is supported by the documentation and the systematic, audited application of our best practices. The process is also constantly fuelled by client, member and shareholder evaluations of our activities and performance.

The first is the Client Partnership Management Framework. CGI's leadership position in its industry is contingent upon its ability to deliver services of the highest quality to its clients at competitive prices and within the established time frames. The Client Partnership Management Framework is the basis of how we manage our relationships with our clients. For each of type of mandates (outsourcing, projects, and consulting services), this framework guides our teams in the achievement of all phases of their work, from the proposal to its completion of the mandate. It is based not only on our best practices, but also relies on the industry's best standards and practices. A rigorous, regular program to evaluate the satisfaction of our clients allows us to measure our progress and continuously improve our practices. This evaluation is conducted on a face-to-face basis with the client, who must sign the evaluation. Each year, CGI establishes improvement objectives based on the results obtained the previous year.

The Member Partnership Management Framework guides all of our managers through the communications and dialogue activities they have with their teams. This cycle begins with welcoming activities and is followed by informal meetings, team meetings at various levels, career planning and performance reviews. We measure the satisfaction of our members annually through a survey conducted by an outside firm. Members

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can also use the survey to communicate their observations and suggestions to the head of their business unit or the CGI executive team. The results are published, and commitments are made by the leaders of both the business units and the company itself to address the comments submitted and make needed improvements.

The Shareholder Partnership Management Framework describes our information and relationship program with our investors beyond the prescribed activities associated with corporate governance, transparency and the disclosure of results.

Client Satisfaction Assessment Program	Member Satisfaction Assessment Program	Shareholder Satisfaction Assessment Program

The final section refers to the way we measure our results. First and foremost, we systematically measure the satisfaction levels of active clients regularly. We also measure member satisfaction annually, and we are currently developing a shareholder satisfaction measurement tool.

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3. Documents and Policies Pertaining to Corporate Governance

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Documents and Policies Pertaining to Corporate Governance

3.1 Charter of the Board of Directors

Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Charter. This Charter should therefore be read in conjunction with Chapter 1.

1. INTERPRETATION

"Financially Literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

"Independent Director" means a director who meets the independence criteria set out in section 1.4 of Multilateral Instrument 52-110 Audit Committees adopted by the Canadian Securities Administrators and as amended and in effect as of June 30, 2005, which is reproduced in Appendix A.

2. OBJECTIVES

CGI's shareholders are the first and most important element in the Company's governance structures and processes. At each annual general meeting, the Company's shareholders elect the members of the Company's Board of Directors and give them a mandate to manage and oversee the management of the Company's affairs for the coming year.

In the normal course of operations, certain corporate actions which may be material to CGI are initiated from time to time by the Company's senior management and, at the appropriate time, are submitted to CGI's Board of Directors for consideration and approval. When appropriate, such matters are also submitted for consideration and approval by CGI's shareholders. All such approvals are sought in accordance with the charters of the Board of Directors and standing committees, CGI's corporate governance practices and applicable corporate and securities legislation.

The overall stewardship of the Company is the responsibility of the Board of Directors. In accomplishing the mandate it receives from the Company's shareholders, the Board of Directors

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may delegate certain of its authority and responsibilities to committees and management and reserve certain powers to itself. Nonetheless, it will retain full effective control over the Company.

3. COMPOSITION

3.1 The majority of the Board of Directors shall be comprised of Independent Directors. The application of the definition of Independent Director to the circumstances of each individual director is the responsibility of the Board of Directors which will disclose on an annual basis whether it is constituted with the appropriate number of directors which are Independent Directors and the basis for its analysis. The Board of Directors will also disclose which directors are Independent Directors or not and provide a description of the business, family, direct and indirect shareholding or other relationship between each director and the Company.

3.2 The Company expects and requires directors to be and remain free of conflictual interests or relationships and to refrain from acting in ways which are actually or potentially harmful, conflictual or detrimental to the Company's best interests. Each director shall comply with the Company's formal code of ethics and business conduct that governs the behaviour of members, directors and officers and shall complete and file annually with the Company any and all documents required pursuant to such formal code of ethics and business conduct with respect to conflict of interests. This matter will also be reviewed annually by the Corporate Governance Committee. The Board of Directors will monitor compliance with said code as well as with the Company's executive code of conduct applicable to its principal executive officer, principal financial officer, principal accounting officer or controller, or other persons performing similar functions within the Company. The Board will also be responsible for the granting of any waivers from compliance with the codes for directors and officers. The Board of Directors will disclose in due time the adoption of such codes as well as all waivers and specify the circumstances and rationale for granting the waiver.

3.3 The Board of Directors, following advice of its Corporate Governance Committee, is responsible for evaluating its size and composition and establishing a Board comprised of members who facilitate effective decision-making. The Board of Directors has the ability to increase or decrease its size.

3.4 It is a general requirement under the Company's corporate governance practices that all directors possess both financial and operational literacy. In addition, the membership of the Board of Directors will include a sufficient number of directors who are Financially Literate and at least one director who qualifies as a financial expert as defined in the applicable corporate governance rules imposed by regulatory bodies in order to ensure that the Audit and Risk Management Committee membership complies with those rules.

3.5 A director who makes a major change in principal occupation will forthwith disclose this fact to the Board of Directors and will offer his or her resignation to the Board of Directors for consideration. It is not intended that directors who retire or whose professional positions

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change should necessarily leave the Board of Directors. However, there should be an opportunity for the Board of Directors to review the continued appropriateness of the Board of Directors membership under such circumstances.

3.6 The Board of Directors is responsible for approving new nominees to the Board. New directors will be provided with an orientation and education program which will include written information about the duties and obligations of directors, the business and operations of the Company, documents from recent Board of Directors meetings and opportunities for meetings and discussion with senior management and other directors. The details of the orientation of each new director will be tailored to that director's individual needs and areas of interest. The prospective candidates should fully understand the role of the Board of Directors and its committees and the contribution expected from individual directors and the Board of Directors will ensure that they are provided with the appropriate information to that effect. In addition, the Board of Directors will ascertain and make available to its members, when required, continuing education as per the business and operations of the Company.

4. RESOURCES

4.1 The Board of Directors will implement structures and procedures to ensure that it functions independently of management.

4.2 The Board of Directors appreciates the value of having certain members of senior management attend each Board of Directors meeting to provide information and opinion to assist the directors in their deliberations. The Executive Chairman of the Board will seek the Board of Directors' concurrence in the event of any proposed change to the management attendees at Board of Directors meetings. Management attendees will be excused for any agenda items which are reserved for discussion among directors only.

5. RESPONSIBILITIES AND DUTIES

The principal responsibilities and duties of the Board of Directors include the following, it being understood that in carrying out their responsibilities and duties, directors may consult with management and may retain external advisors at the expense of the Company in appropriate circumstances. Any engagement of external advisors shall be subject to the approval of the Chair of the Corporate Governance Committee.

5.1 General Responsibilities

5.1.1 The Board of Directors will oversee the management of the Company. In doing so, the Board of Directors will establish a productive working relationship with the Executive Chairman of the Board and the Chief Executive Officer and other members of senior management.

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5.1.2 The Board of Directors will oversee the formulation of long-term strategic, financial and organizational goals for the Company. It shall approve the Company's strategic plan and review same on at least an annual basis. This plan will take into account the opportunity and risks of the Company's business.

5.1.3 As part of the responsibility of the Board of Directors to oversee management of the Company, the Board of Directors will engage in active monitoring of the Company and its affairs in its stewardship capacity.

5.1.4 The Board of Directors will engage in a review of short and long-term performance of the Company in accordance with approved plans.

5.1.5 The officers of the Company, headed by the Executive Chairman of the Board and the Chief Executive Officer, shall be responsible for general day to day management of the Company and for making recommendations to the Board of Directors with respect to long term strategic, financial, organizational and related objectives.

5.1.6 The Board of Directors will periodically review the significant risks and opportunities affecting the Company and its business and oversee the actions, systems and controls in place to manage and monitor risks and opportunities. The Board of Directors may impose such limits as may be in the interests of the Company and its shareholders.

5.1.7 The Board of Directors will oversee how the Company communicates its goals and objectives to its shareholders and other relevant constituencies.

5.1.8 The Board of Directors will oversee the succession planning including appointing, training and monitoring senior management and the Executive Chairman of the Board in particular.

5.1.9 The Board of Directors is responsible for overseeing a Communication Policy for the Company. In doing so, the Board of Directors will ensure that the policy (i) addresses how the Company interacts with analysts, investors, other key stakeholders and the public, (ii) contains measures for the Company to comply with its continuous and timely disclosure obligations and to avoid selective disclosure, and (iii) is reviewed at least annually.

5.1.10 The Board of Directors will oversee the integrity of the Company's internal control and management information systems.

5.1.11 The Board of Directors will make sure that the Company adopt prudent financial standards with respect to the business of the Company and prudent levels of debt in relation to the Company's consolidated capitalization.

5.1.12 The Board of Directors will also consider and approve:

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i) transactions out of the ordinary course of business including, without limitation, proposals on mergers, acquisitions or other major investments or divestitures;

ii) all matters that would be expected to have a major impact on shareholders;

iii) the appointment of any person to any position that would qualify such person as an officer of the Company; and

iv) any proposed changes in compensation to be paid to members of the Board of Directors on the recommendation of the Human Resources Committee.

5.1.13 The Board of Directors will also receive reports and consider:

i) The quality of relationships between the Company and its key customers;

ii) Changes in the shareholder base of the Company from time to time and relationships between the Company and its significant shareholders;

iii) Periodic reports from Board of Directors' committees with respect to matters considered by such committees;

iv) Health, safety and environmental matters as they affect the Company and its business; and

v) Such other matters as the Board of Directors may, from time to time, determine.

5.1.14 The Board of Directors will oversee management through an ongoing review process.

5.1.15 The Board of Directors will, together with the Executive Chairman of the Board develop a position descriptions for the Executive Chairman of the Board and the Chief Executive Officer. The Board of Directors will also approve the corporate objectives that the Executive Chairman of the Board is responsible for meeting and assess management's performance in relation to such objectives. The Board of Directors will raise any concerns related to the performance of the Chief Executive Officer with the Executive Chairman of the Board as appropriate.

5.1.16 The Board of Directors will receive a report from its Human Resources Committee on succession planning as set forth in such committee's mandate.

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5.2 Annual Assessment of the Board of Directors

The Board of Directors will annually review the assessment of the Board of Directors' performance and recommendation provided by the Corporate Governance Committee. The objective of this review is to increase the effectiveness of the Board of Directors and contribute to a process of continuous improvement in the Board of Directors' execution of its responsibilities. It is expected that the result of such reviews will be to identify any areas where the directors and/or management believe that the Board of Directors and/or the directors individually could make a better contribution to the affairs of the Company. The Board of Directors will take appropriate action based upon the results of the review process.

5.3 Committees

5.3.1 The Board of Directors shall appoint committees to assist it in performing its duties and processing the quantity of information it receives.

5.3.2 Each committee operates according to a Board of Directors approved written mandate outlining its duties and responsibilities. This structure may be subject to change as the Board of Directors considers from time to time which of its responsibilities can best be fulfilled through more detailed review of matters in committee.

5.3.3 The Board of Directors will review annually the work undertaken by each committee and the responsibilities thereof.

5.3.4 The Board of Directors will annually evaluate the performance and review the work of its committees, including their respective mandates and the sufficiency of such mandates.

5.3.5 The Board of Directors will annually appoint a Lead Director as well as a member of each of its committees to act as Chair of the committee.

5.3.6 Subject to subsection 5.3.8, committees of the Board of Directors shall be composed of a majority of Independent Directors.

5.3.7 The Board of Directors shall appoint members of committees after considering the recommendations of the Corporate Governance Committee and the Executive Chairman of the Board as well as the skills and desires of individual Board members, all in accordance with the mandates of such committees approved by the Board.

5.3.8 The Audit Committee shall be composed only of Independent Directors. All members of the Audit Committee shall be Financially Literate and at least one member shall be a financial expert within the meaning of applicable regulatory requirements.

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5.4 Lead Director

5.4.1 The Lead Director shall be an Independent Director. He will oversee that the Board of Directors discharges its responsibilities, ensure that the Board of Directors evaluates the performance of management objectively and that the Board of Directors understands the boundaries between the Board of Directors and management responsibilities.

5.4.2 The Lead Director will chair periodic meetings of the Independent Directors and assume other responsibilities which the Independent Directors as a whole might designate from time to time.

5.4.3 The Lead Director should be able to stand sufficiently back from the day-to-day running of the business to ensure that the Board of Directors is in full control of the Company's affairs and alert to its obligations to the shareholders.

5.4.4 The Lead Director shall provide input to the Executive Chairman of the Board on preparation of agendas for Board and committee meetings.

5.4.5 The Lead Director shall chair Board meetings when the Executive Chairman of the Board is not in attendance, subject to the provisions of the by-laws of the Company.

5.4.6 The Lead Director shall provide leadership for the independent directors and ensure that the effectiveness of the Board is assessed on a regular basis.

5.4.7 The Lead Director shall set the agenda for the meetings of the Independent Directors.

5.4.8 The Lead Director shall report to the Board concerning the deliberations of the independent directors as required.

5.4.9 The Lead Director shall, in conjunction with the Executive Chairman of the Board, facilitate the effective and transparent interaction of Board members and management;

5.4.10 The Lead Director shall provide feedback to the Executive Chairman of the Board and act as a sounding board with respect to strategies, accountability, relationships and other issues.

5.5 Review of the Board Mandate

In order to ensure that this mandate is kept current in the light of changes which may occur in corporate practice or the structure of the Company, the Board of Directors will annually reconfirm this mandate or initiate a review to revise it.

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5.6 Board of Directors Compensation

The Human Resources Committee will review the adequacy and form of compensation of the senior management and directors each year. The Committee shall make recommendations to the Board of Directors for consideration when it believes changes in compensation are warranted. Furthermore, the Board of Directors will ensure the compensation realistically reflects the responsibility and risk involved in being a director.

6. COMMUNICATIONS POLICY

6.1 The Board of Directors will consider and review the means by which shareholders can communicate with the Company including the opportunity to do so at the annual meeting, communications interfaces through the Company's website and the adequacy of resources available within the Company to respond to shareholders through the office of the Corporate Secretary and otherwise. However, the Board of Directors believes that it is the function of the management to speak for the Company in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public. It is understood that individual directors may from time to time be requested by management to assist with such communications. It is expected, if communications from stakeholders are made to individual directors, management will be informed and consulted to determine any appropriate response.

6.2 The Board of Directors has the responsibility for monitoring compliance by the Company with the corporate governance requirements and guidelines of the Toronto Stock Exchange and the New York Stock Exchange. The Board of Directors will approve the disclosure of the Company's system of governance and the operation of such system.

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3.2 Charter of the Corporate Governance Committee

Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Charter. This Charter should therefore be read in conjunction with Chapter 1.

1. INTERPRETATION

"Committee" means the Corporate Governance Committee of the Board of Directors of the Company.

"Independent Director" means a director who meets the independence criteria set out in section 1.4 of Multilateral Instrument 52-110 Audit Committees adopted by the Canadian Securities Administrators and as amended and in effect as of June 30, 2005, which is reproduced in Appendix A.

2. OBJECTIVES

The Committee is responsible for: (a) developing the Company's approach to Board governance issues and the Company's response to the corporate governance guidelines; (b) reviewing the composition and contribution of the Board and its members and recommending Board nominees; (c) overseeing the orientation program for new directors; and (d) helping to maintain an effective working relationship between the Board of Directors of the Company and management.

3. COMPOSITION

3.1 The Committee shall be composed of a majority of Independent Directors.

3.2 The Board of Directors shall appoint an independent director as the Chair of the Committee. If the Chair is absent from a meeting, the members shall select a Chair from those in attendance to act as Chair of the meeting.

4. MEETINGS

4.1 Meetings of the Committee shall be held at the call of the Chair, but not less than twice annually. Meetings of the Committee may be called by the Chair of the Committee, the Executive Chairman of the Board or the Chief Executive Officer.

4.2 The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than two members of the Committee from time to time. Subject to

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the foregoing requirement, unless otherwise determined by the Board of Directors, the Committee shall have the power to fix its quorum and to regulate its procedure. Matters decided by the Committee shall be decided by majority vote.

4.3 Notice of each meeting shall be given to each member, to the Executive Chairman of the Board, to the Chief Executive Officer and to the Corporate Secretary of the Company.

4.4 The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee, including in particular the Chief Executive Officer.

4.5 The Committee shall appoint a secretary to be the secretary of all meetings of the Committee and to maintain minutes of all meetings and deliberations of the Committee.

5. RESPONSIBILITIES AND DUTIES

5.1 Role and responsibilities of the Committee Chair:

5.1.1 The Chair of the Committee:

5.1.1.1 Provides leadership for the committee by ensuring that:

(i) The responsibilities of the committee are well understood by committee members and management.

(ii) The committee works as a cohesive team.

(iii) Adequate resources and timely and relevant information are available to the committee to support its work.

(iv) The effectiveness of the committee is assessed on a regular basis.

(v) The committee's structure and mandate is appropriate and adequate to support the discharge of the committee's responsibilities.

(vi) The scheduling, organization and procedures of committee meetings provide adequate time for the consideration and discussion of relevant issues.

5.1.1.2 Works with the Executive Chairman of the Board and Corporate Secretary to set the calendar of the committee's regular meetings.

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5.1.1.3 Has the authority to convene special meetings as required.

5.1.1.4 Sets the agenda in collaboration with the Executive Chairman of the Board and the Corporate Secretary.

5.1.1.5 Presides at meetings.

5.1.1.6 Acts as liaison with management with regard to the work of the committee.

5.1.1.7 Reports to the Board concerning the work of the committee.

5.1.1.8 Exercises the authority specifically delegated to the Chair by the Committee, if any.

5.2 General Responsibilities

BOARD MEMBERS

5.2.1 Review criteria regarding the composition of the Board of Directors and committees of the Board of Directors, such as size, proportion of Independent Directors and as to criteria to determine “relatedness” as well as profile of the Board of Directors (age, geographical representation, disciplines, etc.) and establish a Board of Directors comprised of members who facilitate effective decision-making.

5.2.2 Review criteria relating to tenure as a director, such as limitations on the number of times a director may stand for re-election, and the continuation of directors in an honorary or similar capacity.

5.2.3 Review criteria for retention of directors unrelated to age or tenure, such as attendance at Board of Directors and committee meetings, health or the assumption of responsibilities which are incompatible with effective Board of Directors membership; and assess the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors, the contribution of individual directors on an ongoing basis and establish in light of the opportunities and risks facing the Company, what competencies, skills and personal qualities it seeks in new Board members in order to add value to the Company.

5.2.4 Recommend to the Board of Directors the list of candidates for directors to be nominated for election by shareholders at annual meetings of shareholders.

5.2.5 Recommend to the Board of Directors candidates to fill vacancies on the Board of Directors occurring between annual meetings of shareholders.

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5.2.6 Recommend to the Board of Directors the removal of a director in exceptional circumstances, for example (a) such director is in a position of conflict of interest or (b) the criteria underlying the appointment of such director change.

5.2.7 Ensure that the Board of Directors can function independently of management. To this end, arrange for meetings on a regular basis of the Independent Directors without management present. In such cases, meetings will be chaired by the Lead Director.

DIRECTOR ORIENTATION

5.2.8 As an integral element of the process for appointing new directors, put in place an orientation and education program for new recruits to the Board of Directors and review from time to time the value and benefit of such program.

COMPLIANCE

5.2.9 Ensure corporate compliance with applicable legislation including director and officer compliance.

5.2.10 Review proposed amendments to the Company's by-laws before making recommendations to the Board of Directors.

CODES OF BUSINESS CONDUCT

5.2.11 Periodically review and make recommendations to the Board of Directors with respect to the Company's formal code of ethics and business conduct for its members, directors and officers and its executive code of conduct applicable to the Company's principal executive officer, principal financing officer, principal accounting officer or controller, or other persons performing similar functions within the Company; including the disclosure of the adoption of such codes.

5.2.12 Monitor adherence to the codes and review potential situations related thereto brought to the attention of the Committee by the Corporate Secretary of the Company in order to recommend or not in certain circumstances to the Board of Directors to grant or not waivers from compliance with the codes for directors and officers. The Committee shall also ensure that when such waivers are granted, the Board of Directors shall disclose same in due time and specify the circumstances and rationale for granting the waiver.

CORPORATE GOVERNANCE PRINCIPLES

5.2.13 Make recommendations to the Board of Directors as deemed appropriate in the context of adherence to corporate governance guidelines in effect from time to time.

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5.2.14 In conjunction with the Executive Chairman of the Board of Directors, recommend to the Board of Directors the membership and chairs of the committees of the Board of Directors.

5.2.15 Review annually the Board/management relationship.

5.2.16 Advise the Board of Directors on the disclosure to be contained in the Company's public disclosure documents, such as the Company's annual management proxy circular or annual report, on matters of corporate governance as required by the Toronto Stock Exchange, the New York Stock Exchange or any other applicable exchange or regulator.

5.2.17 Generally advise the Board of Directors on all other matters of corporate governance.

EXTERNAL AND INTERNAL RESOURCES

5.2.18 Retain such independent external advisors as it may deem necessary and advisable for its purposes.

5.2.19 Report to the Board of Directors on its proceedings, reviews undertaken, and any associated recommendations.

5.2.20 Have adequate resources to discharge its responsibilities;

5.2.21 Have the right, for the purposes of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the Company and its subsidiaries.

5.2.22 The Chair of the Committee shall review the opportunity for the Board of Directors of the Company or individual directors to retain external advisors at the expense of the Company in certain appropriate circumstances in carrying out their responsibilities.

SHAREHOLDER PROPOSALS

5.2.23 Review and make recommendations on shareholder proposals to the Board of Directors or refer them to the Executive Chairman of the Board as appropriate.

5.3 Other Responsibilities

The Committee shall carry out such other mandates as the Board of Directors may request from time to time.

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5.4 Review of Mandate of the Committee

The Board of Directors should review and reassess the adequacy of the mandate on an annual basis.

5.5 Compensation

Members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may determine from time to time.

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3.3 Charter of the Human Resources Committee

Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Charter. This Charter should therefore be read in conjunction with Chapter 1.

1. INTERPRETATION

"Committee" means the Human Resources Committee of the Board of Directors of the Company.

"Independent Director" means a director who meets the independence criteria set out in section 1.4 of Multilateral Instrument 52-110 Audit Committees adopted by the Canadian Securities Administrators and as amended and in effect as of June 30, 2005, which is reproduced in Appendix A.

2. OBJECTIVES

The Committee is responsible for reviewing and making recommendations to the Board of Directors of the Company for the appointment of Officers of the Company and for determining terms of employment of senior executives whose remuneration must be disclosed as per applicable legislation, and such other senior executives as may be proposed by the Executive Chairman of the Board and the Chief Executive Officer. It shall also perform functions such as reviewing succession planning and matters of compensation as well as such other matters the Committee may consider suitable with respect to compensation or as may be specifically directed by the Board of Directors of the Company from time to time.

3. COMPOSITION

3.1 The Committee shall be composed of a majority of Independent Directors.

3.2 The Board of Directors shall appoint one of the Independent Directors as the Chair of the Committee. If the Chair is absent from a meeting, the members shall select a Chair from those in attendance to act as Chair of the meeting.

4. MEETINGS

4.1 Meetings of the Committee shall be held at the call of the Chair, but not less than three times annually. Meetings of the Committee may be called by the Chair of the Committee, the Executive Chairman of the Board or the Chief Executive Officer.

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4.2 The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than two members of the Committee from time to time. Subject to the foregoing requirement, unless otherwise determined by the Board of Directors, the Committee shall have the power to fix its quorum and to regulate its procedure. Matters decided by the Committee shall be decided by majority vote.

4.3 Notice of each meeting shall be given to each member, to the Executive Chairman of the Board, to the Chief Executive Officer and to the Corporate Secretary of the Company.

4.4 The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee, including in particular the Executive Chairman of the Board.

4.5 The Committee shall appoint a secretary to be the secretary of all meetings of the Committee and to maintain minutes of all meetings and deliberations of the Committee.

5. RESPONSIBILITIES AND DUTIES

5.1 Role and responsibilities of the Committee Chair:

5.1.1 The Chair of the Committee:

5.1.1.1 Provides leadership for the committee by ensuring that:

(i) The responsibilities of the committee are well understood by committee members and management.

(ii) The committee works as a cohesive team.

(iii) Adequate resources and timely and relevant information are available to the committee to support its work.

(iv) The effectiveness of the committee is assessed on a regular basis.

(v) The committee's structure and mandate is appropriate and adequate to support the discharge of the committee's responsibilities.

(vi) The scheduling, organization and procedures of committee meetings provide adequate time for the consideration and discussion of relevant issues.

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5.1.1.2 Works with the Executive Chairman of the Board and Corporate Secretary to set the calendar of the committee's regular meetings.

5.1.1.3 Has the authority to convene special meetings as required.

5.1.1.4 Sets the agenda in collaboration with the Executive Chairman of the Board and the Corporate Secretary.

5.1.1.5 Presides at meetings.

5.1.1.6 Acts as liaison with management with regard to the work of the committee.

5.1.1.7 Reports to the Board concerning the work of the committee.

5.1.1.8 Exercises the authority specifically delegated to the Chair by the Committee, if any.

5.2 General Responsibilities

5.2.1 The Committee shall, among other things, have responsibility to advise the Board of Directors on human resources planning, compensation of members of the Board of Directors, Executive Officers and other employees, short and long-term incentive plans, benefit plans, and Executive Officer appointments.

5.2.2 The Committee shall review and report to the Board of Directors on:

5.2.2.1 Management's succession plans for Executive Officers, with special emphasis on the Executive Chairman of the Board and Chief Executive Officer succession;

5.2.2.2 Compensation philosophy of the organization, including a remuneration strategy and remuneration policies for the Executive Officer level, as proposed by the Executive Chairman of the Board and the Chief Executive Officer;

5.2.2.3 Recommendations to the Board of Directors for the appointment of the Executive Chairman of the Board, the Chief Executive Officer and other Executive Officers, corporate objectives which the Executive Chairman of the Board and such other Executive Officers, as the case may be, are responsible for meeting, assessment of the Executive Chairman of the Board and of the Chief Executive Officer against these objectives, monitoring of the Executive Chairman of the Board's performance and providing advice and counsel in the execution of his duties;

5.2.2.4 Total remuneration plan including adequacy and form of compensation realistically reflecting the responsibilities and risks of the position for the Executive Chairman of the Board and for

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the Chief Executive Officer of the Company and, in connection therewith, consider appropriate information, including information from the Board of Directors with respect to the overall performance of the Executive Chairman of the Board and of the Chief Executive Officer;

5.2.2.5 Remuneration for Executive Officers, annual adjustment to executive salaries, and the design and administration of short and long-term incentive plans, stock options, benefits and perquisites as proposed by the Executive Chairman of the Board and the Chief Executive Officer;

5.2.2.6 Employment and termination arrangements for senior management;

5.2.2.7 Adoption of new, or significant modifications to, pay and benefit plans;

5.2.2.8 Appointment of new officers as appropriate;

5.2.2.9 Significant organizational changes;

5.2.2.10 The Committee's proposed executive compensation report to be contained in the Company's annual proxy circular;

5.2.2.11 Management development programs for the Company;

5.2.2.12 Any special employment contracts or arrangements with officers of the Company including any contracts relating to change of control; and

5.2.2.13 Remuneration for members of the Board of Directors and committees thereof, including adequacy and form of compensation realistically reflecting the responsibilities and risks of the positions and recommend changes where applicable.

5.2.3 The Committee shall perform such other duties as may from time to time be assigned to it by the Board of Directors including those relating to compensation of officers and senior employees and the manpower resources of the Company.

5.3 Other Responsibilities

5.3.1 The Committee shall have the right to retain such independent external advisors as it may deem necessary and advisable for its purposes and to assess and review, on an annual basis or as deemed appropriate, the independence of such external advisors.

5.3.2 The Committee shall report to the Board of Directors on its proceedings, reviews undertaken, and any associated recommendations.

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5.3.3 The Committee shall have adequate resources to discharge its responsibilities.

5.3.4 The Committee shall have the right, for the purposes of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the Company and its subsidiaries.

5.4 Review of Mandate of the Committee

The Board of Directors should review and reassess the adequacy of this mandate on an annual basis.

5.5 Compensation

Members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may determine from time to time.

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3.4 Charter of the Audit and Risk Management Committee

Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Charter. This Charter should therefore be read in conjunction with Chapter 1.

1. INTERPRETATION

"Committee" means the Audit and Risk Management Committee of the Board of Directors of the Company.

"Financially Literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

"Independent Director" means a director who meets the independence criteria set out in section 1.4 of Multilateral Instrument 52-110 Audit Committees adopted by the Canadian Securities Administrators and as amended and in effect as of June 30, 2005, which is reproduced in Appendix A.

2. OBJECTIVES

The Committee will assist the Board of Directors in fulfilling its oversight responsibilities. In performing its duties, the Committee will maintain effective working relationships with the Board of Directors, management, the internal auditors and the external auditors.

3. COMPOSITION

3.1 The Committee shall consist solely of Independent Directors, all of whom shall be Financially Literate and at least one of whom shall be a financial expert as defined in the applicable corporate governance rules imposed by regulatory bodies.

3.2 Following each annual meeting of shareholders, the Board of Directors shall elect three or more directors, who shall meet the independence and experience requirements of the New York Stock Exchange and the Toronto Stock Exchange as well as the other similar requirements under applicable securities regulations, to serve on the Committee until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs. Any member may be removed from office or replaced at any time by the Board of Directors.

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3.3 The Board of Directors shall appoint one of the members of the Committee as the Chair of the Committee. If the Chair is absent from a meeting, the members shall select a Chair from those in attendance to act as Chair of the meeting.

4. MEETINGS AND RESOURCES

4.1 Regular meetings of the Committee shall be held quarterly. Special meetings of the Committee may be called by the Chair of the Committee, the external auditors, the Executive Chairman of the Board, the Chief Executive Officer or the Chief Financial Officer of the Company.

4.2 The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than two members of the Committee from time to time. Subject to the foregoing requirement, unless otherwise determined by the Board of Directors, the Committee shall have the power to fix its quorum and to regulate its procedure. Matters decided by the Committee shall be decided by majority vote.

4.3 Notice of each meeting shall be given to each member, the external auditors, the Executive Chairman of the Board, the Chief Executive Officer and the Chief Financial Officer of the Company, any or all of whom shall be entitled to attend. Notice of each meeting shall also be given, as the case may be, to the internal auditor who shall also attend whenever requested to do so by the Chair of the Committee or the Corporate Secretary.

4.4 Notice of meeting may be given orally or by letter, telephone facsimile transmission, telephone or electronic device not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting. The notice need not state the purpose or purposes for which the meeting is being held.

4.5 Opportunities should be afforded periodically to the external auditors and, as the case may be, to the internal auditor and the senior management to meet separately with the Committee. In addition, the Committee may meet in camera, with only members of the Committee present, whenever the Committee determines that it is appropriate to do so.

4.6 The Committee shall have the authority to retain special legal counselling, accounting or other consultants as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee at the Company's expense.

4.7 The Corporate Secretary of the Company or designate of the Corporate Secretary shall be the Secretary of all meetings of the Committee and shall maintain minutes of all meetings and deliberations of the Committee.

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5. RESPONSIBILITIES AND DUTIES

5.1 Role and responsibilities of the Committee Chair:

5.1.1 The Chair of the Committee:

5.1.1.1 Provides leadership for the committee by ensuring that:

(i) The responsibilities of the committee are well understood by committee members and management.

(ii) The committee works as a cohesive team.

(iii) Adequate resources and timely and relevant information are available to the committee to support its work.

(iv) The effectiveness of the committee is assessed on a regular basis.

(v) The committee's structure and mandate is appropriate and adequate to support the discharge of the committee's responsibilities.

(vi) The scheduling, organization and procedures of committee meetings provide adequate time for the consideration and discussion of relevant issues.

5.1.1.2 Works with the Executive Chairman of the Board, the Chief Financial Officer and the Corporate Secretary to set the calendar of the committee's regular meetings.

5.1.1.3 Has the authority to convene special meetings as required.

5.1.1.4 Sets the agenda in collaboration with the Executive Chairman of the Board, the Chief Financial Officer and the Corporate Secretary.

5.1.1.5 Presides at meetings.

5.1.1.6 Acts as liaison with management with regard to the work of the committee.

5.1.1.7 Reports to the Board concerning the work of the committee.

5.1.1.8 Exercises the authority specifically delegated to the Chair by the Committee, if any.

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5.2 General responsibilities

While the Committee has the responsibilities and powers set forth below, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate. This is the responsibility of management and the external auditors. Nor is it the duty of the Committee to conduct investigations, or to assure compliance with laws and regulations. The Committee shall review disagreements, if any, between management and the external auditors and shall make recommendations to resolve such disagreements. In the event that any such disagreement persists, the matter will be referred by the Committee to the Board of Directors for a final determination.

5.3 Review of mandate of the committee

The Board of Directors and the Committee shall review and reassess the adequacy of this mandate on an annual basis.

5.4 Publicly disclosed financial information

5.4.1 The Committee shall review and recommend for approval by the Board of Directors, before release to the public:

5.4.1.1 interim unaudited financial statements;

5.4.1.2 audited annual financial statements, in conjunction with the report of the external auditors;

5.4.1.3 all public disclosure documents containing audited or unaudited financial information, including any prospectus, the annual information form and management's discussion and analysis of financial condition and results of operations, as well as related press releases, including earnings guidance; and

5.4.1.4 the compliance of management certification of financial reports with applicable legislation and attestation of the Company's disclosure controls and procedures.

5.4.2 The Committee shall review any report which accompanies published financial statements (to the extent such a report discusses financial condition or operating results) for consistency of disclosure with the financial statements themselves.

5.4.3 In its review of financial statements, the Committee should obtain an explanation from management of all significant variances between comparative reporting periods and an explanation from management for items which vary from expected or budgeted amounts as well as from previous reporting periods.

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5.4.4 In its review of financial statements, the Committee should review unusual or extraordinary items, transactions with related parties, and adequacy of disclosures, asset and liability carrying values, income tax status and related reserves, qualifications, if any, contained in letters of representation and business risks, uncertainties, commitments and contingent liabilities.

5.4.5 In its review of financial statements, the Committee shall review the appropriateness of the Company's significant accounting principles and practices, including acceptable alternatives, and the appropriateness of any significant changes in accounting principles and practices.

5.4.6 The Committee shall satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and shall periodically assess the adequacy of those procedures.

5.5 Financial reporting and accounting trends

The Committee shall:

5.5.1 Review and assess the effectiveness of accounting policies and practices concerning financial reporting;

5.5.2 Review with management and with the external auditors any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;

5.5.3 Question management and the external auditors regarding significant financial reporting issues discussed and the method of resolution; and

5.5.4 Review general accounting trends and issues of accounting policy, standards and practices which affect or may affect the Company.

5.6 Internal controls

5.6.1 The Committee shall review and monitor the Company's internal control procedures, programs and policies, and assess the adequacy and effectiveness of internal controls over the accounting and financial reporting systems, with particular emphasis on controls over computerized systems.

5.6.2 The Committee shall review:

5.6.2.1 The evaluation of internal controls by the external auditors, together with management's response;

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5.6.2.2 The working relationship between management and external auditors;

5.6.2.3 The appointments of the Chief Financial Officer and any key financial executives involved in the financial reporting process;

5.6.2.4 The review and approval of the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;

5.6.2.5 Any decisions related to the need for internal auditing, including whether this function should be outsourced and, in such case, approving the supplier which shall not be the external auditors; and

5.6.2.6 Internal control procedures to ensure compliance with the law and avoidance of conflicts of interest.

5.6.3 The Committee shall undertake private discussions with staff of the internal audit function to establish internal audit independence, the level of co-operation received from management, the degree of interaction with the external auditors, and any unresolved material differences of opinion or disputes.

5.7 Internal Auditor

The Committee shall:

5.7.1 Review the mandate and annual objectives of the internal auditor, if the appointment of an internal auditor is deemed appropriate;

5.7.2 Review the adequacy of the Company's internal audit resources; and

5.7.3 Ensure the internal auditor has ongoing access to the Chair of the Committee as well as all officers of the Company, particularly the Executive Chairman of the Board and the Chief Executive Officer.

5.7.4 Review the audit plans, performance and summaries of the reports of the internal audit function as well as management's response including follow-up to any identified weakness.

5.8 External Auditors

5.8.1 The Committee shall recommend to the Board of Directors the appointment of the external auditors, which firm is ultimately accountable to the Committee and the Board of Directors.

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5.8.2 The Committee shall i) receive periodic reports from the external auditors regarding the auditors independence, the performance of the auditors, the qualifications of the key audit partner and audit managers, a periodic review of the auditors' quality control procedures, material issues arising from the periodic quality control review and the steps taken by the auditors to address such findings, ii) discuss such reports with the auditors, and if so determined by the Committee, iii) recommend that the Board of Directors take appropriate action to satisfy itself as to the independence of the auditors and the quality of their performance.

5.8.3 The Committee shall take appropriate steps to assure itself that the external auditors are satisfied with the quality of the Company's accounting principles and that the accounting estimates and judgments made by management reflect an appropriate application of generally accepted accounting principles.

5.8.4 The Committee shall undertake private discussions on a regular basis with the external auditors to review, among other matters, the quality of financial personnel, the level of co-operation received from management, any unresolved material differences of opinion or disputes with management regarding financial reporting and the effectiveness of the work of the internal audit function.

5.8.5 The Committee shall review the terms of the external auditors' engagement and the appropriateness and reasonableness of the proposed audit fees as well as the compensation of any advisors retained by the Committee.

5.8.6 The Committee shall review and pre-approve any engagements for non-audit services provided by the external auditors or their affiliates to the Company or its subsidiaries, together with the fees for such services, and consider the impact of this on the independence of the external auditors. The Committee shall determine which non-audit services the external auditors are prohibited from providing.

5.8.7 When a change of auditors is proposed, the Committee shall review all issues related to the change, including the information required to be disclosed by regulations and the planned steps for an orderly transition.

5.8.8 The Committee shall review all reportable events, including disagreements, unresolved issues and consultations on a routine basis whether or not there is to be a change of auditors.

5.8.9 When discussing auditor independence, the Committee will consider both rotating the lead audit partner or audit partner responsible for reviewing the audit after a number of years and establishing hiring policies for employees or former employees of its external auditor.

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5.9 Audit Procedures

5.9.1 The Committee shall review the audit plans of the internal and external audits, including the degree of co-ordination in those plans, and shall inquire as to the extent to which the planned audit scope can be relied upon to detect weaknesses in internal control or fraud or other illegal acts. The audit plans should be reviewed with the external auditors and with management, and the Committee should recommend to the Board of Directors the scope of the external audit as stated in the audit plan.

5.9.2 The Committee shall review any problems experienced by the external auditors in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management.

5.9.3 The Committee shall review the post-audit or management letter containing the recommendations of the external auditors, and management's response and subsequent follow-up to any identified weakness.

5.10 Risk management and other responsibilities

5.10.1 The Committee shall put in place procedures to receive and handle complaints or concerns received by the Company about accounting or audit matters including the anonymous submission by employees of concerns respecting accounting or auditing matters.

5.10.2 The Committee shall review such litigation, claims, transactions or other contingencies as the internal auditor, external auditors or any officer of the Company may bring to its attention, and shall periodically review the Company's risk management programs. In that regard the Committee shall review the Company's major risk exposures and the steps taken by management to monitor, control and report such exposures.

5.10.3 The Committee shall review the policy on use of derivatives and monitor the risk.

5.10.4 The Committee shall review the related party transactions in line with the New York Stock Exchange rules and regulations and those of any other applicable exchange or regulator.

5.10.5 The Committee shall review assurances of compliance with covenants in trust deeds or loan agreements.

5.10.6 The Committee shall review business risks that could affect the ability of the Company to achieve its business plan.

5.10.7 The Committee shall review uncertainties, commitments, and contingent liabilities material to financial reporting.

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5.10.8 The Committee shall review the effectiveness of control and control systems utilized by the Company in connection with financial reporting and other identified business risks.

5.10.9 The Committee shall review incidents of fraud, illegal acts, conflicts of interest and related-party transactions.

5.10.10 The Committee shall review material valuation issues.

5.10.11 The Committee shall review the quality and accuracy of computerized accounting systems, the adequacy of the protections against damage and disruption, and security of confidential information through information systems reporting.

5.10.12 The Committee shall review material matters relating to audits of subsidiaries.

5.10.13 The Committee shall review cases where management has sought accounting advice on a specific issue from an accounting firm other than the one appointed as auditor.

5.10.14 The Committee shall review any legal matters that could have a significant impact on the financial statements.

5.10.15 The Committee shall consider other matters of a financial nature it feels are important to its mandate or as directed by the Board of Directors.

5.10.16 The Committee shall report regularly to the Board of Directors on its proceedings, reviews undertaken and any associated recommendations.

5.10.17 The Committee shall have the right, for the purpose of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the Company and its subsidiaries.

5.11 Compensation

Members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may determine from time to time.

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4. Codes of Ethics

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Codes of Ethics

4.1 Code of Ethics and Business Conduct

for members, officers and directors of CGI

To the CGI Team

This Code of Ethics and Business Conduct is based on the values and philosophy that have guided CGI successfully since the Company's inception in 1976. It constitutes a unique repository where the combination of CGI policies, guidelines, principles of conduct and best practices have been regrouped under one umbrella document, for the benefit of our members, officers and directors.

CGI's operations have grown significantly and now extend worldwide, and our business environment has become increasingly competitive and complex. The scope and pace of our business requires us to make quick and informed decisions, in a manner consistent with our values.

This Code provides guidance - and a global view - for CGI members, officers and directors to consistently achieve the professionalism that has earned our Company an enviable reputation among our clients and within our industry. It also provides guidance for CGI directors when acting for the Company.

This Code is not meant to be a complete list of ethics and business conduct covering every eventuality. It highlights situations that CGI's members, officers and directors may face in their duties and provides the basic principles to guide their actions. CGI recognizes the importance of supporting these individuals as ethical issues arise, and has an open door policy for resolving such issues with integrity.

Upon joining CGI, all members, as part of their employment contract, undertake to observe this Code in all aspects of their work. Furthermore, annually, all members shall renew such undertaking.

We must always behave responsibly and in line with the Company's core values when working on behalf of CGI for its clients and other stakeholders. By preserving our personal integrity and the professional reputation of CGI, I am confident that together we will succeed in achieving the Company's mission and vision.

Serge Godin
Founder and Executive Chairman of the Board

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Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Code of Ethics and Business Conduct. This Code should therefore be read in conjunction with Chapter 1.

1. VALUES, PHILOSOPHY, VISION AND MISSION

Values

CGI has always believed in investing in the future to ensure continued success. From the beginning, the Company has invested in developing a strong corporate culture, based on six core values that reflect its approach to business. These values are: quality and partnership, intrapreneurship and sharing, respect, objectivity and integrity, financial strength and corporate social responsibility. These values are at the heart of CGI's success. They ensure that CGI takes a long-term view on business issues, and builds long-lasting partnerships with its clients.

Philosophy

The success of CGI Group Inc. and its subsidiaries is based on the knowledge, creativity and commitment of its members. CGI ensures this success by recruiting the most qualified people available. CGI's members share in the risks and rewards of CGI's business as partners of CGI and are committed to its objectives. They take a disciplined approach to their work and constantly strive for excellence to achieve the best results for every client. In exchange, CGI strives to recognize the value of its members by offering them a stimulating work environment that fosters their personal and professional development.

Vision

To be a global world class information technology and business process services leader helping our clients succeed.

Mission

To help our clients succeed through outstanding quality, competence and objectivity, providing thought leadership and delivering the best services and solutions to fully satisfy client objectives in information technology, business processes and management.

In all we do, we foster a culture of partnership, intrapreneurship, teamwork and integrity, building a global world class information technology and business process services company

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2. PURPOSE AND SCOPE OF THE CODE

This Code of Ethics and Business Conduct (the "Code") defines CGI's character and guides the actions and decisions of the salaried employees ("members"), officers and directors of CGI. Compliance with the Code is essential for many reasons and notably to preserve and enhance CGI's reputation and maximize shareholder value. In keeping with CGI's values, the Code outlines the essential rules and guidelines necessary to preserve CGI's enviable reputation among its clients and within its industry. The Code is not meant to be a complete list of ethics and business conduct covering every eventuality. It highlights situations that CGI members, officers and directors may face in their duties. The code is meant to give them a broad and clear understanding of the conduct expected of them, wherever CGI does business. While the specific illustrations are primarily addressed to members, they should be read as being equally applicable to the members of CGI's Board of Directors to the extent that they may be applicable in the circumstances.

Should a member be confronted with a situation where further guidance is required, the matter should be discussed with the member's manager. CGI recognizes its obligation to support its members, officers and directors as ethical issues arise.

3. MEMBER'S CONDUCT AND BEHAVIOUR

General conduct

Upon joining CGI and annually thereafter, all members are by virtue of the "Member Commitment to the Code of Ethics and Business Conduct", which must be signed where permitted locally, subject to the Company Code of Ethics and Business Conduct and related policies and guidelines.

If a member ceases to be employed by CGI for any reason, the Member Commitment specifies which elements continue to apply, namely those related to the confidentiality obligations.

Respect and integrity

All members of CGI support the Company's philosophy and contribute to CGI's development and good reputation by promoting synergy and teamwork, by expressing their ideas and by adopting the highest standards of service quality and integrity. The members of CGI are its ambassadors. They must always behave responsibly and demonstrate courtesy, honesty, civility and respect for other members of CGI, for its clients and for its suppliers.

Loyalty

Members are expected to act at all times with diligence and loyalty towards CGI and in such a way as to safeguard CGI's interests. Members should not act in a way or publicly hold a position that might harm the image or reputation of CGI.

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Relations with clients

CGI's services often involve visiting or working at a client's place of business. A member working at a client's site must comply with the client's practices and procedures and treat the client's facilities with respect. The member must work as efficiently and meticulously as possible and leave the client's premises and property as he or she found them. As well, members must use the client's information and systems infrastructures for the sole purpose of the client's contract and protect those infrastructures and information at all times.

Relations with competitors

If a member is working with a competitor of CGI on a joint project for a client, the member must avoid any situations that could cause conflicts. The member must respect the roles that the client has assigned to each party and work as a team in the client's best interests. CGI's members also have both an ethical and a legal responsibility to portray the Company's competitors fairly and accurately. CGI does not tolerate its members using improper means for gathering information about its competitors.

Maintenance of assets

All members of CGI have a responsibility to protect CGI's assets against loss, theft, abuse and unauthorized use or disposal. If, in the course of his or her work, a member of CGI is supplied with any property belonging to CGI or to a third party, the member must use said property in accordance with CGI's Security and acceptable use policy, and as may otherwise be specified in the binding agreement he or she signed with CGI the member must use said property solely for work-related purposes as specified in the binding agreement he or she signed upon joining CGI. . More specifically, the members must use CGI's systems infrastructures in a manner consistent with legal requirements, professional ethics, the policies established by the administrators of CGI's network and of any external networks that the member uses, and must respect the copyrights protecting any software that the member also uses. As well, members must never use the clients' systems infrastructures, including the clients' software, for any purpose that is not work-related. CGI applies a zero-tolerance policy to any abuse of its systems infrastructures or those of its clients.

At the end of employment, members are required to return all CGI property and assets in their possession to their manager or to a designated CGI representative.

4. INTEGRITY OF BOOKS AND RECORDS AND COMPLIANCE WITH SOUND ACCOUNTING PRACTICES

Preparation of books and records

Accuracy and reliability in the preparation of all business records is of critical importance to the decision-making process and to the proper discharge of financial, legal and reporting obligations. All business records, expense accounts, invoices, bills, payroll and member records and other reports are to be prepared with care and honesty. False or misleading entries are not permitted in CGI's books and records.

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Financial transactions

All financial transactions are to be properly recorded in the books of account and accounting procedures are to be supported by the necessary internal controls. In turn, all books and records of CGI must be available for audit.

Member responsibilities

CGI is committed to providing a safe and healthy work environment for all members.

Accordingly, members are expected to observe the following policies:

Drug-Free Workplace

CGI maintains a drug-free workplace. Accordingly, in the workplace, members may not:

- Use, sell, or possess illegal drugs;
- Abuse or misuse controlled substances, prescription drugs, or over-the-counter medications; or
- Abuse alcohol.

Restrictions on Alcohol Use

With the exception of specially-authorized CGI functions, no member may consume, serve, or be under the influence of alcohol while on CGI property or while performing CGI business.

Alcohol may be served at CGI functions only with the prior approval of a Senior Vice President. In such circumstances, CGI strongly encourages members to use discretion, act responsibly, and behave in a manner becoming to the Company. When working in parts of the world where alcohol use or possession is prohibited, CGI members must comply with local laws.

In relation to CGI's books and records, members must:

i) not intentionally cause Company documents to be incorrect in any way;

ii) not create or participate in the creation of any records that are intended to conceal anything that is improper;

iii) properly and promptly record all disbursements of funds;

iv) co-operate with internal and external auditors;

v) report any knowledge of any untruthful or inaccurate statements or records or transactions that do not seem to serve a legitimate commercial purpose; and

vi) not make unusual financial arrangements with a client or a supplier (such as, over-invoicing or under-invoicing) for payments on their behalf to a party not related to the transaction.

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The nature of CGI's business places special importance on the accuracy of time keeping and expense reporting.

Accurate Timekeeping

Client billing, member compensation, and cost estimating depends on CGI's ability to record and account for member time worked accurately.

Accordingly, CGI is committed to accurate total time accounting and reporting within all of its subsidiaries.

All members are required to comply with CGI's timekeeping policy and procedures and any applicable contract requirements. Members must record all time worked daily and submit reports weekly, accurately reflecting all time worked on both direct and indirect projects. Managers are responsible for ensuring that members know the correct project code for each project assignment

Knowingly mischarging your time or falsifying time records violates CGI policy and may also violate the law. No member may knowingly charge time inaccurately or knowingly approve mischarging. Similarly, shifting time worked on one project to another project also is strictly prohibited.

To ensure accurate time reporting, members must be sure that they understand and carefully follow CGI's timekeeping policy and procedures. Members must obtain the correct charge code before starting work on any new direct or indirect project. If a member has any questions regarding time charging, the question should be raised with their manager. In all cases, members must take the steps necessary to ensure that their time records are current, accurate, and complete.

Expense Reimbursement

Members must honestly and accurately report their business-related expenses for reimbursement. A member's signature on an expense report certifies that the information provided is complete and accurate and represents a valid business expense.

Breaches

Suspected breaches of the Code which directly or indirectly affect CGI's business must be reported to the Chief Financial Officer, the Chief Executive Officer or the Chief Legal Officer, or alternatively to the Chair of the Audit and Risk Management Committee and CGI's Corporate Secretary.

In addition, CGI has established a policy for incident reporting (often referred to as a "whistleblower policy") as well as a process under that policy which allows any person who has direct knowledge of specific facts to report incidents where the Company is exposed to a serious risk in matters of accounting, auditing, internal accounting controls, finance, banking or financial corruption. The process in place protects the incident reporter and ensures the confidentiality of the report. See the heading "Compliance with the Code" below.

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5. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY

Definitions

Confidential Information

"Confidential Information" means information about the Company's business dealings, development strategies and financial results; products or processes; client lists; vendor lists or purchase prices; cost, pricing, marketing or service strategies; results of research and development work, technical know-how, manufacturing processes, computer software; reports and information related to mergers, acquisitions and divestitures. "Confidential Information" also includes information that relates to intellectual property and may include, but is not limited to: business strategies, product marketing and costing information and information provided by suppliers and competitors. In addition, the way the Company puts publicly-known information together, to achieve a particular result, is often a valuable trade secret.

The following information and documents constitute confidential information or documents of CGI or its clients, as the case may be:

i) methodologies;

ii) all information related to: processes, formulas, research and development, products, financials, marketing; names and lists of customers, employees and suppliers as well as related data; computer programs, all software developed or to be developed including flow charts, source and object codes;

iii) all information related to projects undertaken by the Company whether they are merger and acquisition or divestiture projects or projects related to large client contracts, including all information obtained in due diligence initiatives, whether such information pertains to CGI or to any third party; and

iv) all other information or documents that, if disclosed, could be prejudicial to CGI or its clients.

Intellectual Property

"Intellectual Property" (IP) means patents, copyrights, trademarks, trade secrets and industrial designs of CGI.

Non-disclosure undertaking

CGI Confidential Information

During the normal course of business, members will have access to confidential information about CGI. In some cases, the information may affect the value of CGI shares. Each member must protect the confidentiality of all confidential CGI information and documents. Members cannot discuss them away from work, and cannot divulge any confidential CGI information or any information that could harm CGI.

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Confidential CGI information could include information from other members or information acquired from outside sources, sometimes under obligations of secrecy. Members are expected to use such information exclusively for business purposes and this information must not be disclosed externally without the approval of a member's manager.

Third Party Agreements

In cases where information or records are obtained under an agreement with a third party, such as software licenses or technology purchases, members must ensure that the provisions of such agreements are strictly adhered to so that CGI will not be deemed to be in default. Unauthorized disclosure or use of information or records associated with these agreements could expose the member involved and/or CGI to serious consequences.

Disclosure guidelines

Insider Information

Confidential information about CGI or other public companies may not be used as a basis for trading in CGI securities, or the securities of any other company in respect of which CGI or its members, consultants or advisers are in possession of insider information. For this purpose, CGI has an established policy regarding the use of insider information and trading in securities. This policy is entitled "Guidelines on Timely Disclosure of Material Information and Transactions in Securities by Insiders" which extends to all directors, officers and, when in possession of Confidential Information, members, those authorized to speak on behalf of CGI and all other insiders. It is designed to protect the integrity of the Company and its directors, officers and members while ensuring compliance with all applicable securities legislation in Canada, the United States and other countries. The law stipulates that insiders may not take advantage of inside information to trade in the securities of a company. Likewise, employees must not provide third parties with any information that would give them an unfair advantage when trading in securities of the company, including client companies or any other company that is the subject of an acquisition, divestiture or client related project.

Material Information

CGI's guidelines on disclosure also cover the disclosure of information with a material impact, defined as any information that, if disclosed to a potential investor, could affect his or her perception of the value of the Company as an investment. Because CGI is a publicly traded company, any information that may have a material impact on CGI's results or on the perception of the value of the stock must be communicated in accordance with CGI's "Guidelines on Timely Disclosure of Material Information and Transactions in Securities of CGI by Insiders." If a member thinks that he or she is in possession of a piece of information that is not known to management and may have a material impact on the Company, the member must communicate it immediately to either the Executive Chairman of the Board, the Chief Executive Officer, the Chief Legal Officer, or the Chief Financial Officer, without divulging it to anyone else.

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Client Information

Just as CGI's members must protect confidential information about CGI, they must also show discretion at all times with regard to the client's business affairs. Unless a member has the client's express authorization, he or she should never reveal any information that could harm the client's interests and should never use any information that he or she obtains in the course of a project or assignment for any purpose other than that project or assignment. If the client restricts the distribution of certain information within its own organization, the member must comply with those restrictions as well.

Member Information

Subject to applicable law, CGI collects and maintains personal information relating to its members, including medical and benefits information. Access to such information is restricted to CGI personnel on a need-to-know basis. They must ensure that this information is not disclosed in violation of CGI's policies and practices. Personal information is released to outside parties only with the member's approval, except to satisfy the requirements considered by CGI to be appropriate for legal reasons.

Intellectual Property

In the course of their duties, members may develop or create new designs, inventions, systems or processes, products or documents. When these achievements have been made as a direct result of a member's employment with the Company and through use of CGI's resources, they belong to CGI. Moreover, CGI is free to use this work as it so wishes and members cannot use nor divulge, publish or otherwise disseminate it without prior written consent from CGI. Upon request, members will execute documents made necessary to confirm or complete the assignment of rights to CGI.

Suppliers and Partners Information

All information on CGI suppliers and partners is also confidential and must not be disclosed without the express consent of the persons concerned.

6. CONFLICTS OF INTEREST

Definitions

The members of CGI must avoid any actual or apparent conflicts of interest and should never engage in any conduct which is, or could potentially be, harmful to CGI or its reputation. A conflict of interest exists when a member favours his or her personal interests over those of CGI or its clients or when an obligation or situation arising from a member's personal activities or financial affairs may adversely influence the member's judgement in the performance of his or her duties at CGI.

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Particular caution should be taken when dealing with initiatives involving contracts with any governmental or quasi-governmental agency.

Guidelines

The following guidelines provide guidance for members to avoid situations which are or may appear to be in conflict with their responsibility to act in the best interest of the Company.

Financial Interests - A conflict of interest exists when a member who is able to influence business with CGI owns, directly or indirectly, a beneficial interest in an organization which is a competitor of CGI, or which has current or prospective business as a supplier, customer or contractor with CGI. This does not include the situation where the financial interest in question consists of shares, bonds or other securities of a company listed on a securities exchange and where the amount of this interest is less than one percent of the value of the class of security involved.

Outside Work - When a member, directly or indirectly, acts as a director, officer, employee, consultant or agent of an organization that is a competitor of CGI, or which has current or prospective business as a supplier, customer or contractor with CGI, there is a conflict of interest. Similarly, a conflict of interest may exist when a member undertakes to engage in an independent business venture or to perform work or services for another entity should that activity prevent such member from devoting the time and effort to the conduct of CGI's business, which his or her position requires.

Gifts or Favours - A conflict of interest will arise when a member, either directly or indirectly, solicits or accepts any gift or favour from any person or organization which is a competitor of CGI, or which has current or prospective business with CGI as a customer, supplier, partner or contractor.

For this purpose, a "gift" or "favour" includes any gratuitous service, loan, discount, money or article of value. It does not include articles of nominal value normally used for sales promotion purposes, ordinary business meals or reasonable entertainment consistent with local, social or business customs if received in a sporadic manner. Refer to CGI's Anti-Corruption Policy under Section 4.3 below for further information on this topic.

Commissions - CGI or its members will never accept any commissions from a third-party vendor when recommending software, hardware or any equipment to a client as part of a service agreement.

Trading with CGI - A conflict of interest may exist when a member is directly or indirectly a party to a transaction with CGI.

Misappropriation of Business Opportunities - A conflict of interest will exist when a member, without the knowledge and consent of CGI, appropriates for his or her own use, or that of another person or organization, the benefit of any business venture, opportunity or potential opportunity about which the member may have learned or that he or she may have developed during the course of his or her employment.

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Bribes - Neither CGI nor its members will pay bribes to clients or client representatives to obtain business from them. Refer to CGI's Anti-Corruption Policy under Section 4.3 below for further information on this topic.

Former Employees of Customers – Hiring or retaining the services of former employees of customers, whether in the private or public sector (including quasi-government agencies), may result in actual or perceived conflicts of interest. Accordingly, any such person may not: (i) for a period of two years from the termination of his or her employment with a former customer be assigned to work on, or in any way contribute to, a CGI project or contract that is linked to his or her former functions, unless the customer's prior written consent is obtained and the hire is not prohibited by any code of ethics or other restrictions or undertakings applicable to such person; and (ii) disclose to any CGI member any confidential information such person obtained during the course of his or her former functions with the customer.

Reporting

If a member thinks that he or she has been placed in a conflict of interest, the member must inform his or her manager and work with him or her to determine how the situation may be corrected.

7. LAWS, STATUTES AND REGULATIONS

Compliance with the law

It is CGI's policy to comply, not merely with the letter, but also with the spirit of the law. CGI is required to maintain compliance with various acts, statutes and regulations governing activities in the jurisdictions in which it carries on business and expects members acting on its behalf to do likewise. Members are also expected to report any situation of concern to ethics.crp@cgi.com or to the CGI Legal Department.

Guidelines for compliance

This Code does not seek to provide legal guidance for all laws, statutes and regulations that impact CGI's activities. Specialized resources - legal, tax, environmental, government relations, personnel - are available within CGI for that purpose. There are, however, several items of legislation that warrant specific mention. These are listed below along with some general guidelines for compliance.

Health and safety laws

CGI is committed to creating and maintaining healthy and safe workplaces for its members. Members are expected to comply with all safety laws, regulations and directives from their managers (which may not necessarily be a law or regulation).

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Environmental laws

CGI is committed to preserving and enhancing the environment in the communities where its various businesses operate through responsible and environmentally-oriented operating practices. Members are encouraged to participate in undertakings geared to improving the environment in both their workplace and their community.

Human rights legislation

Every person has the right to equal treatment with respect to employment and the right to be free of discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, religion, sex, sexual orientation, age, pregnancy, record of offences, marital status, social conditions, political beliefs, language, veteran status (U.S. only), family status, disability or means used to overcome a disability. The following are CGI's policies on equal employment opportunity, anti-discrimination and anti-harassment as well as the procedure for reporting any breach or violation of these policies:

i) **Equal Employment Opportunity** - CGI is committed to treating all people fairly and equitably, without discrimination. The company has established a program to ensure that groups which are often subject to discrimination are equitably represented within CGI and to eliminate any employment rules and practices that could be discriminatory. CGI regards diversity among its members as a priceless resource and one which enables the Company to work harmoniously with clients from around the world.

ii) **Anti-Harassment and Anti-Discrimination Policies** - CGI recognizes that everyone has the right to work in an environment free of sexual, psychological and racial harassment. CGI will do everything in its power to prevent its members from becoming victims of such harassment. CGI defines sexual, psychological or racial harassment as any behaviour, in the form of words, gestures, or actions, generally repeated, that has undesired sexual, psychological or racial connotations, that has a negative impact on a person's dignity or physical or psychological integrity, or that results in that person being subjected to unfavourable working conditions or dismissal.

CGI will prevent any form of harassment or discrimination against job candidates and members on any of the grounds mentioned above, whether during the hiring process or during employment. This commitment applies to such areas as training, performance assessment, promotions, transfers, layoffs, remuneration and all other employment practices and working conditions.

All CGI managers are personally accountable for enforcing this policy and must make every effort to prevent discriminatory or harassing behaviour and to intervene immediately if they observe a problem or if a problem is reported to them.

CGI requires that all members refrain from any form of harassment or discrimination against anyone else. CGI will not tolerate any violations of this policy whatsoever.

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iii) **Procedure for Reporting Discrimination or Harassment** - Any member of CGI who feels discriminated against or harassed can and should, in all confidence and without fear of reprisal, personally report the facts to the vice-president of his or her business unit and to the human resources leader either in that business unit, in the country or at the corporate head office. The facts will be examined carefully by these two individuals. Neither the name of the person reporting the facts nor the circumstances surrounding them will be disclosed to anyone whatsoever, unless such disclosure is necessary for an investigation or disciplinary action. Any disciplinary action will be determined by these same two people and will be proportional to the seriousness of the behaviour concerned. CGI will also provide appropriate assistance to any member who is a victim of discrimination or harassment. In addition, retaliation against persons who make complaints of harassment, witness harassment, offer testimony or are otherwise involved in the investigation of harassment complaints will not be tolerated.

Competition act

CGI is required to make its own decisions on the basis of its best interest and must do so independent of agreements or understandings with competitors. The Competition Act (Canada) or corresponding provisions of foreign legislation in matters of competition prohibit certain arrangements or agreements with others regarding product prices, terms of sale, division of markets, allocation of customers or other practices that restrain competition. It is the responsibility of each manager to comply with the letter and spirit of all competition laws as they apply to CGI.

Questions concerning competition-sensitive issues must be addressed to ethics.crp@cgi.com or the CGI Legal Department.

Securities laws and insider trading

Members who possess material non-public information may not buy or sell CGI securities while such information remains non-public and must refrain from passing such information on to others, including family and friends. These trading prohibitions apply to members at all levels - not just officers or managers. The prohibition on such trading is based on such information potentially providing an unfair advantage to the member.

“Material non-public information” is non-public information that is significant enough that, if publicly known, is likely to affect the market price of any of CGI’s securities. CGI has adopted “Guidelines on Timely Disclosure of Material Information and Transactions in Securities of CGI by Insiders”. Each member, officer and director must abide by the provisions of these guidelines, when applicable.

Export and import laws

CGI members may find themselves dealing with goods or services that are the subject of export or import restrictions, such as, for example, information or technology that has military or state security applications.

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Members who deal with controlled goods and services must comply with the CGI policies and procedures that are designed to ensure that the controls are respected.

Laws that protect classified information

In the normal course of CGI's business with government clients, our members may be required to hold government security clearances and they may have access to information that is classified or facilities that are restricted. Members must comply with the letter and with the spirit of the laws, rules and regulations that apply to classified information and facilities that are restricted.

Whether a member holds a security clearance or not, members must not seek access to classified information or restricted facilities unless that access is required in order to allow them to carry out their assigned tasks. Members must not accept access to, retain, or otherwise deal with classified information, or enter restricted facilities, unless they hold a current and valid security clearance that entitles them to have the appropriate degree of access. If there is any doubt about whether information is classified or whether facilities are restricted, about the restrictions that may apply to information or facilities, or whether the member's security clearance is adequate in the circumstances, the member must first consult with the CGI security officer who has the authority to advise the member.

8. INVESTOR AND MEDIA RELATIONS

Authorized Spokespersons

Initiatives relating to investor and media communications are the responsibility of CGI's authorized spokespersons. Therefore, members are not allowed to make any public statement about CGI without first obtaining the authorization of such authorized spokespersons.

9. COMMUNITY ACTIVITIES AND POLITICAL AND PUBLIC CONTRIBUTIONS

As a global organization conducting business throughout the world, CGI is committed to the charitable donation of funds and services for humanitarian and other social needs, particularly in cases of emergencies or disasters. Monetary and other contributions to charities, social projects and funds, including schools, educational funds and infrastructure projects, should occur outside of work hours and be handled with caution as they can be conduits for corrupt payments. In order to minimize this risk, CGI requires appropriate due diligence be conducted into such charities and projects prior to the approval of any charitable contributions made on its behalf. No contributions of any kind may be made on CGI's behalf to any political party, candidate or campaign. In no event shall any charitable or political donations be made for the purpose of gaining any improper business advantage.

Questions to consider when making charitable payments:

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1. Is the organization or body receiving the payment duly registered and does it otherwise comply with applicable law?

2. Is the organization or body, including its board of directors and other representatives, free of any political or other undue influence?

3. What is the purpose of the payment?

4. Is the payment consistent with CGI's internal guidelines on charitable giving?

5. Is the payment at the request of a foreign official?

6. Is a foreign official associated with the charity and, if so, can the foreign official make decisions regarding CGI's business in that country?

7. Is the payment conditioned on receiving business or other benefits?

10. COMPLIANCE WITH THE CODE

Management responsibilities

CGI's managers have a special duty to be role models of appropriate business conduct and to see that the principles and policies of this Code and of other CGI guidelines and policies referred to in this Code are upheld. This means:

i) **Copy of the Code** - Ensuring that all members have a copy of the Code, and that they understand and comply with its provisions.

ii) **Assistance** - Offering assistance and explanations to any member who has questions, doubts or is in a difficult situation. Managers are also required to counsel members promptly when their conduct or behaviour is inconsistent with the Code.

iii) **Enforcement** - Taking prompt and decisive action when a violation of the Code has occurred, in consultation with the CGI Legal Department. If a manager knows a member is contemplating a prohibited action and does nothing, the manager will be held responsible along with the member.

Member responsibilities

Each member is accountable for observing the rules of conduct that are normally accepted as standard in a business enterprise. In addition they must abide by the following:

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i) **Compliance** - CGI's members are expected to comply with the Code and all policies and procedures of the company as well as to actively promote and support CGI's values.

ii) **Preventing** - Members should take all necessary steps to prevent a Code violation.

iii) **Reporting** - Subject to applicable law, members must immediately report to their manager (i) situations of non-compliance with respect to this Code of which they become aware and (ii) suspected violations of the Code. All information will, to the extent possible, be received in confidence. It is corporate policy not to take action against a member who reports in good faith unless unusual circumstances warrant such action.

In addition, CGI has established a policy for incident reporting (often referred to as a "whistleblower policy") as well as a process under that policy which allows any person who has direct knowledge of specific facts to report incidents in which the Company is exposed to a serious risk in matters of accounting, auditing, internal accounting controls, finance, banking or financial corruption. The process in place protects the incident reporter and ensures the confidentiality of the report.

Incident reports may be submitted either by telephone by dialing 1 800 422 3076 toll free, by dialing (503) 748-0564 and reversing the long distance charges, or by submitting an incident report online. For telephone reports, all long distances charges will be at the expense of CGI. For those who wish to submit incident reports online, a link to the incident reporting web site is provided on CGI's Enterprise Portal or members may access the incident reporting system directly at https://ethicspoint.com or such other site as is communicated by CGI from time to time.

CGI's incident reporting system is managed by EthicsPoint, Inc., a company unrelated to CGI which has undertaken to ensure the confidentiality of all incident reporters as well as the confidentiality of the reports they submit.

CGI's policy on incident reporting is entitled the Serious Ethical Incidents Reporting Policy and is available on the CGI Enterprise Portal.

iv) **Consequences** - Unethical behaviour, violations of this Code and of CGI's other guidelines and policies, as well as withholding information during the course of an investigation regarding a possible violation of the Code, may result in disciplinary action which will be commensurate with the seriousness of the behaviour. Such action could include termination as well as civil or criminal action.

11. ADMINISTRATION OF THE CODE

Periodic review

Responsibility for the periodic review and revision of the Code lies with CGI's Corporate Governance Committee.

Monitoring compliance

The Board of Directors of CGI will monitor compliance with the Code and will be responsible for the granting of any waivers from compliance with the Code for directors and officers of CGI. The Corporate Secretary of CGI shall, when deemed appropriate, make reports to the Board of Directors of CGI with respect to compliance with this Code.

Questions

Questions concerning this Code should be referred to a member's manager who, when warranted, shall report to CGI's Corporate Secretary.

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4.2 Executive Code of Conduct

Important note

Chapter 1, Dream, Vision, Mission, and Values of the CGI Group Inc. Fundamental Texts constitutes the fundamental principles of this Executive Code of Conduct. This Code should therefore be read in conjunction with Chapter 1.

This Executive Code of Conduct (the "Code") is part of the commitment of CGI Group Inc. ("CGI") to ethical business conduct and practices. This Code reflects CGI's firm commitment, not only to adherence to the law, but also to the highest standards of ethical conduct.

This Code specifically covers CGI's principal executive officer, principal financial officer, principal accounting officer or controller, or other persons performing similar functions (collectively, the "officers").

1. HONEST AND ETHICAL CONDUCT

Respect and integrity

The officers of CGI are its ambassadors. They must always behave responsibly and demonstrate courtesy, honesty, civility and respect for all other employees of CGI, for its clients and for its suppliers.

Ethics

Supporting CGI's objectives, officers in performing their duties will carry out their responsibilities at all times in a way that promotes ethics in their leadership. The officers will:

(i) Undertake their responsibilities in a vigilant manner in the interests of CGI and to avoid any real or perceived impression of personal advantage;

(ii) Advance CGI's legitimate interests when the opportunity arises at all times ahead of their own interests;

(iii) Proactively promote ethical behavior among subordinates and peers; and

(iv) Use corporate assets and resources in a responsible and fair manner, having regard for the interests of CGI.

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Avoidance of conflict of interest

Officers must avoid any actual or apparent conflicts of interest and should never engage in any conduct that is harmful to CGI or its reputation. Such a conflict would exist when an officer favours his or her personal interests over those of CGI or its clients or when an obligation or situation arising from an officer's personal activities or financial affairs may adversely influence the officer's judgment in the performance of his or her duties to CGI.

Officers will not knowingly do business with any parties related to CGI, any of CGI's clients or any firms with which CGI does business if such business would be material or would be outside of normal client related activity.

Officers shall not solicit or accept gifts or favours from related parties, clients or firms with which CGI does business beyond customary courtesies. For this purpose, a "gift" or "favour" includes any gratuitous service, loan, discount, money or article of value. It does not include articles of nominal value normally used for sales promotion purposes, ordinary business meals or reasonable entertainment consistent with local, social or business customs if received in a sporadic manner.

Officers will not perform work or render services for, or knowingly make a material investment in, organizations that compete with CGI or with which CGI does business without appropriate approval from CGI's Executive Chairman of the Board, Chief Executive Officer, Chief Financial Officer or Chief Legal Officer.

If an officer thinks that he has been placed in a conflict of interest, the Officer must inform one of the officers identified in the preceding paragraph.

2. FULL, FAIR, ACCURATE, TIMELY AND UNDERSTANDABLE DISCLOSURE

Annual and quarterly reports

Each officer shall read each annual or quarterly report filed or submitted under the applicable securities laws and satisfy himself or herself that the report does not contain any untrue statement of a material fact or omit to state a material fact that is necessary in order for the statements made not to be misleading, in light of the circumstances in which such statements were made.

Financial statements

Each officer shall satisfy himself or herself that the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of CGI as of, and for, the periods presented in the report.

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Reports to securities regulators

Officers shall perform their responsibilities with a view to causing periodic reports filed with securities regulators to contain information which is accurate, complete, fair and understandable and to be filed in a timely fashion.

Reporting concerns and complaints

An officer who believes it is necessary or appropriate to do so can refer concerns about the quality and scope of financial or related reporting requirements to the Chair of the Audit Committee. Any officer who receives a bona fide material complaint about financial reporting from any employee shall report such complaints to the Audit Committee. Any officer who has disclosed such concerns in good faith shall not face any form of retribution.

3. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The officers are cognizant of their leadership roles within the organization and the importance of compliance with the letter and spirit of applicable laws, rules and regulations relating to financial and related reporting.

4. COMPLIANCE WITH THE CODE

General responsibilities

Officers have a special duty to be role models of appropriate business conduct and see that the principles and policies of this Code and other CGI guidelines and policies are upheld.

Reporting

Any violation or suspected violation of the Code should be personally reported by an officer to CGI's Executive Chairman of the Board, Chief Executive Officer, Chief Financial Officer or Chief Legal Officer.

Accountability

Non-compliance with this Code in every respect by an officer will be a matter for consideration and review by the Board of Directors of CGI.

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4.3 CGI Anti-Corruption Policy

Policy statement

CGI is committed to conducting its activities free from the illegal and improper influence of bribery and to ensuring compliance with all anti-bribery and anti-corruption laws and regulations that may be applicable to its business world-wide (collectively, "**Anti-Corruption Laws**"). It is essential that our members, officers, and directors, as well as all third parties who act on behalf of CGI, comply at all times with the letter and the spirit of all Anti-Corruption Laws.

Overview

Bribery is offering, giving, receiving, or soliciting **any item of value** to improperly influence the actions of a person **in order to obtain or retain business or an unfair advantage in the conduct of business**; **or to induce or reward improper conduct**. "Kickback" is another term for bribery. Bribery can arise in both the public and the private sphere. It can take place directly or indirectly (e.g. through a Third Party). It can take many forms. Anti-Corruption Laws require companies like CGI to have proactive measures to prevent, detect, and address bribery and corrupt practices.

There are many reasons to care about bribery and corruption.

Bribery and corruption are crimes punishable by fines and/or imprisonment. CGI officers, directors and members, as well as Third Parties, must not engage in any form of bribery or corruption. Whenever members are asked to approve or make a payment, they must ensure that they fully understand the reason for the payment and that the payment is legitimate. If in doubt, they should not make or agree to make the payment and contact the CGI Legal Department or ethics.crp@cgi.com for guidance.

Bribery and corruption have been identified as key factors that limit economic growth and contribute to inequality. By wrongfully benefiting a few individuals, they limit competition, undermine innovation, and corrupt societies. Bribery is also detrimental to our business – studies show that companies where bribery is condoned have lower levels of productivity and lower employee morale. Put simply, it is unethical and against CGI's values.

Individuals and companies can face civil and criminal charges resulting in large fines, imprisonment, and suspension or debarment from government contract processes. Failure to comply puts members, their colleagues, and CGI at risk. This could have a very serious impact on members, and CGI's business.

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Key principles

1. BRIBES MUST NOT BE OFFERED OR ACCEPTED

CGI prohibits the offering, giving, receiving, or soliciting of any item of value to improperly influence the actions of a person in order to obtain or retain business or an unfair advantage in the conduct of business; or to induce or reward improper conduct. “Items of value” can include:

- payments of money;
- extension of credit or loans;
- travel and accommodations expenses;
- gifts, meals, and entertainment;
- political contributions and charitable donations;
- free use of company services, facilities or property;
- favors that are of value to a recipient (e.g., offering a job to a member of a person’s family); or
- anything else of value.

Bribery and corruption can take many forms. Red flags can include cash payments or gifts to individuals or family members; inflated commissions; inflated invoices; fake consultancy agreements; unauthorized rebates; political or charitable donations; and excessive payment of travel expenses for inappropriate non-business related travel. In some cases, simply offering an inducement is unlawful, even if not accepted. **This Policy is intended to help you understand how to apply this prohibition in our business**. It explores the areas identified above in more depth.

2. UNDERSTANDING CGI POLICIES AND IDENTIFYING RISKS

The first step in compliance is to understand our Code of Ethics, including this Policy, and how it impacts your responsibilities on a day-to-day basis. Knowing what steps to take to prevent risk and to ensure the proper handling of any issues relating to bribery and corruption is essential to compliance.

3. RESPOND

CGI will assess bribery and corruption risks on an ongoing basis within each Strategic Business Unit. CGI will implement mitigation plans and training programs as part of its system of internal controls. CGI will also monitor compliance at the local level to ensure that this Policy is being followed by all members. You should always complete all required training and cooperate with ongoing monitoring.

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4. DOCUMENT AND REPORT

All documentation of financial transactions must be accurate and complete. You should always document your transactions in compliance with the Code of Ethics, and report any issues arising under this Policy that you become aware of as required by CGI's Serious Ethical Incidents Reporting Policy. Questions under this Policy can be addressed to ethics.crp@cgi.com.

Areas of Focus

CGI has established procedures and guidelines to translate this Policy and our principles into practice. This section outlines the general requirements and procedures for the following risk areas:

1. Gifts

Policy

Though gifts are recognized as appropriate ways of developing business relationships and promoting the CGI brand, we must ensure that the offering, solicitation and receipt of gifts does not give rise to even an appearance of impropriety. Particular vigilance must be exercised where gifts are extended to Government Officials.

Gifts Offered by CGI

All gifts offered by CGI must:

(i) be permitted under local law and the Anti-Corruption Laws and conform to generally accepted local customs;

(ii) have a clear business purpose which is directly related to CGI's commercial objectives;

(iii) be reasonable in value and not appear lavish or extravagant; and

(iv) not be intended to create any obligation on behalf of the recipient or to result in CGI receiving any favour or advantage in return.

Typically, small gifts containing the CGI logo (such as coffee mugs, t-shirts, pens, and the like) offered sporadically to persons at CGI promotional events (such as trade shows) will not violate this Policy as long as they are not excessive.

A chart attached as **Appendix B** to this Policy provides limits on gifts to Government Officials allowed under the laws of various jurisdictions. All Members must adhere to these limits when offering gifts to Government

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Officials. When dealing with private parties, these limits should also be used as guidelines for determining if the value of a gift is reasonable. You should consult with the CGI Legal Department if you have any questions related to offering any gifts to Government Officials to ensure that they comply with local laws and the Anti-Corruption Laws. You can also direct inquiries to ethics.crp@cgi.com.

Gifts Offered to CGI Members by Third Parties

The CGI Code of Ethics specifically states that a conflict of interest will arise when a CGI member, either directly or indirectly, solicits or accepts any gifts from any person or organization which is a competitor to CGI, or which has current or prospective business with CGI as a customer, supplier, partner, or contractor. The Code of Ethics prohibits the solicitation or acceptance of such gifts unless they are:

(i) of nominal value normally used for sales promotion purposes, or are ordinary and reasonable business meals or travel expenses with a clear business purpose;

(ii) permitted under the Anti-Corruption Laws and local laws and conform to generally accepted local customs; and

(iii) received in a sporadic manner.

Full Transparency Required

If offering or accepting a gift meets these standards, it must be made or accepted in a fully transparent way. Gifts which are excessive, frequent, or intended to create an obligation on the part of the recipient are strictly prohibited.

How we ensure compliance

No reimbursement or payment for any gifts offered by a CGI member that otherwise comply with this Policy will be made without adequate approvals in compliance with the Operations Management Framework and supporting documentation / receipts.

Red flags

Examples of common “red flags” that could indicate bribery or corruption include the following:

- Gifts that would be illegal under local or Anti-Corruption Laws;
- Gifts to or from parties engaged in a public tender or competitive bidding process;
- Any gift of cash or cash equivalents, or securities;
- Any gift where something is expected in return;

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- Any gift that appears excessive based on common sense standards or local custom;
- Any gift that is paid for personally.

2. Hospitality, travel, entertainment and meals

Policy

As with gifts, providing hospitality, travel, entertainment, and meals (collectively, "**Hospitality**") to any person may be a violation of the law if they are excessive, unreasonable, or do not have a valid business purpose. The same principle applies to soliciting or receiving Hospitality from existing or potential clients. CGI prohibits payment or reimbursement of expenses for any person to attend site visits or other CGI business events unless the expenses are reasonable, reflect actual costs incurred, directly relate to CGI business, and are permissible under local law and custom. CGI discourages the providing of Hospitality to the family members or guests of clients unless a clear business purpose for the Hospitality can be demonstrated.

Hospitality Offered by or to CGI Members

All Hospitality offered by or to CGI members must meet these requirements:

(i) The Hospitality must be permitted under local law and the Anti-Corruption Laws and conform to generally accepted local customs;

(ii) The host offering the Hospitality must be present;

(iii) The purpose is to hold a genuine business discussion or foster better business relations and do not develop any form of obligation;

(iv) The Hospitality is openly offered and not solicited; and

(v) The Hospitality is not frequent or excessive, and is reasonable in value, so as to not raise questions of impropriety.

As with gifts, the chart in **Appendix B identifies permissible limits on Hospitality for Government Officials** in specific jurisdictions. All Members must adhere to these guidelines when providing Hospitality to Government Officials. When dealing with private parties, these limits should also be used as guidelines for determining if the value of any Hospitality.

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Full Transparency Required

If offering or receiving Hospitality meets these standards, it must be made or accepted in a fully transparent way. Hospitality which is excessive, frequent, or intended to create an obligation on the part of the recipient is strictly prohibited.

How we ensure compliance

Approval for the payment or reimbursement of bona fide and actual Hospitality expenses for clients, potential clients, and Government Officials must be obtained from the Legal Department prior to offering such a payment or reimbursement. All travel expenses must comply with the CGI Travel Policy. Expenses related to Hospitality offered by CGI must be submitted and approved in accordance with CGI expense reporting guidelines so that the expenses are properly categorized and auditable.

Red flags

Examples of common “red flags” that could indicate bribery or corruption include the following:

- Hospitality expenses for persons for which there is not a legitimate business purpose;
- Hospitality expenses for family members of any person;
- Hospitality expenses submitted on behalf of non-CGI members (as opposed to being paid by CGI directly);
- Payment for flights and accommodations for potential or existing CGI clients to meet with CGI representatives when the CGI representatives could just as easily have met with the clients at the client’s site;
- Use of travel agencies not approved by CGI for arranging or paying for Hospitality of Government Officials.

3. Third parties

Policy

Most Anti-Corruption Laws impose liability on companies which become involved in direct or indirect bribery. This means that CGI may incur liability where a Third Party engaged to represent or provide a service to, or on behalf of, CGI makes an improper payment or otherwise engages in improper conduct in the course of its work for CGI. This exposure may arise notwithstanding that the payment or conduct in question is prohibited by CGI and/or that CGI had no knowledge of this payment. All CGI dealings with Third Parties must be carried out with the highest degree of integrity, visibility, and in compliance with all relevant laws and regulations.

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How we ensure compliance

Professional integrity is a prerequisite for the selection and retention of Third Parties by CGI. Prior to the retention of any Third Party, the CGI member responsible for such retention must ensure that **appropriate due diligence** is conducted on such Third Party and any compliance "red flags" that are identified are properly addressed. In certain circumstances, Third Parties will receive compliance training, and all Third Parties are subject to CGI's monitoring requirements and audit to ensure compliance with Anti-Corruption Laws and this Policy. Contracts with Third Parties must, where appropriate, contain appropriate terms to mitigate corruption risks.

CGI's approach to retaining, training and monitoring Third Parties is "risk-based", which takes into account a number of factors, including the corruption risk in the country in which the Third Party conducts its activities for CGI, the nature of CGI's relationship with the Third Party, the reputation and notoriety of the Third Party and the value and prospects of CGI's relationship with the Third Party. In higher risk situations, enhanced due diligence, training and monitoring, including the Third Party's agreement to comply with **CGI's Third-Party Code of Ethics**, will be required in accordance with procedures and protocols to be issued by the CGI Legal Department.

Red flags

Examples of common "red flags" that could indicate bribery or corruption include the following:

- Excessive commissions to third-party representatives or consultants;
- Third-party "consulting agreements" that include only vaguely described services;
- Family, business, or other "special" ties with government or political officials;
- Reputation for violating local law or company policy;
- Negative press, rumors, allegations or sanctions;
- Requests from government officials or clients to engage or hire specific Third Parties;
- Lack of credentials for the nature of the work being performed by the Third Party;
- Request to make payment to an entity located in an off-shore tax haven;
- Lack of an office or established place of business, or a shell-company incorporated in an offshore jurisdiction;
- Requests for payment of non-contracted amounts, or lack of documentation for services performed;
- Convoluted or complex payment requests (such as payments to third parties or to accounts in other countries, requests for payments in cash, or requests for up-front payments);
- Requests for political or charitable contributions or other favors as a way of influencing official action;
- Requests for specific sums of money to "fix" problems or "make them go away."

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4. Facilitation payments

Policy

"**Facilitation Payments**" are payments made to secure, facilitate or speed-up routine, non-discretionary government actions (e.g. payments for speeding up customs clearance, loading and unloading cargo or scheduling government inspections or issuing government licenses or port documentation). **CGI regards Facilitation Payments to be a form of corruption and strictly prohibits them**.

How we ensure compliance

CGI members who are requested to make a facilitation payment should make a report to ethics.crp@cgi.com immediately. In addition, any CGI member that makes a payment that could reasonably be misunderstood as a Facilitation Payment should make a report to ethics.crp@cgi.com and ensure that the payment transaction is completely and accurately documented in CGI's books and records.

Red flags

Examples of common "red flags" that could indicate bribery or corruption include the following:

- Payments to obtain permits, licenses, or work orders to which you are already entitled;
- Payments to receive police protection or mail pickup/delivery;
- Payments to receive phone service or water/power supply;
- Payments to schedule inspections or transit of goods across border controls.

5. Anti-money laundering

Money laundering is the process by which one conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate. Use by CGI of proceeds tainted by illegality can give rise to liability in the countries in which CGI operates. CGI members should make a report pursuant to the Serious Ethical Incidents Reporting Policy or to ethics.crp@cgi.com if they become aware of suspicious circumstances leading them to believe that any transaction might involve the payment or the receipt of proceeds of any unlawful activity.

Red flags

Examples of common "red flags" that could indicate money laundering include the following:

- Refusal to disclose the source of funds or the beneficial ownership of funds;
- Uncertain qualifications of a participant for a proposed transaction; for example, if the principal business of such participant appears to be unrelated to such transaction;

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- Cash payments;
- Payments to and from tax haven jurisdictions;
- Complicated payment and transaction structures, including the use of multiple parties in transactions where payments and shipments are made to or from third parties which are not parties to the underlying contract;
- Criminal connections of transaction participants.

Training and Monitoring

In furtherance of CGI's commitment to compliance with the law, this Anti-Corruption Policy is communicated to all CGI directors, officers, members and Third Parties, and is available on the CGI Enterprise Portal. Responsibility for compliance with this Policy, including the duty to seek guidance when in doubt, rests with the members or relevant Third Parties.

CGI will provide regular training on this Policy. When necessary, specialized training will be provided to members, directors and/or officers with significant compliance responsibilities or in high risk functions.

CGI will audit and monitor compliance with this Policy on an ongoing basis.

Reporting of Suspected Violations

Subject to applicable law, any suspected breaches of this Policy which directly or indirectly affect CGI's business must be reported consistent with CGI's Serious Ethical Incidents Reporting Policy. The process in place protects the incident reporter and ensures the confidentiality of the report. There will be no retaliation for making a report. According to our Serious Ethical Incidents Reporting Policy, you can make confidential reports of misconduct by calling a toll-free hotline number (see policy for numbers to call) or online (at ethicspoint.com).

Consequences of Misconduct

The consequences of violating applicable Anti-Corruption Laws are potentially very serious for CGI and individual members. CGI will vigorously enforce compliance with this Policy. Violations may result in disciplinary action, including in serious cases, termination of employment. Violations may also result in criminal and civil exposure for CGI and any individuals involved, including imprisonment, fines and damages actions, and can cause significant damage to CGI's reputation in the market place. CGI may also face suspension and disbarment from public sector contracts as a result of violations by CGI members.

Third Parties who breach the CGI Third Party Code of Ethics may also be subject to prosecution and severe penalties, including the termination of their contract with CGI.

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Questions about this Policy

Questions about the application of this Policy to specific circumstances can be directed to ethics.crp@cgi.com. Questions can also be directed to your local CGI Legal Department or Human Resources representative.

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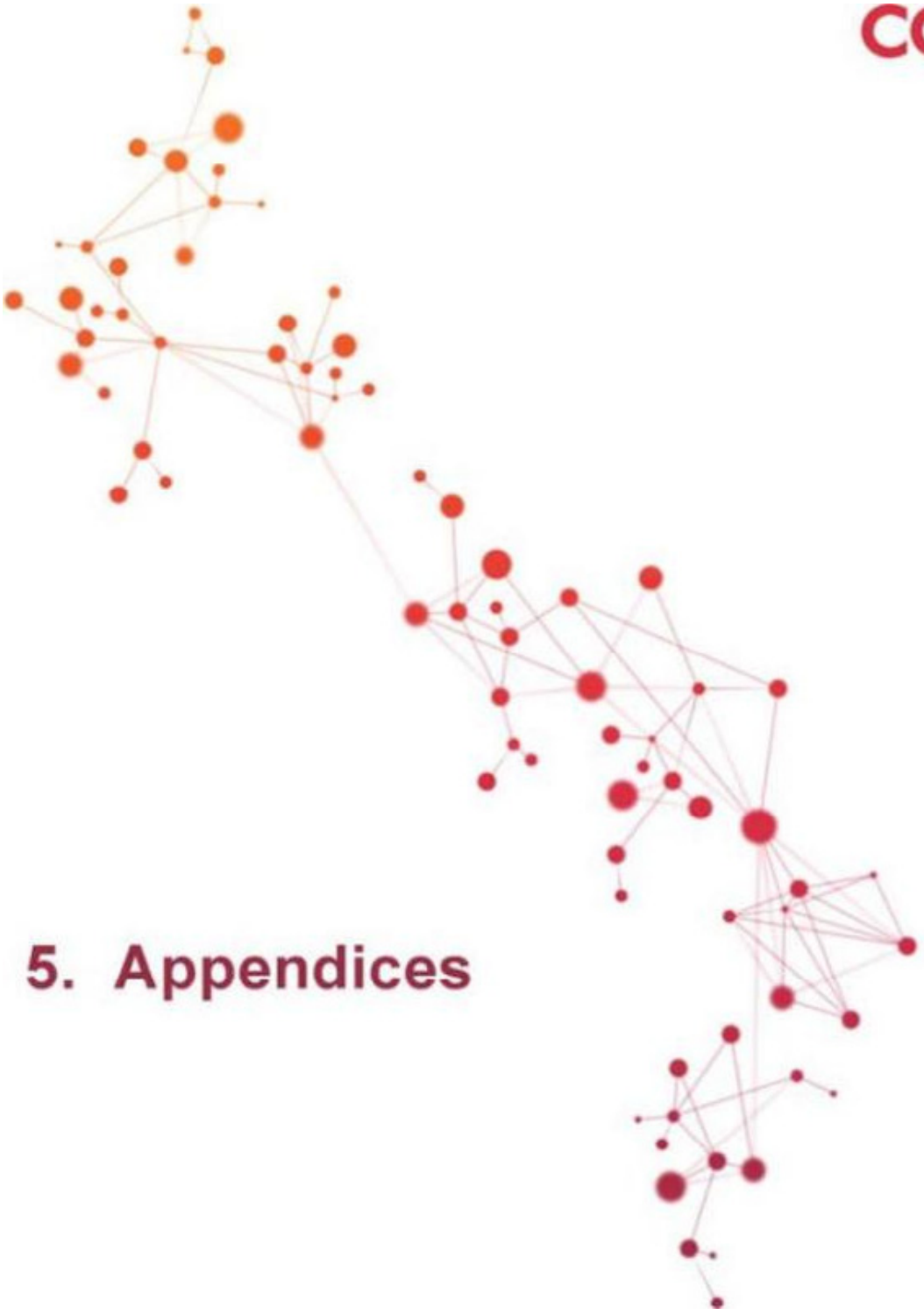

5. Appendices

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APPENDIX A

Definition of Independence in effect as of June 30, 2005 under CSA Multilateral Instrument 52 110

1.4 Meaning of independence

(1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.

(2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.

(3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:

(a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;

(b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;

(c) an individual who:

(i) is a partner of a firm that is the issuer's internal or external auditor,

(ii) is an employee of that firm, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

(i) is a partner of a firm that is the issuer's internal or external auditor,

(ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

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(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

(f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than $75,000 in direct compensation from the issuer during any 12 month period within the last three years.

(4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because

(a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or

(b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.

(5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.

(a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and

(b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

(7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member

(a) has previously acted as an interim chief executive officer of the issuer, or

(b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.

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(8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

1.5 additional independence requirements

(1) Despite any determination made under section 1.4, an individual who

(a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part time chair or vice-chair of the board or any board committee; or

(b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.

(2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by

(a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

(b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.

(3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

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Appendix B:
Limits on Permissible Gifts and Hospitalities for Government Officials

The following table sets forth guidelines contained in applicable local law for permissible limits on Gifts and Hospitalities being offered or made by CGI members to Government Officials in select jurisdictions where CGI operates its business:

Country	Limit for Gifts	Limits for Hospitality
Australia	AUD 38 (approximately CAD 30)	AUD 125 (approximately CAD 100)
Austria	requires opinion of local counsel, except for items of symbolic value, such as pens, calendars and other items with the Company logo	requires opinion of local counsel
Brazil	BRL 100 (CAD 55)	BRL 100 (approximately CAD 55) recommended
Canada	CAD 24	CAD 47 breakfast; CAD 70 lunch; CAD 95 dinner; CAD 29 refreshments
China	RMB 200 (approximately CAD 29)	RMB 515 (approximately CAD 75)
France	EUR 21 (approximately CAD 30)	EUR 65 (approximately CAD 100)
Germany	items of symbolic value EUR 35 (approximately CAD 50), such as pens, calendars and other items with the Company logo	EUR 65 (approximately CAD 100), opinion of local counsel recommended
India	INR 1,000 (approximately CAD 22)	INR 1,000 (approximately CAD 22) recommended
Ireland	EUR 30 (approximately CAD 42)	EUR 100 (approximately CAD 141)
Japan	requires opinion of local counsel, except gift items distributed widely for commemorative purposes, and commemorative gifts at a buffet party where more than 20 guests are in attendance	requires opinion of local counsel, except refreshments at Company premises, *e.g.*, cup of coffee
Netherlands	EUR 50 (approximately CAD 70), with prior approval of recipient's supervisor	meals not permissible, except as part of a seminar, fair or similar event with prior approval of recipient's supervisor

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Country	Limit for Gifts	Limits for Hospitality
New Zealand	NZD 30 (approximately CAD 19)	NZD 80 (approximately CAD 52)*
Philippines	gifts, such as Company souvenirs of minor value, *e.g.*, PHP 1,500 (approximately CAD 30)	PHP 1,500 (approximately CAD 30)
Poland	Requires opinion of local counsel, except for small Company souvenirs of minor value, *e.g.*, pen	PLN 240 (approximately CAD 100)
Russia	RUB 500 (approximately CAD 20	RUB 2,500 (approximately CAD 100)
Singapore	requires opinion of local counsel, except for items of symbolic value, such as pens, calendars and other items with the Company logo	requires opinion of local counsel, except for modest working lunch/refreshments at Company premises
South Africa	ZAR 350 (approximately CAD 44)	ZAR 815 (approximately CAD 75)
Spain	EUR 21 (approximately CAD 30)	EUR 65 (approximately CAD 100)
United Kingdom	requires opinion of CGI Legal Department	requires opinion of CGI Legal Department
United States	Requires opinion of CGI Legal Department	requires opinion of CGI Legal Department

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Management's and Auditors' reports

MANAGEMENT'S STATEMENT OF RESPONSIBILITY FOR FINANCIAL REPORTING

The management of CGI Group Inc. ("the Company") is responsible for the preparation and integrity of the consolidated financial statements and the Management's Discussion and Analysis ("MD&A"). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and necessarily include some amounts that are based on management's best estimates and judgement. Financial and operating data elsewhere in the MD&A are consistent with that contained in the accompanying consolidated financial statements.

To fulfill its responsibility, management has developed, and continues to maintain, systems of internal controls reinforced by the Company's standards of conduct and ethics, as set out in written policies to ensure the reliability of the financial information and to safeguard its assets. The Company's internal control over financial reporting and consolidated financial statements are subject to audit by the independent auditors, Ernst & Young LLP, whose report follows. They were appointed as independent auditors, by a vote of the Company's shareholders, to conduct an integrated audit of the Company's consolidated financial statements and of the Company's internal control over financial reporting. In addition, the Executive Committee of the Company reviews the disclosure of corporate information and oversees the functioning of the Company's disclosure controls and procedures.

Members of the Audit and Risk Management Committee of the Board of Directors, all of whom are independent of the Company, meet regularly with the independent auditors and with management to discuss internal controls in the financial reporting process, auditing matters and financial reporting issues and formulates the appropriate recommendations to the Board of Directors. The independent auditors have unrestricted access to the Audit and Risk Management Committee. The consolidated financial statements and MD&A have been reviewed and approved by the Board of Directors.

Michael E. Roach
President and Chief Executive Officer

François Boulanger
Executive Vice-President and Chief Financial Officer

November 12, 2014

Management's and Auditors' reports

MANAGEMENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external reporting purposes in accordance with accounting principles generally accepted in Canada.

The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of the assets of the Company;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with accounting principles generally accepted in Canada, and that receipts and expenditures are being made only in accordance with authorizations of management and the directors of the Company; and,

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements.

All internal control systems have inherent limitations; therefore, even where internal control over financial reporting is determined to be effective, it can provide only reasonable assurance. Projections of any evaluation of effectiveness to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As of the end of the Company's 2014 fiscal year, management conducted an assessment of the effectiveness of the Company's internal control over financial reporting based on the framework established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 Framework). Based on this assessment, management has determined the Company's internal control over financial reporting as at September 30, 2014, was effective.

The effectiveness of the Company's internal control over financial reporting as at September 30, 2014, has been audited by the Company's independent auditors, as stated in their report appearing on page 58.

Michael E. Roach
President and Chief Executive Officer

November 12, 2014

François Boulanger
Executive Vice-President and Chief Financial Officer

Management's and Auditors' reports

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Board of Directors and Shareholders of CGI Group Inc.

We have audited CGI Group Inc.'s (the "Company") internal control over financial reporting as of September 30, 2014, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 Framework) ("the COSO criteria"). The Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2014 based on the COSO criteria.

We also have audited, in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements of the Company as at and for the year ended September 30, 2014, and our report dated November 12, 2014 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP[1]
Ernst & Young LLP

Montréal, Canada
November 12, 2014

1. CPA auditor, CA, public accountancy permit No. A112431

Management's and Auditors' reports

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON FINANCIAL STATEMENTS

To the Board of Directors and Shareholders of CGI Group Inc.

We have audited the accompanying consolidated financial statements of CGI Group Inc. (the "Company"), which comprise the consolidated balance sheets as of September 30, 2014 and 2013 and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years ended September 30, 2014 and 2013, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of CGI Group Inc. as at September 30, 2014 and 2013, and its financial performance and its cash flows for the years ended September 30, 2014 and 2013, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Management's and Auditors' reports

Other matter

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), CGI Group Inc.'s internal control over financial reporting as of September 30, 2014, based on the criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 Framework) and our report dated November 12, 2014 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ Ernst & Young LLP[1]
Ernst & Young LLP

Montréal, Canada
November 12, 2014

1. CPA auditor, CA, public accountancy permit No. A112431

Consolidated Statements of Earnings

For the years ended September 30
(in thousands of Canadian dollars, except per share data)

	2014	2013
	$	$
Revenue	**10,499,692**	10,084,624
Operating expenses		
Costs of services, selling and administrative (Note 23)	**9,129,791**	9,012,310
Integration-related costs (Note 26b)	**127,341**	338,439
Finance costs (Note 25)	**101,278**	113,931
Finance income	**(2,010)**	(4,362)
Foreign exchange loss (gain)	**13,042**	(3,316)
	9,369,442	9,457,002
Earnings before income taxes	**1,130,250**	627,622
Income tax expense (Note 16)	**270,807**	171,802
Net earnings	**859,443**	455,820
Earnings per share (Note 21)		
Basic earnings per share	**2.78**	1.48
Diluted earnings per share	**2.69**	1.44

See Notes to the Consolidated Financial Statements.

Consolidated Statements of Comprehensive Income

For the years ended September 30
(in thousands of Canadian dollars)

	2014	2013
	$	$
Net earnings	**859,443**	455,820
Items that will be reclassified subsequently to net earnings (net of income taxes):		
Net unrealized gains on translating financial statements of foreign operations	**221,279**	297,761
Net losses on derivative financial instruments and on translating long-term debt designated as hedges of net investments in foreign operations	**(100,869)**	(143,785)
Net unrealized gains on cash flow hedges	**20,729**	134
Net unrealized gains (losses) on investments available for sale	**941**	(1,704)
Items that will not be reclassified subsequently to net earnings (net of income taxes):		
Net remeasurement losses	**(35,311)**	(30,845)
Other comprehensive income	**106,769**	121,561
Comprehensive income	**966,212**	577,381

See Notes to the Consolidated Financial Statements.

Consolidated Balance Sheets

As at September 30
(in thousands of Canadian dollars)

	2014	2013
	$	$
Assets		
Current assets		
Cash and cash equivalents (Note 4)	**535,715**	106,199
Current derivative financial instruments (Note 31)	**9,397**	1,344
Accounts receivable (Note 5)	**1,036,068**	1,205,625
Work in progress	**807,989**	911,848
Prepaid expenses and other current assets	**174,137**	218,446
Income taxes	**8,524**	17,233
Total current assets before funds held for clients	**2,571,830**	2,460,695
Funds held for clients (Note 6)	**295,754**	222,469
Total current assets	**2,867,584**	2,683,164
Property, plant and equipment (Note 7)	**486,880**	475,143
Contract costs (Note 8)	**156,540**	140,472
Intangible assets (Note 9)	**630,074**	708,165
Other long-term assets (Note 10)	**74,158**	58,429
Long-term financial assets (Note 11)	**84,077**	51,892
Deferred tax assets (Note 16)	**323,416**	368,217
Goodwill (Note 12)	**6,611,323**	6,393,790
	11,234,052	10,879,272
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**1,060,380**	1,119,034
Current derivative financial instruments (Note 31)	**4,588**	6,882
Accrued compensation	**583,979**	713,933
Deferred revenue	**457,056**	508,267
Income taxes	**156,283**	156,358
Provisions (Note 13)	**143,309**	223,074
Current portion of long-term debt (Note 14)	**80,367**	534,173
Total current liabilities before clients' funds obligations	**2,485,962**	3,261,721
Clients' funds obligations	**292,257**	220,279
Total current liabilities	**2,778,219**	3,482,000
Long-term provisions (Note 13)	**70,586**	109,011
Long-term debt (Note 14)	**2,599,336**	2,332,377
Other long-term liabilities (Note 15)	**308,387**	434,653
Long-term derivative financial instruments (Note 31)	**149,074**	157,110
Deferred tax liabilities (Note 16)	**155,972**	155,329
Retirement benefits obligations (Note 17)	**183,753**	153,095
	6,245,327	6,823,575
Equity		
Retained earnings	**2,356,008**	1,551,956
Accumulated other comprehensive income (Note 18)	**228,624**	121,855
Capital stock (Note 19)	**2,246,197**	2,240,494
Contributed surplus	**157,896**	141,392
	4,988,725	4,055,697
	11,234,052	10,879,272

See Notes to the Consolidated Financial Statements.

Approved by the Board

Michael E. Roach
Director

Serge Godin
Director

Consolidated Statements of Changes in Equity

For the years ended September 30
(in thousands of Canadian dollars)

	Retained earnings	Accumulated other comprehensive income	Capital stock	Contributed surplus	Total equity
	$	$	$	$	$
Balance as at September 30, 2013	1,551,956	121,855	2,240,494	141,392	4,055,697
Net earnings	859,443	—	—	—	859,443
Other comprehensive income	—	106,769	—	—	106,769
Comprehensive income	859,443	106,769	—	—	966,212
Share-based payment costs	—	—	—	31,716	31,716
Income tax impact associated with stock options	—	—	—	3,269	3,269
Exercise of stock options (Note 19)	—	—	83,305	(18,380)	64,925
Exercise of performance share units (“PSUs”) (Note 19)	—	—	583	(583)	—
Repurchase of Class A subordinate shares (Note 19)	(55,391)	—	(56,077)	—	(111,468)
Purchase of Class A subordinate shares held in trust (Note 19)	—	—	(23,016)	—	(23,016)
Resale of Class A subordinate shares held in trust (Note 19)	—	—	908	482	1,390
Balance as at September 30, 2014	**2,356,008**	**228,624**	**2,246,197**	**157,896**	**4,988,725**

	Retained earnings	Accumulated other comprehensive income	Capital stock	Contributed surplus	Total equity
	$	$	$	$	$
Balance as at September 30, 2012	1,113,225	294	2,201,694	107,690	3,422,903
Net earnings	455,820	—	—	—	455,820
Other comprehensive income	—	121,561	—	—	121,561
Comprehensive income	455,820	121,561	—	—	577,381
Share-based payment costs	—	—	—	31,273	31,273
Income tax impact associated with stock options	—	—	—	15,232	15,232
Exercise of stock options (Note 19)	—	—	51,971	(12,531)	39,440
Exercise of performance share units (“PSUs”) (Note 19)	—	—	272	(272)	—
Repurchase of Class A subordinate shares (Note 19)	(17,089)	—	(5,780)	—	(22,869)
Purchase of Class A subordinate shares held in trust (Note 19)	—	—	(7,663)	—	(7,663)
Balance as at September 30, 2013	1,551,956	121,855	2,240,494	141,392	4,055,697

See Notes to the Consolidated Financial Statements.

Consolidated Statements of Cash Flows

For the years ended September 30
(in thousands of Canadian dollars)

	2014	2013
	$	$
Operating activities		
Net earnings	**859,443**	455,820
Adjustments for:		
Amortization and depreciation (Note 24)	**444,232**	435,944
Deferred income taxes (Note 16)	**54,360**	34,714
Foreign exchange loss (gain)	**17,751**	(4,938)
Share-based payment costs	**31,716**	31,273
Net change in non-cash working capital items (Note 27)	**(232,667)**	(281,556)
Cash provided by operating activities	**1,174,835**	671,257
Investing activities		
Net change in short-term investments	**73**	11,843
Business acquisition	**—**	(5,140)
Purchase of property, plant and equipment	**(181,471)**	(141,965)
Proceeds from sale of property, plant and equipment	**13,673**	—
Additions to contract costs	**(73,900)**	(31,207)
Additions to intangible assets	**(77,726)**	(71,447)
Purchase of long-term investments	**(15,059)**	(10,518)
Proceeds from sale of long-term investments	**6,880**	6,402
Payments received from long-term receivable	**6,377**	8,177
Cash used in investing activities	**(321,153)**	(233,855)
Financing activities		
Net change in unsecured committed revolving credit facility	**(283,049)**	(467,027)
Increase of long-term debt	**1,021,918**	80,333
Repayment of long-term debt	**(1,047,261)**	(68,057)
Settlement of derivative financial instruments (Note 31)	**(37,716)**	—
Purchase of Class A subordinate shares held in trust (Note 19)	**(23,016)**	(7,663)
Resale of Class A subordinate shares held in trust	**1,390**	—
Repurchase of Class A subordinate shares (Note 19)	**(111,468)**	(22,869)
Issuance of Class A subordinate shares	**65,138**	39,312
Cash used in financing activities	**(414,064)**	(445,971)
Effect of foreign exchange rate changes on cash and cash equivalents	**(10,102)**	1,665
Net increase (decrease) in cash and cash equivalents	**429,516**	(6,904)
Cash and cash equivalents, beginning of year	**106,199**	113,103
Cash and cash equivalents, end of year (Note 4)	**535,715**	106,199

Supplementary cash flow information (Note 27).

See Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

1. Description of business

CGI Group Inc. (the "Company"), directly or through its subsidiaries, manages information technology ("IT") services as well as business process services ("BPS") to help clients effectively realize their strategies and create added value. The Company's services include the management of IT and business functions ("outsourcing"), systems integration and consulting, as well as the sale of software solutions. The Company was incorporated under Part IA of the Companies Act (Québec) predecessor to the Business Corporations Act (Québec) which came into force on February 14, 2011 and its shares are publicly traded. The executive and registered office of the Company is situated at 1350 René-Lévesque Blvd. West, Montréal, Québec, Canada, H3G 1T4.

2. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the International Financial Reporting Interpretations Committee interpretations as issued by the International Accounting Standards Board ("IASB"). The accounting policies were consistently applied to all periods presented.

The Company's consolidated financial statements for the years ended September 30, 2014 and 2013 were authorized for issue by the Board of Directors on November 12, 2014.

3. Summary of significant accounting policies

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated on consolidation.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed or has right, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the relevant activities of the entity. Subsidiaries are fully consolidated from the date of acquisition and continue to be consolidated until the date control over the subsidiaries ceases.

BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which have been measured at fair value as described below.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

3. Summary of significant accounting policies (continued)

USE OF JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets, liabilities, equity, the accompanying disclosures at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Because the use of judgements and estimates is inherent in the financial reporting process, actual results could differ.

Significant judgements and estimates about the future and other major sources of estimation uncertainty at the end of the reporting period could have a significant risk of causing a material adjustment to the carrying amounts of the following: deferred tax assets, revenue recognition, estimated losses on revenue-generating contracts, goodwill impairment, business combinations, provisions for income tax uncertainties and litigations and claims.

The use of judgments, apart from those involving estimations, that have the most significant effect on the amounts recognized in the financial statements are:

Multiple component arrangements

Assessing whether the deliverables within an arrangement are separately identifiable components requires judgement by management. A component is considered as separately identifiable if it has value to the client on a stand-alone basis. The Company first reviews the contract clauses to evaluate if the deliverable is accepted separately by the client. Then, the Company assesses if the deliverable could have been provided by another vendor and if it would have been possible for the client to decide to not purchase the deliverable.

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required concerning uncertainties that exist with respect to the timing of future taxable income required to recognize a deferred tax asset. The Company recognizes an income tax benefit only when it is probable that the tax benefit will be realized in the future. In making this judgement, the Company assesses forecast and the availability of future tax planning strategies.

A description of estimations is included in the respective sections within the Notes to the Consolidated Financial Statements and in Note 3, “Summary of significant accounting policies”.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

3. Summary of significant accounting policies (continued)

REVENUE RECOGNITION, WORK IN PROGRESS AND DEFERRED REVENUE

The Company generates revenue principally through the provision of IT services and BPS as described in Note 1.

The Company provides services and products under arrangements that contain various pricing mechanisms. The Company recognizes revenue when the following criteria are met: there is clear evidence that an arrangement exists, the amount of revenue and related costs can be measured reliably, it is probable that future economic benefits will flow to the Company, the stage of completion can be measured reliably where services are delivered and the significant risks and rewards of ownership, including effective control, are transferred to clients where products are sold. Revenue is measured at the fair value of the consideration received or receivable net of discounts, volume rebates and sales related taxes.

Some of the Company's arrangements may include client acceptance clauses. Each clause is analyzed to determine whether the earnings process is complete when the service is performed. Formal client sign-off is not always necessary to recognize revenue provided that the Company objectively demonstrates that the criteria specified in the acceptance provisions are satisfied. Some of the criteria reviewed include historical experience with similar types of arrangements, whether the acceptance provisions are specific to the client or are included in all arrangements, the length of the acceptance term and historical experience with the specific client.

Revenue from sales of third party vendor products, such as software licenses, hardware, or services is recorded gross when the Company is a principal to the transaction and is recorded net of costs when the Company is acting as an agent between the client and vendor. Factors generally considered to determine whether the Company is a principal or an agent are if the Company is the primary obligor to the client, if it adds meaningful value to the vendor's product or service and if it assumes delivery and credit risks.

Relative selling price

The Company's arrangements often include a mix of the services and products listed below. If an arrangement involves the provision of multiple components, the total arrangement value is allocated to each separately identifiable component based on its relative selling price. When estimating selling price of each component, the Company maximizes the use of observable prices which are established using the Company's prices for same or similar components. When observable prices are not available, the Company estimates selling prices based on its best estimate. The best estimate of selling price is the price at which the Company would normally expect to offer the services or products and is established by considering a number of internal and external factors including, but not limited to, geographies, the Company's pricing policies, internal costs and margins. The appropriate revenue recognition method is applied for each separately identifiable component as described below.

Outsourcing

Revenue from outsourcing and BPS arrangements is generally recognized as the services are provided at the contractually stated price, unless there is a better measure of performance or delivery.

Systems integration and consulting services

Revenue from systems integration and consulting services under time and material arrangements is recognized as the services are rendered, and revenue under cost-based arrangements is recognized as reimbursable costs are incurred.

Revenue from systems integration and consulting services under fixed-fee arrangements where the outcome of the arrangements can be estimated reliably is recognized using the percentage-of-completion method over the service periods. The Company uses the labour costs or labour hours to measure the progress towards completion. This method relies on estimates of total expected labour costs or total expected labour hours to complete the service, which are compared to labour costs or labour hours incurred to date, to arrive at an estimate of the percentage of revenue earned to date. Management regularly reviews underlying estimates of total expected labour costs or hours. If the outcome of an arrangement cannot be estimated reliably, revenue is recognized to the extent of arrangement costs incurred that are likely to be recoverable.

Revenue from benefits-funded arrangements is recognized only to the extent that it is probable that the benefit stream associated with the transaction will generate amounts sufficient to fund the value on which revenue recognition is based.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

REVENUE RECOGNITION, WORK IN PROGRESS AND DEFERRED REVENUE (CONTINUED)

Software licenses

Most of the Company's software license arrangements include other services such as implementation, customization and maintenance. For these types of arrangements, revenue from a software license is recognized upon delivery if it has been identified as a separately identifiable component. Otherwise, it is combined with the implementation and customization services and is accounted for as described in "Systems integration and consulting services" above. Revenue from maintenance services for software licenses sold and implemented is recognized ratably over the term of the maintenance period.

Work in progress and deferred revenue

Amounts recognized as revenue in excess of billings are classified as work in progress. Amounts received in advance of the delivery of products or performance of services are classified as deferred revenue.

Estimated losses on revenue-generating contracts

Estimated losses on revenue-generating contracts may occur due to additional contract costs which were not foreseen at inception of the contract. Contract losses are measured at the amount by which the estimated total costs exceed the estimated total revenue from the contract. The estimated losses on revenue-generating contracts are recognized in the period when it is determined that a loss is probable. The expected loss is first applied to impair the related capitalized contract costs with the excess recorded in accounts payable and accrued liabilities and in other long-term liabilities. Management regularly reviews arrangement profitability and the underlying estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of unrestricted cash and short-term investments having an initial maturity of three months or less.

FUNDS HELD FOR CLIENTS AND CLIENTS' FUNDS OBLIGATIONS

In connection with the Company's payroll, tax filing and claims services, the Company collects funds for payment of payroll, taxes and claims, temporarily holds such funds until payment is due, remits the funds to the clients' employees, appropriate tax authorities or claim holders, and files federal and local tax returns and handles related regulatory correspondence and amendments. The funds held for clients include cash and long-term bonds. The Company presents the funds held for clients and related obligations separately. Funds held for clients are classified as current assets since, based upon management's intentions, these funds are held solely for the purpose of satisfying the clients' funds obligations, which will be repaid within one year of the consolidated balance sheets date.

Interest income earned and realized gains and losses on the disposal of bonds are recorded in revenue in the period that the income is earned, since the collecting, holding and remitting of these funds are critical components of providing these services.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment ("PP&E"), including those under finance leases, are recorded at cost and are depreciated over their estimated useful lives using the straight-line method.

Buildings	10 to 40 years
Leasehold improvements	Lesser of the useful life or lease term
Furniture, fixtures and equipment	3 to 20 years
Computer equipment	3 to 5 years

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognized in PP&E at an amount equal to the fair value of the leased assets or, if lower, the present value of minimum lease payments at the inception of the lease, and then depreciated over the economic useful life of the asset or term of the lease, whichever is shorter. The capital element of future lease payments is included in the consolidated balance sheets within long-term debt. Interest is charged to the consolidated statements of earnings so as to achieve a constant rate of interest on the remaining balance of the liability.

Lease payments under operating leases are charged to the consolidated statements of earnings on a straight-line basis over the lease term. Operating lease incentives are recognized as a reduction in the rental expense over the lease term.

CONTRACT COSTS

Contract costs are mainly incurred when acquiring or implementing long-term outsourcing contracts. Contract costs are comprised primarily of transition costs and incentives.

Transition costs

Transition costs consist of costs associated with the installation of systems and processes incurred after the award of outsourcing contracts, relocation of transitioned employees and exit from client facilities. Under BPS contracts, the costs consist primarily of costs related to activities such as the conversion of the client's applications to the Company's platforms. Transition costs are comprised essentially of labour costs, including compensation and related fringe benefits, as well as subcontractor costs.

Incentives

Occasionally, incentives are granted to clients upon the signing of outsourcing contracts. These incentives are granted in the form of cash payments.

Pre-contract costs

Pre-contract costs associated with acquiring or implementing long-term outsourcing contracts are expensed as incurred except where it is virtually certain that the contracts will be awarded and the costs are directly related to the acquisition of the contract. For outsourcing contracts, the Company is virtually certain that a contract will be awarded when the Company is selected by the client following a tender process but the contract has not yet been signed.

Amortization of contract costs

Contract costs are amortized as services are provided. Amortization of transition costs and pre-contract costs is included in costs of services, selling and administrative and amortization of incentives is recorded as a reduction of revenue.

Impairment of contract costs

When a contract is not expected to be profitable, the expected loss is first applied to impair the related capitalized contract costs. The excess of the expected loss over the capitalized contract costs is recorded as estimated losses on revenue-generating contracts in accounts payable and accrued liabilities and in other long-term liabilities. If at a future date the contract returns to profitability, the previously recognized impairment loss must be reversed. First the estimated losses on revenue-generating contracts must be reversed, and if there is still additional projected profitability then any capitalized contract costs that were impaired must be reversed. The reversal of the impairment loss is limited so that the carrying amount does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the contract costs in prior years.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

INTANGIBLE ASSETS

Intangible assets consist mainly of internal-use software, business solutions, software licenses and client relationships. Internal-use software, business solutions and software licenses are recorded at cost. Business solutions developed internally and marketed are capitalized when they meet specific capitalization criteria related to technical, market and financial feasibility. Internal-use software developed internally is capitalized when it meets specific capitalization criteria related to technical and financial feasibility and when the Company demonstrates its ability and intention to use it. Internal-use software, business solutions, software licenses and client relationships acquired through business combinations are initially recorded at their fair value based on the present value of expected future cash flows, which involve making estimates about the future cash flows, as well as discount rates.

Amortization of intangible assets

The Company amortizes its intangible assets using the straight-line method over the following estimated useful lives:

Internal-use software	2 to 7 years
Business solutions	2 to 10 years
Software licenses	3 to 8 years
Client relationships and other	2 to 10 years

IMPAIRMENT OF PP&E, INTANGIBLE ASSETS AND GOODWILL

Timing of impairment testing

The carrying values of PP&E, intangible assets and goodwill are reviewed for impairment when events or changes in circumstances indicate that the carrying value may be impaired. The Company assesses at each reporting date whether any such events or changes in circumstances exist. The carrying value of PP&E and intangible assets not available for use and goodwill is tested for impairment annually as at September 30.

Impairment testing

If any indication of impairment exists or when annual impairment testing for an asset is required, the Company estimates the recoverable amount of the asset or cash-generating unit ("CGU") to which the asset relates to determine the extent of any impairment loss. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use ("VIU") to the Company. The Company mainly uses the VIU. In assessing VIU, estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If the recoverable amount of an asset or a CGU is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statements of earnings.

Goodwill acquired through business combinations is allocated to the CGU or group of CGUs that are expected to benefit from synergies of the related business combination. The group of CGUs that benefit from the synergies correspond to the Company's operating segments. For goodwill impairment testing purposes, the group of CGUs that represent the lowest level within the Company at which management monitors goodwill is the operating segment level.

The recoverable amount of each segment has been determined based on the VIU calculation which includes estimates about their future financial performance based on cash flows approved by management covering a period of five years as the Company generates revenue mainly through long-term contracts. Key assumptions used in the VIU calculations are the discount rate applied and the long-term growth rate of net operating cash flows. In determining these assumptions, management has taken into consideration the current economic environment and its resulting impact on expected growth and discount rates. The cash flow projections reflect management's expectations of the segment's operating performance and growth prospects in the operating segment's market. The discount rate applied to an operating segment is the weighted average cost of capital ("WACC"). Management considers factors such as country risk premium, risk-free rate, size premium and cost of debt to derive the WACC. Impairment losses relating to goodwill cannot be reversed in future periods.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

3. Summary of significant accounting policies (continued)

IMPAIRMENT OF PP&E, INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Impairment testing (continued)

For impaired assets, other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statements of earnings.

LONG-TERM FINANCIAL ASSETS

Long-term investments presented in long-term financial assets are comprised of bonds which are classified as long-term based on management's intentions.

BUSINESS COMBINATIONS

The Company accounts for its business combinations using the acquisition method. Under this method the consideration transferred is measured at fair value. Acquisition-related and integration costs associated with the business combination are expensed as incurred. The Company recognizes goodwill as the excess of the cost of the acquisition over the net identifiable tangible and intangible assets acquired and liabilities assumed at their acquisition-date fair values. The fair value allocated to tangible and intangible assets acquired and liabilities assumed are based on assumptions of management. These assumptions include the future expected cash flows arising from the intangible assets identified as client relationships, business solutions, and trademarks. The preliminary goodwill recognized is composed of the future economic value associated to acquired work force and synergies with the Company's operations which are primarily due to reduction of costs and new business opportunities. The determination of fair value involves making estimates relating to acquired intangible assets, PP&E, litigation, provision for estimated losses on revenue-generating contracts, other onerous contracts and contingency reserves. Estimates include the forecasting of future cash flows and discount rates. Subsequent changes in fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. The measurement period is the period between the date of acquisition and the date where all significant information necessary to determine the fair values is available, not to exceed 12 months. All other subsequent changes are recognized in the consolidated statements of earnings.

EARNINGS PER SHARE

Basic earnings per share is based on the weighted average number of shares outstanding during the period. Diluted earnings per share is determined using the treasury stock method to evaluate the dilutive effect of stock options and PSUs.

RESEARCH AND SOFTWARE DEVELOPMENT COSTS

Research costs are charged to earnings in the period in which they are incurred, net of related tax credits. Software development costs are charged to earnings in the year they are incurred, net of related tax credits, unless they meet specific capitalization criteria related to technical, market and financial feasibility.

TAX CREDITS

The Company follows the income approach to account for tax credits, whereby investment tax credits are recorded when there is a reasonable assurance that the assistance will be received and that the Company will comply with all relevant conditions. Under this method, tax credits related to operating expenditures are recorded as a reduction of the related expense and recognized in the period in which the related expenditures are charged to operations. Tax credits related to capital expenditures are recorded as a reduction of the cost of the related asset. The tax credits recorded are based on management's best estimates of amounts expected to be received and are subject to audit by the taxation authorities.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

INCOME TAXES

Income taxes are accounted for using the liability method of accounting.

Current income taxes are recognized with respect to the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and liabilities are determined based on deductible or taxable temporary differences between the amounts reported for financial statement purposes and tax values of the assets and liabilities using enacted or substantively enacted tax rates that will be in effect for the year in which the differences are expected to be recovered or settled. Deferred income tax assets and liabilities are recognized in earnings, other comprehensive income or in equity based on the classification of the item to which they relate.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Once this assessment is made, the Company considers the analysis of forecast and future tax planning strategies. Such estimates are made based on the forecast by jurisdiction on an undiscounted basis. Management considers factors such as the number of years to include in the forecast period, the history of the taxable profits and availability of tax strategies.

The Company is subject to taxation in numerous jurisdictions and there are transactions and calculations for which the ultimate tax determination is uncertain. When a tax position is uncertain, the Company recognizes an income tax benefit or reduces an income tax liability only when it is probable that the tax benefit will be realized in the future or that the income tax liability is no longer probable. The provision for uncertain tax positions is made using the best estimate of the amount expected to be paid based on qualitative assessment of all relevant factors.

PROVISIONS

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The Company's provisions consist of liabilities for leases of premises that the Company has vacated, litigation and claim provisions arising in the ordinary course of business and decommissioning liabilities for operating leases of office buildings. The Company also records restructuring provisions mainly related to business acquisitions.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted using a current pre-tax rate when the impact of the time value of money is material. The increase in the provision due to the passage of time is recognized as finance cost.

The Company accrues provisions for onerous leases which consist of estimated costs associated with vacated premises. The provisions reflect the present value of lease payments in excess of the expected sublease proceeds on the remaining term of the lease.

The accrued litigation and legal claim provisions are based on historical experience, current trends and other assumptions that are believed to be reasonable under the circumstances. Estimates include the period in which the underlying cause of the claim occurred and the degree of probability of an unfavourable outcome.

Decommissioning liabilities pertain to operating leases of office buildings where certain arrangements require premises to be returned to their original state at the end of the lease term. The provision is determined using the present value of the estimated future cash outflows.

Restructuring provisions, consisting of severances, are recognized when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, an appropriate timeline and has been communicated.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

TRANSLATION OF FOREIGN CURRENCIES

The Company's consolidated financial statements are presented in Canadian dollars, which is also the parent company's functional currency. Each entity in the Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which the entity operates.

Foreign currency transactions and balances

Revenue, expenses and non-monetary assets and liabilities denominated in foreign currencies are recorded at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing at the balance sheet date. Unrealized and realized translation gains and losses are reflected in the consolidated statements of earnings.

Foreign operations

For foreign operations that have functional currencies different from the Company, assets and liabilities denominated in a foreign currency are translated into Canadian dollars at exchange rates in effect at the balance sheet date. Revenue and expenses are translated at average exchange rates prevailing during the period. Resulting unrealized gains or losses on translating financial statements of foreign operations are reported in other comprehensive income.

For foreign operations with the same functional currency as the Company, monetary assets and liabilities are translated at the exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at historical exchange rates. Revenue and expenses are translated at average exchange rates for the period. Translation exchange gains or losses of such operations are reflected in the consolidated statements of earnings.

SHARE-BASED PAYMENTS

Equity-settled plans

The Company operates equity-settled stock option and PSU plans under which the Company receives services from employees and others as consideration for equity instruments.

The fair value of those share-based payments is established on the grant date using the Black-Scholes option pricing model for the stock options and the closing price of Class A subordinate shares of the Company on the Toronto Stock Exchange ("TSX") for the PSUs. The number of stock options and PSUs expected to vest are estimated on the grant date and subsequently revised on each reporting date. For stock options, the estimation of fair value requires making assumptions for the most appropriate inputs to the valuation model including the expected life of the option and expected stock price volatility. The fair values, adjusted for expectations related to performance conditions and for expected forfeitures, are recognized as share-based payment costs in earnings with a corresponding credit to contributed surplus on a graded-vesting basis over the vesting period.

When stock options are exercised, any consideration paid is credited to capital stock and the recorded fair value of the stock option is removed from contributed surplus and credited to capital stock. When PSUs are exercised, the recorded fair value of PSUs is removed from contributed surplus and credited to capital stock.

Share purchase plan

The Company operates a share purchase plan for eligible employees. Under this plan, the Company matches the contributions made by employees up to a maximum percentage of the employee's salary. The Company contributions to the plan are recognized in salaries and other member costs within cost of services, selling and administrative.

Cash-settled deferred share units

The Company operates a deferred share unit ("DSU") plan to compensate the members of the Board of Directors.

The Company measures the compensation granted at the fair value of the liability. The fair value of the liability is established by dividing the total fee payable by the closing price of Class A subordinate shares of the Company on the TSX on the day immediately preceding the fee payment date. Until the liability is settled, the Company remeasures the fair value of the liability at each reporting date using the market value of the shares issued. The DSU liability is presented in accrued compensation and fluctuations in fair value are recognized in salaries and other member costs within cost of services, selling and administrative.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

FINANCIAL INSTRUMENTS

All financial instruments are initially measured at their fair values. Subsequently, financial assets classified as loans and receivables and financial liabilities classified as other liabilities are measured at their amortized cost using the effective interest rate method. Financial assets and liabilities classified as fair value through earnings ("FVTE") and classified as available for sale are measured subsequently at their fair values.

Financial instruments may be designated on initial recognition as FVTE if any of the following criteria are met: i) the financial instrument contains one or more embedded derivatives that otherwise would have to be accounted for separately; ii) the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring the financial asset or liability or recognizing the gains and losses on them on a different basis; or iii) the financial asset and financial liability are part of a group of financial assets or liabilities that is managed and its performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy. Gains and losses related to periodic revaluations of financial assets and liabilities designated as FVTE are recorded in the consolidated statements of earnings.

The unrealized gains and losses, net of applicable income taxes, on available for sale assets are reported in other comprehensive income. Interest income earned and realized gains and losses on the sale of available for sale assets are recorded in the consolidated statements of earnings.

Transaction costs are comprised primarily of legal, accounting and other costs directly attributable to the issuance of the respective financial assets and liabilities. Transaction costs are capitalized to the cost of financial assets and liabilities classified as other than FVTE.

Financial assets are derecognized if the contractual rights to the cash flows from the financial asset expire or the asset is transferred and the transfer qualifies for derecognition. The transfer qualifies for derecognition if substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company has made the following classifications:

FVTE

Cash and cash equivalents and derivative financial instruments (unless they qualify for hedge accounting, refer to "Derivative Financial Instruments and Hedging Transactions"). In addition, deferred compensation plan assets were designated by management as FVTE upon initial recognition as this reflected management's investment strategy.

Loans and receivables

Trade accounts receivable, cash included in funds held for clients and long-term receivables.

Available for sale

Long-term bonds included in funds held for clients and in long-term investments.

Other liabilities

Accounts payable and accrued liabilities, accrued compensation, long-term debt and clients' funds obligations.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

Fair value measurements recognized in the balance sheet are categorized in accordance with the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1, but that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency exchange risks.

Derivative financial instruments are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognized in the consolidated statements of earnings unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the consolidated statements of earnings depends on the nature of the hedge relationship.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Company will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The cash flows of the hedging transactions are classified in the same manner as the cash flows of the position being hedged.

NET INVESTMENT HEDGES

Hedges on net investments in foreign operations

The Company uses cross-currency swaps and foreign currency denominated long-term debt to hedge portions of the Company's net investments in its U.S. and European operations. Foreign exchange translation gains or losses on the net investments and the effective portions of gains or losses on instruments hedging the net investments are recorded in other comprehensive income. To the extent that the hedge is ineffective, such differences are recognized in consolidated statements of earnings. When the hedged net investment is disposed of, the relevant amount in other comprehensive income is transferred to earnings as part of the gain or loss on disposal.

Notes to the Consolidated Financial Statements

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3. Summary of significant accounting policies (continued)

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS (CONTINUED)

CASH FLOW HEDGES

Cash flow hedges on future revenue

The Company has entered into various foreign currency forward contracts to hedge the variability in the foreign currency exchange rates.

Cash flow hedge on unsecured committed term loan credit facility

The Company has entered into interest rate swaps to hedge the cash flow exposure of the issued variable rate unsecured committed term loan credit facility. Under the interest rate swaps, the Company receives a variable rate of interest and pays interest at a fixed rate on the notional amount.

The above hedges were documented as cash flow hedges and no component of the derivative contracts' fair value are excluded from the assessment and measurement of hedge effectiveness. The effective portion of the change in fair value of the derivative financial instruments is recognized in other comprehensive income and the ineffective portion, if any, in the consolidated statements of earnings. The effective portion of the change in fair value of the derivatives is reclassified out of other comprehensive income into the consolidated statements of earnings when the hedged element is recognized in the consolidated statements of earnings.

FAIR VALUE HEDGES

Fair value hedges on Senior U.S. unsecured notes

The Company entered into interest rate swaps to hedge the fair value exposure of the issued fixed rate Senior U.S. unsecured notes. Under the interest rate swaps, the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount.

The changes in the fair value of the interest rate swaps are recognized in the consolidated statements of earnings as finance costs. The changes in the fair value of the hedged items attributable to the risk hedged is recorded as part of the carrying value of the Senior U.S. unsecured notes and are also recognized in the consolidated statements of earnings as finance costs. If the hedged items are derecognized, the unamortized fair value is recognized immediately in the consolidated statements of earnings.

Derivative financial instruments used as hedging items are recorded at fair value in the consolidated balance sheets under current derivative financial instruments, long-term financial assets or long-term derivative financial instruments. Valuation models, such as discounted cash flow analysis using observable market inputs, are utilized to determine the fair values of the derivative financial instruments.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

EMPLOYEE BENEFITS

The Company operates post-employment benefit plans of both a defined contribution and defined benefit nature.

The cost of defined contribution plans is charged to the consolidated statements of earnings on the basis of contributions payable by the Company during the year.

For defined benefits plans, the defined benefit obligations are calculated by independent actuaries using the projected unit credit method. The retirement benefits obligations in the consolidated balance sheets represent the present value of the defined benefit obligation as reduced by the fair value of plan assets. The retirement benefits assets are recognized to the extent that the Company can benefit from refunds or a reduction in future contributions. Retirement benefit plans that are funded by the payment of insurance premiums are treated as defined contribution plans unless the Company has an obligation either to pay the benefits directly when they fall due or to pay further amounts if assets accumulated with the insurer do not cover all future employee benefits. In such circumstances, the plan is treated as a defined benefit plan.

Insurance policies are treated as plan assets of a defined benefit plan if the proceeds of the policy:

- Can only be used to fund employee benefits;
- Are not available to the Company's creditors; and
- Either cannot be paid to the Company unless the proceeds represent surplus assets not needed to meet all the benefit obligations or are a reimbursement for benefits already paid by the Company.

Insurance policies that do not meet the above criteria are treated as non-current investments and are held at fair value as long-term financial assets in the consolidated balance sheets.

The actuarial valuations used to determine the cost of defined benefit pension plans and their present value involve making assumptions about discount rates, future salary and pension increases, inflation rates and mortality. Any changes in these assumptions will impact the carrying amount of pension obligations. In determining the appropriate discount rate management considers the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

The current service cost is recognized in the consolidated statements of earnings as an employee benefit expense. The net interest cost calculated by applying the discount rate to the net defined benefit liability or asset is recognized as net finance cost or income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the consolidated statements of earnings. The gains or losses on the settlement of a defined benefit plan are recognized when the settlement occurs.

Remeasurements include actuarial gains and losses, changes in the effect of the asset ceiling and the return on plan assets, excluding the amount included in net interest on the net defined liability or assets. Remeasurements are charged or credited to other comprehensive income in the period in which they arise.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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3. Summary of significant accounting policies (continued)

A) NEW STANDARDS AND AMENDMENTS ADOPTED

The following new and amended standards have been adopted by the Company effective October 1, 2013:

IFRS 10 - Consolidated Financial Statements

The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included in a company's consolidated financial statements. The adoption of IFRS 10 did not result in any significant impact on the Company's consolidated financial statements.

IFRS 12 - Disclosure of Interests in Other Entities

The new standard provides guidance on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and structured entities. The standard requires disclosure of the nature and risks associated with the Company's interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The adoption of IFRS 12 did not result in any significant impact on the Company's consolidated financial statements.

IFRS 13 - Fair Value Measurement

The new standard provides guidance for fair value measurements by providing a definition of fair value and a single source of fair value measurement and disclosure requirements. IFRS 13 applies when other IFRS standards require or permit fair value measurements. The adoption of IFRS 13 did not result in any significant impact on the Company's consolidated financial statements other than to give rise to additional disclosures.

IAS 1 - Presentation of Financial Statements

The amendment requires grouping together items within the statement of comprehensive income that may be reclassified to the statement of earnings. As a result, the Company has grouped items within its consolidated statements of comprehensive income and accumulated other comprehensive income by items that will and will not be reclassified subsequently to the consolidated statements of earnings.

IAS 19 - Employee Benefits

Two amendments of IAS 19 have been adopted by the Company.

The first amendment requires to adjust the calculation of the financing cost component of defined benefit plans and to enhance disclosure requirements. As a result, the Company calculated a net interest expense or income on the net defined benefit liability or asset. The net interest on the defined benefit liability or asset replaces the interest cost on the defined benefit obligation and the expected return on plan assets. The adoption of IAS 19 did not result in any significant impact on the Company's consolidated financial statements, other than to give rise to additional disclosures.

The second amendment permits the recognition of certain contributions from employees as a reduction of the service cost in the period in which the related service is rendered. The amendment applies to contributions from employees set out in the formal terms of the plan, linked to service and independent of the number of years of service. The Company has early adopted the amendment of IAS 19 which is effective on or after July 1, 2014. The amendment did not result in any significant impact on the Company's consolidated financial statements.

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3. Summary of significant accounting policies (continued)

B) FUTURE ACCOUNTING STANDARD CHANGES

The following standards have been issued but are not yet effective:

IFRS 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, “Revenue from Contracts with Customers”, to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, “Revenue”, IAS 11, “Construction Contracts”, and other revenue related interpretations. The standard will be effective on October 1, 2017 for the Company with earlier adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 9 - Financial Instruments

In July 2014, the IASB amended IFRS 9, “Financial Instruments”, to bring together the classification and measurement, impairment and hedge accounting phases of the IASB’s project to replace IAS 39, “Financial Instruments: Recognition and Measurement”. The standard supersedes all previous versions of IFRS 9 and will be effective on October 1, 2018 for the Company with earlier application permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

Notes to the Consolidated Financial Statements

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4. Cash and cash equivalents

	As at September 30, 2014	As at September 30, 2013
	$	$
Cash	**265,715**	105,677
Cash equivalents	**270,000**	522
	535,715	106,199

5. Accounts receivable

	As at September 30, 2014	As at September 30, 2013
	$	$
Trade	**873,466**	1,018,990
Other[1]	**162,602**	186,635
	1,036,068	1,205,625

[1] Other accounts receivable include refundable tax credits on salaries related to the Québec Development of E-Business program, research and development tax credits and other job and economic growth creation programs available. The tax credits represent approximately $113,511,000 and $110,615,000 of other accounts receivable in 2014 and 2013, respectively.

The fiscal measures under the Québec Development of E-Business program enable corporations with an establishment in the province of Québec that carry out eligible activities in the technology sector to obtain a refundable tax credit equal to 30% of eligible salaries, up to a maximum of $20,000 per year per eligible employee until December 31, 2015. For all eligible salaries incurred after June 4, 2014, the refundable tax credit was reduced to 24% and the maximum of $20,000 per year was maintained until December 31, 2025.

6. Funds held for clients

	As at September 30, 2014	As at September 30, 2013
	$	$
Cash	**97,577**	34,653
Long-term bonds	**198,177**	187,816
	295,754	222,469

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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7. Property, plant and equipment

	Land and buildings	Leasehold improvements	Furniture, fixtures and equipment	Computer equipment	Total
	$	$	$	$	$
Cost					
As at September 30, 2013	62,077	193,221	140,970	485,736	882,004
Additions/transfers	8,962	10,630	19,926	155,939	195,457
Disposals/transfers	—	(6,932)	(38,420)	(34,984)	(80,336)
Foreign currency translation adjustment	1,318	8,323	8,757	16,141	34,539
As at September 30, 2014	**72,357**	**205,242**	**131,233**	**622,832**	**1,031,664**
Accumulated depreciation					
As at September 30, 2013	6,670	99,015	56,272	244,904	406,861
Depreciation expense (Note 24)	3,275	29,669	26,811	127,131	186,886
Disposals/transfers	—	(6,920)	(35,105)	(24,077)	(66,102)
Foreign currency translation adjustment	197	3,617	5,626	7,699	17,139
As at September 30, 2014	**10,142**	**125,381**	**53,604**	**355,657**	**544,784**
Net carrying amount as at September 30, 2014	**62,215**	**79,861**	**77,629**	**267,175**	**486,880**

	Land and buildings	Leasehold improvements	Furniture, fixtures and equipment	Computer equipment	Total
	$	$	$	$	$
Cost					
As at September 30, 2012	56,638	182,553	134,071	413,613	786,875
Additions/transfers	4,038	16,197	18,570	121,060	159,865
Disposals/transfers	—	(8,276)	(13,941)	(60,767)	(82,984)
Foreign currency translation adjustment	1,401	2,747	2,270	11,830	18,248
As at September 30, 2013	62,077	193,221	140,970	485,736	882,004
Accumulated depreciation					
As at September 30, 2012	5,240	76,431	40,992	182,732	305,395
Depreciation expense (Note 24)	1,467	28,299	27,788	118,133	175,687
Disposals/transfers	—	(6,393)	(12,730)	(58,871)	(77,994)
Foreign currency translation adjustment	(37)	678	222	2,910	3,773
As at September 30, 2013	6,670	99,015	56,272	244,904	406,861
Net carrying amount as at September 30, 2013	55,407	94,206	84,698	240,832	475,143

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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7. Property, plant and equipment (continued)

Property, plant and equipment include the following assets acquired under finance leases:

	As at September 30, 2014			As at September 30, 2013		
	Cost	**Accumulated depreciation**	**Net carrying amount**	Cost	Accumulated depreciation	Net carrying amount
	$	**$**	**$**	$	$	$
Furniture, fixtures and equipment	**15,522**	**8,744**	**6,778**	15,762	7,218	8,544
Computer equipment	**93,375**	**61,783**	**31,592**	105,112	66,117	38,995
	108,897	**70,527**	**38,370**	120,874	73,335	47,539

8. Contract costs

	As at September 30, 2014			As at September 30, 2013		
	Cost	**Accumulated amortization**	**Net carrying amount**	Cost	Accumulated amortization	Net carrying amount
	$	**$**	**$**	$	$	$
Transition costs	**356,704**	**209,186**	**147,518**	291,305	165,705	125,600
Incentives	**101,291**	**92,269**	**9,022**	103,058	88,186	14,872
	457,995	**301,455**	**156,540**	394,363	253,891	140,472

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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9. Intangible assets

	Internal-use software acquired	Internal-use software internally developed	Business solutions acquired	Business solutions internally developed	Software licenses	Client relationships and other	Total
	$	$	$	$	$	$	$
Cost							
As at September 30, 2013	105,002	45,371	123,850	260,072	130,448	862,004	1,526,747
Additions/transfers	4,226	6,499	114	34,759	41,790	—	87,388
Disposals/transfers	(12,170)	(1,307)	(603)	(1,984)	(12,449)	—	(28,513)
Foreign currency translation adjustment	5,628	173	3,354	17,639	4,672	34,355	65,821
As at September 30, 2014	**102,686**	**50,736**	**126,715**	**310,486**	**164,461**	**896,359**	**1,651,443**
Accumulated amortization							
As at September 30, 2013	63,211	40,184	84,644	164,963	82,885	382,695	818,582
Amortization expense (Note 24)	14,264	2,996	12,568	21,467	26,874	114,523	192,692
Disposals/transfers	(12,170)	(1,118)	(121)	(1,980)	(12,197)	—	(27,586)
Foreign currency translation adjustment	4,142	81	2,687	10,635	3,358	16,778	37,681
As at September 30, 2014	**69,447**	**42,143**	**99,778**	**195,085**	**100,920**	**513,996**	**1,021,369**
Net carrying amount as at September 30, 2014	**33,239**	**8,593**	**26,937**	**115,401**	**63,541**	**382,363**	**630,074**

	Internal-use software acquired	Internal-use software internally developed	Business solutions acquired	Business solutions internally developed	Software licenses	Client relationships and other	Total
	$	$	$	$	$	$	$
Cost							
As at September 30, 2012	87,282	43,237	118,094	233,261	175,932	819,596	1,477,402
Additions/transfers	20,898	2,134	4,826	23,781	27,008	—	78,647
Disposals/transfers	(5,824)	—	(237)	(4,404)	(74,329)	(1,382)	(86,176)
Foreign currency translation adjustment	2,646	—	1,167	7,434	1,837	43,790	56,874
As at September 30, 2013	105,002	45,371	123,850	260,072	130,448	862,004	1,526,747
Accumulated amortization							
As at September 30, 2012	42,117	36,100	72,977	147,340	132,629	258,460	689,623
Amortization expense (Note 24)	25,134	4,084	11,097	18,205	20,956	114,505	193,981
Disposals/transfers	(5,608)	—	(493)	(4,396)	(72,241)	(1,382)	(84,120)
Foreign currency translation adjustment	1,568	—	1,063	3,814	1,541	11,112	19,098
As at September 30, 2013	63,211	40,184	84,644	164,963	82,885	382,695	818,582
Net carrying amount as at September 30, 2013	41,791	5,187	39,206	95,109	47,563	479,309	708,165

All intangible assets are subject to amortization.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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10. Other long-term assets

	As at September 30, 2014	As at September 30, 2013
	$	$
Insurance contracts held to fund defined benefit pension and life assurance arrangements - reimbursement rights (Note 17)	**22,415**	20,856
Retirement benefits assets (Note 17)	**8,737**	9,175
Deferred financing fees	**4,474**	3,856
Long-term maintenance agreements	**15,004**	6,653
Deposits	**11,773**	9,960
Other	**11,755**	7,929
	74,158	58,429

11. Long-term financial assets

	As at September 30, 2014	As at September 30, 2013
	$	$
Deferred compensation plan assets (Note 31)	**31,151**	24,752
Long-term investments	**30,689**	20,333
Long-term receivables	**7,403**	4,289
Derivative financial assets (Note 31)	**14,834**	2,518
	84,077	51,892

12. Goodwill

The Company completed the annual impairment test as at September 30, 2014 and did not identify any impairment.

The variations in goodwill were as follows:

	U.S.	**NSESA**	**Canada**	**France**	**U.K.**	**CEE**	**Asia Pacific**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
As at September 30, 2013	1,370,399	1,274,667	1,111,702	805,891	827,291	715,011	288,829	6,393,790
Foreign currency translation adjustment	121,513	(1,844)	—	14,328	64,599	7,985	10,952	217,533
As at September 30, 2014	**1,491,912**	**1,272,823**	**1,111,702**	**820,219**	**891,890**	**722,996**	**299,781**	**6,611,323**

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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12. Goodwill (continued)

Key assumptions in goodwill impairment testing

The key assumptions for the CGUs are disclosed in the following table:

As at September 30, 2014	U.S.	NSESA	Canada	France	U.K.	CEE	Asia Pacific
	%	%	%	%	%	%	%
Assumptions							
Pre-tax WACC	11.2	12.2	9.0	10.6	10.2	10.6	21.7
Long-term growth rate of net operating cash flows[1]	2.0	1.9	2.0	1.9	1.8	1.6	2.0

As at September 30, 2013	U.S.	NSESA	Canada	France	U.K.	CEE	Asia Pacific
	%	%	%	%	%	%	%
Assumptions							
Pre-tax WACC	10.0	12.5	7.6	10.8	10.7	10.5	20.1
Long-term growth rate of net operating cash flows[1]	2.0	2.0	2.0	2.0	2.0	2.0	2.0

[1] The long-term growth rate is based on published industry research.

Notes to the Consolidated Financial Statements

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13. Provisions

	Onerous leases[1]	Litigations and claims[2]	Decommissioning liabilities[3]	Restructuring[4]	Total
	$	$	$	$	$
As at September 30, 2013	94,022	65,418	54,256	118,389	332,085
Additional provisions	14,118	3,351	1,770	100,354	119,593
Utilized amounts	(44,174)	(14,133)	(1,560)	(122,130)	(181,997)
Reversals of unused amounts	(24,275)	(24,984)	(12,574)	(6,081)	(67,914)
Discount rate adjustment and imputed interest	605	—	525	—	1,130
Foreign currency translation adjustment	5,353	1,941	2,364	1,340	10,998
As at September 30, 2014	**45,649**	**31,593**	**44,781**	**91,872**	**213,895**
Current portion	**17,203**	**31,593**	**8,542**	**85,971**	**143,309**
Non-current portion	**28,446**	**—**	**36,239**	**5,901**	**70,586**

	Onerous leases[1]	Litigations and claims[2]	Decommissioning liabilities[3]	Restructuring[4]	Total
	$	$	$	$	$
As at September 30, 2012	88,670	91,669	53,366	143,120	376,825
Additional provisions	36,687	—	1,722	249,799	288,208
Utilized amounts	(34,490)	(31,332)	(2,375)	(284,106)	(352,303)
Reversals of unused amounts	(1,683)	—	(1,958)	—	(3,641)
Discount rate adjustment and imputed interest	646	—	572	—	1,218
Foreign currency translation adjustment	4,192	5,081	2,929	9,576	21,778
As at September 30, 2013	94,022	65,418	54,256	118,389	332,085
Current portion	41,668	65,418	7,735	108,253	223,074
Non-current portion	52,354	—	46,521	10,136	109,011

[1] As at September 30, 2014, the timing of cash outflows relating to these provisions ranges between one and nine years (one and ten years as at September 30, 2013) and was discounted at a weighted average rate of 1.35% (1.15% as at September 30, 2013). For the year ended September 30, 2014, a net amount of $1,503,000 of integration costs ($31,899,000 for the year ended September 30, 2013) was accounted for in the provision for onerous leases (Note 26b). The reversals of unused amounts are mostly due to the sublease in the period of previously vacated premises, as well as favorable lease terminations.

[2] As at September 30, 2014, litigations and claims include provisions related to tax exposure (other than those related to income tax), contractual disputes, employee claims and other of $15,661,000, $7,433,000 and $8,499,000, respectively (as at September 30, 2013, $34,409,000, $15,434,000 and $15,575,000, respectively). The reversals of unused amounts are mostly due to the favorable settlement of tax exposures and contractual disputes.

[3] As at September 30, 2014, the decommissioning liability was based on the expected cash flows of $45,834,000 ($56,454,000 as at September 30, 2013) and was discounted at a weighted average rate of 0.94% (0.93% as at September 30, 2013). The timing of the settlement of these obligations ranges between one and nine years as at September 30, 2014 (one and ten years as at September 30, 2013).

[4] For the year ended September 30, 2014, a net amount of $94,273,000 of integration costs ($249,799,000 for the year ended September 30, 2013) was accounted for in the provision for restructuring (Note 26b).

Notes to the Consolidated Financial Statements

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14. Long-term debt

	As at September 30, 2014	As at September 30, 2013
	$	**$**
Senior U.S. unsecured notes repayable by tranches of $95,277 (U.S.$85,000) in 2016, $156,926 (U.S.$140,000) in 2018 and $280,225 (U.S.$250,000) in 2021[1]	**522,220**	475,787
Senior unsecured notes repayable by tranches of $44,836 (U.S.$40,000) in 2019, $61,650 (U.S.$55,000) in 2021, $336,270 (U.S.$300,000) in 2024, $392,315 (U.S. $350,000) in 7 yearly payments of U.S.$50,000 from 2018 to 2024 and $120,326, (€85,000) in 2021[2]	**954,317**	—
Unsecured committed revolving credit facility[3]	**—**	254,818
Unsecured committed term loan credit facility[4]	**1,001,752**	1,974,490
Obligations repayable in blended monthly installments maturing at various dates until 2019, bearing a weighted average interest rate of 3.01% (3.27% in 2013)	**117,680**	79,446
Obligations under finance leases repayable in blended monthly installments maturing at various dates until 2019, bearing a weighted average interest rate of 3.66% (3.46% in 2013)	**61,698**	67,928
Other long-term debt	**22,036**	14,081
	2,679,703	2,866,550
Current portion	**80,367**	534,173
	2,599,336	2,332,377

[1] As at September 30, 2014, an amount of $532,428,000 was drawn, less fair value adjustments relating to interest rate swaps designated as fair value hedges and financing fees for a total of $10,208,000. The private placement financing with U.S. institutional investors is comprised of three tranches of Senior U.S. unsecured notes, with a weighted average maturity of 5.4 years and a weighted average interest rate of 4.57%. The Senior U.S. unsecured notes contain covenants that require the Company to maintain certain financial ratios (Note 32). As at September 30, 2014, the Company was in compliance with these covenants.

[2] During the year ended September 30, 2014, the Company signed a private placement financing. As at September 30, 2014, an amount of $955,397,000 was drawn, less financing fees of $1,080,000. The private placement is comprised of four tranches of Senior U.S. unsecured notes and one tranche of Senior euro unsecured note, with a weighted average maturity of 7.9 years and a weighted average interest rate of 3.62%. The Senior unsecured notes contain covenants that require the Company to maintain certain financial ratios (Note 32). As at September 30, 2014, the Company was in compliance with these covenants.

[3] In the first quarter of 2014, the unsecured committed revolving credit facility of $1,500,000,000 was extended by one year to December 2017. On July 25, 2014, the facility was further extended by another year to December 2018 and can be further extended annually. All other terms and conditions including interest rates and banking covenants remain unchanged.

Under the four-year unsecured committed revolving credit facility, amounts can be drawn at banker's acceptance, LIBOR or Canadian prime; plus a variable margin that is determined based on the Company's leverage ratio. As at September 30, 2014, no amount was drawn upon this facility. Also, an amount of $36,720,000 has been committed against this facility to cover various letters of credit issued for clients and other parties. The revolving credit facility contains covenants that require the Company to maintain certain financial ratios (Note 32). As at September 30, 2014, the Company was in compliance with these covenants.

[4] As at September 30, 2014, an amount of $1,005,332,000 was drawn, less financing fees of $3,580,000. The term loan credit expires on May 2016. The term loan credit facility bears interest at Bankers' acceptance, LIBOR or to a lesser extent, Canadian prime; plus a variable margin that is determined based on the Company's leverage ratio. As at September 30, 2014, the margin paid was 1.5% for LIBOR and Banker's acceptance and 0.50% for the Canadian prime portion. The term loan credit facility contains covenants that require the Company to maintain certain financial ratios (Note 32). As at September 30, 2014, the Company was in compliance with these covenants.

During the year ended September 30, 2014, the Company repaid in advance, without penalty, the May 2014 and the May 2015 maturing tranches of the unsecured committed term loan credit facility for a total amount of $486,745,000 and $494,712,000, respectively. Following these repayments, the Company settled related floating-to-fixed interest rate swaps with notional amounts of $450,000,000 and $300,000,000 and related floating-to-floating cross currency swap with a notional amount of $184,900,000 (Note 31).

Notes to the Consolidated Financial Statements

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14. Long-term debt (continued)

Principal repayments on long-term debt, excluding fair value hedges and financing fees, over the forthcoming years are as follows:

	$
Less than one year	48,048
Between one and two years	1,043,394
Between two and five years	456,274
Beyond five years	1,085,157
Total principal payments on long-term debt	2,632,873

Minimum finance lease payments are as follows:

	Principal	Interest	Payment
	$	$	$
Less than one year	32,319	1,494	33,813
Between one and two years	20,477	846	21,323
Between two and five years	8,902	359	9,261
Beyond five years	—	—	—
Total minimum finance lease payments	61,698	2,699	64,397

15. Other long-term liabilities

	As at September 30, 2014	As at September 30, 2013
	$	$
Deferred revenue	**151,989**	225,482
Estimated losses on revenue-generating contracts[1]	**42,804**	78,390
Deferred compensation plan liabilities (Note 17)	**31,633**	25,253
Deferred rent	**67,169**	85,858
Other	**14,792**	19,670
	308,387	434,653

[1] The current portion of estimated losses on revenue-generating contracts included in accounts payable and accrued liabilities is $84,747,000 as at September 30, 2014 ($138,700,000 at September 30, 2013).

Notes to the Consolidated Financial Statements

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16. Income taxes

	Year ended September 30	
	2014	2013
	$	$
Current income tax expense		
Current income tax expense in respect of the current year	**250,403**	157,822
Adjustments recognized in the current year in relation to the income tax expense of prior years	**(33,956)**	(20,734)
Total current income tax expense	**216,447**	137,088
Deferred income tax expense		
Deferred income tax expense relating to the origination and reversal of temporary differences	**60,488**	36,253
Deferred income tax expense relating to changes in tax rates	**(1,520)**	27,708
Adjustments recognized in the current year in relation to the deferred income tax expense of prior years	**23,948**	(818)
Recognition of previously unrecognized temporary differences	**(28,556)**	(28,429)
Total deferred income tax expense	**54,360**	34,714
Total income tax expense	**270,807**	171,802

The Company's effective income tax rate on income from continuing operations differs from the combined Federal and Provincial Canadian statutory tax rate as follows:

	Year ended September 30	
	2014	2013
	%	%
Company's statutory tax rate	**26.9**	26.9
Effect of foreign tax rate differences	**(0.3)**	(1.5)
Final determination from agreements with tax authorities and expirations of statutes of limitations	**(0.9)**	(3.4)
Non-deductible and tax exempt items	**0.2**	1.0
Recognition of previously unrecognized temporary differences	**(2.5)**	(4.5)
Effect of integration-related costs	**(0.1)**	2.9
Minimum income tax charge	**0.8**	1.6
Impact on future tax assets and liabilities resulting from tax rate changes	**(0.1)**	4.4
Effective income tax rate	**24.0**	27.4

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16. Income taxes (continued)

The continuity of deferred income tax balances is as follows:

	As at September 30, 2013	**Recognized in earnings**	**Recognized in other comprehensive income**	**Recognized in equity**	**Foreign currency translation adjustment and other**	**As at September 30, 2014**
		$	**$**	**$**	**$**	**$**
Accounts payable, accrued liabilities and other long-term liabilities	69,497	6,685	—	—	3,789	**79,971**
Tax benefits on losses carried forward	300,536	(44,065)	—	—	12,663	**269,134**
Accrued compensation	68,908	(5,356)	—	(9,542)	3,396	**57,406**
Retirement benefits obligations	21,958	726	12,940	—	(309)	**35,315**
Allowance for doubtful accounts	5,274	(1,445)	—	—	(2)	**3,827**
PP&E, contract costs, intangible assets and other long-term assets	(150,418)	(2,432)	—	—	(7,742)	**(160,592)**
Work in progress	(43,217)	(9,762)	—	—	(3,089)	**(56,068)**
Goodwill	(41,326)	(2,798)	—	—	(2,633)	**(46,757)**
Refundable tax credits on salaries	(21,821)	3,855	—	—	—	**(17,966)**
Cash flow hedges	4,173	(1,424)	(5,247)	—	81	**(2,417)**
Other liabilities	(676)	1,656	2,182	—	2,429	**5,591**
Deferred income taxes, net	**212,888**	**(54,360)**	**9,875**	**(9,542)**	**8,583**	**167,444**

	As at September 30, 2012	Recognized in earnings	Recognized in other comprehensive income	Recognized in equity	Foreign currency translation adjustment and other	As at September 30, 2013
	$	$	$	$	$	$
Accounts payable, accrued liabilities and other long-term liabilities	96,992	(27,724)	—	—	229	69,497
Tax benefits on losses carried forward	289,323	(10,920)	—	—	22,133	300,536
Accrued compensation	38,518	12,992	—	15,232	2,166	68,908
Retirement benefits obligations	17,448	(2,750)	7,749	—	(489)	21,958
Allowance for doubtful accounts	2,046	3,228	—	—	—	5,274
PP&E, contract costs, intangible assets and other long-term assets	(162,950)	17,932	—	—	(5,400)	(150,418)
Work in progress	(25,382)	(17,107)	—	—	(728)	(43,217)
Goodwill	(35,244)	(4,644)	—	—	(1,438)	(41,326)
Refundable tax credits on salaries	(17,783)	(4,038)	—	—	—	(21,821)
Cash flow hedges	4,379	(696)	(217)	—	707	4,173
Other liabilities	(6,110)	(987)	4,479	—	1,942	(676)
Deferred income taxes, net	201,237	(34,714)	12,011	15,232	19,122	212,888

The deferred income taxes are presented as follows in the consolidated balance sheets:

	As at September 30, 2014	As at September 30, 2013
	$	$
Deferred tax assets	**323,416**	368,217
Deferred tax liabilities	**(155,972)**	(155,329)
Deferred income taxes, net	**167,444**	212,888

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16. Income taxes (continued)

As at September 30, 2014, the Company had $1,718,494,000 ($1,920,600,000 as at September 30, 2013) in tax losses carried forward and other temporary differences, of which $152,700,000 ($231,199,000 as at September 30, 2013) expire at various dates up to 2032 and $1,565,794,000 ($1,689,401,000 as at September 30, 2013) have no expiry dates. The Company recognized a deferred tax asset of $413,134,000 ($460,800,000 as at September 30, 2013) on the losses carried forward and other temporary differences and recognized a valuation allowance of $144,000,000 ($160,264,000 as at September 30, 2013). The resulting net deferred tax asset of $269,134,000 ($300,536,000 as at September 30, 2013) is the amount that is more likely than not to be realized, based on deferred tax liabilities reversal and future taxable profits.

As at September 30, 2014, the Company has not recorded deferred tax liabilities on undistributed earnings of its foreign subsidiaries when they are considered indefinitely reinvested, unless it is probable that these temporary differences will reverse. Upon distribution of these earnings in the form of dividends or otherwise, the Company may be subject to taxes. The temporary differences associated with investments in subsidiaries for which a deferred tax liability has not been recognized amount to $1,434,101,000 ($934,176,000 as at September 30, 2013).

The cash and cash equivalents held by foreign subsidiaries were $356,147,000 as at September 30, 2014 ($16,400,000 as at September 30, 2013). The tax implications and impact on the Company's liquidities related to its repatriation will not affect the Company's liquidity.

17. Employee benefits

The Company operates various post-employment plans, including defined benefit and defined contribution pension plans as well as other benefit plans for its employees.

DEFINED BENEFIT PLANS

The Company operates defined benefit pension plans primarily for the benefit of employees in U.K., Germany, France, with smaller plans in other countries. The benefits are based on pensionable salary and years of service. U.K. and Germany plans are funded with the assets held in separate funds. The plan in France is unfunded.

The defined benefit plans expose the Company to interest risk, inflation risk, longevity risk, currency risk and market investment risk.

The following description focuses mainly on plans registered in U.K., Germany and France.

U.K.

In U.K., the Company has three defined benefit pension plans, CMG U.K. Pension Scheme, Logica U.K. Pension & Life Assurance Scheme and Logica Defined Benefit Pension Plan.

The CMG U.K. Pension scheme is closed to new members and for accrual. The Logica U.K. Pension & Life Assurance Scheme is still open but only for employees who come from the civil service with protected pensions. Logica Defined Benefit Pension Plan was created to mirror the Electricity Industry pension scheme and was created for employees that worked for National Grid and Welsh Water with protected benefits.

Both the Logica U.K. Pension & Life Assurance Scheme and Logica Defined Benefit Pension Plan are employer and employee based contribution plans.

17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

U.K. (CONTINUED)

The trustees are the custodians of the defined benefit pension plans and are responsible for the plan administration, including investment strategies. The trustees review periodically the investment and the asset allocation policies. As such, CMG U.K. Pension Scheme policy is to target an allocation of 45% to return-seeking assets such as equities and 55% to matching assets such as bonds; Logica Defined Benefit Pension plan policy is to invest 25% of the Plan's assets in equities and 75% in bonds; Logica U.K. Pension & Life Assurance Scheme target is to invest 20% of the Scheme's assets in equities and 80% in bonds. CMG U.K. Pension Scheme investment policy is currently being revised.

U.K. Pensions Act 2004 requires that full formal actuarial valuations are carried out at least every three years to determine the contributions that the Company should pay in order for the plan to meet its statutory objective, taking into account the assets already held. In the interim years, the trustees need to obtain estimated funding updates unless the scheme has less than 100 members in total.

The latest funding actuarial valuations of the CMG U.K. Pension Scheme as well as the Logica U.K. Pension & Life Assurance Scheme were performed in September 2012 and reported a deficit of $112,209,000 for the CMG U.K. Pension Scheme and $4,000 for the Logica U.K. Pension & Life Assurance Scheme. A recovery plan was proposed for the CMG U.K. Pension Scheme reflecting contributions of $12,926,000 per year (plus $1,436,000 per year for expenses) for 9 years ending in August 2023.

The next funding actuarial valuation for the Logica Defined Benefit Pension Plan will be available in 2015. In the meantime, the Company continues to contribute to the plan, in line with the last actuarial valuation, the monthly payments of $108,000 to cover for the deficit and about $9,000 to cover administrative fees.

Germany

In Germany, the Company is a participating employer in numerous defined benefit pension plans which are all closed to new members. In the majority of the plans, upon retirement of employees, the benefits are in the form of a monthly pension and in a few plans, the employees will receive an indemnity in the form of a lump-sum payment. Half of the plans are bound by collective bargaining agreements. There are no mandatory funding requirements. The plans are funded by the contributions made by the Company. In some plans, insurance policies are taken out to fund retirement benefit plans that do not qualify as plan assets and that are presented as reimbursement rights.

France

In France, the retirement indemnities are provided in accordance with the Labor Code. Upon retirement, employees will receive an indemnity (depending on the salary and seniority in the Company) in the form of a lump-sum payment.

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

The following table presents amounts for post-employment benefits plans included in the consolidated balance sheets:

As at September 30, 2014	**U.K.**	**Germany**	**France**	**Other**	**Total**
	$	**$**	**$**	**$**	**$**
Defined benefit obligations	**(643,857)**	**(78,035)**	**(42,540)**	**(49,370)**	**(813,802)**
Fair value of plan assets	**601,313**	**11,582**	**—**	**25,891**	**638,786**
	(42,544)	**(66,453)**	**(42,540)**	**(23,479)**	**(175,016)**
Fair value of reimbursement rights	**—**	**21,418**	**—**	**997**	**22,415**
Net liability recognized in the balance sheet	**(42,544)**	**(45,035)**	**(42,540)**	**(22,482)**	**(152,601)**
Presented as:					
Other long-term assets (Note 10)					
Insurance contracts held to fund defined benefit pension and life assurance arrangements - reimbursement rights	**—**	**21,418**	**—**	**997**	**22,415**
Retirement benefits assets	**8,737**	**—**	**—**	**—**	**8,737**
Retirement benefits obligations	**(51,281)**	**(66,453)**	**(42,540)**	**(23,479)**	**(183,753)**
	(42,544)	**(45,035)**	**(42,540)**	**(22,482)**	**(152,601)**

As at September 30, 2013	U.K.	Germany	France	Other	Total
	$	$	$	$	$
Defined benefit obligations	(521,505)	(64,655)	(29,970)	(434,783)	(1,050,913)
Fair value of plan assets	491,717	10,539	—	404,737	906,993
	(29,788)	(54,116)	(29,970)	(30,046)	(143,920)
Fair value of reimbursement rights	—	20,234	—	622	20,856
Net liability recognized in the balance sheet	(29,788)	(33,882)	(29,970)	(29,424)	(123,064)
Presented as:					
Other long-term assets (Note 10)					
Insurance contracts held to fund defined benefit pension and life assurance arrangements - reimbursement rights	—	20,234	—	622	20,856
Retirement benefits assets	8,813	—	—	362	9,175
Retirement benefits obligations	(38,601)	(54,116)	(29,970)	(30,408)	(153,095)
	(29,788)	(33,882)	(29,970)	(29,424)	(123,064)

17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

Defined benefit obligations	U.K.	Germany	France	Other	Total
	$	$	$	$	$
As at September 30, 2013	521,505	64,655	29,970	434,783	1,050,913
Obligations extinguished on settlement	—	—	—	(383,816)	(383,816)
Settlement gain	—	—	—	(8,449)	(8,449)
Current service cost	1,103	864	2,805	2,998	7,770
Interest cost	24,495	2,336	1,099	2,541	30,471
Actuarial losses due to change in financial assumptions[1]	42,766	11,491	6,929	3,304	64,490
Actuarial gains due to change in demographic assumptions[1]	—	—	—	(48)	(48)
Actuarial losses (gains) due to experience[1]	16,531	(194)	2,211	(1,117)	17,431
Past service cost	—	—	(128)	—	(128)
Plan participant contributions	228	52	—	245	525
Benefits paid from the plan	(11,789)	(403)	—	(2,147)	(14,339)
Benefits paid directly by employer	—	(1,427)	(495)	(974)	(2,896)
Foreign currency translation adjustment[1]	49,018	661	149	2,050	51,878
As at September 30, 2014	**643,857**	**78,035**	**42,540**	**49,370**	**813,802**
Defined benefit obligation of unfunded plans	—	—	42,540	18,736	61,276
Defined benefit obligation of funded plans	643,857	78,035	—	30,634	752,526
As at September 30, 2014	**643,857**	**78,035**	**42,540**	**49,370**	**813,802**

[1] Amounts recognized in other comprehensive income.

Settlement

During the year ended September 30, 2014, the defined benefit pension plan Stichting Pensioenfonds CMG in Netherlands was settled as the Company signed an agreement with an insurance company to cover residual benefits and was no longer exposed to risks in respect of this plan. The obligations and assets extinguished on settlement amounted to $366,311,000.

In Norway, a defined benefit plan was terminated and replaced by a defined contribution plan in 2014. The plan settled when each member received an individual insurance paid up policy. The obligations and assets extinguished on settlement amounted to $17,505,000 and the Company recorded a settlement gain of $8,449,000.

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For the years ended September 30, 2014 and 2013
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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

Defined benefit obligations	U.K.	Germany	France	Other	Total
	$	$	$	$	$
As at September 30, 2012	437,585	58,314	27,092	392,041	915,032
Current service cost	1,096	1,060	2,943	3,422	8,521
Interest cost	20,335	2,232	912	14,888	38,367
Curtailment gain	—	—	(4,371)	—	(4,371)
Actuarial losses (gains) due to change in financial assumptions[1]	53,236	(910)	(262)	(1,654)	50,410
Actuarial losses due to change in demographic assumptions[1]	—	—	—	2,281	2,281
Actuarial losses (gains) due to experience[1]	141	(405)	974	(764)	(54)
Termination benefits	310	—	—	—	310
Plan participant contributions	271	—	—	288	559
Benefits paid from the plan	(13,509)	(429)	—	(11,143)	(25,081)
Benefits paid directly by employer	—	(1,084)	(88)	(1,409)	(2,581)
Foreign currency translation adjustment[1]	22,040	5,877	2,770	36,833	67,520
As at September 30, 2013	521,505	64,655	29,970	434,783	1,050,913
Defined benefit obligation of unfunded plans	—	—	29,970	11,302	41,272
Defined benefit obligation of funded plans	521,505	64,655	—	423,481	1,009,641
As at September 30, 2013	521,505	64,655	29,970	434,783	1,050,913

[1] Amounts recognized in other comprehensive income.

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

Plan assets and reimbursement rights	U.K.	Germany	France	Other	Total
	$	$	$	$	$
As at September 30, 2013	491,717	30,773	—	405,359	927,849
Assets distributed on settlement	—	—	—	(383,816)	(383,816)
Interest income on plan assets	23,430	1,123	—	1,635	26,188
Employer contributions	17,396	2,031	495	4,251	24,173
Return on assets excluding interest income[1]	35,646	597	—	(521)	35,722
Plan participants contributions	228	52	—	245	525
Benefits paid from the plan	(11,789)	(403)	—	(2,147)	(14,339)
Benefits paid directly by employer	—	(1,427)	(495)	(457)	(2,379)
Administration expenses paid from the plan	(1,566)	—	—	(6)	(1,572)
Foreign currency translation adjustment[1]	46,251	254	—	2,345	48,850
As at September 30, 2014	**601,313**	**33,000**	**—**	**26,888**	**661,201**
Plan assets	601,313	11,582	—	25,891	638,786
Reimbursement rights	—	21,418	—	997	22,415
As at September 30, 2014	**601,313**	**33,000**	**—**	**26,888**	**661,201**

Plan assets and reimbursement rights	U.K.	Germany	France	Other	Total
	$	$	$	$	$
As at September 30, 2012	433,727	27,480	—	364,034	825,241
Interest income on plan assets	20,504	1,087	—	14,228	35,819
Employer contributions	16,937	1,992	88	3,584	22,601
Return on assets excluding interest income[1]	13,885	(461)	—	619	14,043
Plan participants contributions	271	—	—	288	559
Benefits paid from the plan	(13,509)	(1,014)	—	(11,143)	(25,666)
Benefits paid directly by employer	—	(1,084)	(88)	(1,409)	(2,581)
Administration expenses paid from the plan	(1,619)	—	—	(238)	(1,857)
Foreign currency translation adjustment[1]	21,521	2,773	—	35,396	59,690
As at September 30, 2013	491,717	30,773	—	405,359	927,849
Plan assets	491,717	10,539	—	404,737	906,993
Reimbursement rights	—	20,234	—	622	20,856
As at September 30, 2013	491,717	30,773	—	405,359	927,849

[1] Amounts recognized in other comprehensive income.

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

The plan assets at the end of the year consist of:

As at September 30, 2014	**U.K.**	**Germany**	**France**	**Other**	**Total**
	$	**$**	**$**	**$**	**$**
Quoted equities	**216,044**	**—**	**—**	**190**	**216,234**
Quoted bonds	**352,305**	**—**	**—**	**9,543**	**361,848**
Property	**29,897**	**—**	**—**	**1,371**	**31,268**
Cash	**3,067**	**—**	**—**	**215**	**3,282**
Other[1]	**—**	**11,582**	**—**	**14,572**	**26,154**
	601,313	**11,582**	**—**	**25,891**	**638,786**

As at September 30, 2013	U.K.	Germany	France	Other	Total
	$	$	$	$	$
Quoted equities	181,463	—	—	2,214	183,677
Quoted bonds	283,186	—	—	20,805	303,991
Property	23,529	—	—	4,936	28,465
Cash	3,539	—	—	2,948	6,487
Other[1]	—	10,539	—	373,834	384,373
	491,717	10,539	—	404,737	906,993

[1] Other is mainly composed of various insurance policies to cover some of the defined benefit obligations.

Plan assets do not include any ordinary shares of the Company, property occupied by the Company or any other assets used by the Company.

The following table summarizes the expense1 recognized in the consolidated statements of earnings:

	Year ended September 30	
	2014	2013
	$	$
Current service cost	**7,770**	8,521
Curtailment gain	**—**	(4,371)
Settlement gain	**(8,449)**	—
Past service cost	**(128)**	—
Termination benefits	**—**	310
Net interest on net defined benefit liability or asset	**4,283**	2,548
Administration expenses	**1,572**	1,857
	5,048	8,865

[1] The expense was presented as a recovery of costs of services, selling and administrative for an amount of $807,000 and as finance costs for an amount of $5,855,000 ($5,981,000 and $4,405,000, respectively for the year ended September 30, 2013), with a curtailment gain of nil presented in integration-related costs ($1,521,000 for the year ended September 30, 2013).

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages). The assumed discount rates, future salary and pension increases, inflation rates and mortality all have a significant effect on the accounting valuation.

As at September 30, 2014	**U.K.**	**Germany**	**France**	**Other**
	%	**%**	**%**	**%**
Discount rate	**3.85**	**2.50**	**2.50**	**4.20**
Future salary increases	**3.25**	**2.50**	**2.00**	**5.50**
Future pension increases	**3.10**	**1.80**	**—**	**—**
Inflation	**3.25**	**2.00**	**2.00**	**2.90**

As at September 30, 2013	U.K.	Germany	France	Other
	%	%	%	%
Discount rate	4.40	3.60	3.60	3.70
Future salary increases	3.35	2.50	2.00	5.30
Future pension increases	3.19	1.75	—	—
Inflation	3.35	2.00	2.00	2.10

The average longevity over 65 of a member presently at age 45 and 65 are as follows:

As at September 30, 2014	**U.K.**	**Germany**
	(in years)	
Longevity at age 65 for current members		
Males	22.4	19.0
Females	23.8	23.0
Longevity at age 45 for current members		
Males	24.4	22.0
Females	25.9	25.4

As at September 30, 2013	U.K.	Germany
	(in years)	
Longevity at age 65 for current members		
Males	22.4	19.0
Females	23.8	23.0
Longevity at age 45 for current members		
Males	24.3	21.4
Females	25.9	25.4

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

Actuarial assumptions (continued)

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each countries. Mortality assumptions for the most significant countries are based on the following post-retirement mortality tables for the years ended September 30, 2014 and 2013: (1) U.K.: 110% PNXA00 (year of birth) plus CMI_2011 projections with 1% p.a. minimum long term improvement rate and (2) Germany: Heubeck RT2005G.

The following table shows the sensitivity of the defined benefit obligations to changes in these assumptions, all other actuarial assumptions remaining unchanged:

As at September 30, 2014	**U.K.**	**Germany**	**France**
	$	**$**	**$**
Increase of 0.25% in the discount rate	**(28,480)**	**(2,757)**	**(1,849)**
Decrease of 0.25% in the discount rate	**30,292**	**2,913**	**1,952**
Salary increase of 0.25%	**931**	**642**	**1,999**
Salary decrease of 0.25%	**(913)**	**(568)**	**(1,900)**
Pension increase of 0.25%	**8,759**	**1,120**	**—**
Pension decrease of 0.25%	**(9,248)**	**(1,081)**	**—**
Increase of 0.25% in inflation	**22,873**	**1,152**	**1,999**
Decrease of 0.25% in inflation	**(21,707)**	**(1,098)**	**(1,900)**
Increase of one year in life expectancy	**15,039**	**2,482**	**—**
Decrease of one year in life expectancy	**(15,124)**	**(2,517)**	**—**

As at September 30, 2013	U.K.	Germany	France
	$	$	$
Increase of 0.25% in the discount rate	(21,118)	(2,674)	(1,286)
Decrease of 0.25% in the discount rate	23,052	1,784	1,357
Salary increase of 0.25%	715	528	1,390
Salary decrease of 0.25%	(700)	(468)	(1,322)
Pension increase of 0.25%	7,095	928	—
Pension decrease of 0.25%	(7,490)	(896)	—
Increase of 0.25% in inflation	16,235	1,440	1,390
Decrease of 0.25% in inflation	(14,107)	(632)	(1,322)
Increase of one year in life expectancy	10,504	1,673	—
Decrease of one year in life expectancy	(10,626)	(1,719)	—

The sensitivity analysis above have been based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The weighted average durations of the defined benefit obligations are as follows:

	Year ended September 30	
	2014	2013
	(in years)	
U.K.	**19**	17
Germany	**15**	17
France	**18**	18
Other	**14**	17

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17. Employee benefits (continued)

DEFINED BENEFIT PLANS (CONTINUED)

The Company expects to contribute $20,140,000 to defined benefit plans during the next year, of which $17,217,000 relates to the U.K. plans, and $2,923,000 relating to the other plans. The contributions will include new benefit accruals and deficit recovery payments.

DEFINED CONTRIBUTION PLANS

The Company also operates defined contribution retirement plans. In some countries, contributions are made into state pension plans. The pension cost expense for defined contribution plans amounted to $217,980,000 in 2014 ($207,616,000 in 2013).

In addition, in Sweden the Company contributes to a multi-employer plan, Alecta SE pension plan, which is a defined benefit pension plan. This pension plan is classified as a defined contribution plan as sufficient information is not available to use defined benefit accounting. Alecta lacks the possibility of establishing an exact distribution of assets and provisions to the respective employers. The Company's proportion of the total contributions to the plan is 0.87% and the Company's proportion of the total number of active members in the plan is 0.64%.

Alecta uses a collective funding ratio to determine the surplus or deficit in the pension plan. Any surplus or deficit in the plan will affect the amount of future contributions payable. The collective funding is the difference between Alecta's assets and the commitments to the policyholders and insured individuals. The collective solvency is normally allowed to vary between 125% and 155%, with the target being 140%. At September 30, 2014, Alecta's collective funding ratio was 146% (145% in 2013). The plan expense was $45,044,000 in 2014 ($38,598,000 in 2013). The Company expects to contribute $43,707,000 to the plan during the next year.

OTHER BENEFIT PLANS

The Company maintains two non-qualified deferred compensation plans covering some of its U.S. management. One of these plans is an unfunded plan and the deferred compensation liability totaled $482,000 as at September 30, 2014 ($501,000 as at September 30, 2013). The other plan is a funded plan for which a trust was established so that the plan assets could be segregated; however, the assets are subject to the Company's general creditors in the case of bankruptcy. The assets composed of investments vary with employees' contributions and changes in the value of the investments. The change in liability associated with the plan is equal to the change of the assets. The assets in the trust and the associated liabilities totaled $31,151,000 as at September 30, 2014 ($24,752,000 as at September 30, 2013).

The deferred compensation plans assets and liabilities are presented in long-term financial assets and other long-term liabilities, respectively.

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18. Accumulated other comprehensive income

	As at September 30, 2014	As at September 30, 2013
	$	$
Items that will be reclassified subsequently to net earnings:		
Net unrealized gains on translating financial statements of foreign operations, net of accumulated income tax expense of $31,986 as at September 30, 2014 ($18,818 as at September 30, 2013)	**511,689**	290,410
Net losses on derivative financial instruments and on translating long-term debt designated as hedges of net investments in foreign operations, net of accumulated income tax recovery of $37,024 as at September 30, 2014 ($21,349 as at September 30, 2013)	**(238,583)**	(137,714)
Net unrealized gains (losses) on cash flow hedges, net of accumulated income tax expense of $2,162 as at September 30, 2014 (net of accumulated income tax recovery of $3,085 as at September 30, 2013)	**14,520**	(6,209)
Net unrealized gains on investments available for sale, net of accumulated income tax expense of $942 as at September 30, 2014 ($617 as at September 30, 2013)	**2,576**	1,635
Items that will not be reclassified subsequently to net earnings:		
Net remeasurement losses, net of accumulated income tax recovery of $18,728 as at September 30, 2014 ($5,788 as at September 30, 2013)	**(61,578)**	(26,267)
	228,624	121,855

For the year ended September 30, 2014, $22,000 of the net unrealized gains previously recognized in other comprehensive income, net of income tax expense of $133,000, were reclassified to net earnings for derivative financial instruments designated as cash flow hedges ($1,967,000 of the net unrealized losses net of income tax recovery of $1,601,000 for the year ended September 30, 2013).

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

19. Capital stock

Authorized, an unlimited number without par value:

First preferred shares, carrying one vote per share, ranking prior to second preferred shares, Class A subordinate shares and Class B shares with respect to the payment of dividends;

Second preferred shares, non-voting, ranking prior to Class A subordinate shares and Class B shares with respect to the payment of dividends;

Class A subordinate shares, carrying one vote per share, participating equally with Class B shares with respect to the payment of dividends and convertible into Class B shares under certain conditions in the event of certain takeover bids on Class B shares;

Class B shares, carrying ten votes per share, participating equally with Class A subordinate shares with respect to the payment of dividends and convertible at any time at the option of the holder into Class A subordinate shares.

For 2014 and 2013, the Class A subordinate and the Class B shares varied as follows:

	Class A subordinate shares		Class B shares		Total	
	Number	Carrying value	Number	Carrying value	Number	Carrying value
		$		$		$
As at September 30, 2012	273,771,106	2,154,807	33,608,159	46,887	307,379,265	2,201,694
Issued upon exercise of stock options[1]	3,765,982	51,971	—	—	3,765,982	51,971
Repurchased and cancelled[2]	(723,100)	(5,780)	—	—	(723,100)	(5,780)
Purchased and held in trust[3]	—	(7,663)	—	—	—	(7,663)
PSUs exercised[4]	—	272	—	—	—	272
Conversion of shares[5]	335,392	468	(335,392)	(468)	—	—
As at September 30, 2013	277,149,380	2,194,075	33,272,767	46,419	310,422,147	2,240,494
Issued upon exercise of stock options[1]	4,999,544	83,305	—	—	4,999,544	83,305
Repurchased and cancelled[2]	(2,837,360)	(56,077)	—	—	(2,837,360)	(56,077)
Purchased and held in trust[3]	—	(23,016)	—	—	—	(23,016)
Resale of shares held in trust[3]	—	908	—	—	—	908
PSUs exercised[4]	—	583	—	—	—	583
As at September 30, 2014	**279,311,564**	**2,199,778**	**33,272,767**	**46,419**	**312,584,331**	**2,246,197**

[1] The carrying value of Class A subordinate shares includes $18,380,000 ($12,531,000 in 2013), which corresponds to a reduction in contributed surplus representing the value of accumulated compensation costs associated with the stock options exercised during the year.

[2] On January 29, 2014, the Company's Board of Directors authorized the renewal of a Normal Course Issuer Bid ("NCIB") for the purchase of up to 21,798,645 Class A subordinate shares during the next year (20,685,976 in 2013) for cancellation on the open market through the TSX. The Class A subordinate shares were available for purchase commencing February 11, 2014, until no later than February 10, 2015, or on such earlier date when the Company completes its purchases or elects to terminate the NCIB. During the year ended September 30, 2014, the Company repurchased 2,490,660 Class A subordinate shares from the Caisse de dépôt et placement du Québec for a cash consideration of $100,000,000. The excess of the purchase price over the carrying value in the amount of $46,675,000 was charged to retained earnings. In accordance with the requirements of TSX, the repurchased shares have been taken into account in calculating the annual aggregate limit that the Company is entitled to repurchase under its previous NCIB. In addition, during the year ended September 30, 2014, the Company repurchased 346,700 Class A subordinate shares under the previous NCIB (723,100 in 2013) for a cash consideration of $11,468,000 ($22,869,000 in 2013). The excess of the purchase price over the carrying value, in the amount of $8,716,000 ($17,089,000 in 2013), was charged to retained earnings.

[3] The trustee, in accordance with the terms of the PSU plan and a Trust Agreement, purchased 619,888 Class A subordinate shares of the Company on the open market for $23,016,000 during the year ended September 30, 2014 (336,849 Class A subordinate shares for $7,663,000 during the year ended September 30, 2013). During the year ended September 30, 2014, the trustee sold 35,576 Class A subordinate shares that were held in trust on the open market in accordance with the terms of the PSU plan. The excess of proceeds over the carrying value of the Class A subordinate shares, in the amount of $482,000, resulted in an increase of contributed surplus. For the year ended September 30, 2013, the trustee did not sell any Class A subordinate shares.

[4] During the year ended September 30, 2014, 22,858 PSUs were exercised (14,020 during the year ended September 30, 2013) with a recorded average fair value of $583,000 ($272,000 as at September 30, 2013) that was removed from contributed surplus. As at September 30, 2014, 1,748,149 Class A subordinate shares were held in trust under the PSU plan (1,186,695 as at September 30, 2013) (Note 20b).

[5] During the year ended September 30, 2013, a shareholder converted 335,392 Class B shares into 335,392 Class A subordinate shares. No class B shares were converted during the year ended September 30, 2014.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

20. Share-based payments

a) Stock options

Under the Company's stock option plan, the Board of Directors may grant, at its discretion, stock options to purchase Class A subordinate shares to certain employees, officers, directors and consultants of the Company and its subsidiaries. The exercise price is established by the Board of Directors and is equal to the closing price of the Class A subordinate shares on the TSX on the day preceding the date of the grant. Stock options generally vest over four years from the date of grant conditionally upon achievement of objectives and must be exercised within a ten-year period, except in the event of retirement, termination of employment or death. As at September 30, 2014, 43,616,083 Class A subordinate shares have been reserved for issuance under the stock option plan.

The following table presents information concerning all outstanding stock options granted by the Company:

	2014		2013	
	Number of options	**Weighted average exercise price per share**	Number of options	Weighted average exercise price per share
		$		**$**
Outstanding, beginning of year	**20,209,569**	**16.45**	18,617,230	**12.69**
Granted	**5,973,451**	**37.15**	7,196,903	**23.89**
Exercised	**(4,999,544)**	**12.99**	(3,765,982)	**10.47**
Forfeited	**(1,438,920)**	**26.45**	(1,825,447)	**19.77**
Expired	**(16,450)**	**7.85**	(13,135)	**11.42**
Outstanding, end of year	**19,728,106**	**22.88**	20,209,569	**16.45**
Exercisable, end of year	**8,890,504**	**14.13**	10,955,235	**11.70**

The weighted average share price at the date of exercise for share options exercised in 2014 was $37.78 ($29.47 in 2013).

The following table summarizes information about outstanding stock options granted by the Company as at September 30, 2014:

	Options outstanding			**Options exercisable**	
Range of exercise price	**Number of options**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
$			**$**		**$**
7.00 to 8.55	**490,915**	**1.66**	**8.08**	**490,915**	**8.08**
9.05 to 10.05	**1,634,331**	**4.00**	**9.31**	**1,634,331**	**9.31**
10.11 to 11.80	**993,269**	**3.03**	**11.38**	**993,269**	**11.38**
12.54 to 13.26	**2,282,150**	**5.00**	**12.56**	**2,282,150**	**12.56**
14.48 to 15.96	**2,631,359**	**6.00**	**15.48**	**1,880,357**	**15.48**
19.28 to 22.52	**830,466**	**7.00**	**19.79**	**436,086**	**19.83**
23.65 to 32.57	**5,192,158**	**8.22**	**23.91**	**1,126,898**	**23.99**
34.68 to 38.79	**5,673,458**	**9.28**	**37.17**	**46,498**	**36.60**
	19,728,106	**7.03**	**22.88**	**8,890,504**	**14.13**

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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20. Share-based payments (continued)

a) Stock options (continued)

The fair value of stock options granted in the year and the weighted average assumptions used in the calculation of their fair value on the date of grant using the Black-Scholes option pricing model were as follows:

	Year ended September 30	
	2014	2013
Grant date fair value ($)	**7.98**	4.98
Dividend yield (%)	**0.00**	0.00
Expected volatility (%)[1]	**23.92**	23.67
Risk-free interest rate (%)	**1.53**	1.29
Expected life (years)	**4.00**	4.00
Exercise price ($)	**37.15**	23.89
Share price ($)	**37.15**	23.89

[1] Expected volatility was determined using statistical formulas and based on the weekly historical average of closing daily share prices over the period of the expected life of stock option.

b) Performance share units

Under the PSU plan, the Board of Directors may grant PSUs to senior executives and other key employees ("participants") which entitle them to receive one Class A subordinate share for each PSU. The vesting performance conditions are determined by the Board of Directors at the time of each grant. PSUs expire on the business day preceding December 31 of the third calendar year following the end of the fiscal year during which the PSU award was made, except in the event of retirement, termination of employment or death. Granted PSUs vest annually over a period of four years from the date of grant conditionally upon achievement of objectives.

Class A subordinate shares purchased in connection with the PSU plan are held in trust for the benefit of the participants. The trust, considered as a structured entity, is consolidated in the Company's consolidated financial statements with the cost of the purchased shares recorded as a reduction of capital stock (Note 19).

The following table presents information concerning the number of outstanding PSUs granted by the Company:

Outstanding as at September 30, 2012	863,866
Granted[1]	805,921
Exercised	(14,020)
Forfeited	(469,072)
Outstanding as at September 30, 2013	1,186,695
Granted[1]	619,888
Exercised	(22,858)
Forfeited	(35,576)
Outstanding as at September 30, 2014	**1,748,149**

[1] The PSUs granted in 2014 had a grant date fair value of $36.15 per unit ($23.65 in 2013).

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

20. Share-based payments (continued)

c) Share Purchase plan

Under the Share purchase plan, the Company contributes to the Share purchase plan an amount equal to a percentage of the employee's basic contribution, up to a maximum of 3.5%. An employee may make additional contributions in excess of the basic contribution however the Company does not match contributions in the case of such additional contributions. The employee and Company contributions are remitted to an independent plan administrator who purchases Class A subordinate shares on the open market on behalf of the employee through either the TSX or New York Stock Exchange.

d) Deferred share unit plan

Under the DSU plan, the Board of Directors may grant DSUs to members of the Board of Directors ("participants"). DSUs are granted with immediate vesting and must be exercised no later than December 15 of the calendar year immediately following the calendar year during which the participant ceases to act as a Director. Each DSU entitles the holder to receive a cash payment equal to the closing price of Class A subordinate shares on the TSX on the payment date.

e) Share-based payment costs

The share-based payment expense recorded in cost of services, selling and administrative expenses is as follows:

	Year ended September 30	
	2014	2013
	$	$
Stock options	**18,383**	19,631
PSUs	**13,333**	11,642
Share purchase plan	**69,500**	52,542
DSUs	**1,109**	2,205
	102,325	86,020

21. Earnings per share

The following table sets forth the computation of basic and diluted earnings per share for the year ended September 30:

	2014			2013		
	Net earnings	**Weighted average number of shares outstanding[1]**	**Earnings per share**	Net earnings	Weighted average number of shares outstanding[1]	Earnings per share
	$		**$**	$		$
Basic	**859,443**	**308,743,126**	**2.78**	455,820	307,900,034	1.48
Dilutive stock options and PSUs[2]		**10,184,611**			9,074,145	
	859,443	**318,927,737**	**2.69**	455,820	316,974,179	1.44

[1] The 2,837,360 Class A subordinate shares repurchased and 1,748,149 Class A subordinate shares held in trust during the year ended September 30, 2014 (723,100 and 1,186,695, respectively, during year ended September 30, 2013), were excluded from the calculation of weighted average number of shares outstanding as of the date of transaction.

[2] The calculation of the diluted earnings per share excluded 5,648,757 stock options for the year ended September 30, 2014 (19,994 for the year ended September 30, 2013), as they were anti-dilutive.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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22. Construction contracts in progress

Revenue from systems integration and consulting services under fixed-fee arrangements where the outcome of the arrangements can be estimated reliably is recognized using the percentage-of-completion method over the service periods. The Company uses the labour costs or labour hours to measure the progress towards completion. If the outcome of an arrangement cannot be estimated reliably, revenue is recognized to the extent of arrangement costs incurred that are likely to be recoverable.

Amounts recognized as revenue in excess of billings are classified as work in progress. Amounts received in advance of the delivery of products or performances of services are classified as deferred revenue.

The status of the Company's construction contracts still in progress at the end of the reporting period was as follows:

	As at September 30, 2014	As at September 30, 2013
	$	$
Recognized as:		
Revenue in the respective year	**1,575,593**	1,634,739
Recognized as:		
Amounts due from customers under construction contracts[1]	**289,838**	311,733
Amounts due to customers under construction contracts	**(153,962)**	(209,890)

[1] As at September 30, 2014, retentions held by customers for contract work in progress amounted to $50,425,000 ($38,133,000 as at September 30, 2013).

23. Costs of services, selling and administrative

	Year ended September 30 2014	2013
	$	$
Salaries and other member costs[1]	**6,215,991**	5,954,032
Hardware, software and data center related costs	**786,360**	864,687
Professional fees and other contracted labour	**1,260,955**	1,311,323
Property costs	**398,560**	410,197
Amortization and depreciation (Note 24)	**435,775**	416,889
Other operating expenses	**32,150**	55,182
	9,129,791	9,012,310

[1] Net of tax credits of $121,114,000 in 2014 ($95,911,000 in 2013).

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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24. Amortization and depreciation

	Year ended September 30	
	2014	2013
	$	$
Depreciation of PP&E[1]	**186,886**	175,687
Amortization of intangible assets	**192,692**	185,309
Amortization of contract costs related to transition costs	**56,197**	55,893
Included in costs of services, selling and administrative (Note 23)	**435,775**	416,889
Amortization of contract costs related to incentives (presented as a reduction of revenue)	**5,889**	8,151
Amortization of internal-use software (presented in integration-related costs)	**—**	8,672
Amortization of deferred financing fees (presented in finance costs)	**1,185**	1,186
Amortization of premiums and discounts on investments related to funds held for clients (presented net as a reduction of revenue)	**1,383**	1,046
	444,232	435,944

[1] Depreciation of PP&E acquired under finance leases was $23,822,000 in 2014 ($21,102,000 in 2013).

25. Finance costs

	Year ended September 30	
	2014	2013
	$	$
Interest on long-term debt	**92,581**	104,502
Net interest cost on the net defined benefit plans (Note 17)	**5,855**	4,405
Other finance costs	**2,842**	5,024
	101,278	113,931

26. Investments in subsidiaries

2014 TRANSACTIONS

There were no acquisitions or significant disposals for the year ended September 30, 2014.

2013 TRANSACTIONS

There were no acquisitions or significant disposals for the year ended September 30, 2013.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

26. Investments in subsidiaries (continued)

2012 TRANSACTIONS

a) Modifications to purchase price allocation

During the year ended September 30, 2013, the Company finalized the purchase price allocation and made adjustments relating to the acquisition of Logica. The prior period figures had been retrospectively revised in 2013 as follows:

	Purchase price allocation, as originally reported	Adjustments and reclassifications	Final purchase price allocation
	$	$	$
Assets			
Current assets[1]	1,374,838	(72,333)	1,302,505
Property, plant and equipment	250,808	(19,169)	231,639
Contract costs	71,697	948	72,645
Intangible assets	603,683	(68,620)	535,063
Other long-term assets	87,789	(1,667)	86,122
Deferred tax assets	197,210	126,571	323,781
Goodwill	3,276,172	265,324	3,541,496
	5,862,197	231,054	6,093,251
Liabilities			
Current liabilities	(1,546,273)	(285,657)	(1,831,930)
Debt[2]	(808,775)	—	(808,775)
Deferred tax liabilities	(43,616)	22,472	(21,144)
Long-term provisions	(182,880)	86,570	(96,310)
Retirement benefits obligations	(113,526)	—	(113,526)
Other long-term liabilities	(426,864)	(54,439)	(481,303)
	(3,121,934)	(231,054)	(3,352,988)
Bank overdraft assumed, net	(57,883)	—	(57,883)
Net assets acquired	2,682,380	—	2,682,380
Cash consideration	2,676,912		2,676,912
Consideration payable[3]	5,468		5,468

[1] The current assets include accounts receivable with a fair value of $866,816,000 which approximates the gross amount due under the contracts.

[2] The fair value of the assumed debt in the business acquisition at August 20, 2012 was $808,775,000. In 2012, the Company repaid Logica's debt for an amount of $891,354,000, less settlement of foreign currency forward contracts of $50,171,000 resulting in a loss of $83,632,000, which was recorded in acquisition-related and integration costs.

[3] Paid during the year ended September 30, 2013.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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26. Investments in subsidiaries (continued)

2012 TRANSACTIONS (CONTINUED)

a) Modifications to purchase price allocation (continued)

IMPACT ON CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2012

The following represents the revised consolidated balance sheet as at September 30, 2012 which reflects the final purchase price allocation adjustments and the related additional reclassifications applied to the consolidated balance sheet as at September 30, 2012. A discussion of the adjustments and resulting impact for year ended September 30, 2012 are presented further below.

	As originally reported		Adjustments and reclassifications	Foreign exchange on adjustments	Final
	$		$	$	$
Assets					
Current assets					
Cash and cash equivalents	113,103		—	—	113,103
Short-term investments	14,459		—	—	14,459
Accounts receivable	1,446,149	A	(32,273)	(941)	1,412,935
Work in progress	744,482	A	(45,819)	(1,531)	697,132
Prepaid expenses and other current assets	244,805	A	(8,840)	(3)	235,962
Income taxes	24,650	I	14,599	628	39,877
Total current assets before funds held for clients	2,587,648		(72,333)	(1,847)	2,513,468
Funds held for clients	202,407		—	—	202,407
Total current assets	2,790,055		(72,333)	(1,847)	2,715,875
Property, plant and equipment	500,995	A, B, F	(19,169)	(346)	481,480
Contract costs	167,742	A	948	(40)	168,650
Intangible assets	858,892	C	(68,620)	(2,493)	787,779
Other long-term assets	96,351	A	(1,667)	(59)	94,625
Deferred tax assets	219,590	I	126,571	2,528	348,689
Goodwill	5,819,817		265,324	7,993	6,093,134
	10,453,442		231,054	5,736	10,690,232
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	1,156,737	A, H	124,680	4,614	1,286,031
Accrued compensation	539,779	D	(16,695)	(520)	522,564
Deferred revenue	443,596	A	90,792	1,514	535,902
Income taxes	177,030	I	(58)	(10)	176,962
Provisions	160,625	E, F, J	86,938	3,124	250,687
Current portion of long-term debt	52,347		—	—	52,347
Total current liabilities before clients' funds obligations	2,530,114		285,657	8,722	2,824,493
Clients' funds obligations	197,986		—	—	197,986
Total current liabilities	2,728,100		285,657	8,722	3,022,479
Long-term provisions	216,507	E, F	(86,570)	(3,799)	126,138
Long-term debt	3,196,061		—	—	3,196,061
Other long-term liabilities	601,232	A, D, G, H	54,439	1,450	657,121
Deferred tax liabilities	171,130	I	(22,472)	(1,206)	147,452
Retirement benefits obligations	118,078		—	—	118,078
	7,031,108		231,054	5,167	7,267,329
Equity					
Retained earnings	1,113,225		—	—	1,113,225
Accumulated other comprehensive (loss) income	(275)		—	569	294
Capital stock	2,201,694		—	—	2,201,694
Contributed surplus	107,690		—	—	107,690
	3,422,334		—	569	3,422,903
	10,453,442		231,054	5,736	10,690,232

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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26. Investments in subsidiaries (continued)

2012 TRANSACTIONS (CONTINUED)

a) Modifications to purchase price allocation (continued)

IMPACT ON CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2012 (CONTINUED)

A. Contract accounting

The Company obtained supplementary information and reviewed estimates related to client contracts and made reclassifications. As a result, accounts receivable, work in progress, prepaid expenses and other current assets, property, plant and equipment and other long-term assets decreased by an amount of $32,273,000, $13,663,000, $8,840,000, $8,947,000, $1,667,000, respectively while contract costs, accounts payable and accrued liabilities as well as long-term deferred revenue, estimated losses on revenue-generating contracts and other within other long-term liabilities increased by an amount of $948,000, $4,482,000, $29,638,000, $142,173,000 and $8,514,000, respectively.

In addition, certain reclassifications for presentation purposes were done. As a result, accounts payable and accrued liabilities and current deferred revenue increased by an amount of $114,253,000 and $90,792,000, respectively while work in progress, long-term deferred revenue and estimated losses on revenue-generating contracts within other long-term liabilities decreased by an amount of $32,156,000, $131,751,000 and $105,450,000, respectively.

B. Buildings

The Company refined the assumptions related to the fair value of buildings acquired. As a result, property, plant and equipment decreased by an amount of $2,377,000.

C. Intangible assets

The Company refined the assumptions related to cash flows. As a result, internal-use software increased by an amount of $5,918,000 while business solutions and client relationships decreased by an amount of $3,966,000 and $70,572,000, respectively.

D. Accrued compensation

The Company adjusted the accrued compensation provision. As a result, accrued compensation decreased by an amount of $16,695,000 while other within other long-term liabilities increased by an amount of $5,488,000.

E. Litigations and claims

The Company obtained supplementary information, reviewed estimates and settled claims that have been agreed upon by both parties for a social security and contractual dispute claim against the Company. As a result, current and non-current provisions for litigations decreased by an amount of $708,000 and $18,144,000, respectively.

In addition, the Company made certain reclassifications from non-current provisions to current provisions for an amount of $86,884,000.

F. Lease provisions

The Company refined the assumptions related to the discount rate, sublease rental cash flows and costs to restore premises at the end of the lease period. As a result, onerous leases within current provisions decreased by an amount of $3,704,000 while onerous lease and decommissioning liabilities within non-current provisions and decommissioning liabilities within current provisions increased by an amount of $9,681,000, $13,777,000 and $1,405,000. Additionally, leasehold improvements within property, plant and equipment decreased by an amount of $7,845,000.

G. Fair value of client contracts

The Company refined the assumptions related to the discount rate and the expected amount and timing of future cash flows related to client contracts. As a result, long-term deferred revenue within other long-term liabilities increased by an amount of $67,507,000.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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26. Investments in subsidiaries (continued)

2012 TRANSACTIONS (CONTINUED)

a) Modifications to purchase price allocation (continued)

IMPACT ON CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2012 (CONTINUED)

H. Fair value of lease contracts

The Company refined the assumptions related to the discount rate and rental rates in effect at the acquisition date of lease contracts. As a result, deferred rent within accounts payable and accrued liabilities and within other long-term liabilities increased by an amount of $5,945,000 and $38,320,000.

I. Income taxes

The Company obtained supplementary information concerning income tax provisions. As a result, income taxes payable decreased by an amount of $28,280,000. The related income tax impact of the adjustments to purchase price allocation on income taxes receivable and deferred tax liabilities was a decrease by an amount of $7,501,000 and $6,972,000, respectively while deferred tax assets and income taxes payable increased by an amount of $142,071,000 and $6,122,000, respectively.

In addition, for presentation purposes, reclassifications were made from income taxes payable to income taxes receivable for an amount of $22,100,000 and from deferred tax assets to deferred tax liabilities for an amount of $15,500,000.

J. Restructuring

The Company refined the assumptions related to restructuring provisions assumed in the acquisition. As a result, expected restructuring costs within current and non-current provisions increased by an amount of $3,061,000 and decreased by an amount of $5,000,000, respectively.

b) Integration-related costs

During the year ended September 30, 2014, the previously announced integration program of $525,000,000 was increased by $26,500,000 to include new opportunities and by $24,000,000 to consider foreign currency impact.

During the year ended September 30, 2014, the Company expensed $127,341,000 ($338,439,000 during the year ended September 30, 2013) of the announced program. This amount included net integration costs for the termination of employees to transform the operations of Logica to the Company's operating model of $94,273,000 ($249,799,000 during the year ended September 30, 2013) (Note 13), costs related to onerous leases of $1,503,000 ($31,899,000 during the year ended September 30, 2013) (Note 13) and other integration costs of $31,565,000 ($56,741,000 during the year ended September 30, 2013).

During the year ended September 30, 2014, the Company paid in total $157,998,000 ($306,433,000 during the year ended September 30, 2013) related to the integration program and $4,537,000 ($37,937,000 during the year ended September 30, 2013), related to the restructuring program of Logica announced before the acquisition, on December 14, 2011. During the year ended September 30, 2014, the non-cash integration costs of $nil ($7,151,000 during the year ended September 30, 2013) included amortization expense of $nil ($8,672,000 during the year ended September 30, 2013) and curtailment gain of $nil ($1,521,000 during the year ended September 30, 2013).

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27. Supplementary cash flow information

a) Net change in non-cash working capital items is as follows for the years ended September 30:

	2014	2013
	$	$
Accounts receivable	**205,945**	280,146
Work in progress	**161,270**	(169,035)
Prepaid expenses and other assets	**42,555**	17,499
Long-term financial assets	**(4,230)**	(2,742)
Accounts payable and accrued liabilities	**(113,537)**	(231,169)
Accrued compensation	**(151,573)**	164,166
Deferred revenue	**(158,026)**	(163,941)
Provisions	**(132,735)**	(67,055)
Other long-term liabilities	**(65,840)**	(99,573)
Retirement benefits obligations	**(17,181)**	(7,646)
Derivative financial instruments	**(650)**	966
Income taxes	**1,335**	(3,172)
	(232,667)	(281,556)

b) Non-cash operating, investing and financing activities related to operations are as follows for the years ended September 30:

	2014	2013
	$	$
Operating activities		
Accounts receivable	**(199)**	(412)
Prepaid expenses and other assets	**(3,792)**	(4,180)
	(3,991)	(4,592)
Investing activities		
Purchase of property, plant and equipment	**(12,878)**	(12,909)
Additions of intangible assets	**(1,074)**	(4,948)
Additions of long-term financial assets	**(7,788)**	(1,852)
	(21,740)	(19,709)
Financing activities		
Increase in obligations under finance leases	**24,458**	11,745
Increase in obligations other than finance leases	**1,074**	12,144
Issuance of shares	**199**	412
	25,731	24,301

c) Interest paid and received and income taxes paid are classified within operating activities and are as follows for the years ended September 30:

	2014	2013
	$	$
Interest paid	**103,127**	104,981
Interest received	**903**	3,550
Income taxes paid	**182,531**	131,552

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28. Segmented information

The following presents information on the Company's operations based on its current management structure managed through seven operating segments which are based on the geographic delivery model, namely: United States of America ("U.S."); Nordics, Southern Europe and South America ("NSESA"); Canada; France (including Luxembourg and Morocco); United Kingdom ("U.K."); Central and Eastern Europe (primarily the Netherlands and Germany) ("CEE"); the Asia Pacific (including Australia, India, Philippines and the Middle east).

	Year ended September 30, 2014							
	U.S.	**NSESA**	**Canada**	**France**	**U.K.**	**CEE**	**Asia Pacific**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Segment revenue	**2,664,876**	**2,090,240**	**1,638,320**	**1,333,792**	**1,283,847**	**1,063,533**	**425,084**	**10,499,692**
Earnings before integration- related costs, finance costs, finance income and income tax expense[1]	**303,515**	**195,400**	**361,136**	**155,695**	**164,977**	**107,977**	**68,159**	**1,356,859**
Integration-related costs								**(127,341)**
Finance costs								**(101,278)**
Finance income								**2,010**
Earnings before income taxes								**1,130,250**

[1] Total amortization and depreciation of $443,047,000 included in the U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific operating segments was $114,106,000, $81,793,000, $84,403,000, $34,575,000, $75,853,000, $29,314,000 and $23,003,000, respectively for the year ended September 30, 2014.

	Year ended September 30, 2013							
	U.S.	NSESA	Canada	France	U.K.	CEE	Asia Pacific	Total
	$	$	$	$	$	$	$	$
Segment revenue	2,512,530	2,010,693	1,685,723	1,273,604	1,158,520	1,003,950	439,604	10,084,624
Earnings before integration- related costs, finance costs, finance income and income tax expense[1]	283,690	139,418	320,306	109,760	102,820	67,341	52,295	1,075,630
Integration-related costs								(338,439)
Finance costs								(113,931)
Finance income								4,362
Earnings before income taxes								627,622

[1] Total amortization and depreciation of $426,086,000 included in the U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific operating segments was $103,520,000, $78,095,000, $99,899,000, $30,855,000, $52,417,000, $34,899,000 and $26,401,000, respectively for the year ended September 30, 2013.

The accounting policies of each operating segment are the same as those described in the summary of significant accounting policies (Note 3). Intersegment revenue is priced as if the revenue was from third parties.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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28. Segmented information (continued)

GEOGRAPHIC INFORMATION

The following table provides information for PP&E, contract costs and intangible assets based on their location:

	As at September 30, 2014	As at September 30, 2013
	$	$
U.S.	**296,587**	288,307
Canada	**254,240**	289,248
U.K.	**240,455**	210,089
France	**101,477**	125,056
Sweden	**98,496**	96,608
Finland	**58,245**	66,408
Germany	**56,958**	55,786
Netherlands	**44,454**	50,016
Rest of the world	**122,582**	142,262
	1,273,494	1,323,780

The following table provides revenue information based on the client's location:

	2014	2013
	$	$
U.S.	**2,803,326**	2,650,540
Canada	**1,614,511**	1,670,190
U.K.	**1,391,943**	1,271,405
France	**1,309,568**	1,257,473
Sweden	**913,110**	909,977
Finland	**665,845**	571,682
Netherlands	**527,010**	507,638
Germany	**384,765**	353,967
Rest of the world	**889,614**	891,752
	10,499,692	10,084,624

INFORMATION ABOUT SERVICES

The following table provides revenue information based on services provided by the Company:

	2014	2013
	$	$
Outsourcing		
IT Services	**4,342,370**	4,474,203
BPS	**1,118,117**	1,143,069
Systems integration and consulting	**5,039,205**	4,467,352
	10,499,692	10,084,624

MAJOR CLIENT INFORMATION

Contracts with the U.S. federal government and its various agencies accounted for $1,404,093,000 (13.4%) of revenues included within the U.S. segment for the year ended September 30, 2014 ($1,392,286,000 (13.8%) for the year ended September 30, 2013).

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29. Related party transactions

a) Transactions with subsidiaries

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation. The Company owns 100% of the equity interests of its principal subsidiaries.

The Company's principal subsidiaries whose revenues, based on the geographic delivery model, represent more than 3% of the consolidated revenues are as follows:

Name of subsidiary	Country of incorporation
Conseillers en gestion et informatique CGI Inc.	Canada
CGI Information Systems and Management Consultants Inc.	Canada
CGI Technologies and Solutions Inc.	United States
Stanley Associates, Inc.	United States
CGI Federal Inc.	United States
CGI Information Systems and Management Consultants Private Limited	India
CGI France SAS	France
CGI Nederland BV	Netherlands
CGI (Germany) GmbH & Co KG	Germany
CGI Suomi Oy	Finland
CGI Sverige AB	Sweden
CGI IT UK Limited	United Kingdom

b) Compensation of key management personnel

Compensation of key management personnel, defined as the Board of Directors and the Executive Vice-President and Chief Financial Officer, was as follows:

	2014	2013
	$	$
Short-term employee benefits	**4,972**	8,940
Share-based payments	**15,609**	13,715

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30. Commitments, contingencies and guarantees

a) Commitments

At September 30, 2014, the Company is committed under the terms of operating leases with various expiration dates up to 2023, primarily for the rental of premises and computer equipment used in outsourcing contracts, in the aggregate amount of approximately $1,413,682,000. The future minimum lease payments under non-cancellable operating leases are due as follows:

	$
Less than one year	336,370
Between one and two years	273,707
Between two and five years	576,091
Beyond five years	227,514

The majority of the lease agreements are renewable at the end of the lease period at market rates. The lease expenditure charged to the earnings, during the year was $306,428,000 ($326,140,000 in 2013), net of sublease income of $26,128,000 ($25,851,000 in 2013). As at September 30, 2014, the total future minimum sublease payments expected to be received under non-cancellable sublease were $100,745,000 ($110,823,000 as at September 30, 2013).

The Company entered into long-term service and other agreements representing a total commitment of $190,083,000. Minimum payments under these agreements are due as follows:

	$
Less than one year	74,291
Between one and two years	62,372
Between two and five years	53,420
Beyond five years	—

b) Contingencies

From time to time, the Company is involved in legal proceedings, audits, claims and litigation which primarily relate to tax exposure, contractual disputes and employee claims arising in the ordinary course of its business. Certain of these matters seek damages in significant amounts and will ultimately be resolved when one or more future events occur or fail to occur. Although the outcome of such matters is not predictable with assurance, the Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Company's financial position, results of operations or the ability to carry on any of its business activities. Claims for which there is a probable unfavourable outcome are recorded in provisions (Note 13).

In addition, the Company is engaged to provide services under contracts with the U.S. Government. The contracts are subject to extensive legal and regulatory requirements and, from time to time, agencies of the U.S. Government investigate whether the Company's operations are being conducted in accordance with these requirements. Generally, the Government has the right to change the scope of, or terminate, these projects at its convenience. The termination or reduction in the scope, of a major government project could have a materially adverse effect on the results of operations and financial condition of the Company.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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30. Commitments, contingencies and guarantees (continued)

c) Guarantees

Sale of assets and business divestitures

In connection with the sale of assets and business divestitures, the Company may be required to pay counterparties for costs and losses incurred as the result of breaches in representations and warranties, intellectual property right infringement and litigation against counterparties. While some of the agreements specify a maximum potential exposure of approximately $10,411,000 in total, others do not specify a maximum amount or limited period. It is not possible to reasonably estimate the maximum amount that may have to be paid under such guarantees. The amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. No amount has been accrued in the consolidated balance sheets relating to this type of indemnification as at September 30, 2014. The Company does not expect to incur any potential payment in connection with these guarantees that could have a materially adverse effect on its consolidated financial statements.

Other transactions

In the normal course of business, the Company may provide certain clients, principally governmental entities, with bid and performance bonds. In general, the Company would only be liable for the amount of the bid bonds if the Company refuses to perform the project once the bid is awarded. The Company would also be liable for the performance bonds in the event of default in the performance of its obligations. As at September 30, 2014, the Company provided for a total of $55,911,000 of these bonds. To the best of its knowledge, the Company is in compliance with its performance obligations under all service contracts for which there is a performance or bid bond, and the ultimate liability, if any, incurred in connection with these guarantees would not have a materially adverse effect on the Company's consolidated results of operations or financial condition.

Moreover, the Company has letters of credit for a total of $85,959,000 in addition to the letters of credit covered by the unsecured committed revolving credit facility (Note 14). These guarantees are required in some of the Company's contracts with customers.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
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31. Financial instruments

FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table presents financial liabilities measured at amortized cost categorized using the fair value hierarchy:

		As at September 30, 2014		As at September 30, 2013	
	Level	**Carrying amount**	**Fair value**	Carrying amount	Fair value
		$	**$**	$	$
Financial liabilities for which fair value is disclosed					
Other liabilities					
Senior U.S. and euro unsecured notes	Level 2	**1,476,537**	**1,528,724**	475,787	510,667
Unsecured committed revolving credit facility	Level 2	**—**	**—**	254,818	254,162
Unsecured committed term loan credit facility	Level 2	**1,001,752**	**1,005,792**	1,974,490	1,984,773
Other long-term debt	Level 2	**22,036**	**20,276**	14,081	12,269
		2,500,325	**2,554,792**	2,719,176	2,761,871

The following table presents financial assets and liabilities measured at fair value categorized using the fair value hierarchy:

	Level	**As at September 30, 2014**	As at September 30, 2013
		$	$
Financial assets			
Financial assets at fair value through earnings			
Cash and cash equivalents	Level 2	**535,715**	106,199
Deferred compensation plan assets	Level 1	**31,151**	24,752
		566,866	130,951
Derivative financial instruments designated as hedging instruments			
Current derivative financial instruments	Level 2	**9,397**	1,344
Long-term derivative financial instruments	Level 2	**14,834**	2,518
		24,231	3,862
Available for sale			
Long-term bonds included in funds held for clients	Level 2	**198,177**	187,816
Long-term investments	Level 2	**30,689**	20,333
		228,866	208,149
Financial liabilities			
Derivative financial instruments designated as hedging instruments			
Current derivative financial instruments	Level 2	**4,588**	6,882
Long-term derivative financial instruments	Level 2	**149,074**	157,110
		153,662	163,992

There have been no transfers between Level 1 and Level 2 for the years ended September 30, 2014 and 2013.

Notes to the Consolidated Financial Statements

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31. Financial instruments (continued)

FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes the fair value of outstanding derivative financial instruments:

	Recorded in derivative financial instruments	**As at September 30, 2014**	As at September 30, 2013
		$	$
Hedges on net investments in foreign operations			
$968,800 cross-currency swaps in euro designated as a hedging instrument of the Company's net investment in European operations ($1,153,700 as at September 30, 2013)	Long-term liabilities	**136,203**	137,795
Cash flow hedges on future revenue			
U.S.$32,000 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Canadian dollar (U.S. $56,800 as at September 30, 2013)	Current assets	**—**	1,078
	Long-term assets	**—**	300
	Current liabilities	**1,651**	**—**
	Long-term liabilities	**605**	**—**
U.S.$75,216 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Indian rupee (U.S.$94,436 as at September 30, 2013)	Current assets	**1,226**	**—**
	Long-term assets	**1,586**	**—**
	Current liabilities	**1,963**	3,705
	Long-term liabilities	**1,153**	4,079
$94,600 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Canadian dollar and the Indian rupee ($142,528 as at September 30, 2013)	Current assets	**4,276**	266
	Long-term assets	**5,937**	838
	Current liabilities	**475**	2,605
	Long-term liabilities	**45**	1,549
Kr142,600 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Swedish krona and the Indian rupee (kr nil as at September 30, 2013)	Current assets	**1**	**—**
	Current liabilities	**16**	**—**
	Long-term liabilities	**32**	**—**
€121,100 foreign currency forward contracts to hedge the variability in the expected foreign currency rate between the euro and the British pound (€nil as at September 30, 2013)	Current assets	**3,894**	**—**
	Long-term assets	**7,311**	**—**
€15,000 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the euro and the Swedish krona (€31,000 as at September 30, 2013)	Current liabilities	**483**	11
	Long-term liabilities	**183**	52
€nil foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the euro and the Moroccan dirham (€17,000 as at September 30, 2013)	Long-term assets	**—**	26
	Current liabilities	**—**	149
	Long-term liabilities	**—**	54
Cash flow hedges on unsecured committed term loan credit facility			
$484,400 interest rate swaps floating-to-fixed ($1,234,400 as at September 30, 2013)	Long-term assets	**—**	1,354
	Current liabilities	**—**	412
	Long-term liabilities	**943**	537
Fair value hedges on Senior U.S. unsecured notes			
U.S.$250,000 interest rate swaps fixed-to-floating (U.S. $250,000 as at September 30, 2013)	Long-term liabilities	**9,910**	13,044

31. Financial instruments (continued)

FAIR VALUE MEASUREMENTS (CONTINUED)

Valuation techniques used to value financial instruments are as follows:

- The fair value of Senior U.S. and euro unsecured notes, the unsecured committed revolving credit facility, the unsecured committed term loan credit facility and the other long-term debt is estimated by discounting expected cash flows at rates currently offered to the Company for debts of the same remaining maturities and conditions;
- The fair value of long-term bonds included in funds held for clients and in long-term investments is determined by discounting the future cash flows using observable inputs, such as interest rate yield curves or credit spreads, or according to similar transactions on an arm's-length basis;
- The fair value of foreign currency forward contracts is determined using forward exchange rates at the end of the reporting period;
- The fair value of cross-currency swaps and interest rate swaps is determined based on market data (primarily yield curves, exchange rates and interest rates) to calculate the present value of all estimated flows.

As at September 30, 2014, there were no changes in valuation techniques.

The Company expects that approximately $4,928,000 of the accumulated net unrealized gain on derivative financial instruments designated as cash flow hedges as at September 30, 2014 will be reclassified in the consolidated statements of earnings in the next 12 months.

During the year ended September 30, 2014, the Company's hedging relationships were effective.

MARKET RISK

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk and currency risk, affect the fair values of financial assets and liabilities.

Interest rate risk

The Company is exposed to interest rate risk on a portion of its long-term debt (Note 14) and holds interest rate swaps that mitigate this risk on the unsecured committed term loan credit facility. Under the interest rate swaps, the Company receives a variable rate of interest and pays interest at a fixed rate on the notional amount.

The Company also has interest rate swaps whereby the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount of its Senior U.S. unsecured notes. These swaps are being used to hedge the exposure to changes in the fair value of the debt.

The Company analyzes its interest rate risk exposure on an ongoing basis using various scenarios to simulate refinancing or the renewal of existing positions. Based on these scenarios, a change in the interest rate of 1% would not have had a significant impact on net earnings and comprehensive income.

Currency risk

The Company operates internationally and is exposed to risk from changes in foreign currency exchange rates. The Company mitigates this risk principally through foreign currency denominated debt and use of derivative financial instruments. The Company enters into foreign currency forward contracts to hedge forecasted cash flows or contractual cash flows in currencies other than the functional currency of its subsidiaries. The Company has entered into foreign currency forward contracts to hedge the variability in various foreign currency exchange rates on future U.S. dollar, Canadian dollar, euro and Swedish krona revenues.

The Company hedges a portion of the translation of the Company's net investments in its U.S. and European operations into Canadian dollar with unsecured committed revolving credit facility, Senior U.S. and euro unsecured notes.

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31. Financial instruments (continued)

MARKET RISK (CONTINUED)

The Company also hedges a portion of the translation of the Company's net investments in its European operations with fixed-to-fixed and floating-to-floating cross-currency swaps. These swaps convert Canadian dollar based fixed and variable interest payments to euro based fixed and variable interest payments associated with the notional amount. During the year ended September 30, 2014, the Company settled a floating-to-floating cross-currency swap for a net amount of $28,924,000. The loss on settlement was recognized in other comprehensive income and will be transferred to earnings when the net investment is disposed of.

During the year ended September 30, 2014, the Company entered into a foreign currency forward contract to hedge the net investment in its U.S. operations. The foreign currency forward contract was subsequently settled for an amount of $8,792,000. The loss on settlement was recognized in other comprehensive income and will be transferred to earnings when the net investment is disposed of.

Hedging relationships are designated and documented at inception and quarterly effectiveness assessments are performed during the year.

In addition, to mitigate foreign exchange risk arising from transactions denominated in currencies other than the Company's functional currency, assets and liabilities not denominated in the functional currencies are hedged economically. During the year ended September 30, 2013, a fair value gain on the cross-currency swap amounted to $21,325,000 and was offsetting a translation exchange loss on the unsecured committed term loan credit facility of $21,600,000. A fair value loss of $6,992,000 on the foreign currency forward contracts was also offsetting a translation exchange gain. The gains and losses on the economic hedges and the hedged instruments were recorded in foreign exchange gain in the consolidated statements of earnings. As at September 30, 2013, these contracts were terminated, and no such transactions occurred for the year ended September 30, 2014.

The Company is mainly exposed to fluctuations in the Swedish krona, U.S. dollar, the euro and the British pound. The following table details the Company's sensitivity to a 10% strengthening of the Swedish krona, U.S. dollar, the euro and the British pound foreign currency rates on net earnings and comprehensive income against the Canadian dollar. The sensitivity analysis on net earnings presents the impact of foreign currency denominated financial instruments and adjusts their translation at period end for a 10% strengthening in foreign currency rates. The sensitivity analysis on other comprehensive income presents the impact of a 10% strengthening in foreign currency rates on the fair value of foreign currency forward contracts designated as cash flow hedges and on net investment hedges.

	2014				2013			
	Swedish krona impact	**U.S. dollar impact**	**euro impact**	**British pound impact**	Swedish krona impact	U.S. dollar impact	euro impact	British pound impact
(Decrease) increase in net earnings	**(402)**	**(1,178)**	**7,787**	**(73)**	11,548	6,682	5,921	55
Decrease in other comprehensive income	**(2,171)**	**(149,474)**	**(143,468)**	**—**	—	(71,751)	(150,066)	—

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31. Financial instruments (continued)

LIQUIDITY RISK

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at excessive cost. The Company's activities are financed through a combination of the cash flows from operations, borrowing under existing credit facilities, the issuance of debt and the issuance of equity. One of management's primary goals is to maintain an optimal level of liquidity through the active management of the assets and liabilities as well as the cash flows.

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities. All amounts contractually denominated in foreign currency are presented in Canadian dollar equivalent amounts using the period-end spot rate.

As at September 30, 2014	**Carrying amount**	Contractual cash flows	Less than one year	Between one and two years	Between two and five years	Beyond five years
	$	$	$	$	$	$
Non-derivative financial liabilities						
Accounts payable and accrued liabilities	**1,060,380**	1,060,380	1,060,380	—	—	—
Accrued compensation	**583,979**	583,879	583,879	—	—	—
Senior U.S. & euro unsecured notes	**1,476,537**	1,912,490	58,900	58,900	571,595	1,223,095
Unsecured committed term loan credit facility	**1,001,752**	1,051,603	27,732	1,023,871	—	—
Obligations other than finance leases	**117,680**	124,475	42,838	36,394	45,243	—
Obligations under finance leases	**61,698**	64,397	33,813	21,323	9,261	—
Other long-term debt	**22,036**	22,036	8,286	3,726	3,562	6,462
Clients' funds obligations	**292,257**	292,257	292,257	—	—	—
Derivative financial liabilities						
Cash flow hedges on future revenue	**(17,625)**					
Outflow		6,959	4,731	2,113	115	—
(Inflow)		(26,041)	(9,658)	(9,415)	(6,968)	—
Cross-currency swaps	**136,203**					
Outflow		1,140,662	21,686	1,118,976	—	—
(Inflow)		(1,023,136)	(32,566)	(990,570)	—	—
Interest rate swaps	**10,853**					
Outflow		848,249	16,687	498,726	28,697	304,139
(Inflow)		(879,626)	(20,053)	(502,440)	(41,950)	(315,183)
	4,745,750	5,178,584	2,088,912	1,261,604	609,555	1,218,513

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

31. Financial instruments (continued)

LIQUIDITY RISK (CONTINUED)

As at September 30, 2013	Carrying amount	Contractual cash flows	Less than one year	Between one and two years	Between two and five years	Beyond five years
	$	$	$	$	$	$
Non-derivative financial liabilities						
Accounts payable and accrued liabilities	1,119,034	1,119,034	1,119,034	—	—	—
Accrued compensation	713,933	713,933	713,933	—	—	—
Senior U.S. unsecured notes	475,787	643,324	22,308	22,308	149,547	449,161
Unsecured committed revolving credit facility	254,818	273,935	6,000	6,000	261,935	—
Unsecured committed term loan credit facility	1,974,490	2,105,910	544,955	536,547	1,024,408	—
Obligations other than finance leases	79,446	84,392	21,940	24,861	37,449	142
Obligations under finance leases	67,928	71,200	23,870	24,459	22,470	401
Other long-term debt	14,081	14,081	5,023	1,129	2,972	4,957
Clients' funds obligations	220,279	220,279	220,279	—	—	—
Derivative financial liabilities						
Cash flow hedges on future revenue	9,696					
Outflow		13,523	6,740	4,679	2,104	—
(Inflow)		(2,746)	(1,367)	(631)	(748)	—
Cross-currency swaps	137,795					
Outflow		1,356,654	25,153	231,178	1,100,323	—
(Inflow)		(1,248,720)	(37,835)	(220,777)	(990,108)	—
Interest rate swaps	12,639					
Outflow		1,596,637	474,184	318,714	515,635	288,104
(Inflow)		(1,625,755)	(475,879)	(321,066)	(526,778)	(302,032)
	5,079,926	5,335,681	2,668,338	627,401	1,599,209	440,733

As at September 30, 2014, the Company holds cash and cash equivalents, short-term investments and long-term investments of $566,404,000 ($126,601,000 as at September 30, 2013). The Company also has available $1,463,280,000 in unsecured committed revolving credit facility ($1,210,630,000 as at September 30, 2013). The funds held for clients of $295,754,000 ($222,469,000 as at September 30, 2013) fully cover the clients' funds obligations. As at September 30, 2014, accounts receivable amount to $1,036,068,000 ($1,205,625,000 as at September 30, 2013). Given the Company's available liquid resources as compared to the timing of the payments of liabilities, management assesses the Company's liquidity risk to be low.

31. Financial instruments (continued)

CREDIT RISK

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, short-term investments, accounts receivable and long-term investments. The maximum exposure of credit risk is generally represented by the carrying amount of these items reported on the consolidated balance sheets.

Cash equivalents consist mainly of highly liquid investments, such as money market funds and term deposits, as well as bankers' acceptances and bearer deposit notes issued by major banks (Note 4). The Company has deposited its cash and cash equivalents with reputable financial institutions, from which management believes the risk of loss to be remote.

The Company is exposed to credit risk in connection with short-term investments, long-term investments through the possible inability of borrowers to meet the terms of their obligations. The Company mitigates this risk by investing primarily in high credit quality corporate and government bonds with a credit rating of A or higher.

The Company has accounts receivable derived from clients engaged in various industries including governmental agencies, finance, telecommunications, manufacturing and utilities that are not concentrated in any specific geographic area. These specific industries may be affected by economic factors that may impact accounts receivable. However, management does not believe that the Company is subject to any significant credit risk in view of the Company's large and diversified client base. Overall, management does not believe that any single industry or geographic region represents a significant credit risk to the Company. The following table sets forth details of the age of accounts receivable that are past due:

	2014	2013
	$	$
Not past due	**716,435**	814,054
Past due 1-30 days	**86,796**	109,942
Past due 31-60 days	**29,133**	43,909
Past due 61-90 days	**15,012**	32,309
Past due more than 90 days	**30,982**	21,022
	878,358	1,021,236
Allowance for doubtful accounts	**(4,892)**	(2,246)
	873,466	1,018,990

The carrying amount of accounts receivable is reduced by an allowance account and the amount of the loss is recognized in the consolidated statements of earnings within costs of services, selling and administrative. When a receivable balance is considered uncollectible, it is written off against the allowance for doubtful accounts. Subsequent recoveries of amounts previously written off are credited against costs of services, selling and administrative in the consolidated statements of earnings.

Notes to the Consolidated Financial Statements

For the years ended September 30, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data)

32. Capital risk management

The Company is exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to these risks.

The Company manages its capital to ensure that there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance. As at September 30, 2014, total managed capital was $8,234,832 ($7,048,848 as at September 30, 2013). Managed capital consists of long-term debt, including the current portion (Note 14), cash and cash equivalents (Note 4), short-term investments, long-term investments (Note 11) and shareholders' equity. The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in the business environment. When capital needs have been specified, the Company's management proposes capital transactions for the approval of the Company's Audit and Risk Management Committee and Board of Directors. The capital risk policy remains unchanged from prior periods.

The Company monitors its capital by reviewing various financial metrics, including the following:

- Debt/Capitalization
- Net Debt/Capitalization
- Debt/EBITDA

Debt represents long-term debt, including the current portion. Net debt, capitalization and EBITDA are additional measures. Net debt represents debt (including the impact of the fair value of derivative financial instruments) less cash and cash equivalents, short-term investments and long-term investments. Capitalization is shareholders' equity plus debt. EBITDA is calculated as earnings from continuing operations before income taxes, interest expense on long-term debt, depreciation, amortization and integration-related costs. The Company believes that the results of the current internal ratios are consistent with its capital management objectives.

The Company is subject to external covenants on its Senior U.S. and euro unsecured notes and unsecured committed term loan credit facility. The ratios are as follows:

- A leverage ratio, which is the ratio of total debt to EBITDA for the four most recent quarters[1].
- An interest and rent coverage ratio, which is the ratio of the EBITDAR for the four most recent quarters to the total interest expense and the operating rentals in the same periods. EBITDAR, a non-GAAP measure, is calculated as EBITDA before rent expense[1].
- In the case of the Senior U.S. and euro unsecured notes, a minimum net worth is required, whereby shareholders' equity, excluding foreign exchange translation adjustments included in accumulated other comprehensive income, cannot be less than a specified threshold.

These ratios are calculated on a consolidated basis.

The Company is in compliance with these covenants and monitors them on an ongoing basis. The ratios are also reviewed quarterly by the Company's Audit and Risk Management Committee. The Company is not subject to any other externally imposed capital requirements.

[1] In the event of an acquisition, the available historical financial information of the acquired Company will be used in the computation of the ratios.

Management's Discussion and Analysis of Financial Position and Results of Operations

November 13, 2014

Basis of Presentation

This Management's Discussion and Analysis of the Financial Position and Results of Operations ("MD&A") is the responsibility of management and has been reviewed and approved by the Board of Directors. This MD&A has been prepared in accordance with the requirements of the Canadian Securities Administrators. The Board of Directors is ultimately responsible for reviewing and approving the MD&A. The Board of Directors carries out this responsibility mainly through its Audit and Risk Management Committee, which is appointed by the Board of Directors and is comprised entirely of independent and financially literate directors.

Throughout this document, CGI Group Inc. is referred to as "CGI", "we", "our" or "Company". This MD&A provides information management believes is relevant to an assessment and understanding of the consolidated results of operations and financial condition of the Company. This document should be read in conjunction with the audited consolidated financial statements and the notes thereto for the years ended September 30, 2014 and 2013. CGI's accounting policies are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are in Canadian dollars unless otherwise indicated.

Materiality of Disclosures

This MD&A includes information we believe is material to investors. We consider something to be material if it results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares, or if it is likely that a reasonable investor would consider the information to be important in making an investment decision.

Forward-Looking Statements

All statements in this MD&A that do not directly and exclusively relate to historical facts constitute "forward-looking statements" within the meaning of that term in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended, and are "forward-looking information" within the meaning of Canadian securities laws. These statements and this information represent CGI's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors, of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements or forward-looking information. These factors include but are not restricted to: the timing and size of new contracts; acquisitions and other corporate developments; the ability to attract and retain qualified members; market competition in the rapidly evolving information technology industry; general economic and business conditions; foreign exchange and other risks identified in the MD&A, in CGI's Annual Report on Form 40-F filed with the U.S. Securities and Exchange Commission (filed on EDGAR at www.sec.gov), the Company's Annual Information Form filed with the Canadian securities authorities (filed on SEDAR at www.sedar.com), as well as assumptions regarding the foregoing. The words "believe", "estimate", "expect", "intend", "anticipate", "foresee", "plan", and similar expressions and variations thereof, identify certain of such forward-looking statements or forward-looking information, which speak only as of the date on which they are made. In particular, statements relating to future performance are forward-looking statements and forward-looking information. CGI disclaims any intention or obligation to publicly update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements or on this forward-looking information. You will find more information about the risks that could cause our actual results to differ significantly from our current expectations in Section 10 – Risk Environment.

Non-GAAP and Key Performance Measures

The reader should note that the Company reports its financial results in accordance with IFRS. However, we use a combination of financial measures, ratios, and non-GAAP measures to assess our Company's performance. The non-GAAP measures used in this MD&A do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS.

The table below summarizes our non-GAAP measures and most relevant key performance measures:

Profitability	• Adjusted EBIT (non-GAAP) – is a measure of earnings before integration-related costs, finance costs, finance income and income tax expense as these items are not directly related to the cost of operations. Management believes this measure is useful to investors as it best reflects the profitability of our operations and allows for better comparability from period to period as well as to analyze the trends in our operations. A reconciliation of the yearly and current quarter's adjusted EBIT to its closest IFRS measure can be found on pages 22 and 38. • Net earnings prior to specific items[1] (non-GAAP) – is a measure of earnings before the integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability and allows for better comparability from period to period. A reconciliation of the yearly and current quarter's net earnings prior to specific items to its closest IFRS measure can be found on pages 24 and 39. • Basic and diluted earnings per share prior to specific items[1] (non-GAAP) – is defined as the net earnings excluding integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions on a per share basis, assuming all dilutive elements are exercised. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability on a per share basis and allows for better comparability from period to period. The yearly and current quarter's diluted net earnings reported in accordance with IFRS can be found on pages 23 and 38 while the yearly and current quarter's diluted net earnings prior to specific items can be found on pages 24 and 39. • Net earnings – is a measure of earnings generated for shareholders. • Diluted earnings per share – is a measure of earnings generated for shareholders on a per share basis, assuming all dilutive elements are exercised.
Liquidity	• Cash provided by operating activities – is a measure of cash generated from managing our day-to-day business operations. We believe strong operating cash flow is indicative of financial flexibility, allowing us to execute our corporate strategy. • Days sales outstanding ("DSO") (non-GAAP) – is the average number of days needed to convert our trade receivables and work in progress into cash. DSO is obtained by subtracting deferred revenue from trade accounts receivable and work in progress; the result is divided by the quarter's revenue over 90 days. Deferred revenue is net of the fair value adjustments on revenue-generating contracts. Management tracks this metric closely to ensure timely collection, healthy liquidity, and is committed to a DSO target of 45 days or less. We believe this measure is useful to investors as it demonstrates the Company's ability to timely convert its trade receivables and work in progress into cash.

[1] Specific items related to the resolution of acquisition-related provisions are described on page 20.

Growth	• Constant currency growth (non-GAAP) – is a measure of revenue growth before foreign currency impacts. This growth is calculated by translating current period results in local currency using the conversion rates in the equivalent period from the prior year. Management believes that it is helpful to adjust revenue to exclude the impact of currency fluctuations to facilitate period-to-period comparisons of business performance. We believe that this measure is useful to investors for the same reason.
	• Backlog (non-GAAP) – Backlog includes new contract wins, extensions and renewals ("bookings"(non- GAAP)), partially offset by the backlog consumed during the year as a result of client work performed and adjustments related to the volume, cancellation and/or the impact of foreign currencies to our existing contracts. Backlog incorporates estimates from management that are subject to change. Management tracks this measure as it is a key indicator of management's best estimate of revenue to be realized in the future and believes that this measure is useful to investors for the same reason.
	• Book-to-bill ratio (non-GAAP) – is a measure of the proportion of the value of our contract wins to our revenue in the period. This metric allows management to monitor the Company's business development efforts to ensure we grow our backlog and our business over time. Management remains committed to maintaining a target ratio greater than 100% over a trailing 12-month period. Management believes that the longer period is a more effective measure as the size and timing of bookings could cause this measurement to fluctuate significantly if taken for only a three-month period.
Capital Structure	• Net debt (non-GAAP) – is obtained by subtracting our cash and cash equivalents, short-term investments and long-term investments from our debt. Management uses the net debt metric to monitor the Company's financial leverage. We believe that this metric is useful to investors as it provides insight into our financial strength. A reconciliation of net debt to its closest IFRS measure can be found on page 30.
	• Net debt to capitalization ratio (non-GAAP) – is a measure of our level of financial leverage and is obtained by dividing the net debt by the sum of shareholder's equity and debt. Management uses the net debt to capitalization metric to monitor the proportion of debt versus capital used to finance our operations and to assess the Company's financial strength. We believe that this metric is useful to investors as it provides insight into our financial strength.
	• Return on equity ("ROE") (non-GAAP) – is a measure of the rate of return on the ownership interest of our shareholders and is calculated as the proportion of earnings for the last 12 months over the last four quarter's average equity. Management looks at ROE to measure its efficiency at generating profits for the Company's shareholders and how well the Company uses the invested funds to generate earnings growth. We believe that this measure is useful to investors for the same reasons.
	• Return on invested capital ("ROIC") (non-GAAP) – is a measure of the Company's efficiency at allocating the capital under its control to profitable investments and is calculated as the proportion of the after-tax adjusted EBIT for the last 12 months, over the last four quarter's average invested capital, which is defined as the sum of equity and net debt. Management examines this ratio to assess how well it is using its funds to generate returns. We believe that this measure is useful to investors for the same reason.

Reporting Segments

The Company is managed through the following seven operating segments, namely: United States of America ("U.S."); Nordics, Southern Europe and South America ("NSESA"); Canada; France (including Luxembourg and Morocco) ("France"); United Kingdom ("U.K."); Central and Eastern Europe (primarily the Netherlands and Germany) ("CEE"); and Asia Pacific (including Australia, India and the Philippines) ("Asia Pacific"). Please refer to section 3.4 and 3.6 of the present document and to Note 28 of our audited consolidated financial statements for additional information on our segments.

To assist in better understanding the operational performance of our company since the acquisition of Logica plc ("Logica") in 2012, we refer to our operations in two broad groupings. Our activities prior to Logica were predominantly comprised of the Canada and the U.S. segments which we refer to as our North American operations or segments. The acquired operations which we refer herein as our European operations or segments is comprised of the NSESA, France, U.K., CEE and Asia Pacific segments.

MD&A Objectives and Contents

- Provide a narrative explanation of the audited consolidated financial statements through the eyes of management;
- Provide the context within which the audited consolidated financial statements should be analyzed, by giving enhanced disclosure about the dynamics and trends of the Company's business; and
- Provide information to assist the reader in ascertaining the likelihood that past performance is indicative of future performance.

In order to achieve these objectives, this MD&A is presented in the following main sections:

Section	Contents	Pages
1. Corporate Overview	This includes a description of our business and how we generate revenue as well as the markets in which we operate.	
	1.1. About CGI	6
	1.2. Vision and Strategy	6
	1.3. Competitive Environment	7
2. Highlights and Key Performance Measures	A summary of key achievements during the year and past three years' key performance measures as well as CGI's share performance.	
	2.1. Fiscal 2014 Highlights	9
	2.2. Selected Yearly Information & Key Performance Measures	11
	2.3. Stock Performance	12
3. Financial Review	A discussion of year-over-year changes to operating results between the years ended September 30, 2014 and 2013, describing the factors affecting revenue and adjusted EBIT on a consolidated and reportable segment basis, and also by describing the factors affecting changes in the major expense categories. Also discussed are bookings broken down by geography, by vertical market, by contract type and by service type.	
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	3.3. Revenue Distribution	16
	3.4. Revenue Variation and Revenue by Segment	17
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	3.6. Adjusted EBIT by Segment	20
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Section	Contents	Pages
4. Liquidity	This includes a discussion of changes in cash flows from operating, investing and financing activities. This section also describes the Company's available capital resources, financial instruments, and off-balance sheet financing and guarantees. Measures of liquidity (days sales outstanding) and capital structure (return on equity, net debt to capitalization, and return on invested capital) are analyzed on a year-over-year basis.	
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5. Fourth Quarter Results	A discussion of year-over-year changes to operating results between the three months ended September 30, 2014 and 2013, describing the factors affecting revenue, adjusted EBIT earnings on a consolidated and reportable segment basis as well as cash from operating activities. Also discussed are bookings for the three months ended September 30, 2014.	
	5.1. Foreign Exchange	33
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	5.4. Net Earnings and Earnings Per Share	38
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6. Eight Quarter Summary	A summary of the past eight quarters' key performance measures and a discussion of the factors that could impact our quarterly results.	41
7. Changes in Accounting Policies	A summary of the new and amended accounting standards adopted and the future accounting standard changes.	42
8. Critical Accounting Estimates and Judgements	A discussion of the estimates and judgements made in the preparation of the audited consolidated financial statements.	44
9. Integrity of Disclosure	A discussion of the existence of appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.	47
10. Risk Environment	A discussion of the risks affecting our business activities and what may be the impact if these risks are realized.	
	10.1. Risks and Uncertainties	48
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1. Corporate Overview

1.1. ABOUT CGI

Founded in 1976 and headquartered in Montreal, Canada, CGI is the fifth largest independent information technology ("IT") and business process services ("BPS") firm in the world. CGI has approximately 68,000 employees, whom we refer to as members, worldwide. The Company's client-proximity model provides for CGI services and solutions to be delivered in a number of ways and considering a number of factors: onsite at clients' premises; or from any combination of onsite, near-shore and/or offshore delivery centers. We also have a number of leading business solutions that support long-term client relationships. Our services are broken down as:

- Consulting - CGI provides a full range of IT and management consulting services, including business transformation, IT strategic planning, business process engineering and systems architecture.
- Systems integration - CGI integrates and customizes leading technologies and software applications to create IT systems that respond to clients' strategic needs.
- Management of IT and business functions ("outsourcing") - Clients delegate entire or partial responsibility for their IT or business functions to CGI to achieve significant savings and access the best suited technology, while retaining control over strategic IT and business functions. As part of these agreements, we implement our quality processes and practices to improve the efficiency of the clients' operations. We may also integrate clients' operations into our technology network. Finally, we may take on specialized professionals from our clients, enabling our clients to focus on key operations. Services provided as part of an outsourcing contract may include development and integration of new projects and applications; applications maintenance and support; technology infrastructure management(enterprise and end-user computing and network services); transaction and business processing such as payroll, claims processing, and document management services. Outsourcing contracts typically have terms from five to ten years.

CGI offers its end-to-end services to a focused set of industry vertical markets where we have developed extensive and deep subject matter expertise. This allows us to fully understand our clients' business realities and to have the knowledge and solutions needed to advance their business goals. Our targeted vertical markets include: financial services, government, health, telecommunications & utilities, manufacturing, retail and distribution ("MRD"), which together account for more than 90% of global IT spend.

CGI has a wide range of proprietary business solutions that help shape opportunities and drive value for our clients and shareholders. Examples of these include Enterprise Resource Planning solutions, energy management, credit and debt collections, tax management, claims auditing and fraud detection.

We take great pride in delivering high quality services to our clients. To do so consistently, we have implemented and continue to maintain the International Organization for Standardization ("ISO") quality program. By designing and implementing rigorous service delivery and quality standards, followed by monitoring and measurement, we are better able to satisfy our clients' needs. As a measure of the scope of our ISO program, all of CGI's legacy business units continue to be certified and most of the business units acquired through the acquisition of Logica are certified as well. The work on certifying the remaining business units is in progress.

1.2. VISION AND STRATEGY

At CGI, we have a vision of being a global world-class IT and BPS leader, who helps its clients succeed. This business vision begins with our dream, which is "to create an environment in which we enjoy working together and, as owners, contribute to building a Company we can be proud of." From this dream we developed our build and buy strategy, comprised of four pillars that combine organic growth ("build") and acquisitions ("buy").

The first two pillars of our strategy focus on organic growth. The first pillar focuses on smaller contract wins, renewals and extensions. The second involves the pursuit of new large, long-term outsourcing contracts, leveraging our end-to-end services, global delivery model and critical mass.

The third pillar of our growth strategy focuses on the acquisition of smaller firms or niche players. We identify niche acquisitions through a strategic mapping program that systematically searches for targets that will strengthen our vertical market knowledge or increase the richness of our service offerings.

The fourth pillar involves the pursuit of transformational acquisitions focused on expanding our geographic presence and critical mass. This approach further enables us to strengthen our qualifications to compete for large outsourcing contracts. CGI continues to be a consolidator in the IT services industry.

This four-pillar growth strategy has resulted in our ability to build critical mass in key client geographies, gain a deep knowledge of clients' business sectors and develop specialized practices and innovative solutions.

CGI remains committed to profitable growth and the fundamentals that help all of CGI's stakeholders succeed; while fulfilling CGI's strategic objective of doubling the size of the Company.

Today, with a presence in 40 countries, strong expertise in all of our target markets and a complete range of IT services, CGI is able to meet our clients' business needs anywhere, anytime. While remaining true to our Constitution, CGI continues to adapt to best respond to changes in the IT market, the local and global business climate of clients, and to our professionals' and shareholders' expectations.

1.3. COMPETITIVE ENVIRONMENT

As a global provider of end-to-end information technology and business process services, CGI operates in a highly competitive and rapidly evolving global industry. Our competition comprises a variety of global players, from niche companies providing specialized services to other end-to-end service providers, mainly in the U.S., Europe and India, all of whom are competing to deliver some or all of the services we provide.

Recent mergers and acquisition activity has resulted in CGI being positioned as one of the few remaining IT services firms that operates independently of any hardware or software vendor. Our independence allows CGI to deliver the best-suited technology available to our clients.

CGI offers its end-to-end services to a select set of targeted vertical markets in which we have deep business and technical expertise. To compete effectively, CGI focuses on high-end systems integration, consulting and outsourcing where vertical market industry knowledge and expertise are required.

Our business model is designed to listen to the needs of our clients and adapt our offerings to provide the best solutions to meet each client's unique needs. Our client approach focuses on:

• **Local accountability:** We live and work near our clients to provide a high level of responsiveness. We speak our clients' language, understand their business environment, and collaborate with them to meet their goals and advance their business.

• **Global capabilities:** Our local presence is backed by an expansive global delivery network that ensures our clients have access to resources that best fit their needs and offer proximity.

• **Quality processes:** Our investment in quality frameworks and rigorous client satisfaction assessments provides for a consistent track record of on-time and on-budget project delivery, enabling our clients to focus on their business objectives.

• **Committed experts:** Our professionals have vast industry, business and technology expertise to help our clients. In addition, a majority of our professionals are shareholders of the Company, providing an added level of commitment to our clients' success.

• **Practical innovation:** We provide a full set of innovative solutions in areas of big data, predictive analytics and mobility, which are complemented by our expertise in business consulting, systems integration and outsourcing services to offer creative business strategies to our clients.

CGI's business operations are based on the Management Foundation (the "Management Foundation"), encompassing governance policies, sophisticated management frameworks and an organizational model for its business units and corporate processes. This foundation, along with our appropriate internal systems is followed by all our business units and helps in providing a disciplined high standard of quality service to our clients across all of our operations, and additional value to our stakeholders.

There are many factors involved in winning and retaining IT and BPS contracts, including the following: total cost of services; ability to deliver; track record; vertical market expertise; investment in business solutions; local presence; global delivery capability; and the strength of client relationships. CGI compares favourably with its competition with respect to all of these factors.

In summary, CGI's competitive value proposition encompasses the following: end-to-end IT and BPS capability; expertise and proprietary business solutions in our targeted vertical markets covering the majority of global IT spending; a unique global delivery model, which includes industry leading delivery capabilities; a disciplined Management Foundation; and our focus on client satisfaction which is supported by our client proximity business model.

2. Highlights and Key Performance Measures

2.1. FISCAL 2014 HIGHLIGHTS

Key performance figures for the year include:

- Revenue of $10,499.7 million, up 4.1%;
- Adjusted EBIT of $1,356.9 million, up 26.1%;
- Adjusted EBIT margin of 12.9%, up 220 basis points;
- Net earnings prior to specific items[1] of $893.5 million, or diluted EPS of $2.80, up 22.8%;
- Net earnings of $859.4 million, or diluted EPS of $2.69, up 88.5%;
- Cash provided by operating activities of $1,174.8 million, up 75.0%;
- Bookings of $10.2 billion and backlog of $18.2 billion;
- Net debt reduced by $626.6 million;
- Return on invested capital of 14.5%;
- Return on equity of 18.8%.

[1] Specific items include the integration costs related to the acquisition of Logica, the tax adjustments and the resolution of acquisition-related provisions which are discussed on page 20.

2.1.1. Acquisition of Logica plc

On August 20, 2012, CGI completed its acquisition of Logica for 105 pence ($1.63) per ordinary share which is equivalent to a total purchase price of $2.7 billion plus the assumption of Logica's net debt of $0.9 billion. Subsequent to August 20, 2012, our results incorporated the operations of Logica.

As of September 30, 2014, we completed the integration of Logica, a full year earlier than planned. In addition to the previously announced $525 million program, we actioned an incremental $26.5 million of new opportunities while foreign currency fluctuations unfavorably impacted the program by approximately $24.0 million over the two-year period. In summary, a total of $575.5 million in one-time costs were spent to drive annual savings in excess of $400 million and EPS accretion to CGI.

The following table provides a summary of the integration program:

Summary of the integration program	Total program as of Q4 2014
(In millions of CAD)	
Integration-related provision at the beginning of the program	—
Plus:	
Integration-related expenses	575.5
Minus:	
Integration-related payments	472.7
Non-cash integration-related costs	7.2
Plus : FX impact [a]	10.0
Integration-related provision at the end of the year	**105.6**

[a] This amount was recorded in other comprehensive income.

2.1.2. Long-term Debt

In the first quarter of fiscal 2014, the unsecured revolving credit facility of $1,500.0 million was extended by one year to December 2017. On July 25, 2014, the facility was further extended by another year to December 2018 and can be further extended annually. All other terms and conditions including interest rates and banking covenants remain unchanged.

In April 2014, we repaid the first maturing tranche of the term loan credit facility of $486.7 million using the proceeds from our credit facilities.

In September 2014, the Company entered into a $955 million debt private placement comprised of four tranches of Senior U.S. unsecured notes for US$745 million, and one tranche of Senior euro unsecured note for €85 million, with a weighted average maturity of 7.9 years and a weighted average fixed coupon of 3.62%. The Company used the proceeds of the issuance of the new private placement notes to repay the May 2015 maturing tranche of the term loan credit facility of $494.7 million and the outstanding balance of the credit facilities. Further details are provided in section 4.1.3 of the present document.

2.2. SELECTED YEARLY INFORMATION & KEY PERFORMANCE MEASURES

Fiscal 2014 marks the second full year incorporating Logica's results. Planned as part of our integration activities we have been exiting low margin business to improve our revenue quality. In addition, we have been restructuring the prior Logica operations to align their cost structures to appropriate levels. As a result, our profitability and cash from operating activities have improved. The acquisition of Logica was completed on August 20, 2012, six weeks prior to the end of fiscal 2012. The significant year-over-year changes for fiscal 2012 through fiscal 2013 are primarily attributable to this acquisition.

As at and for the years ended September 30,	2014	2013	2012	Change 2014 / 2013	Change 2013 / 2012
In millions of CAD unless otherwise noted					
Growth					
Backlog	**18,237**	18,677	17,647	**(440)**	1,030
Bookings	**10,169**	10,310	5,180	**(141)**	5,130
Book-to-bill ratio	**96.8%**	102.2%	108.5%	**(5.4%)**	(6.3)%
Revenue	**10,499.7**	10,084.6	4,772.5	**415.1**	5,312.1
Year-over-year growth	**4.1%**	111.3%	13.0%	**(107.2%)**	98.3%
Constant currency growth [1]	**(2.9%)**	110.1%	12.1%	**(113.0%)**	98.0%
Profitability					
Adjusted EBIT [2]	**1,356.9**	1,075.6	546.7	**281.3**	528.9
Adjusted EBIT margin	***12.9%***	10.7%	11.5%	**2.2%**	(0.8%)
Net earnings	**859.4**	455.8	131.5	**403.6**	324.3
Net earnings margin	***8.2%***	4.5%	2.8%	**3.7%**	1.7%
Basic EPS (in dollars)	**2.78**	1.48	0.50	**1.30**	0.98
Diluted EPS (in dollars)	**2.69**	1.44	0.48	**1.25**	0.96
Liquidity					
Cash provided by operating activities	**1,174.8**	671.3	613.3	**503.5**	58.0
As a % of revenue	***11.2%***	6.7%	12.9%	**4.5%**	(6.2%)
Days sales outstanding [3], [8]	**43**	49	74	**(6)**	(25)
Capital structure					
Net debt [4], [8]	**2,113.3**	2,739.9	3,105.3	**(626.6)**	(365.4)
Net debt to capitalization ratio [5], [8]	**27.6%**	39.6%	46.5%	**(12.0%)**	(6.9%)
Return on equity [6]	**18.8%**	12.3%	5.0%	**6.5%**	7.3%
Return on invested capital [7]	**14.5%**	11.8%	11.4%	**2.7%**	0.4%
Balance sheet					
Cash and cash equivalents, and short-term investments	**535.7**	106.2	127.6	**429.5**	(21.4)
Total assets [8]	**11,234.1**	10,879.3	10,690.2	**354.8**	189.1
Long-term financial liabilities [8], [9]	**2,748.4**	2,489.5	3,228.9	**258.9**	(739.4)

1 Constant currency growth is adjusted to remove the impact of foreign currency exchange rate fluctuations. Please refer to page 17 for details.

2 Adjusted EBIT is a measure for which we provide the reconciliation to its closest IFRS measure on page 22.

3 Days sales outstanding ("DSO") is a measure which is discussed on page 31.

4 Net debt is a measure for which we provide the reconciliation to its closest IFRS measure on page 30.

5 The net debt to capitalization ratio is a measure which is discussed on page 30.

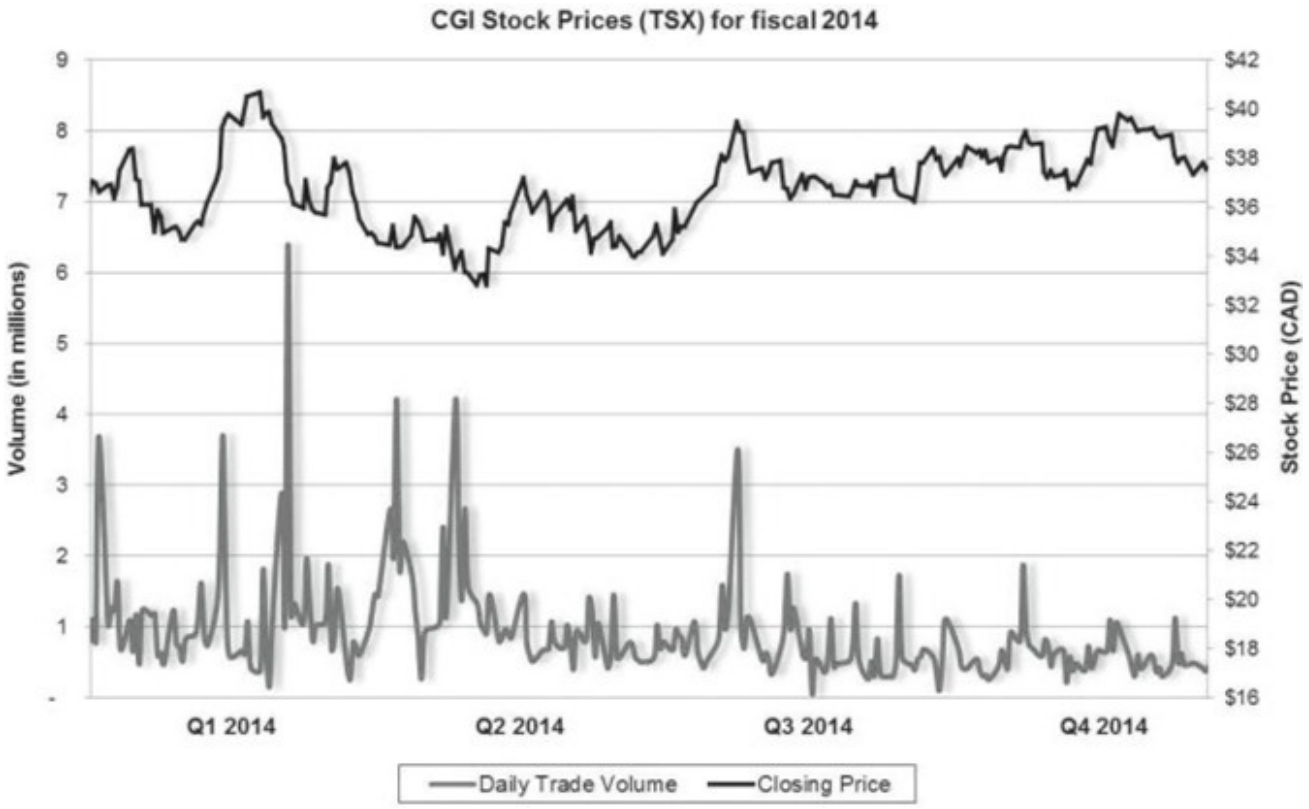
6 The return on equity ratio is a measure which is discussed on page 30.

7 The return on invested capital ratio is a measure which is discussed on page 31.

8 The reader should note that the figures for fiscal 2012 were restated to reflect the final purchase price allocation adjustments made in fiscal 2013 to the opening balance sheet of Logica.

9 Long-term financial liabilities include the long-term portion of the debt and the long-term derivative financial instruments.

2.3. STOCK PERFORMANCE



2.3.1. Fiscal 2014 Trading Summary

CGI's shares are listed on the Toronto Stock Exchange ("TSX") (stock quote – GIB.A) and the New York Stock Exchange ("NYSE") (stock quote – GIB) and are included in the S&P/TSX Composite Index, the S&P/TSX 60 Index, the S&P/TSX Capped Information Technology and Midcap Indices, and the Dow Jones Sustainability Index.

TSX	(CDN$)	**NYSE**	(US$)
Open:	35.84	Open:	34.83
High:	41.47	High:	39.47
Low:	32.71	Low:	29.40
Close:	37.84	Close:	33.77
CDN average daily trading volumes[1]:	1,545,689	U.S. average daily trading volumes:	267,355

[1] Includes the average daily volumes of both the TSX and alternative trading systems.

2.3.2. Share Repurchase Program

On January 29, 2014, the Company's Board of Directors authorized and subsequently received the approval from the TSX for the renewal of the Normal Course Issuer Bid ("NCIB") to purchase up to 21,798,645 Class A subordinate shares for cancellation, representing 10% of the Company's public float as of the close of business on January 24, 2014. The Class A subordinate shares may be purchased under the NCIB commencing February 11, 2014 and ending on the earlier of February 10, 2015, or the date on which the Company has either acquired the maximum number of Class A subordinate shares allowable under the NCIB, or elects to terminate the NCIB.

During fiscal 2014, the Company repurchased 2,837,360 Class A subordinate shares for $111.5 million at an average price of $39.29 under the annual aggregate limit of the previous NCIB. As at September 30, 2014, the Company may purchase up to 21.8 million shares under the current NCIB.

2.3.3. Capital Stock and Options Outstanding

The following table provides a summary of the Capital Stock and Options Outstanding as at November 7, 2014:

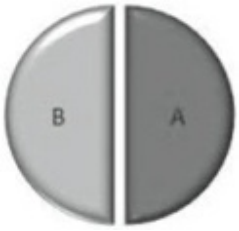
Capital Stock and Options Outstanding	As at November 7, 2014
Class A subordinate shares	**279,479,153**
Class B shares	**33,272,767**
Options to purchase Class A subordinate shares	**19,510,102**

3. Financial Review

3.1. BOOKINGS AND BOOK-TO-BILL RATIO

Bookings for the year were $10.2 billion, representing a book-to-bill ratio of 96.8%. The breakdown of the new bookings signed during the year is as follows:

Contract Type	
A. Extensions and renewals	61%
B. New business	39%



Service Type	
A. Management of IT and business functions (outsourcing)	50%
B. Systems integration and consulting	50%

Segment	
A. NSESA	26%
B. U.S	19%
C. France	15%
D. Canada	14%
E. U.K	14%
F. CEE	11%
G. Asia Pacific	1%

Vertical Markets	
A. Manufacturing, retail & distribution	28%
B. Government	28%
D. Financial services	20%
C. Telecommunications & utilities	16%
E. Health	8%

Information regarding our bookings is a key indicator of the volume of our business over time. However, due to the timing and transition period associated with outsourcing contracts, the realization of revenue related to these bookings may fluctuate from period to period. The values initially booked may change over time due to their variable attributes, including demand-driven usage, modifications in the scope of work to be performed caused by changes in client requirements as well as termination clauses at the option of the client. As such, information regarding our bookings is not comparable to, nor should it be substituted for an analysis of our revenue; it is instead a key indicator of our future revenue used by the Company's management to measure growth. For the year ended September 30, 2014, the book-to-bill ratio of our North American operations was at 76.0% while it was at 112.2% for our European operations for a total book-to-bill ratio of 96.8%.

The following table provides a summary of the bookings and book-to-bill ratio by segment:

In thousands of CAD except for percentages	Bookings for the year ended September 30, 2014	Book-to-bill ratio for the year ended September 30, 2014
Total CGI bookings	**10,168,998**	**96.8%**
North American bookings	**3,371,848**	**76.0%**
U.S.	1,916,498	69.9%
Canada	1,455,350	85.7%
European bookings	**6,797,150**	**112.2%**
NSESA	2,610,607	122.4%
France	1,467,329	109.7%
U.K.	1,437,209	104.0%
CEE	1,142,889	109.9%
Asia Pacific	139,116	82.4%

3.2. FOREIGN EXCHANGE

The Company operates globally and is exposed to changes in foreign currency rates. We report all dollar amounts in Canadian dollars. Accordingly, we value assets, liabilities and transactions that are measured in foreign currencies using various exchange rates as prescribed by IFRS.

Closing foreign exchange rates

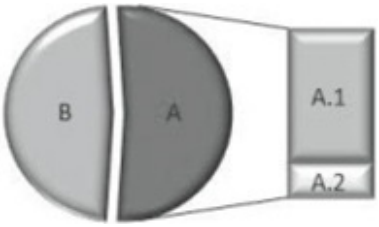
As at September 30,	2014	2013	Change
U.S. dollar	**1.1209**	1.0285	**9.0%**
Euro	**1.4156**	1.3920	**1.7%**
Indian rupee	**0.0181**	0.0164	**10.4%**
British pound	**1.8182**	1.6639	**9.3%**
Swedish krona	**0.1554**	0.1604	**(3.1%)**
Australian dollar	**0.9791**	0.9607	**1.9%**

Average foreign exchange rates

For the years ended September 30,	2014	2013	Change
U.S. dollar	**1.0833**	1.0155	**6.7%**
Euro	**1.4700**	1.3326	**10.3%**
Indian rupee	**0.0178**	0.0180	**(1.1%)**
British pound	**1.7953**	1.5846	**13.3%**
Swedish krona	**0.1635**	0.1551	**5.4%**
Australian dollar	**0.9971**	1.0105	**(1.3%)**

3.3. REVENUE DISTRIBUTION

The following charts provide additional information regarding our revenue mix for the year:



Service Type

A.	Management of IT and business functions (outsourcing)		52%
	1. IT services	41%	
	2. Business process services	11%	
B.	Systems integration and consulting		48%

Client Geography

A.	U.S	27%
B.	Canada	15%
C.	U.K	13%
D.	France	12%
E.	Sweden	9%
F.	Finland	6%
G.	Rest of the world	18%

Vertical Markets

A.	Government	33%
B.	Manufacturing, retail & distribution	24%
C.	Financial services	18%
D.	Telecommunications & utilities	15%
E.	Health	10%

3.3.1. Client Concentration

IFRS guidance on Segment Disclosures defines a single customer as a group of entities that are known to the reporting enterprise to be under common control. The Company considers the federal, regional or local governments each to be a single customer. Our work for the U.S. federal government including its various agencies represented 13.4% of our revenue for fiscal 2014 as compared to 13.8% in fiscal 2013.

3.4. REVENUE VARIATION AND REVENUE BY SEGMENT

Our seven segments are based on our geographic delivery model: U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific.

The following table provides a summary of the year-over-year changes in our revenue, in total and by segment, separately showing the impacts of foreign currency exchange rate variations between fiscal 2014 and fiscal 2013. The fiscal 2013 revenue by segment was recorded reflecting the actual average foreign exchange rates for that period. The foreign exchange impact is the difference between the current period's actual results and the current period's results converted with the prior year's average foreign exchange rates.

For the years ended September 30,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Total CGI revenue	**10,499,692**	10,084,624	**415,068**	**4.1%**
Variation prior to foreign currency impact	**(2.9%)**			
Foreign currency impact	**7.0%**			
Variation over previous period	**4.1%**			
U.S.				
Revenue prior to foreign currency impact	**2,493,426**	2,512,530	**(19,104)**	**(0.8%)**
Foreign currency impact	**171,450**			
U.S. revenue	**2,664,876**	2,512,530	**152,346**	**6.1%**
NSESA				
Revenue prior to foreign currency impact	**1,944,864**	2,010,693	**(65,829)**	**(3.3%)**
Foreign currency impact	**145,376**			
NSESA revenue	**2,090,240**	2,010,693	**79,547**	**4.0%**
Canada				
Revenue prior to foreign currency impact	**1,632,794**	1,685,723	**(52,929)**	**(3.1%)**
Foreign currency impact	**5,526**			
Canada revenue	**1,638,320**	1,685,723	**(47,403)**	**(2.8%)**
France				
Revenue prior to foreign currency impact	**1,207,907**	1,273,604	**(65,697)**	**(5.2%)**
Foreign currency impact	**125,885**			
France revenue	**1,333,792**	1,273,604	**60,188**	**4.7%**
U.K.				
Revenue prior to foreign currency impact	**1,121,213**	1,158,520	**(37,307)**	**(3.2%)**
Foreign currency impact	**162,634**			
U.K. revenue	**1,283,847**	1,158,520	**125,327**	**10.8%**
CEE				
Revenue prior to foreign currency impact	**968,727**	1,003,950	**(35,223)**	**(3.5%)**
Foreign currency impact	**94,806**			
CEE revenue	**1,063,533**	1,003,950	**59,583**	**5.9%**
Asia Pacific				
Revenue prior to foreign currency impact	**425,676**	439,604	**(13,928)**	**(3.2%)**
Foreign currency impact	**(592)**			
Asia Pacific revenue	**425,084**	439,604	**(14,520)**	**(3.3%)**

We ended fiscal 2014 with revenue of $10,499.7 million, an increase of $415.1 million or 4.1% over fiscal 2013. On a constant currency basis, revenue decreased by $290.0 million or 2.9%, as foreign currency rate fluctuations favourably impacted our revenue by $705.1 million or 7.0%. For the current year, the top two vertical markets were government and MRD, which together accounted for approximately 56% of our revenue.

As part of the Company's strategic focus to continuously improve its revenue quality, and as previously disclosed, we have been exiting low margin business as part of our integration activities. As a result, our yearly revenue has been reduced. Partially offsetting this, new higher quality revenue was booked or existing business expanded and/or extended across the geographies.

3.4.1. U.S.

Revenue in our U.S. segment was $2,664.9 million in fiscal 2014, an increase of $152.3 million or 6.1% over fiscal 2013. On a constant currency basis, revenue decreased by $19.1 million or 0.8%. The decrease in revenue reflects the run-off of a large low margin government project and the ramp down of Federal and state health projects partly offset by the ramp up of work within the financial services vertical markets and the increased sales of IP based business solutions.

For the current year, the top two U.S. vertical markets were government and health, which together accounted for approximately 77% of its revenue.

3.4.2. NSESA

Revenue in our NSESA segment was $2,090.2 million, an increase of $79.5 million or 4.0% over fiscal 2013. On a constant currency basis, revenue decreased by $65.8 million or 3.3%. The decrease in revenue was mainly due to project completions and the run-off of low margin business as previously described, partially offset by the recently awarded multi-year outsourcing contracts.

For fiscal 2014, revenue coming from Sweden and Finland accounted for 74% of this segment while NSESA's top two vertical markets were MRD and government, which together accounted for approximately 58% of its revenue.

3.4.3. Canada

Revenue in our Canada segment was $1,638.3 million, a decrease of $47.4 million or 2.8% over fiscal 2013. On a constant currency basis, revenue decreased by $52.9 million or 3.1%. The revenue decrease was mainly due to lower work volumes as a result of the expiration of contracts that were partially offset by the start-up of new contracts.

For the current year, Canada's top two vertical markets were financial services and telecommunication and utilities, which together accounted for approximately 57% of its revenue.

3.4.4. France

Revenue in our France segment was $1,333.8 million, an increase of $60.2 million or 4.7% over fiscal 2013. On a constant currency basis, revenue decreased by $65.7 million or 5.2%. The decrease in revenue was primarily the result of lower work volumes due to the completion of projects and the run-off of low margin business partly offset by the start-up of new contracts.

For the current year, France's top two vertical markets were MRD and financial services, which together accounted for approximately 65% of its revenue.

3.4.5. U.K.

Revenue in our U.K. segment was $1,283.8 million, an increase of $125.3 million or 10.8% over fiscal 2013. On a constant currency basis, revenue decreased by $37.3 million or 3.2%. The decrease in revenue was due to the run-off of low margin business, partly offset by new and extended contracts within the government vertical market.

For the current year, U.K.'s top two vertical markets were government and MRD, which together accounted for approximately 69% of its revenue.

3.4.6. CEE

Revenue in our CEE segment was $1,063.5 million, an increase of $59.6 million or 5.9% over fiscal 2013. On a constant currency basis, revenue decreased by $35.2 million or 3.5%. The decrease in revenue was mostly due to lower work volumes due to the completion of projects within the telecommunication and utilities vertical market as well as the run-off of low margin business as previously described.

For fiscal 2014, revenue coming from the Netherlands and Germany accounted for 87% of this segment while CEE's top two vertical markets were MRD and government, which together accounted for approximately 57% of its revenue.

3.4.7. Asia Pacific

Revenue in our Asia Pacific segment was $425.1 million, a decrease of $14.5 million or 3.3% over fiscal 2013. On a constant currency basis, revenue decreased by $13.9 million or 3.2%. The decrease in revenue was mainly due to the completion of projects within the Australian MRD vertical markets and the planned run-off of projects within the Middle East, partly offset by the increased use of our Asian delivery centers.

For the current year, Asia Pacific's top two vertical markets were telecommunications & utilities and MRD, which together accounted for approximately 79% of its revenue.

3.5. OPERATING EXPENSES

For the years ended September 30,	2014	% of Revenue	2013	% of Revenue	Change $	Change %
In thousands of CAD except for percentages						
Costs of services, selling and administrative	**9,129,791**	**87.0%**	9,012,310	**89.4%**	**117,481**	**1.3%**
Foreign exchange loss (gain)	**13,042**	**0.1%**	(3,316)	**(0.0%)**	**16,358**	**(493.3)%**

3.5.1. Costs of Services, Selling and Administrative

For the year ended September 30, 2014, costs of services, selling and administrative expenses amounted to $9,129.8 million, an increase of $117.5 million or 1.3% compared to fiscal 2013. The translation of the results of our foreign operations from their local currencies to the Canadian dollar unfavourably impacted costs by $650.4 million, substantially offsetting the favourable translation impact of $705.1 million on revenue. As a percentage of revenue, cost of services, selling and administrative expenses decreased from 89.4% to 87.0%, mainly due to the business synergies achieved through the ongoing integration of Logica.

Compared to fiscal 2013 our costs of services, as a percentage of revenue, remained relatively stable while our selling and administrative expenses decreased as a result of the business synergies achieved through the integration of Logica.

The majority of our costs are denominated in currencies other than the Canadian dollar. The risk of foreign exchange fluctuation impacting the results is substantially mitigated by a natural hedge in matching our costs with revenue denominated in the same currency. In certain cases where there is a substantial imbalance between the costs incurred and the revenue earned in a specific currency, the Company may enter into foreign exchange forward contracts to hedge cash flows.

3.5.2. Foreign Exchange Loss (gain)

The Company, in addition to its natural hedges, has a strategy in place to manage its exposure, to the extent possible, to exchange rate fluctuations through the effective use of derivatives. In fiscal 2014, the foreign exchange loss was mainly attributable to the higher volatility of the exchange rates in Q4 2014, causing losses in the settlement of day-to-day transactions.

3.6. ADJUSTED EBIT BY SEGMENT

For the years ended September 30,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
U.S.	**303,515**	283,690	**19,825**	**7.0%**
As a percentage of U.S. revenue	***11.4%***	*11.3%*		
NSESA	**195,400**	139,418	**55,982**	**40.2%**
As a percentage of NSESA revenue	***9.3%***	*6.9%*		
Canada	**361,136**	320,306	**40,830**	**12.7%**
As a percentage of Canada revenue	***22.0%***	*19.0%*		
France	**155,695**	109,760	**45,935**	**41.9%**
As a percentage of France revenue	***11.7%***	*8.6%*		
U.K.	**164,977**	102,820	**62,157**	**60.5%**
As a percentage of U.K. revenue	***12.9%***	*8.9%*		
CEE	**107,977**	67,341	**40,636**	**60.3%**
As a percentage of CEE revenue	***10.2%***	*6.7%*		
Asia Pacific	**68,159**	52,295	**15,864**	**30.3%**
As a percentage of Asia Pacific revenue	***16.0%***	*11.9%*		
Adjusted EBIT	**1,356,859**	1,075,630	**281,229**	**26.1%**
Adjusted EBIT margin	***12.9%***	*10.7%*		

Adjusted EBIT for the year was $1,356.9 million, an increase of $281.2 million or 26.1% from the previous year, while the margin increased from 10.7% to 12.9% over the same period. The growth in adjusted EBIT and margin was primarily due to the benefits of the Logica integration program, which focused on resource utilization, profitable revenue and optimizing selling, general and administrative expenses. Adjusted EBIT from our European segments was $692.2 million or an adjusted EBIT margin of 11.2%, up from $471.6 million or 8.0% over the same period of fiscal 2013. Our North American segments contributed $664.7 million in fiscal 2014 compared to $604.0 million for fiscal 2013, or 15.4% of revenue compared to 14.4% over the same period.

Included in these results for fiscal 2014 is $62.1 million of non-recurring benefits related to the resolution of acquisition-related provisions. When excluding the benefits of the adjustments to the acquisition-related provisions, the fiscal 2014 adjusted EBIT for the European segments would have been $630.1 million or an adjusted EBIT margin of 10.2% up from $471.6 million or 8.0% from fiscal 2013.

These benefits came from the adjustment of provisions that were established as part of the purchase price allocation for the Logica acquisition. Subsequent to the finalization of the purchase price allocation such adjustments flow through the statement of earnings. To provide better visibility to our operating performance as well as to provide comparability to previous periods, these adjustments have been specifically segregated and disclosed. In addition, these benefits which are not the result of operating management's daily activities are excluded from any compensation arrangements.

Examples of the items included in these benefits comprise the resolution of provisions on client contracts, the settlement of tax credits and the early termination of lease agreements.

3.6.1. U.S.

Adjusted EBIT in the U.S. segment was $303.5 million for fiscal 2014, an increase of $19.8 million compared to fiscal 2013, while the margin increased from 11.3% to 11.4% over the same period. The increase in adjusted EBIT mainly came from the growth in revenue.

3.6.2. NSESA

Adjusted EBIT in the NSESA segment was $195.4 million for fiscal 2014, an increase of $56.0 million compared to fiscal 2013, while the margin increased from 6.9% to 9.3% over the same period. This increase in adjusted EBIT and margin was mainly the result of the cost synergies realized from the integration program, the implementation of the CGI Management Foundation, the run-off of low margin business as previously described as well as the positive impact coming from a $8.5 million settlement gain on a pension plan obligation. Included in the $56.0 million increase in adjusted EBIT was $15.0 million of non-recurring benefits related to the resolution of acquisition-related provisions mainly for the renegotiation of office leases and client contracts.

3.6.3. Canada

Adjusted EBIT in the Canada segment was $361.1 million for fiscal 2014, an increase of $40.8 million compared to fiscal 2013, while the margin increased from 19.0% to 22.0% over the same period. The improvement in adjusted EBIT and margin reflects the focus on the management of resource utilization over the fiscal year, the improved execution on in-flight projects and some further cost reduction from additional real estate optimization.

3.6.4. France

Adjusted EBIT in the France segment was $155.7 million for fiscal 2014, an increase of $45.9 million compared to fiscal 2013, while the margin increased from 8.6% to 11.7% over the same period. This increase in adjusted EBIT and margin was primarily the result of the cost synergies realized from the integration program, the implementation of the CGI Management Foundation and the run-off of low margin business. France's adjusted EBIT was also positively impacted by $14.7 million, coming from the non-recurring benefits related to the resolution of acquisition-related provisions mainly for client contracts and the settlement of tax credits.

3.6.5. U.K.

Adjusted EBIT in the U.K. segment was $165.0 million for fiscal 2014, an increase of $62.2 million compared to fiscal 2013, while the margin increased from 8.9% to 12.9%. This increase in adjusted EBIT and margin was mainly the result of the cost synergies realized from the integration program, the implementation of the CGI Management Foundation and the benefits of running-off business that was not meeting our profitability standards. The U.K. adjusted EBIT for fiscal 2014 was also positively impacted by $17.1 million of non-recurring benefits related to the resolution of acquisition-related provisions mainly for the renegotiation of office leases and the settlement of tax credits.

3.6.6. CEE

Adjusted EBIT in the CEE segment was $108.0 million for fiscal 2014, an increase of $40.6 million compared to fiscal 2013, while the margin increased from 6.7% to 10.2% over the same period. This increase in adjusted EBIT and margin was primarily the result of the cost synergies realized from the integration program, the implementation of the CGI Management Foundation as well as the benefits of running-off business that was not meeting our profitability standards. In addition, our year-to-date adjusted EBIT was positively impacted by $14.3 million of non-recurring benefits related to the resolution of acquisition-related provisions mainly for client contracts.

3.6.7. Asia Pacific

Adjusted EBIT in the Asia Pacific segment was $68.2 million for fiscal 2014, an increase of $15.9 million compared to fiscal 2013, while the margin increased from 11.9% to 16.0% over the same period. This increase in adjusted EBIT and margin was mainly the result of the costs synergies realized from the integration program, the implementation of the CGI Management Foundation and the implementation of certain productivity improvements in the global delivery centers.

3.7. EARNINGS BEFORE INCOME TAXES

The following table provides a reconciliation between our adjusted EBIT and earnings before income taxes, which is reported in accordance with IFRS.

For the years ended September 30,	2014	% of Revenue	2013	% of Revenue	Change $	Change %
In thousands of CAD except for percentages						
Adjusted EBIT	**1,356,859**	**12.9%**	1,075,630	10.7%	**281,229**	**26.1%**
Minus the following items:						
Integration-related costs	**127,341**	**1.2%**	338,439	3.4%	**(211,098)**	**(62.4%)**
Finance costs	**101,278**	**1.0%**	113,931	1.1%	**(12,653)**	**(11.1%)**
Finance income	**(2,010)**	**(0.0%)**	(4,362)	(0.0%)	**2,352**	**(53.9%)**
Earnings before income taxes	**1,130,250**	**10.8%**	627,622	6.2%	**502,628**	**80.1%**

3.7.1. Integration-Related Costs

For the years ended September 30, 2014 and 2013 the Company incurred $127.3 million and $338.4 million respectively of integration-related costs. These costs pertain to the restructuring and transformation of Logica's operations to the CGI operating model.

3.7.2. Finance Costs

Finance costs mainly include the interest on our long-term debt used to finance the Logica acquisition. The decrease in finance costs for the year ended September 30, 2014 mainly came as a result of the repayments made on our outstanding long-term debt.

3.7.3. Finance Income

Finance income includes interest and other investment income related to cash balances, investments, and tax assessments.

3.8. NET EARNINGS AND EARNINGS PER SHARE

The following table sets out the information supporting the earnings per share calculations:

For the years ended September 30,	2014	2013	Change $	Change %
In thousands of CAD except for percentages				
Earnings before income taxes	**1,130,250**	627,622	**502,628**	**80.1%**
Income tax expense	**270,807**	171,802	**99,005**	**57.6%**
Effective tax rate	***24.0%***	*27.4%*		
Net earnings	**859,443**	455,820	**403,623**	**88.5%**
Net earnings margin	***8.2%***	*4.5%*		
Weighted average number of shares outstanding				
Class A subordinate shares and Class B shares (basic)	**308,743,126**	307,900,034		**0.3%**
Class A subordinate shares and Class B shares (diluted)	**318,927,737**	316,974,179		**0.6%**
Earnings per share (in dollars)				
Basic EPS	**2.78**	1.48	**1.30**	**87.8%**
Diluted EPS	**2.69**	1.44	**1.25**	**86.8%**

3.8.1. Income Tax Expense

For the year ended September 30, 2014, the income tax expense was $270.8 million, an increase of $99.0 million compared to $171.8 million in fiscal 2013, while our effective tax rate decreased from 27.4% to 24.0%. The increase in income tax expense was mainly due to the higher earnings before income taxes. The decrease in the income tax rate for fiscal 2014 was due to favourable tax adjustments of $11.9 million mainly resulting from the settlement of tax liabilities from the legacy Logica European operations. The decrease in the income tax rate for fiscal 2014 was also attributable to net unfavorable tax adjustments of $11.1 million in fiscal 2013 which were comprised of a $18.4 million expense resulting from the revaluation of deferred tax assets following the enactment of a future rate reduction in the U.K., of taxes paid on the repatriation of funds from the legacy Logica Indian operations of $7.6 million partly offset by a favorable adjustment of $14.9 million in the U.S. resulting from the expiration of a statute of limitation period.

The table on page 24 shows the year-over-year comparison of the tax rate with the impact of integration-related costs, tax adjustments and benefits related to the resolution of acquisition-related provisions removed.

Based on the enacted rates at the end of fiscal 2014 and our current business mix, we expect our effective tax rate before any significant adjustments to be in the range of 25% to 27% in subsequent periods.

3.8.2. Weighted Average Number of Shares

For fiscal 2014, CGI's basic and diluted weighted average number of shares increased compared to fiscal 2013 due to the issuance of Class A subordinate shares upon the exercise of stock options, partly offset by the repurchase of 2,837,360 Class A subordinate shares. During the year, 4,999,544 options were exercised.

3.8.3. Net Earnings and Earnings per Share Prior to Specific Items

Below is a table showing the year-over-year comparison prior to specific items such as the integration-related costs, favourable tax adjustments and benefits related to the resolution of acquisition-related provisions:

For the years ended September 30,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Earnings before income taxes	**1,130,250**	627,622	**502,628**	**80.1%**
Add back:				
Integration-related costs	**127,341**	338,439	**(211,098)**	**(62.4%)**
Remove:				
Resolution of acquisition-related provisions [1]	**62,075**	—	**62,075**	**—**
Earnings before income taxes prior to specific items	**1,195,516**	966,061	**229,455**	**23.8%**
Margin	***11.4%***	***9.6%***		
Income tax expense	**270,807**	171,802	**99,005**	**57.6%**
Add back:				
Tax adjustments [2]	**11,900**	(11,113)	**23,013**	**(207.1%)**
Tax deduction on integration-related costs	**29,430**	77,707	**(48,277)**	**(62.1%)**
Remove:				
Income taxes on the resolution of acquisition-related provisions	**10,097**	—	**10,097**	**—**
Income tax expense prior to specific items	**302,040**	238,396	**63,644**	**26.7%**
Effective tax rate prior to specific items	***25.3%***	***24.7%***		
Net earnings prior to specific items	**893,476**	727,665	**165,811**	**22.8%**
Net earnings margin	***8.5%***	***7.2%***		
Weighted average number of shares outstanding				
Class A subordinate shares and Class B shares (basic)	**308,743,126**	307,900,034		**0.3%**
Class A subordinate shares and Class B shares (diluted)	**318,927,737**	316,974,179		**0.6%**
Earnings per share prior to specific items (in dollars)				
Basic EPS	**2.89**	2.36	**0.53**	**22.5%**
Diluted EPS	**2.80**	2.30	**0.50**	**21.7%**

[1] The resolution of acquisition-related provisions is discussed on page 20.

[2] The tax adjustments are discussed on page 23.

4. Liquidity

4.1. CONSOLIDATED STATEMENTS OF CASH FLOWS

CGI's growth is financed through a combination of our cash flow from operations, borrowing under our existing credit facilities, the issuance of long-term debt, and the issuance of equity. One of our financial priorities is to maintain an optimal level of liquidity through the active management of our assets and liabilities as well as our cash flows.

As at September 30, 2014, cash and cash equivalents were $535.7 million. The following table provides a summary of the generation and use of cash for the years ended September 30, 2014 and 2013.

For the years ended September 30,	2014	2013	Change
In thousands of CAD			
Cash provided by operating activities	**1,174,835**	671,257	**503,578**
Cash used in investing activities	**(321,153)**	(233,855)	**(87,298)**
Cash used in financing activities	**(414,064)**	(445,971)	**31,907**
Effect of foreign exchange rate changes on cash and cash equivalents	**(10,102)**	1,665	**(11,767)**
Net increase (decrease) in cash and cash equivalents	**429,516**	**(6,904)**	**436,420**

4.1.1. Cash Provided by Operating Activities

For the years ended September 30, 2014, and 2013, cash provided by operating activities was $1,174.8 million compared to $671.3 million, or 11.2% of revenue compared to 6.7% last year. The increase was mainly due to the ongoing improvement in profitability as a result of the integration program being realized and the implementation of the CGI Management Foundation in the European operations. The year-over-year reduction of the integration-related payments in fiscal 2014 also contributed to the increase in cash provided by operating activities. The timing of our working capital inflows and outflows will always have an impact on the cash flow from operations. Excluding the integration-related cash disbursements, the cash provided by operating activities would have been $1,332.8 million in fiscal 2014, representing 12.7% of revenue compared to $977.7 million or 9.7% of revenue last year.

The following table provides a summary of the generation and use of cash from operating activities.

For the years ended September 30,	2014	2013	Change
In thousands of CAD			
Net earnings	**859,443**	455,820	**403,623**
Amortization and depreciation	**444,232**	435,944	**8,288**
Other adjustments [1]	**103,827**	61,049	**42,778**
Cash flow from operating activities before net change in non-cash working capital items	**1,407,502**	952,813	**454,689**
Net change in non-cash working capital items:			
Accounts receivable, work in progress and deferred revenue	**209,189**	(52,830)	**262,019**
Accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities	**(463,685)**	(233,631)	**(230,054)**
Other [2]	**21,829**	4,905	**16,924**
Net change in non-cash working capital items	**(232,667)**	(281,556)	**48,889**
Cash provided by operating activities	**1,174,835**	671,257	**503,578**

[1] Other adjustments are comprised of deferred income taxes, foreign exchange loss (gain) and share-based payment costs.

[2] Comprised of prepaid expenses and other assets, long-term financial assets, retirement benefits obligations, derivative financial instruments and income taxes.

For the current year, the Company's net earnings increased by $403.6 million when compared to fiscal 2013. The increase in net earnings was primarily due to the reduction in integration-related costs, the result of the cost synergies realized as part of the Logica integration program and the implementation of the CGI Management Foundation in the European operations.

The $42.8 million increase coming from the other adjustments was due to the higher deferred income taxes expense as a result of the utilization of previously recognized tax losses due to the increased profitability of our European operations and to the higher volatility of the foreign exchange rates, causing losses in the settlement of day-to-day transactions.

For fiscal 2014, the $209.2 million of cash coming from the accounts receivable, work in progress and deferred revenue was mainly due to a decrease of 6 days in our DSO from 49 days in fiscal 2013 to 43 days this year.

The $52.8 million of cash used in fiscal 2013 for the accounts receivable, work in progress and deferred revenue was mainly the result of the timing of billing milestones on certain large U.S. contracts.

For the current year, the $463.7 million used in cash for the accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities was mostly due to the utilization of $102.6 million for the provision for estimated losses on revenue-generating contracts, the net decrease of $65.0 million for performance-based compensation accruals to our members, the net utilization of $53.7 million for provisions for onerous leases, the net decrease of $35.7 million for provisions for litigation and claims mainly driven by the reversal of unused amounts due to the favorable settlement of claims and finally from the net payments of $30.7 million for integration-related items.

The $233.6 million of cash used in fiscal 2013 for the accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities was due to the utilization of $94.0 million for the estimated losses on revenue-generating contracts, payments of $37.9 million in regards to the legacy Logica restructuring program, payments in connection with the settlement of inherited claims for $31.3 million, payments of $27.0 million for acquisition-related items, partly offset by the net increase of $32.0 million in integration-related provisions. To a lesser extent, the decrease in accounts payable and accrued liabilities came from the transition and transformation of our business practices related to the acquired Logica operations in areas such as the reduction of subcontractors and the implementation of spend management practices.

The following table provides a summary of the movements in the integration-related provision:

For the years ended September 30,	2014	2013
In millions of CAD		
Integration-related provision at the beginning of the year	**135.8**	**101.9**
Integration-related expenses	127.3	338.4
Integration-related payments	(158.0)	(306.4)
Net impact on non-cash working capital	**(30.7)**	**32.0**
Plus: FX impact [1]	0.5	9.1
Minus: Non-cash integration-related costs	—	7.2
Integration-related provision at the end of the year	**105.6**	**135.8**

[1] The foreign currency translation was recorded in other comprehensive income.

4.1.2. Cash Used in Investing Activities

For the years ended September 30, 2014, and 2013, $321.2 million were used in investing activities compared to $233.9 million respectively. The following table provides a summary of the generation and use of cash from investing activities.

For the years ended September 30,	2014	2013	Change
In thousands of CAD			
Business acquisition	**—**	(5,140)	**5,140**
Proceeds from sale of property, plant and equipment	**13,673**	—	**13,673**
Purchase of property, plant and equipment	**(181,471)**	(141,965)	**(39,506)**
Additions to contract costs	**(73,900)**	(31,207)	**(42,693)**
Additions to intangible assets	**(77,726)**	(71,447)	**(6,279)**
Net change in short-term investments and (purchase) proceeds from sale of long-term investments	**(8,106)**	7,727	**(15,833)**
Payments received from long-term receivable	**6,377**	8,177	**(1,800)**
Cash used in investing activities	**(321,153)**	**(233,855)**	**(87,298)**

For the current year, we invested $333.1 million in the purchase of property, plant and equipment, the additions of intangible assets and contract costs compared to $244.6 million last year or an increase of $88.5 million which was mostly driven by the ramp-up of new long term contracts.

4.1.3. Cash Used in Financing Activities

For the year ended September 30, 2014, $414.1 million was used in financing activities compared to $446.0 million in fiscal 2013. The following table provides a summary of the generation and use of cash from financing activities.

For the years ended September 30,	2014	2013	Change
In thousands of CAD			
Net change in unsecured committed revolving credit facility	**(283,049)**	(467,027)	**183,978**
Net change in long-term debt	**(25,343)**	12,276	**(37,619)**
	(308,392)	(454,751)	**146,359**
Settlement of derivative financial instruments	**(37,716)**	—	**(37,716)**
Purchase of Class A subordinate shares held in trust	**(23,016)**	(7,663)	**(15,353)**
Resale of Class A subordinate shares held in trust	**1,390**	—	**1,390**
Repurchase of Class A subordinate shares	**(111,468)**	(22,869)	**(88,599)**
Issuance of Class A subordinate shares	**65,138**	39,312	**25,826**
Cash used in financing activities	**(414,064)**	**(445,971)**	**31,907**

During 2014, the Company repaid the first maturing tranche of the term loan credit facility of $486.7 million using the proceeds from the credit facilities. The Company also entered into a $955 million debt private placement comprised of four tranches of Senior U.S. unsecured notes for US$745 million, and one tranche of Senior euro unsecured note for €85 million, with a weighted average maturity of 7.9 years and a weighted average fixed coupon of 3.62%. The Company used the proceeds of the issuance of the new private placement notes to repay the May 2015 maturing tranche of the term loan credit facility of $494.7 million and the outstanding balance of the credit facilities. Following these repayments, the Company used $37.7 million to settle the related floating-to-fixed interest rate swap contracts and the related cross-currency swap contract. During the year, we reduced our long-term debt by $308.4 million while in fiscal 2013, we made net payments of $454.8 million.

For 2014, we repurchased 2,837,360 Class A subordinate shares for $111.5 million under the annual aggregate limit of the previous NCIB, while for fiscal 2013, $22.9 million was used to purchase 723,100 Class A subordinate shares under the NCIB then in effect.

For fiscal 2014, a net amount of $21.6 million was used to purchase CGI shares under the Company's Performance Share Unit Plan (the "PSU" Plan) which is part of the compensation package of certain senior executive officers, while for the comparable period of last year, $7.7 million was used to purchase shares under the PSU Plan.

For 2014, we received $65.1 million in proceeds from the exercise of stock options, compared to $39.3 million in fiscal 2013.

4.1.4. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents

For fiscal 2014, we had a $10.1 million decrease in cash coming from the effect of foreign exchange rate changes on cash and cash equivalents, while for fiscal 2013 we had a $1.7 million increase. These amounts had no effect on net earnings as they were recorded in other comprehensive income.

4.2. CAPITAL RESOURCES

In thousands of CAD	Total commitment	Available at September 30, 2014	Outstanding at September 30, 2014
Cash and cash equivalents	—	535,715	—
Long-term investments	—	30,689	—
Unsecured committed revolving facilities [a]	**1,500,000**	1,463,280	36,720
Total	**1,500,000**	2,029,684	36,720

[a] Consists of Letters of Credit for $36.7 million outstanding on September 30, 2014.

Our cash position and bank lines are sufficient to support our growth strategy. At September 30, 2014, cash and cash equivalents and long-term marketable investments represented $566.4 million.

Cash equivalents typically include term deposits, all with maturities of 90 days or less. Long-term marketable investments include corporate and government bonds with maturities ranging from one to five years, rated "A" or higher.

The amount of capital readily available was $2,029.7 million. The long-term debt agreements contain covenants which require us to maintain certain financial ratios. At September 30, 2014, CGI was in compliance with these covenants.

Total debt decreased by $186.8 million to $2,679.7 million at September 30, 2014, compared to $2,866.6 million at September 30, 2013. The variation was mainly due to the reimbursement of $281.2 million and $981.5 million under the unsecured revolving credit facility and term loan credit facility respectively partially offset by the proceeds of a private placement of US $745 million and EUR85 million for a total of $955 million and an unrealized loss of $87.1 million on foreign exchange translation.

In the first quarter of 2014, the unsecured committed revolving credit facility of $1,500.0 million was extended by one year to December 2017. On July 25, 2014, the facility was further extended by another year to December 2018 and can be further extended annually. All terms and conditions including interest rates and banking covenants remain unchanged.

As at September 30, 2014, CGI had a positive working capital[1] of $89.4 million. The Company has also $1.5 billion available under its unsecured committed revolving facility and is generating a significant level of cash that will allow it to fund its operations and further decrease the amount of debt outstanding in the foreseeable future while maintaining adequate levels of liquidity.

[1] Working capital is defined as total current assets minus total current liabilities.

4.3. CONTRACTUAL OBLIGATIONS

We are committed under the terms of contractual obligations with various expiration dates, primarily for the rental of premises, computer equipment used in outsourcing contracts and long-term service agreements. For the year ended September 30, 2014, the Company decreased its commitments by $130.4 million due to real estate optimization, the renegotiation of office leases and the reduction of the long-term debt taken on to acquire Logica in fiscal 2012. These were partly offset by the increase in estimated interest on our long-term debt as a result of the new debt private placement and from the new long-term service agreements signed during the year.

Commitment type	Total	Less than 1 year	2nd and 3rd years	4th and 5th years	After 5 years
In thousands of CAD					
Long-term debt	2,632,873	48,048	1,162,658	337,010	1,085,157
Estimated interests on long-term debt	477,658	89,709	137,788	105,742	144,419
Finance lease obligations	61,698	32,319	28,506	873	—
Estimated interests on finance lease obligations	2,699	1,494	1,184	21	—
Operating leases					
Rental of office space	1,287,438	278,159	459,651	326,096	223,532
Computer equipment	42,153	21,349	17,223	3,427	154
Automobiles	84,091	36,862	33,250	10,151	3,828
Long-term service agreements and other	190,083	74,291	92,875	22,917	—
Total contractual obligations	**4,778,693**	**582,231**	**1,933,135**	**806,237**	**1,457,090**

Our required benefit plan contributions have not been included in this table as such contributions depend on periodic actuarial valuations for funding purposes. Our contributions to defined benefit plans are estimated at $20.1 million for fiscal 2015 as described in note 17 to the financial statements.

4.4. FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

We use various financial instruments to manage our exposure to fluctuations of foreign currency exchange rates and interest rates. We do not hold or use any derivative instruments for trading purposes. Foreign exchange translation gains or losses on the net investments and the effective portions of gains or losses on instruments hedging the net investments are recorded in the consolidated statement of comprehensive income. Any realized or unrealized gains or losses on instruments covering the U.S. denominated debt are also recognized in the consolidated statement of comprehensive income.

We have the following outstanding derivative financial instruments:

Hedges on net investments in foreign operations

— $968.8 million cross-currency swaps in Euro designated as a hedging instrument of the Company's net investment in European operations ($1,153.7 million as at September 30, 2013)

Cash flow hedges on future revenue

— U.S.$32.0 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Canadian dollar (U.S.$56.8 million as at September 30, 2013)

— U.S.$75.2 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Indian rupee (U.S.$94.4 million as at September 30, 2013)

— $94.6 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Canadian dollar and the Indian rupee ($142.5 million as at September 30, 2013)

— Kr142.6 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Swedish krona and the Indian rupee (kr nil as at September 30, 2013)

— €121.1 million foreign currency forward contracts to hedge the variability in the expected foreign currency rate between the euro and the British pound (€ nil as at September 30, 2013)

— €15.0 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the euro and the Swedish krona (€31.0 million as at September 30, 2013)

Cash flow hedges on unsecured committed term loan credit facility

— $484.4 million interest rate swaps floating-to-fixed ($1,234.4 million as at September 30, 2013)

Fair value hedges on Senior U.S. unsecured notes

— U.S.$250.0 million interest rate swaps fixed-to-floating (U.S.$250.0 million as at September 30, 2013)

Derivatives not designated as hedges

The Company does not have any derivatives not designated as hedges as at September 30, 2014.

The effective portion of the change in the fair value of the derivative instruments is recognized in other comprehensive income and the ineffective portion, if any, in net earnings. During the year ended September 30, 2014, the Company's hedging relationships were effective.

The Company expects that approximately $4.9 million of the accumulated net gain on all derivative financial instruments designated as cash flow hedges as at September 30, 2014 will be reclassified in the consolidated statements of earnings in the next 12 months.

4.5. SELECTED MEASURES OF LIQUIDITY AND CAPITAL RESOURCES

As at September 30,	2014	2013
In thousands of CAD except for percentages		
Reconciliation between net debt and long-term debt including the current portion:		
Net debt	**2,113,299**	2,739,949
Add back:		
Cash and cash equivalents	**535,715**	106,199
Short-term investments	**—**	69
Long-term investments	**30,689**	20,333
Long-term debt including the current portion	**2,679,703**	**2,866,550**
Net debt to capitalization ratio	**27.6%**	39.6%
Return on equity	**18.8%**	12.3%
Return on invested capital	**14.5%**	11.8%
Days sales outstanding (in days)	**43**	49

We use the net debt to capitalization ratio as an indication of our financial leverage in order to pursue any large outsourcing contracts, expand global delivery centers, or make acquisitions. On August 20, 2012, we acquired Logica using a combination of debt and stock, causing our net debt to capitalization ratio to increase significantly. At the end of fiscal 2012, our net debt to capitalization ratio was 46.5%, while subsequent repayments resulted in a ratio of 39.6% for fiscal 2013. The net debt to capitalization ratio decreased further to 27.6% for fiscal 2014 due to the increase in equity mainly driven by the net earnings and the net debt repayments as a result of the improved cash generation.

Return on equity is a measure of the return we are generating for our shareholders. ROE increased from 12.3% in fiscal 2013 to 18.8% in fiscal 2014. The increase was mainly due to the higher net earnings over the last four quarters as the benefits of the integration of Logica with CGI were being realized.

ROIC is a measure of the Company's efficiency in allocating the capital under our control to profitable investments. The return on invested capital was 14.5% as at September 30, 2014, compared to 11.8% a year ago. The improvement in the ROIC was mainly the result of our higher after-tax adjusted EBIT compared to last year as the benefits of the integration of Logica with CGI were being realized.

DSO decreased from 49 days as at September 30, 2013 to 43 days at the end of fiscal 2014. In calculating the DSO, we subtract the deferred revenue balance from trade accounts receivable and work in progress; for that reason, the timing of payments received from outsourcing clients in advance of the work to be performed and the timing of payments related to project milestones can affect the DSO fluctuations. We remain committed to manage our DSO within our 45 day target or less.

4.6. OFF-BALANCE SHEET FINANCING AND GUARANTEES

CGI engages in the practice of off-balance sheet financing in the normal course of operations for a variety of transactions such as operating leases for office space, computer equipment and vehicles as well as accounts receivable factoring. From time to time, we also enter into agreements to provide financial or performance assurances to third parties on the sale of assets, business divestitures, guarantees and U.S. Government contracts.

In connection with sales of assets and business divestitures, we may be required to pay counterparties for costs and losses incurred as the result of breaches in representations and warranties, intellectual property right infringement and litigation against counterparties. While some of the agreements specify a maximum potential exposure totalling $10.4 million, others do not specify a maximum amount or limited period. It is impossible to reasonably estimate the maximum amount that may have to be paid under such guarantees. The amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. The Company does not expect to incur any potential payment in connection with these guarantees that could have a materially adverse effect on its consolidated financial statements.

We are also engaged to provide services under contracts with the U.S. Government. The contracts are subject to extensive legal and regulatory requirements and, from time to time, agencies of the U.S. Government investigate whether our operations are being conducted in accordance with these requirements. Generally, the Government has the right to change the scope of, or terminate, these projects at its convenience. The termination or a reduction in the scope of a major government project could have a material adverse effect on our results of operations and financial condition.

In the normal course of business, we may provide certain clients, principally governmental entities, with bid and performance bonds. In general, we would only be liable for the amount of the bid bonds if we refuse to perform the project once the bid is awarded. We would also be liable for the performance bonds in the event of default in the performance of our obligations. As at September 30, 2014, we had committed for a total of $55.9 million for these bonds. To the best of our knowledge, we complied with our performance obligations under all service contracts for which there was a performance or bid bond, and the ultimate liability, if any, incurred in connection with these guarantees would not have a material adverse effect on our consolidated results of operations or financial condition.

4.7. CAPABILITY TO DELIVER RESULTS

Sufficient capital resources and liquidity are required for supporting ongoing business operations and to execute our build and buy growth strategy. The Company has sufficient capital resources coming from the cash generated from operations, credit facilities, long-term debt agreements and invested capital from shareholders. Our principal uses of cash are for procuring new large outsourcing and managed services contracts; investing in our business solutions; pursuing accretive acquisitions; buying back CGI shares and paying down debt. Funds were also used to expand our global delivery network as more and more of our clients demand lower cost alternatives. In terms of financing, we are well positioned to continue executing our four-pillar growth strategy in fiscal 2015.

Strong and experienced leadership is essential to successfully implement our corporate strategy. CGI has a strong leadership team with members who are highly knowledgeable and have gained a significant amount of experience within the IT industry via various career paths and leadership roles. CGI fosters leadership development to ensure a continuous flow of knowledge and strength is maintained throughout the organization. As part of our succession planning in key positions, we established the Leadership Institute, our own corporate university, to develop leadership, technical and managerial skills inspired by CGI's roots and traditions.

As a Company built on human capital, our professionals and their knowledge are critical to delivering quality service to our clients. Our human resources program provides competitive compensation and benefits, a favourable working environment, and our training and career development programs combine to allow us to attract and retain the best talent. Employee satisfaction is monitored regularly through a Company-wide survey and issues are addressed immediately. Approximately 45,000 of our members or 70% were also owners of CGI through our Share Purchase Plan. The Share Purchase Plan, along with the Profit Participation Program, allows members to share in the success of the Company and aligns member objectives with our strategic goals.

In addition to our capital resources and the talent of our human capital, CGI has established a Management Foundation encompassing governance policies, sophisticated management frameworks and an organizational model for its business units and corporate processes. This foundation, along with our appropriate internal systems, helps in providing a disciplined high standard of quality service to our clients across all of our operations, and additional value to our stakeholders. CGI's operations maintain appropriate certifications in accordance with service requirements such as the ISO and Capability Maturity Model Integration quality programs.

5. Fourth Quarter Results

5.1. FOREIGN EXCHANGE

The Company operates globally and is exposed to changes in foreign currency rates. We report all dollar amounts in Canadian dollars. Accordingly, we value assets, liabilities and transactions that are measured in foreign currencies using various exchange rates as prescribed by IFRS.

Average foreign exchange rates

For the three months ended September 30,	2014	2013	Change
U.S. dollar	**1.0894**	1.0385	**4.9%**
Euro	**1.4427**	1.3762	**4.8%**
Indian rupee	**0.0180**	0.0167	**7.8%**
British pound	**1.8175**	1.6117	**12.8%**
Swedish krona	**0.1568**	0.1586	**(1.1%)**
Australian dollar	**1.0070**	0.9517	**5.8%**

5.2. REVENUE VARIATION AND REVENUE BY SEGMENT

The following table provides a summary of the year-over-year changes in our revenue, in total and by segment, separately showing the impacts of foreign currency exchange rate variations between the Q4 2014 and Q4 2013 periods. The Q4 2013 revenue by segment was recorded reflecting the actual average foreign exchange rates for that period. The foreign exchange impact is the difference between the current period's actual results and the current period's results converted with the prior year's average foreign exchange rates.

For the three months ended September 30,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Total CGI revenue	**2,483,669**	2,458,207	**25,462**	**1.0%**
Variation prior to foreign currency impact	**(3.4%)**			
Foreign currency impact	**4.4%**			
Variation over previous period	**1.0%**			
U.S.				
Revenue prior to foreign currency impact	**623,231**	679,255	**(56,024)**	**(8.2%)**
Foreign currency impact	**31,864**			
U.S. revenue	**655,095**	679,255	**(24,160)**	**(3.6%)**
NSESA				
Revenue prior to foreign currency impact	**438,278**	436,905	**1,373**	**0.3%**
Foreign currency impact	**7,868**			
NSESA revenue	**446,146**	436,905	**9,241**	**2.1%**
Canada				
Revenue prior to foreign currency impact	**381,780**	407,751	**(25,971)**	**(6.4%)**
Foreign currency impact	**1,107**			
Canada revenue	**382,887**	407,751	**(24,864)**	**(6.1%)**
France				
Revenue prior to foreign currency impact	**297,925**	285,414	**12,511**	**4.4%**
Foreign currency impact	**14,074**			
France revenue	**311,999**	285,414	**26,585**	**9.3%**
U.K.				
Revenue prior to foreign currency impact	**282,821**	304,334	**(21,513)**	**(7.1%)**
Foreign currency impact	**38,861**			
U.K. revenue	**321,682**	304,334	**17,348**	**5.7%**
CEE				
Revenue prior to foreign currency impact	**243,803**	245,683	**(1,880)**	**(0.8%)**
Foreign currency impact	**11,008**			
CEE revenue	**254,811**	245,683	**9,128**	**3.7%**
Asia Pacific				
Revenue prior to foreign currency impact	**108,311**	98,865	**9,446**	**9.6%**
Foreign currency impact	**2,738**			
Asia Pacific revenue	**111,049**	98,865	**12,184**	**12.3%**

We ended the fourth quarter of fiscal 2014 with revenue of $2,483.7 million, an increase of $25.5 million or 1.0% over the same period of fiscal 2013. On a constant currency basis, revenue decreased by $82.1 million or 3.4%, as foreign currency rate fluctuations favourably impacted our revenue by $107.5 million or 4.4%. For the current quarter, the top two vertical

markets were government and MRD, which together accounted for approximately 56% of our revenue. Compared to Q3 2014, revenue from the current quarter has decreased by $183.4 million, mainly due to the expected impact of the vacation period and the unfavourable impact of foreign currency rate fluctuations.

As part of the Company's strategic focus to continuously improve its revenue quality, and as previously disclosed, we have been exiting low margin business as part of our integration activities. As a result, our quarterly year-over-year revenue has been reduced. Partially offsetting this, new higher quality revenue was booked or existing business expanded and/or extended across the geographies.

5.2.1. U.S.

Revenue in our U.S. segment was $655.1 million in Q4 2014, a decrease of $24.2 million or 3.6% compared to the same period of fiscal 2013. On a constant currency basis, revenue decreased by $56.0 million or 8.2%. The change in revenue reflects the ramp down of Federal and state health projects and the run-off of a large low margin government project partly offset by the increased sales of IP based business solutions.

For the current quarter, the top two U.S. vertical markets were government and health, which together accounted for approximately 77% of its revenue.

5.2.2. NSESA

Revenue from our NSESA segment was $446.1 million in Q4 2014, an increase of $9.2 million compared to the same period of fiscal 2013 while on a constant currency basis, revenue remained relatively stable.

For the current quarter, revenue coming from Sweden and Finland accounted for 73% of this segment while the NSESA's top two vertical markets were MRD and financial services, which together accounted for approximately 55% of its revenue.

5.2.3. Canada

Revenue in our Canada segment for Q4 2014 was $382.9 million, a decrease of $24.9 million or 6.1% compared to the same period of fiscal 2013. On a constant currency basis, revenue decreased by $26.0 million or 6.4%. The revenue decrease was mainly due to lower work volumes as a result of the expiration of contracts that were partially offset by the start-up of new contracts.

For the current quarter, Canada's top two vertical markets were financial services and telecommunication and utilities, which together accounted for approximately 57% of its revenue.

5.2.4. France

Revenue from our France segment was $312.0 million in Q4 2014, an increase of $26.6 million or 9.3% compared to the same period of fiscal 2013. On a constant currency basis, revenue increased by $12.5 million or 4.4%. The increase in revenue reflects the bookings in the previous quarters that are now coming on stream and the ramp up of existing engagements, primarily in the MRD and telecommunication & utilities vertical markets.

For the current quarter, France's top two vertical markets were MRD and financial services, which together accounted for approximately 64% of its revenue.

5.2.5. U.K.

Revenue from our U.K. segment was $321.7 million in Q4 2014, an increase of $17.3 million or 5.7% compared to the same period of fiscal 2013. On a constant currency basis, revenue decreased by $21.5 million or 7.1%. The decrease in revenue mainly reflects the completion of projects within the MRD vertical market and to a lesser extent the run-off of low margin business.

For the current quarter, U.K.'s top two vertical markets were government and MRD, which together accounted for approximately 69% of its revenue.

5.2.6. CEE

Revenue from our CEE segment was $254.8 million in Q4 2014, an increase of $9.1 million or 3.7% compared to the same period of fiscal 2013 while on a constant currency basis, revenue remained relatively stable.

For the current quarter, revenue coming from the Netherlands and Germany accounted for 87% of this segment while CEE's top two vertical markets were MRD and government, which together accounted for approximately 58% of its revenue.

5.2.7. Asia Pacific

Revenue from our Asia Pacific segment was $111.0 million in Q4 2014, an increase of $12.2 million or 12.3% compared to the same period of fiscal 2013. On a constant currency basis, revenue increased by $9.4 million or 9.6%. The change in revenue was mainly due to the increased use of our Asian delivery centers, partly offset by the completion of projects within the Australian MRD vertical markets and the planned run-off of projects within the Middle East.

For the current quarter, Asia Pacific's top two vertical markets were telecommunications & utilities and MRD, which together accounted for approximately 78% of its revenue.

5.3. ADJUSTED EBIT BY SEGMENT

For the three months ended September 30,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
U.S.	**97,575**	82,965	**14,610**	**17.6%**
As a percentage of U.S. revenue	***14.9%***	*12.2%*		
NSESA	**33,539**	43,526	**(9,987)**	**(22.9%)**
As a percentage of NSESA revenue	***7.5%***	*10.0%*		
Canada	**87,060**	80,419	**6,641**	**8.3%**
As a percentage of Canada revenue	***22.7%***	*19.7%*		
France	**39,143**	34,974	**4,169**	**11.9%**
As a percentage of France revenue	***12.5%***	*12.3%*		
U.K.	**60,665**	35,826	**24,839**	**69.3%**
As a percentage of U.K. revenue	***18.9%***	*11.8%*		
CEE	**26,564**	21,697	**4,867**	**22.4%**
As a percentage of CEE revenue	***10.4%***	*8.8%*		
Asia Pacific	**25,678**	13,985	**11,693**	**83.6%**
As a percentage of Asia Pacific revenue	***23.1%***	*14.1%*		
Adjusted EBIT	**370,224**	313,392	**56,832**	**18.1%**
Adjusted EBIT margin	***14.9%***	*12.7%*		

Adjusted EBIT for the quarter was $370.2 million, an increase of $56.8 million or 18.1% from Q4 2013, while the margin increased from 12.7% to 14.9% over the same period last year. The adjusted EBIT of our European segments was $185.6 million or a margin of 12.8%, up from $150.0 million or 10.9% from the same period of fiscal 2013. Our North American segments contributed $184.6 million in Q4 2014 compared to $163.4 million in Q4 2013, or a margin of 17.8% compared to the 15.0% margin last year.

Included in these results for the three months ended September 30, 2014 is $34.0 million of non-recurring benefits related to the adjustments of acquisition-related provisions. When excluding the benefits of the adjustments to the acquisition-related provisions, the Q4 2014 adjusted EBIT for the European segments was $151.6 million or an adjusted EBIT margin of 10.5% compared with $150.0 million or 10.9% from the same period of fiscal 2013.

These benefits came from the resolution of provisions that were established as part of the purchase price allocation for the Logica acquisition. Subsequent to the finalization of the purchase price allocation such adjustments flow through the statement of earnings. To provide better visibility to our operating performance as well as to provide comparability to previous periods, these adjustments have been specifically segregated and disclosed. In addition, these benefits which are not the result of operating management's daily activities are excluded from any compensation arrangements.

The items included in these benefits are similar to those described in section 3.6 of the present document.

5.3.1. U.S.

Adjusted EBIT in the U.S. segment was $97.6 million for Q4 2014, an increase of $14.6 million year-over-year, while the margin increased from 12.2% to 14.9%. The increase in adjusted EBIT and margin came primarily from additional sales of IP based solutions and the run-off of a large low margin government project.

5.3.2. NSESA

Adjusted EBIT in the NSESA segment was $33.5 million for Q4 2014, a decrease of $10.0 million year-over-year, while the margin decreased from 10.0% to 7.5%. The decrease in adjusted EBIT and margin primarily reflected the previous year's positive impact from the reduction of the 2013 performance based compensation accruals in the amount of $16.0 million and, to a lesser extent, the result of the temporary lower utilization rates in Q4 2014 due to the timing of projects completion and the start-up of new contracts. The Q4 2014 adjusted EBIT was also positively impacted by $8.7 million coming from the non-recurring benefits related to the resolution of acquisition-related provisions mainly for the renegotiation of office leases and client contracts.

5.3.3. Canada

Adjusted EBIT in the Canada segment was $87.1 million for Q4 2014, an increase of $6.6 million year-over-year, while the margin increased from 19.7% to 22.7%. The improvement in adjusted EBIT and margin reflects the focus on the management of resource utilization and improved project execution.

5.3.4. France

Adjusted EBIT in the France segment was $39.1 million for Q4 2014, an increase of $4.2 million year-over-year, while the margin increased from 12.3% to 12.5%. This increase in adjusted EBIT and margin was primarily the result of a favorable impact of $7.6 million coming from the non-recurring benefits related to the resolution of acquisition-related provisions mainly for client contracts and the renegotiation of office leases, offset by the unfavorable impact of $4.3 million due to one less working day in Q4 2014.

5.3.5. U.K.

Adjusted EBIT in the U.K. segment was $60.7 million for Q4 2014, an increase of $24.8 million year-over-year, while the margin increased from 11.8% to 18.9%. This increase in adjusted EBIT and margin was mainly the result of the non-recurring benefits related to the resolution of acquisition-related provisions for $11.2 million mainly for the renegotiation of office leases, the additional tax credits on salaries of $4.9 million and to a lesser extent the costs synergies realized from the integration program and the implementation of the CGI Management Foundation.

5.3.6. CEE

Adjusted EBIT in the CEE segment was $26.6 million for Q4 2014, an increase of $4.9 million year-over-year, while the margin increased from 8.8% to 10.4%. This increase in adjusted EBIT and margin was primarily the result of the cost synergies realized from the integration program and the implementation of the CGI Management Foundation. The CEE adjusted EBIT and margin was also positively impacted by a $2.0 million impact coming from the non-recurring benefits related to the resolution of acquisition-related provisions mainly for client contracts and the renegotiation of office leases.

5.3.7. Asia Pacific

Adjusted EBIT in the Asia Pacific segment was $25.7 million for Q4 2014, an increase of $11.7 million year-over-year, while the margin increased from 14.1% to 23.1%. This increase in adjusted EBIT and margin was mainly the result of the costs synergies realized from the integration program and the implementation of the CGI Management Foundation as well as a $4.5 million favourable impact coming from the non-recurring benefits related to the resolution of acquisition-related provisions mainly for client contracts.

5.4. NET EARNINGS AND EARNINGS PER SHARE

The following table sets out the information supporting the earnings per share calculations:

For the three months ended September 30,	2014	2013	Change $	Change %
In thousands of CAD except for percentages				
Adjusted EBIT	**370,224**	313,392	**56,832**	**18.1%**
Minus the following items:				
Integration-related costs	**64,259**	50,184	**14,075**	**28.0%**
Finance costs	**22,485**	28,184	**(5,699)**	**(20.2%)**
Finance expense (income)	**302**	(576)	**878**	**(152.4%)**
Earnings before income taxes	**283,178**	235,600	**47,578**	**20.2%**
Income tax expense	**69,470**	94,578	**(25,108)**	**(26.5%)**
Effective tax rate	***24.5%***	*40.1%*		**(38.9%)**
Net earnings	**213,708**	141,022	**72,686**	**51.5%**
Margin	**8.6%**	5.7%		**50.9%**
Weighted average number of shares				
Class A subordinate shares and Class B shares (basic)	**310,320,352**	309,046,350		**0.4%**
Class A subordinate shares and Class B shares (diluted)	**319,540,764**	319,114,642		**0.1%**
Earnings per share (in dollars)				
Basic EPS	**0.69**	0.46	**0.23**	**50.0%**
Diluted EPS	**0.67**	0.44	**0.23**	**52.3%**

For the current quarter, the $47.6 million increase in earnings before income taxes was mainly coming from the $56.8 million increase in adjusted EBIT as described in section 5.3 of the present document and a decrease of $5.7 million in finance costs, partly offset by an increase of $14.1 million in the integration-related costs.

In Q4 2014, the income tax expense was $69.5 million, a decrease of $25.1 million compared to $94.6 million in Q4 2013, while our effective income tax rate decreased from 40.1% to 24.5%. The decrease in the income tax expense and rate was mainly due to $26.0 million of unfavorable adjustments in fiscal 2013 that are comprised of a $18.4 million expense resulting from the revaluation of deferred tax assets following the enactment of a future rate reduction in the U.K. and from taxes paid on the repatriation of funds from the legacy Logica Indian operations of $7.6 million.

As a result of the above-mentioned items, the net earnings were $213.7 million, an increase of $72.7 million compared to $141.0 million last year.

The table on page 39 shows the quarterly year-over-year comparison of the tax rate with the impact of integration-related costs, tax adjustments and benefits related to the resolution of acquisition-related provisions removed.

During the quarter, no Class A subordinate shares were repurchased while 1,002,533 options were exercised.

5.4.1. Net Earnings and Earnings per Share Prior to Specific Items

The following table sets out the information supporting the net earnings and earnings per share prior to specific items such as the integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions:

For the three months ended September 30,			Change	
	2014	2013	$	%
Earnings before income taxes	**283,178**	235,600	**47,578**	**20.2%**
Add back:				
Integration-related costs	**64,259**	50,184	**14,075**	**28.0%**
Remove:				
Resolution of acquisition-related provisions [1]	**33,991**	—	**33,991**	**—**
Earnings before income taxes prior to specific items	**313,446**	285,784	**27,662**	**9.7%**
Margin	***12.6%***	*11.6%*		
Income tax expense	**69,470**	94,578	**(25,108)**	**(26.5%)**
Add back:				
Tax adjustments [2]	**—**	(26,013)	**26,013**	**(100.0%)**
Tax deduction on integration-related costs	**15,075**	3,619	**11,456**	**316.6%**
Remove:				
Income taxes on the resolution of acquisition-related provisions	**5,091**	—	**5,091**	**—**
Income tax expense prior to specific items	**79,454**	72,184	**7,270**	**10.1%**
Effective tax rate prior to specific items	***25.3%***	*25.3%*		
Net earnings prior to specific items	**233,992**	213,600	**20,392**	**9.5%**
Net earnings margin	***9.4%***	*8.7%*		
Weighted average number of shares outstanding				
Class A subordinate shares and Class B shares (basic)	**310,320,352**	309,046,350		**0.4%**
Class A subordinate shares and Class B shares (diluted)	**319,540,764**	319,114,642		**0.1%**
Earnings per share prior to specific items (in dollars)				
Basic EPS	**0.75**	0.69	**0.06**	**8.7%**
Diluted EPS	**0.73**	0.67	**0.06**	**9.0%**

[1] The resolution of acquisition-related provisions is discussed on pages 36 and 37.

[2] The tax adjustments are discussed on page 38.

5.5. CONSOLIDATED STATEMENTS OF CASH FLOWS

As at September 30, 2014, cash and cash equivalents were $535.7 million. The following table provides a summary of the generation and use of cash for the quarters ended September 30, 2014 and 2013.

For the three months ended September 30,	2014	2013	Change
In thousands of CAD			
Cash provided by operating activities	**412,000**	166,350	**245,650**
Cash used in investing activities	**(66,439)**	(27,062)	**(39,377)**
Cash provided by (used in) financing activities	**47,138**	(155,689)	**202,827**
Effect of foreign exchange rate changes on cash and cash equivalents	**11,724**	(17,340)	**29,064**
Net increase (decrease) in cash and cash equivalents	**404,423**	(33,741)	**438,164**

5.5.1. Cash Provided by Operating Activities

For Q4 2014, cash provided by operating activities was $412.0 million compared to $166.4 million in Q4 2013, or 16.6% of revenue compared to 6.8% last year. The increase in cash from operating activities was mainly due to an improved DSO and to the growth in net earnings as described in section 5.4 of the present document. The timing of our working capital inflows and outflows will always have an impact on the cash flow from operations. Excluding the $19 million integration-related cash disbursements, the cash provided by operating activities would have been $431 million in Q4 2014, representing 17.4% of revenue compared to $204 million or 8.3% of revenue in Q4 2013.

The following table provides a summary of the generation and use of cash from operating activities.

For the three months ended September 30,	2014	2013	Change
In thousands of CAD			
Net earnings	**213,708**	141,022	**72,686**
Amortization and depreciation	**107,877**	117,292	**(9,415)**
Other adjustments [1]	**37,156**	36,224	**932**
Cash flow from operating activities before net change in non-cash working capital items	**358,741**	294,538	**64,203**
Net change in non-cash working capital items:			
Accounts receivable, work in progress and deferred revenue	**177,898**	36,206	**141,692**
Accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities	**(143,327)**	(166,086)	**22,759**
Other [2]	**18,688**	1,692	**16,996**
Net change in non-cash working capital items	**53,259**	(128,188)	**181,447**
Cash provided by operating activities	**412,000**	166,350	**245,650**

[1] Other adjustments are comprised of deferred income taxes, foreign exchange loss (gain) and share-based payment costs.

[2] Comprised of prepaid expenses and other assets, long-term financial assets, retirement benefits obligations, derivative financial instruments and income taxes.

For the current quarter, as described in section 5.4 of the present document, the Company's net earnings increased by $72.7 million when compared to Q4 2013.

For Q4 2014, the $177.9 million of cash coming from the accounts receivable, work in progress and deferred revenue was mainly due to a decrease of 4 days in our DSO from 47 days in Q3 2014 to 43 in Q4 2014.

For the current quarter, the $143.3 million used in cash for the accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities was mostly due to the net $85.0 million decrease in accounts payable and accrued liabilities and the net decrease of $47.5 million in accrued compensation that were mainly driven by the reduction in the vacation accruals. These were partly offset by the net increase of $45.2 million in integration-related accruals.

6. Eight Quarter Summary

As at and for the three months ended,	Sept. 30, 2014	June 30, 2014	Mar. 31, 2014	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	Mar. 31, 2013	Dec. 31, 2012
In millions of CAD unless otherwise noted								
Growth								
Backlog	**18,237**	18,781	19,476	19,253	18,677	18,747	18,019	18,281
Bookings	**2,049**	2,451	2,850	2,818	2,501	2,754	2,210	2,845
Book-to-bill ratio	**82.5%**	91.9%	105.4%	106.5%	101.7%	107.3%	87.5%	112.3%
Revenue	**2,483.7**	2,667.0	2,704.3	2,644.7	2,458.2	2,567.3	2,526.2	2,532.9
Year-over-year growth	**1.0%**	3.9%	7.0%	4.4%	52.7%	141.1%	137.0%	145.4%
Constant currency growth	**(3.4%)**	(3.9%)	(2.3%)	(1.9%)	48.2%	140.3%	137.1%	147.5%
Profitability								
Adjusted EBIT	**370.2**	342.2	341.5	302.9	313.4	291.2	261.6	209.5
Adjusted EBIT margin	***14.9%***	*12.8%*	*12.6%*	*11.5%*	*12.7%*	*11.3%*	*10.4%*	*8.3%*
Net earnings	**213.7**	225.1	230.9	189.8	141.0	178.2	114.2	22.4
Net earnings margin	***8.6%***	*8.4%*	*8.5%*	*7.2%*	*5.7%*	*6.9%*	*4.5%*	*0.9%*
Basic EPS (in dollars)	**0.69**	0.73	0.75	0.62	0.46	0.58	0.37	0.07
Diluted EPS (in dollars)	**0.67**	0.71	0.73	0.60	0.44	0.56	0.36	0.07
Liquidity								
Cash provided by operating activities	**412.0**	345.9	350.7	66.3	166.4	133.2	147.2	224.5
As a % of revenue	***16.6%***	*13.0%*	*13.0%*	*2.5%*	*6.8%*	*5.2%*	*5.8%*	*8.9%*
Days sales outstanding	**43**	47	47	55	49	49	46	46
Capital structure								
Net debt	**2,113.3**	2,389.0	2,678.2	2,890.4	2,739.9	2,873.0	2,914.3	2,964.9
Net debt to capitalization ratio	**27.6%**	32.6%	35.6%	38.9%	39.6%	41.1%	43.0%	44.7%
Return on equity	**18.8%**	18.1%	17.9%	16.0%	12.3%	4.3%	1.8%	1.7%
Return on invested capital	**14.5%**	13.3%	13.4%	12.7%	11.8%	12.3%	11.1%	10.9%
Balance sheet								
Cash and cash equivalents, and short- term investments	**535.7**	131.3	133.8	206.5	106.2	165.3	167.7	161.6
Total assets	**11,234.1**	11,162.2	11,560.4	11,801.0	10,879.3	11,132.8	10,936.6	10,981.8
Long-term financial liabilities	**2,748.4**	2,164.8	2,562.4	2,796.6	2,489.5	2,648.2	3,093.5	3,162.6

There are factors causing quarterly variances which may not be reflective of the Company's future performance. First, there is seasonality in SI&C work, and the quarterly performance of these operations is impacted by occurrences such as vacations and the number of statutory holidays in any given quarter. Outsourcing contracts including BPS contracts are affected to a lesser extent by seasonality. Second, the workflow from some clients may fluctuate from quarter to quarter based on their business cycle and the seasonality of their own operations. Third, the savings that we generate for a client on a given outsourcing contract may temporarily reduce our revenue stream from this client, as these savings may not be immediately offset by additional work performed for this client.

In general, cash flow from operating activities could vary significantly from quarter to quarter depending on the timing of monthly payments received from large clients, cash requirements associated with large acquisitions, outsourcing contracts and projects, the timing of the reimbursements for various tax credits as well as profit sharing payments to members and the timing of restructuring cost payments.

Foreign exchange fluctuations can also contribute to quarterly variances as our percentage of operations in foreign countries evolves. The effect from these variances is primarily on our revenue and to a much less extent, on our net margin as we benefit from natural hedges.

7. Changes in Accounting Policies

The audited consolidated financial statements for the year ended September 30, 2014 include all adjustments that CGI's management considers necessary for the fair presentation of its financial position, results of operations, and cash flows.

a) NEW STANDARDS AND AMENDMENTS ADOPTED

The following new and amended standards have been adopted by the Company effective October 1, 2013:

IFRS 10 – Consolidated Financial Statements

The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included in a company's consolidated financial statements. The adoption of IFRS 10 did not result in any significant impact on the Company's consolidated financial statements.

IFRS 12 – Disclosure of Interests in Other Entities

The new standard provides guidance on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and structured entities. The standard requires disclosure of the nature and risks associated with the Company's interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The adoption of IFRS 12 did not result in any significant impact on the Company's consolidated financial statements.

IFRS 13 – Fair Value Measurement

The new standard provides guidance for fair value measurements by providing a definition of fair value and a single source of fair value measurement and disclosure requirements. IFRS 13 applies when other IFRS standards require or permit fair value measurements. The adoption of IFRS 13 did not result in any significant impact on the Company's consolidated financial statements other than to give rise to additional disclosures.

IAS 1 – Presentation of Financial Statements

The amendment requires grouping together items within the statement of comprehensive income that may be reclassified to the statement of earnings. As a result, the Company has grouped items within its consolidated statements of comprehensive income and accumulated other comprehensive income by items that will and will not be reclassified subsequently to the consolidated statements of earnings.

IAS 19 – Employee Benefits

Two amendments of IAS 19 have been adopted by the Company.

The first amendment requires to adjust the calculation of the financing cost component of defined benefit plans and to enhance disclosure requirements. As a result, the Company calculated a net interest expense or income on the net defined benefit liability or asset. The net interest on the defined benefit liability or asset replaces the interest cost on the defined benefit obligation and the expected return on plan assets. The adoption of IAS 19 did not result in any significant impact on the Company's consolidated financial statements, other than to give rise to additional disclosures.

The second amendment permits the recognition of certain contributions from employees as a reduction of the service cost in the period in which the related service is rendered. The amendment applies to contributions from employees set out in the formal terms of the plan, linked to service and independent of the number of years of service. The Company has early adopted the amendment of IAS 19 which is effective on or after July 1, 2014. The amendment did not result in any significant impact on the Company's consolidated financial statements.

b) FUTURE ACCOUNTING STANDARD CHANGES

The following standards have been issued but are not yet effective:

IFRS 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, “Revenue from Contracts with Customers”, to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, “Revenue”, IAS 11, “Construction Contracts”, and other revenue related interpretations. The standard will be effective on October 1, 2017 for the Company with earlier adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 9 - Financial Instruments

In July 2014, the IASB amended IFRS 9, “Financial Instruments”, to bring together the classification and measurement, impairment and hedge accounting phases of the IASB’s project to replace IAS 39, “Financial Instruments: Recognition and Measurement”. The standard supersedes all previous versions of IFRS 9 and will be effective on October 1, 2018 for the Company with earlier application permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

8. Critical Accounting Estimates and Judgements

The Company's significant accounting policies are described in Note 3 of the audited consolidated financial statements for the year ended September 30, 2014. The preparation of the consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets, liabilities and equity and the accompanying disclosures at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Because the use of judgements and estimates is inherent in the financial reporting process, actual results could differ.

An accounting estimate is considered critical if the estimate requires management to make assumptions about matters that were highly uncertain at the time the estimate was made, if different estimates could reasonably have been used in the period, or changes in the accounting estimates that are reasonably likely to occur, could have a material impact on the presentation of our financial condition, changes in financial condition or results of operations.

Areas impacted by estimates	Consolidated balance sheets	Consolidated statements of earnings		
		Revenue	Cost of services, selling and administrative	Income taxes
Revenue recognition [1]	✓	✓	✓	
Estimated losses on revenue-generating contracts	✓		✓	
Goodwill impairment	✓		✓	
Business combinations	✓	✓	✓	✓
Income taxes	✓			✓
Litigations and claims	✓	✓	✓	

[1] Affects the balance sheet through accounts receivable, work in progress and deferred revenue.

The use of judgments, apart from those involving estimations, that have the most significant effect on the amounts recognized in the financial statements are:

Multiple component arrangements

Assessing whether the deliverables within an arrangement are separately identifiable components requires judgement by management. A component is considered as separately identifiable if it has value to the client on a stand-alone basis. The Company first reviews the contract clauses to evaluate if the deliverable is accepted separately by the client. Then, the Company assesses if the deliverable could have been provided by another vendor and if it would have been possible for the client to decide to not purchase the deliverable.

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required concerning uncertainties that exist with respect to the timing of future taxable income required to recognize a deferred tax asset. The Company recognizes an income tax benefit only when it is probable that the tax benefit will be realized in the future. In making this judgement, the Company assesses forecast and the availability of future tax planning strategies.

Significant estimates about the future and other major sources of estimation uncertainty at the end of the reporting period could have a significant risk of causing a material adjustment to the carrying amounts of the following:

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts, volume rebates and sales related taxes.

The Company's arrangements often include a mix of the services and products. If an arrangement involves the provision of multiple components, the total arrangement value is allocated to each separately identifiable component based on its relative selling price. When estimating selling price of each component, the Company maximizes the use of observable prices which are established using the Company's prices for same or similar components. When observable prices are not available, the Company estimates selling prices based on its best estimate. The best estimate of selling price is the price at which the Company would normally expect to offer the services or products and is established by considering a number of internal and external factors including, but not limited to, geographies, the Company's pricing policies, internal costs and margins.

Revenue from systems integration and consulting services under fixed-fee arrangements where the outcome of the arrangements can be estimated reliably is recognized using the percentage-of-completion method over the service periods. The Company uses the labour costs or labour hours to measure the progress towards completion. This method relies on estimates of total expected labour costs or total expected labour hours to complete the service, which are compared to labour costs or labour hours incurred to date, to arrive at an estimate of the percentage of revenue earned to date. Management regularly reviews underlying estimates of total expected labour costs or hours. If the outcome of an arrangement cannot be estimated reliably, revenue is recognized to the extent of arrangement costs incurred that are likely to be recoverable.

Estimated losses on revenue-generating contracts

Estimated losses on revenue-generating contracts may occur due to additional contract costs which were not foreseen at inception of the contract. Contract losses are measured at the amount by which the estimated total costs exceed the estimated total revenue from the contract. The estimated losses on revenue-generating contracts are recognized in the period when it is determined that a loss is probable. Management regularly reviews arrangement profitability and the underlying estimates.

Goodwill impairment

The carrying value of goodwill is tested for impairment annually on September 30, or earlier if events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of each segment has been allocated has been determined based on the its value in use ("VIU") calculation which includes estimates about their future financial performance based on cash flows approved by management covering a period of five years as the Company generates revenue mainly through long-term contracts. Key assumptions used in the VIU calculations are the discount rate applied and the long-term growth rate of net operating cash flows. In determining these assumptions, management has taken into consideration the current economic environment and its resulting impact on expected growth and discount rates. The cash flow projections reflect management's expectations of the operating segment's operating performance and growth prospects in the operating segment's market. The discount rate applied to an operating segment is the weighted average cost of capital ("WACC"). Management considers factors such as country risk premium, risk-free rate, size premium and cost of debt to derive the WACC.

For goodwill impairment testing purposes, the group of CGUs that represent the lowest level within the Company at which management monitors goodwill is the operating segment level.

Business combinations

Management makes assumptions when allocating the fair value of the consideration to tangible and intangible assets acquired and liabilities assumed. The goodwill recognized is composed of the future economic value associated to acquire work force and synergies with the Company's operations which are primarily due to reduction of costs and new business opportunities.

The determination of fair value involves making estimates relating to acquired intangible assets, PP&E, litigation, provision for estimated losses on revenue-generating contracts, other onerous contracts and contingency reserves. Estimates include the forecasting of future cash flows and discount rates.

Income taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Once this assessment is made, the Company considers the analysis of forecast and future tax planning strategies. Such estimates are made based on the forecast by jurisdiction on an undiscounted basis. Management considers factors such as the number of years to include in the forecast period, the history of the taxable profits and availability of tax strategies.

The Company is subject to taxation in numerous jurisdictions and there are transactions and calculations for which the ultimate tax determination is uncertain. When a tax position is uncertain, the Company recognizes an income tax benefit or reduces an income tax liability only when it is probable that the tax benefit will be realized in the future or that the income tax liability is no longer probable. The provision for uncertain tax position is made using the best estimate of the amount expected to be paid based on qualitative assessment of all relevant factors.

Litigations and claims

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted using a current pre-tax rate when the impact of the time value of money is material.

The accrued litigation and legal claim provisions are based on historical experience, current trends and other assumptions that are believed to be reasonable under the circumstances. Estimates include the period in which the underlying cause of the claim occurred and the degree of probability of an unfavourable outcome.

9. Integrity of Disclosure

Our management assumes the responsibility for the existence of appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.

CGI has a formal corporate disclosure policy whose goal is to raise awareness of the Company's approach to disclosure among the members of the Board of Directors, senior management and employees.

The Board of Directors has the responsibility under its charter and under the securities laws that govern CGI's continuous disclosure obligations to oversee CGI's compliance with its continuous and timely disclosure obligations as well as the integrity of the Company's internal controls and management information systems. The Board of Directors carries out this responsibility mainly through its Audit and Risk Management Committee.

The Audit and Risk Management Committee of CGI is composed entirely of independent directors who meet the independence and experience requirements of the New York Stock Exchange as well as those that apply under Canadian securities regulation. The responsibilities of our Audit and Risk Management Committee include: a) reviewing of all our public disclosure documents containing audited or unaudited financial information; b) identifying and examining all risks to which we are exposed and reviewing the various policies and practices that are intended to manage those risks; c) reviewing and assessing of the effectiveness of our accounting policies and practices concerning financial reporting; d) reviewing and monitoring our internal control procedures, programs and policies and assessing of the adequacy and effectiveness thereof; e) reviewing the adequacy of our internal audit resources including the mandate and objectives of the internal auditor; f) recommending to the Board of Directors of CGI on the appointment of external auditors, the assertion of the external auditors' independence, the review of the terms of their engagement as well as pursuing ongoing discussions with them; g) reviewing of the audit procedures; h) reviewing of related party transactions; and i) carrying out such other responsibilities usually attributed to audit and risk committees or as directed by our Board of Directors. In making its recommendation to the Board of Directors in relation to the annual appointment of the external auditor, the Audit and Risk Management Committee will conduct an annual assessment of the external auditor in keeping with the recommendations of the Chartered Professional Accountants of Canada. The initial formal assessment will be concluded in advance of our upcoming Annual General Meeting of shareholders and will be conducted with the assistance of key CGI personnel.

The Company evaluated the effectiveness of its disclosure controls and procedures and internal controls over financial reporting, supervised by and with the participation of the Chief Executive Officer and the Chief Financial Officer as of September 30, 2014. The Chief Executive Officer and Chief Financial Officer concluded that, based on this evaluation, the Company's disclosure controls and procedures and internal controls over financial reporting were adequate and effective, at a reasonable level of assurance, to ensure that material information related to the Company and its consolidated subsidiaries would be made known to them by others within those entities.

10. Risk Environment

10.1. RISKS AND UNCERTAINTIES

While we are confident about our long-term prospects, the following risks and uncertainties could affect our ability to achieve our strategic vision and objectives for growth and should be considered when evaluating our potential as an investment.

10.1.1. Risks Related to the Market

Economic risk

The level of business activity of our clients, which is affected by economic conditions, has a bearing upon the results of our operations. We can neither predict the impact that current economic conditions will have on our future revenue, nor predict when economic conditions will show meaningful improvement. During an economic downturn, our clients and potential clients may cancel, reduce or defer existing contracts and delay entering into new engagements. In general, companies also decide to undertake fewer IT systems projects during difficult economic times, resulting in limited implementation of new technology and smaller engagements. Since there are fewer engagements in a downturn, competition usually increases and pricing for services may decline as competitors, particularly companies with significant financial resources, decrease rates to maintain or increase their market share in our industry and this may trigger pricing adjustments related to the benchmarking obligations within our contracts. Our pricing, revenue and profitability could be negatively impacted as a result of these factors.

10.1.2. Risks Related to our Industry

The competition for contracts

CGI operates in a global marketplace in which competition among providers of IT services is vigorous. Some of our competitors possess greater financial, marketing, sales resources, and larger geographic scope in certain parts of the world than we do, which, in turn, provides them with additional leverage in the competition for contracts. In certain niche, regional or metropolitan markets, we face smaller competitors with specialized capabilities who may be able to provide competing services with greater economic efficiency. Some of our competitors have more significant operations than we do in lower cost countries that can serve as a platform from which to provide services worldwide on terms that may be more favourable. Increased competition among IT services firms often results in corresponding pressure on prices. There can be no assurance that we will succeed in providing competitively priced services at levels of service and quality that will enable us to maintain and grow our market share.

The availability and retention of qualified IT professionals

There is strong demand for qualified individuals in the IT industry. Hiring and retaining a sufficient amount of individuals with the desired knowledge and skill set may be difficult. Therefore, it is important that we remain able to successfully attract and retain highly qualified professionals and establish an effective succession plan. If our comprehensive programs aimed at attracting and retaining qualified and dedicated professionals do not ensure that we have staff in sufficient numbers and with the appropriate training, expertise and suitable government security clearances required to serve the needs of our clients, we may have to rely on subcontractors or transfers of staff to fill resulting gaps. If our succession plan fails to identify those with potential or to develop these key individuals, we may lose key members and be required to recruit and train these new resources. This might result in lost revenue or increased costs, thereby putting pressure on our earnings.

The ability to continue developing and expanding service offerings to address emerging business demands and technology trends

The rapid pace of change in all aspects of information technology and the continually declining costs of acquiring and maintaining information technology infrastructure mean that we must anticipate changes in our clients' needs. To do so, we must adapt our services and our solutions so that we maintain and improve our competitive advantage and remain able to provide cost effective services. The market for the services and solutions we offer is extremely competitive and there can be no assurance that we will succeed in developing and adapting our business in a timely manner. If we do not

keep pace, our ability to retain existing clients and gain new business may be adversely affected. This may result in pressure on our revenue, profit margin and resulting cash flows from operations.

Infringing on the intellectual property rights of others

Despite our efforts, the steps we take to ensure that our services and offerings do not infringe on the intellectual property rights of third parties may not be adequate to prevent infringement and, as a result, claims may be asserted against us or our clients. We enter into licensing agreements for the right to use intellectual property and may otherwise offer indemnities against liability and damages arising from third-party claims of patent, copyright, trademark or trade secret infringement in respect of our own intellectual property or software or other solutions developed for our clients. In some instances, the amount of these indemnity claims could be greater than the revenue we receive from the client. Intellectual property claims or litigation could be time-consuming and costly, harm our reputation, require us to enter into additional royalty or licensing arrangements, or prevent us from providing some solutions or services. Any limitation on our ability to sell or use solutions or services that incorporate software or technologies that are the subject of a claim could cause us to lose revenue-generating opportunities or require us to incur additional expenses to modify solutions for future projects.

Benchmarking provisions within certain contracts

Some of our outsourcing contracts contain clauses allowing our clients to externally benchmark the pricing of agreed upon services against those offered by other providers in an appropriate peer comparison group. The uniqueness of the client environment is factored in and, if results indicate a difference outside the agreed upon tolerance, we may be required to work with clients to reset the pricing for their services.

Protecting our intellectual property rights

Our success depends, in part, on our ability to protect our proprietary methodologies, processes, know-how, tools, techniques and other intellectual property that we use to provide our services. CGI's business solutions will generally benefit from available copyright protection and, in some cases, patent protection. Although CGI takes reasonable steps to protect and enforce its intellectual property rights, there is no assurance that such measures will be enforceable or adequate. The cost of enforcing our rights can be substantial and, in certain cases, may prove to be uneconomic. In addition, the laws of some countries in which we conduct business may offer only limited intellectual property rights protection. Despite our efforts, the steps taken to protect our intellectual property may not be adequate to prevent or deter infringement or other misappropriation of intellectual property, and we may not be able to detect unauthorized use of our intellectual property, or take appropriate steps to enforce our intellectual property rights.

10.1.3. Risks Related to our Business

Risks associated with our growth strategy

CGI's Build and Buy strategy is founded on four pillars of growth: first, organic growth through contract wins, renewals and extensions in the areas of outsourcing and system integration; second, the pursuit of new large outsourcing contracts; third, acquisitions of smaller firms or niche players; and fourth, transformational acquisitions.

Our ability to grow through organic growth and new large outsourcing transactions is affected by a number of factors outside of our control, including a lengthening of our sales cycle for major outsourcing contracts.

Our ability to grow through niche and transformational acquisitions requires that we identify suitable acquisition targets and that we correctly evaluate their potential as transactions that will meet our financial and operational objectives. There can be no assurance that we will be able to identify suitable acquisition candidates and consummate additional acquisitions that meet our economic thresholds, or that future acquisitions will be successfully integrated into our operations and yield the tangible accretive value that had been expected.

If we are unable to implement our Build and Buy strategy, we will likely be unable to maintain our historic or expected growth rates.

The variability of financial results

Our ability to maintain and increase our revenues is affected not only by our success in implementing our Build and Buy strategy, but also by a number of other factors, including: our ability to introduce and deliver new services and products; a lengthened sales cycle; the cyclicality of purchases of technology services and products; the nature of a customer's

business; and the structure of agreements with customers. These, and other factors, make it difficult to predict financial results for any given period.

Business mix variations

The proportion of revenue that we generate from shorter-term systems integration and consulting ("SI&C") projects, versus revenue from long-term outsourcing contracts, will fluctuate at times, affected by acquisitions or other transactions. An increased exposure to revenue from SI&C projects may result in greater quarterly revenue variations.

The financial and operational risks inherent in worldwide operations

We manage operations in numerous countries around the world. The scope of our operations subjects us to various issues that can negatively impact our operations: the fluctuations of currency (see foreign exchange risk); the burden of complying with a wide variety of national and local laws (see regulatory risk); the differences in and uncertainties arising from local business culture and practices; political, social and economic instability including the threats of terrorism, civil unrest, war, natural disasters and pandemic illnesses. Any or all of these risks could impact our global business operations and cause our profitability to decline.

Organizational challenges associated with our size

With the acquisition of Logica, our organization has more than doubled in size with expanded operations in both Europe and Asia. Our culture, standards, core values, internal controls and our policies need to be instilled across the newly acquired businesses as well as maintained within our existing operations. To effectively communicate and manage these standards throughout a large global organization is both challenging and time consuming. Newly acquired businesses may be resistant to change and may remain attached to past methods, standards and practices which may compromise our business agility in pursuing opportunities. Cultural differences in various countries may also present barriers to introducing new ideas or aligning our vision and strategy with the rest of the organization. If we cannot overcome these obstacles in maintaining a strategic bond throughout the Company worldwide, we may not be able to achieve our growth and profitability objectives.

Taxes

In estimating our income tax payable, management uses accounting principles to determine income tax positions that are likely to be sustained by applicable tax authorities. However, there is no assurance that our tax benefits or tax liability will not materially differ from our estimates or expectations. The tax legislation, regulation and interpretation that apply to our operations are continually changing. In addition, future tax benefits and liabilities are dependent on factors that are inherently uncertain and subject to change, including future earnings, future tax rates, and anticipated business mix in the various jurisdictions in which we operate. Moreover, our tax returns are continually subject to review by applicable tax authorities; it is these tax authorities that will make the final determination of the actual amounts of taxes payable or receivable, of any future tax benefits or liabilities and of income tax expense that we may ultimately recognize. Any of the above factors could have a material adverse effect on our net income or cash flows by affecting our operations and profitability, the availability of tax credits, the cost of the services we provide, and the availability of deductions for operating losses as we develop our international service delivery capabilities.

Credit risk with respect to accounts receivable and work in progress

In order to sustain our cash flows and net earnings from operations, we must invoice and collect the amounts owed to us in an efficient and timely manner. Although we maintain provisions to account for anticipated shortfalls in amounts collected, the provisions we take are based on management estimates and on our assessment of our clients' creditworthiness which may prove to be inadequate in the light of actual results. To the extent that we fail to perform our services in accordance with our contracts and our clients' reasonable expectations, and to the extent that we fail to invoice clients for our services correctly in a timely manner, our collections could suffer resulting in a direct and adverse effect to our revenue, net earnings and cash flows. In addition, a prolonged economic downturn may cause clients to curtail or defer projects, impair their ability to pay for services already provided, and ultimately cause them to default on existing contracts, in each case, causing a shortfall in revenue and impairing our future prospects.

Material developments regarding major commercial clients resulting from such causes as changes in financial condition, mergers or business acquisitions

Consolidation among our clients resulting from mergers and acquisitions may result in loss or reduction of business when the successor business' information technology needs are served by another service provider or are provided by the successor Company's own personnel. Growth in a client's information technology needs resulting from acquisitions or operations may mean that we no longer have a sufficient geographic scope or the critical mass to serve the client's needs efficiently, resulting in the loss of the client's business and impairing our future prospects. There can be no assurance that we will be able to achieve the objectives of our growth strategy in order to maintain and increase our geographic scope and critical mass in our targeted markets.

Early termination risk

If we should fail to deliver our services according to contractual agreements, some of our clients could elect to terminate contracts before their agreed expiry date, which would result in a reduction of our earnings and cash flow and may impact the value of our backlog. In addition, a number of our outsourcing contractual agreements have termination for convenience and change of control clauses according to which a change in the client's intentions or a change in control of CGI could lead to a termination of the said agreements. Early contract termination can also result from the exercise of a legal right or when circumstances that are beyond our control or beyond the control of our client prevent the contract from continuing. In cases of early termination, we may not be able to recover capitalized contract costs and we may not be able to eliminate ongoing costs incurred to support the contract.

Cost estimation risks

In order to generate acceptable margins, our pricing for services is dependent on our ability to accurately estimate the costs and timing for completing projects or long-term outsourcing contracts. In addition, a significant portion of our project-oriented contracts are performed on a fixed-price basis. Billing for fixed-price engagements is carried out in accordance with the contract terms agreed upon with our client, and revenue is recognized based on the percentage of effort incurred to date in relation to the total estimated costs to be incurred over the duration of the respective contract. These estimates reflect our best judgment regarding the efficiencies of our methodologies and professionals as we plan to apply them to the contracts in accordance with the CGI Client Partnership Management Framework ("CPMF"), a process framework which helps ensure that all contracts are managed according to the same high standards throughout the organization. If we fail to apply the CPMF correctly or if we are unsuccessful in accurately estimating the time or resources required to fulfil our obligations under a contract, or if unexpected factors, including those outside of our control, arise, there may be an impact on costs or the delivery schedule which could have an adverse effect on our expected profit margins.

Risks related to teaming agreements and subcontracts

We derive substantial revenues from contracts where we enter into teaming agreements with other providers. In some teaming agreements we are the prime contractor whereas in others we act as a subcontractor. In both cases, we rely on our relationships with other providers to generate business and we expect to do so in the foreseeable future. Where we act as prime contractor, if we fail to maintain our relationships with other providers, we may have difficulty attracting suitable participants in our teaming agreements. Similarly, where we act as subcontractor, if our relationships are impaired, other providers might reduce the work they award to us, award that work to our competitors, or choose to offer the services directly to the client in order to compete with our business. In either case, our business, prospects, financial condition and operating results could be harmed.

Our partners' ability to deliver on their commitments

Increasingly large and complex contracts may require that we rely on third party subcontractors including software and hardware vendors to help us fulfil our commitments. Under such circumstances, our success depends on the ability of the third parties to perform their obligations within agreed upon budgets and timeframes. If our partners fail to deliver, our ability to complete the contract may be adversely affected, which may have an unfavourable impact on our profitability.

Guarantees risk

In the normal course of business, we enter into agreements that may provide for indemnification and guarantees to counterparties in transactions such as consulting and outsourcing services, business divestitures, lease agreements and financial obligations. These indemnification undertakings and guarantees may require us to compensate counterparties

for costs and losses incurred as a result of various events, including breaches of representations and warranties, intellectual property right infringement, claims that may arise while providing services or as a result of litigation that may be suffered by counterparties.

Risk related to human resources utilization rates

In order to maintain our profit margin, it is important that we maintain the appropriate availability of professional resources in each of our geographies by having a high utilization rate while still being able to assign additional resources to new work. Maintaining an efficient utilization rate requires us to forecast our need for professional resources accurately and to manage recruitment activities, professional training programs, attrition rates and restructuring programs appropriately. To the extent that we fail to do so, or to the extent that laws and regulations, particularly those in Europe, restrict our ability to do so, our utilization rates may be reduced; thereby having an impact on our revenue and profitability. Conversely, we may find that we do not have sufficient resources to deploy against new business opportunities in which case our ability to grow our revenue would suffer.

Client concentration risk

We derive a significant portion of our revenue from the services we provide to the U.S. federal government and its agencies, and we expect that this will continue for the foreseeable future. In the event that a major U.S. federal government agency were to limit, reduce, or eliminate the business it awards to us, we might be unable to recover the lost revenue with work from other agencies or other clients, and our business, prospects, financial condition and operating results could be materially and adversely affected. Although IFRS considers a national government and its agencies as a single client, our client base in the U.S. government economic sector is in fact diversified with contracts from many different departments and agencies.

Government business risk

Changes in government spending policies or budget priorities could directly affect our financial performance. Among the factors that could harm our government contracting business are the curtailment of governments' use of consulting and IT services firms; a significant decline in spending by governments in general, or by specific departments or agencies in particular; the adoption of new legislation and/or actions affecting companies that provide services to governments; delays in the payment of our invoices by government payment offices; and general economic and political conditions. These or other factors could cause government agencies and departments to reduce their purchases under contracts, to exercise their right to terminate contracts, to issue temporary stop work orders, or not to exercise options to renew contracts, any of which would cause us to lose future revenue. Government spending reductions or budget cutbacks at these departments or agencies could materially harm our continued performance under these contracts, or limit the awarding of additional contracts from these agencies.

Regulatory risk

Our global operations require us to be compliant with laws in many jurisdictions on matters such as: anticorruption, trade restrictions, immigration, taxation, securities regulation, anti-competition, data privacy and labour relations, amongst others. Complying with these diverse requirements worldwide is a challenge and consumes significant resources. Some of these laws may impose conflicting requirements; we may face the absence in some jurisdictions of effective laws to protect our intellectual property rights; there may be restrictions on the movement of cash and other assets; or restrictions on the import and export of certain technologies; or restrictions on the repatriation of earnings and reduce our earnings, all of which may expose us to penalties for non-compliance and harm our reputation.

Our business with the U.S. federal government and its agencies requires that we comply with complex laws and regulations relating to government contracts. These laws relate to the integrity of the procurement process, impose disclosure requirements, and address national security concerns, among others matters. For instance, we are routinely subject to audits by U.S. government agencies with respect to compliance with these rules. If we fail to comply with these requirements we may incur penalties and sanctions, including contract termination, suspension of payments, suspension or debarment from doing business with the federal government, and fines.

Legal claims made against our work

We create, implement and maintain IT solutions that are often critical to the operations of our clients' business. Our ability to complete large projects as expected could be adversely affected by unanticipated delays, renegotiations, and changing client requirements or project delays. Also, our solutions may suffer from defects that adversely affect their performance; they may not meet our clients' requirements or may fail to perform in accordance with applicable service levels. Such problems could subject us to legal liability, which could adversely affect our business, operating results and financial condition, and may negatively affect our professional reputation. We typically use reasonable efforts to include provisions in our contracts which are designed to limit our exposure to legal claims relating to our services and the applications we develop. We may not always be able to include such provisions and, where we are successful, they may not protect us adequately or may not be enforceable under some circumstances or under the laws of some jurisdictions.

Information and infrastructure risks

Our business often requires that our clients' applications and information, which may include their proprietary information, be processed and stored on our networks and systems, and in data centres that we manage. Digital information and equipment is subject to loss, theft or destruction, and services that we provide may become temporarily unavailable as a result thereof or upon an equipment or system malfunction. Failures can arise from human error in the course of normal operations, maintenance and upgrading activities, or from hacking, vandalism (including denial of service attacks and computer viruses), theft and unauthorized access by third parties, as well as from power outages or surges, floods, fires, natural disasters or from any other causes. The measures that we take to protect information and software, including both physical and logical controls on access to premises and information and backup systems may prove in some circumstances to be inadequate to prevent the loss, theft or destruction of client information or service interruptions. Such events may expose the Company to financial loss or damages.

Risk of harm to our reputation

CGI's reputation as a capable and trustworthy service provider and long term business partner is key to our ability to compete effectively in the market for information technology services. The nature of our operations exposes us to the potential loss, unauthorized access to, or destruction of our clients' information, as well as temporary service interruptions. Depending on the nature of the information or services, such events may have a negative impact on how the Company is perceived in the marketplace. Under such circumstances, our ability to obtain new clients and retain existing clients could suffer with a resulting impact on our revenue and profit.

Risks associated with the integration of new operations

The successful integration of new operations arising from our acquisition strategy or from large outsourcing contracts requires that a substantial amount of management time and attention be focused on integration tasks. Management time that is devoted to integration activities may detract from management's normal operations focus with resulting pressure on the revenues and earnings from our existing operations. In addition, we may face complex and potentially time-consuming challenges in implementing the uniform standards, controls, procedures and policies across new operations to harmonize their activities with those of our existing business units. Integration activities can result in unanticipated operational problems, expenses and liabilities. If we are not successful in executing our integration strategies in a timely and cost-effective manner, we will have difficulty achieving our growth and profitability objectives.

Internal controls risks

Due to the inherent limitations of internal controls including the circumvention or overriding of controls, or fraud, there can only be reasonable assurance that the Company's internal controls will detect and prevent a misstatement. If the Company is unable to design, implement, monitor and maintain effective internal controls throughout its different business environments, the efficiency of our operations might suffer, resulting in a decline in revenue and profitability, and the accuracy of our financial reporting could be impaired.

Liquidity and funding risks

The Company's future growth is contingent on the execution of its business strategy, which, in turn, is dependent on its ability to grow the business organically as well as conclude business acquisitions. By its nature, our growth strategy requires us to fund the investments required to be made using a mix of cash generated from our existing operations, money borrowed

under our existing or future credit agreements, and equity funding generated by the issuance of shares of our capital stock to counterparties in transactions, or to the general public. Our ability to raise the required funding depends on the capacity of the capital markets to meet our financing needs in a timely fashion and on the basis of interest rates and share prices that are reasonable in the context of profitability objectives. Increasing interest rates, volatility in our share price, and the capacity of our current lenders to meet our liquidity requirements are all factors that may have an adverse effect on our access to the funding we require. If we are unable to obtain the necessary funding, we may be unable to achieve our growth objectives.

Foreign exchange risk

The majority of our revenue and costs are denominated in currencies other than the Canadian dollar. Foreign exchange fluctuations impact the results of our operations as they are reported in Canadian dollars. This risk is partially mitigated by a natural hedge in matching our costs with revenue denominated in the same currency and through the use of derivatives in our hedging strategy. As we continue our global expansion, natural hedges may begin to diminish and the use of hedging contracts exposes us to the risk that financial institutions will fail to perform their obligations under our hedging instruments. Other than the use of financial products to deliver on our hedging strategy, we do not trade derivative financial instruments.

With our expanded presence in Europe, if uncertainty regarding the ability of certain European countries to continue servicing their sovereign debt or if austerity measures persist, the euro may weaken against the Canadian dollar. Similarly, if other currencies of countries where we operate weaken against the Canadian dollar, our consolidated financial results could be materially adversely impaired.

10.2. LEGAL PROCEEDINGS

The Company is involved in legal proceedings, audits, claims and litigation arising in the ordinary course of its business. Certain of these matters seek damages in significant amounts. Although the outcome of such matters is not predictable with assurance, the Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a material adverse effect on the Company's financial position, results of operations or the ability to carry on any of its business activities. Please refer to Note 13 and 30 to the audited consolidated financial statements for more detailed information for legal proceedings.

Transfer Agent
Computershare Investor Services Inc.
(800) 564-6253

Investor Relations
Lorne Gorber
Senior Vice-President, Global Communications & Investor Relations
Telephone: (514) 841-3355
lorne.gorber@cgi.com

1350 René-Lévesque Boulevard West
15th Floor
Montreal, Quebec
H3G 1T4
Canada

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Groupe CGI Inc./CGI Group Inc.

By: /s/ Benoit Dubé
Name: Benoit Dubé
Title: Executive Vice-President and Chief Legal Officer

Date: December 22, 2014

EXHIBIT INDEX

23.1	Consent of Ernst & Young LLP
99.1	Certification of the Registrant's Chief Executive Officer required pursuant to Rule 13a-14(a).
99.2	Certification of the Registrant's Chief Financial Officer required pursuant to Rule 13a-14(a).
99.3	Certification of the Registrant's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.4	Certification of the Registrant's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Annual Report [Form 40-F] of **CGI Group Inc.** [the "Company"] of our report dated November 12, 2014 with respect to the consolidated financial statements of the Company as of and for the years ended September 30, 2014 and 2013 included herein and our report dated November 12, 2014 with respect to the effectiveness of internal control over financial reporting as of September 30, 2014.

We also consent to the incorporation by reference in Registration Statements [Form S-8 Nos. 333-197742, 333-112021, 333-13350, 333-66044, 333-74932, 333-146175 and 333-177013] pertaining to the Company's stock option plans of our reports dated November 12, 2014 with respect to the consolidated financial statements of the Company as of and for the years ended September 30, 2014 and 2013 included herein and the effectiveness of internal control over financial reporting as of September 30, 2014.

/s/ Ernst & Young LLP[1]

Ernst & Young LLP

Montréal, Canada
December 22, 2014

1 CPA auditor, CA, public accountancy permit No. A112431

Exhibit 99.1

CERTIFICATION

I, Michael E. Roach, certify that:

1. I have reviewed this annual report on Form 40-F of CGI Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: December 22, 2014

/s/ Michael E. Roach
Michael E. Roach
President and
Chief Executive Officer

Exhibit 99.2

CERTIFICATION

I, François Boulanger, certify that:

1. I have reviewed this annual report on Form 40-F of CGI Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: December 22, 2014

/s/ François Boulanger
François Boulanger
Executive Vice-President and
Chief Financial Officer

Exhibit 99.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION. 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 40-F for the fiscal year ended September 30, 2013 (the "Report") by CGI Group Inc. (the "Company"), the undersigned, as the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 22, 2014

/s/ Michael E. Roach
Michael E. Roach
President and
Chief Executive Officer

Exhibit 99.4

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION. 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 40-F for the fiscal year ended September 30, 2013 (the "Report") by CGI Group Inc. (the "Company"), the undersigned, as the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 22, 2014

/s/ François Boulanger
François Boulanger
Executive Vice-President and
Chief Financial Officer

SECTION 3: FORM 6-K

6-K 1 cgi6k2015-q1mdafs.htm 6-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of January 2015

Commission File Number 1-14858

CGI Group Inc.

(Translation of Registrant's Name Into English)

1350 René-Lévesque Boulevard West
15th Floor
Montreal, Quebec
Canada H3G 1T4
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F ü_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No ü__

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-___.

Enclosure: MD&A for the first quarter ended December 31, 2014 and consolidated unaudited financial statements for the three months ended December 31, 2014 and 2013.

This Form 6-K shall be deemed incorporated by reference in the Registrant's Registration Statement on Form S-8, Reg. Nos. 333-13350, 333-66044, 333-74932 , 333-112021, 333-146175, 333-177013, and 333-197742.

The following are filed herewith and incorporated herein:

Exhibit Number	Description
99.1	Management's Discussion and Analysis of Financial Position and Results of Operations for the first quarter ended December 31, 2014.
99.2	Consolidated unaudited financial statements for the three months ended December 31, 2014 and 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CGI GROUP INC.
(Registrant)

Date: January 28, 2015

By /s/ Benoit Dubé

Name: Benoit Dubé

Title: Executive Vice-President and Chief Legal Officer

EX-99.1 2 q1-15mda.htm EXHIBIT 99.1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Q1 2015

January 28, 2015

Basis of Presentation

This Management's Discussion and Analysis of the Financial Position and Results of Operations ("MD&A") is the responsibility of management and has been reviewed and approved by the Board of Directors. This MD&A has been prepared in accordance with the requirements of the Canadian Securities Administrators. The Board of Directors is ultimately responsible for reviewing and approving the MD&A. The Board of Directors carries out this responsibility mainly through its Audit and Risk Management Committee, which is appointed by the Board of Directors and is comprised entirely of independent and financially literate directors.

Throughout this document, CGI Group Inc. is referred to as "CGI", "we", "our" or "Company". This MD&A provides information management believes is relevant to an assessment and understanding of the consolidated results of operations and financial condition of the Company. This document should be read in conjunction with the interim condensed consolidated financial statements and the notes thereto for the three months ended December 31, 2014 and 2013. CGI's accounting policies are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are in Canadian dollars unless otherwise indicated.

Materiality of Disclosures

This MD&A includes information we believe is material to investors. We consider something to be material if it results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares, or if it is likely that a reasonable investor would consider the information to be important in making an investment decision.

Forward-Looking Statements

All statements in this MD&A that do not directly and exclusively relate to historical facts constitute "forward-looking statements" within the meaning of that term in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended, and are "forward-looking information" within the meaning of Canadian securities laws. These statements and this information represent CGI's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors, of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements or forward-looking information. These factors include but are not restricted to: the timing and size of new contracts; acquisitions and other corporate developments; the ability to attract and retain qualified members; market competition in the rapidly evolving information technology industry; general economic and business conditions; foreign exchange and other risks identified in the MD&A, in CGI's Annual Report on Form 40-F filed with the U.S. Securities and Exchange Commission (filed on EDGAR at www.sec.gov), the Company's Annual Information Form filed with the Canadian securities authorities (filed on SEDAR at www.sedar.com), as well as assumptions regarding the foregoing. The words "believe", "estimate", "expect", "intend", "anticipate", "foresee", "plan", and similar expressions and variations thereof, identify certain of such forward-looking statements or forward-looking information, which speak only as of the date on which they are made. In particular, statements relating to future performance are forward-looking statements and forward-looking information. CGI disclaims any intention or obligation to publicly update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements or on this forward-looking information. You will find more information about the risks that could cause our actual results to differ significantly from our current expectations in Section 8 – Risk Environment.

Non-GAAP and Key Performance Measures

The reader should note that the Company reports its financial results in accordance with IFRS. However, we use a combination of financial measures, ratios, and non-GAAP measures to assess our Company's performance. The non-GAAP measures used in this MD&A do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS.

The table below summarizes our non-GAAP measures and most relevant key performance measures:

Profitability	• Adjusted EBIT (non-GAAP) – is a measure of earnings before integration-related costs, finance costs, finance income and income tax expense as these items are not directly related to the cost of operations. Management believes this measure is useful to investors as it best reflects the profitability of our operations and allows for better comparability from period to period as well as to analyze the trends in our operations. A reconciliation of the current quarter's adjusted EBIT to its closest IFRS measure can be found on page 19. • Net earnings prior to specific items[1] (non-GAAP) – is a measure of earnings before the integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability and allows for better comparability from period to period. A reconciliation of the current quarter's net earnings prior to specific items to its closest IFRS measure can be found on page 21. • Basic and diluted earnings per share prior to specific items[1] (non-GAAP) – is defined as the net earnings excluding integration-related costs, adjustments related to tax and the resolution of acquisition-related provisions on a per share basis. Management believes that this measure is useful to investors as it best reflects the Company's operating profitability on a per share basis and allows for better comparability from period to period. The current quarter's basic and diluted earnings per share reported in accordance with IFRS can be found on page 20 while the current quarter's basic and diluted earnings per share prior to specific items can be found on page 21. • Net earnings – is a measure of earnings generated for shareholders. • Diluted earnings per share – is a measure of earnings generated for shareholders on a per share basis, assuming all dilutive elements are exercised.
Liquidity	• Cash provided by operating activities – is a measure of cash generated from managing our day-to-day business operations. We believe strong operating cash flow is indicative of financial flexibility, allowing us to execute our corporate strategy. • Days sales outstanding ("DSO") (non-GAAP) – is the average number of days needed to convert our trade receivables and work in progress into cash. DSO is obtained by subtracting deferred revenue from trade accounts receivable and work in progress; the result is divided by the quarter's revenue over 90 days. Deferred revenue is net of the fair value adjustments on revenue-generating contracts. Management tracks this metric closely to ensure timely collection, healthy liquidity, and is committed to a DSO target of 45 days or less. We believe this measure is useful to investors as it demonstrates the Company's ability to timely convert its trade receivables and work in progress into cash.

[1] Specific items related to the resolution of acquisition-related provisions are described on page 21.

Growth	• Constant currency growth (non-GAAP) – is a measure of revenue growth before foreign currency impacts. This growth is calculated by translating current period results in local currency using the conversion rates in the equivalent period from the prior year. Management believes that it is helpful to adjust revenue to exclude the impact of currency fluctuations to facilitate period-to-period comparisons of business performance. We believe that this measure is useful to investors for the same reason. • Backlog (non-GAAP) – Backlog includes new contract wins, extensions and renewals (“bookings”(non-GAAP)), partially offset by the backlog consumed during the quarter as a result of client work performed and adjustments related to the volume, cancellation and/or the impact of foreign currencies to our existing contracts. Backlog incorporates estimates from management that are subject to change. Management tracks this measure as it is a key indicator of management's best estimate of revenue to be realized in the future and believes that this measure is useful to investors for the same reason. • Book-to-bill ratio (non-GAAP) – is a measure of the proportion of the value of our contract wins to our revenue in the period. This metric allows management to monitor the Company’s business development efforts to ensure we grow our backlog and our business over time. Management remains committed to maintaining a target ratio greater than 100% over a trailing 12-month period. Management believes that the longer period is a more effective measure as the size and timing of bookings could cause this measurement to fluctuate significantly if taken for only a three-month period.
Capital Structure	• Net debt (non-GAAP) – is obtained by subtracting our cash and cash equivalents, short-term investments and long-term investments from our debt. Management uses the net debt metric to monitor the Company's financial leverage. We believe that this metric is useful to investors as it provides insight into our financial strength. A reconciliation of net debt to its closest IFRS measure can be found on page 26. • Net debt to capitalization ratio (non-GAAP) – is a measure of our level of financial leverage and is obtained by dividing the net debt by the sum of shareholder's equity and debt. Management uses the net debt to capitalization metric to monitor the proportion of debt versus capital used to finance our operations and to assess the Company's financial strength. We believe that this metric is useful to investors as it provides insight into our financial strength. . • Return on equity ("ROE") (non-GAAP) – is a measure of the rate of return on the ownership interest of our shareholders and is calculated as the proportion of earnings for the last 12 months over the last four quarter's average equity. Management looks at ROE to measure its efficiency at generating profits for the Company’s shareholders and how well the Company uses the invested funds to generate earnings growth. We believe that this measure is useful to investors for the same reasons. • Return on invested capital ("ROIC") (non-GAAP) – is a measure of the Company’s efficiency at allocating the capital under its control to profitable investments and is calculated as the proportion of the after-tax adjusted EBIT for the last 12 months, over the last four quarter's average invested capital, which is defined as the sum of equity and net debt. Management examines this ratio to assess how well it is using its funds to generate returns. We believe that this measure is useful to investors for the same reason.

Reporting Segments

The Company is managed through the following seven operating segments, namely: United States of America (“U.S.”); Nordics, Southern Europe and South America (“NSESA”); Canada; France (including Luxembourg and Morocco) ("France"); United Kingdom (“U.K.”); Central and Eastern Europe (primarily the Netherlands and Germany) (“CEE”); and Asia Pacific (including Australia, India and the Philippines) ("Asia Pacific"). Please refer to section 3.4 and 3.6 of the present document and to Note 10 of our interim condensed consolidated financial statements for additional information on our segments.

MD&A Objectives and Contents

- Provide a narrative explanation of the interim condensed consolidated financial statements through the eyes of management;
- Provide the context within which the interim condensed consolidated financial statements should be analyzed, by giving enhanced disclosure about the dynamics and trends of the Company's business; and
- Provide information to assist the reader in ascertaining the likelihood that past performance is indicative of future performance.

In order to achieve these objectives, this MD&A is presented in the following main sections:

Section	Contents	Pages
1. Corporate Overview	This includes a description of our business and how we generate revenue as well as the markets in which we operate.	
	1.1. About CGI	6
	1.2. Vision and Strategy	6
	1.3. Competitive Environment	6
2. Highlights and Key Performance Measures	A summary of key achievements during the quarter, the past eight quarter's key performance measures as well as CGI's share performance.	
	2.1. Q1 2015 Highlights	7
	2.2. Selected Quarterly Information & Key Performance Measures	8
	2.3. Stock Performance	9
3. Financial Review	A discussion of year-over-year changes to operating results between the three months ended December 31, 2014 and 2013, describing the factors affecting revenue and adjusted EBIT on a consolidated and reportable segment basis, and also by describing the factors affecting changes in the major expense categories. Also discussed are bookings broken down by geography, by vertical market, by contract type and by service type.	
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	3.7. Earnings before Income Taxes	19
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Section	Contents	Pages
4. Liquidity	This includes a discussion of changes in cash flows from operating, investing and financing activities. This section also describes the Company's available capital resources, financial instruments, and off-balance sheet financing and guarantees. Measures of liquidity (days sales outstanding) and capital structure (return on equity, net debt to capitalization, and return on invested capital) are analyzed on a year-over-year basis.	
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	4.7. Capability to Deliver Results	27
5. Changes in Accounting Policies	A summary of the future accounting standard changes.	28
6. Critical Accounting Estimates and Judgements	A discussion of the estimates and judgements made in the preparation of the interim condensed consolidated financial statements.	29
7. Integrity of Disclosure	A discussion of the existence of appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.	32
8. Risk Environment	A discussion of the risks affecting our business activities and what may be the impact if these risks are realized.	
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1. Corporate Overview

1.1. ABOUT CGI

Founded in 1976 and headquartered in Montreal, Canada, CGI is among the largest independent information technology ("IT") and business process services ("BPS") firms in the world. CGI has approximately 68,000 employees, whom we refer to as members, worldwide. The Company's client-proximity model provides for CGI services and solutions to be delivered in a number of ways and considering a number of factors: onsite at clients' premises; or from any combination of onsite, near-shore and/or offshore delivery centers. We also have a number of leading business solutions that support long-term client relationships. Our services are broken down as:

- Consulting - CGI provides a full range of IT and management consulting services, including business transformation, IT strategic planning, business process engineering and systems architecture.
- Systems integration - CGI integrates and customizes leading technologies and software applications to create IT systems that respond to clients' strategic needs.
- Management of IT and business functions ("outsourcing") - Clients delegate entire or partial responsibility for their IT or business functions to CGI to achieve significant savings and access the best suited technology, while retaining control over strategic IT and business functions. As part of these agreements, we implement our quality processes and practices to improve the efficiency of the clients' operations. We may also integrate clients' operations into our technology network. Finally, we may take on specialized professionals from our clients, enabling our clients to focus on key operations. Services provided as part of an outsourcing contract may include development and integration of new projects and applications; applications maintenance and support; technology infrastructure management(enterprise and end-user computing and network services); transaction and business processing such as payroll, claims processing, and document management services. Outsourcing contracts typically have terms from five to ten years.

CGI offers its end-to-end services to a focused set of industry vertical markets where we have developed extensive and deep subject matter expertise. This allows us to fully understand our clients' business realities and to have the knowledge and solutions needed to advance their business goals. Our targeted vertical markets include: financial services, government, health, telecommunications & utilities, manufacturing, retail and distribution ("MRD"), which together account for more than 90% of global IT spend.

CGI has a wide range of proprietary business solutions that help shape opportunities and drive value for our clients and shareholders. Examples of these include Enterprise Resource Planning solutions, energy management, credit and debt collections, tax management, claims auditing and fraud detection.

We take great pride in delivering high quality services to our clients. To do so consistently, we have implemented and continue to maintain the International Organization for Standardization ("ISO") quality program. By designing and implementing rigorous service delivery and quality standards, followed by monitoring and measurement, we are better able to satisfy our clients' needs. As a measure of the scope of our ISO program, all of CGI's legacy business units continue to be certified and most of the business units acquired through the acquisition of Logica are certified as well. The work on certifying the remaining business units is in progress.

1.2. VISION AND STRATEGY

Our strategy has always been based on long-term fundamentals as highlighted in the September 30, 2014 Annual Report. Please refer to our 2014 Annual Report or visit www.cgi.com for further details.

1.3. COMPETITIVE ENVIRONMENT

There have been no significant changes to the description outlined in our September 30, 2014 Annual Report.

2. Highlights and Key Performance Measures

2.1. Q1 2015 HIGHLIGHTS

Key performance figures for the period include:

- Revenue of $2.5 billion;
- Bookings of $4.3 billion or 169.4% of revenue;
- Backlog of $20.2 billion;
- Adjusted EBIT of $344.0 million, up 13.6%;
- Adjusted EBIT margin of 13.5%, up 200 basis points;
- Net earnings of $236.3 million, up 24.5%;
- Diluted EPS of $0.74, up 23.3%;
- Cash provided by operating activities of $339.2 million, up 411.6%;
- Return on invested capital of 14.7%, up 200 basis points;
- Return on equity of 18.9%, up 290 basis points.

2.2. SELECTED QUARTERLY INFORMATION & KEY PERFORMANCE MEASURES

As at and for the three months ended,	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	Mar. 31, 2014	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	Mar. 31, 2013
In millions of CAD unless otherwise noted								
Growth								
Backlog	**20,175**	18,237	18,781	19,476	19,253	18,677	18,747	18,019
Bookings	**4,304**	2,049	2,451	2,850	2,818	2,501	2,754	2,210
Book-to-bill ratio	**169.4%**	82.5%	91.9%	105.4%	106.5%	101.7%	107.3%	87.5%
Revenue	**2,541.3**	2,483.7	2,667.0	2,704.3	2,644.7	2,458.2	2,567.3	2,526.2
Year-over-year growth	**(3.9%)**	1.0%	3.9%	7.0%	4.4%	52.7%	141.1%	137.0%
Constant currency growth [1]	**(6.0%)**	(3.4%)	(3.9%)	(2.3%)	(1.9%)	48.2%	140.3%	137.1%
Profitability								
Adjusted EBIT [2]	**344.0**	370.2	342.2	341.5	302.9	313.4	291.2	261.6
Adjusted EBIT margin	***13.5%***	*14.9%*	*12.8%*	*12.6%*	*11.5%*	*12.7%*	*11.3%*	*10.4%*
Net earnings	**236.3**	213.7	225.1	230.9	189.8	141.0	178.2	114.2
Net earnings margin	***9.3%***	*8.6%*	*8.4%*	*8.5%*	*7.2%*	*5.7%*	*6.9%*	*4.5%*
Basic EPS (in dollars)	**0.76**	0.69	0.73	0.75	0.62	0.46	0.58	0.37
Diluted EPS (in dollars)	**0.74**	0.67	0.71	0.73	0.60	0.44	0.56	0.36
Liquidity								
Cash provided by operating activities	**339.2**	412.0	345.9	350.7	66.3	166.4	133.2	147.2
As a % of revenue	***13.3%***	*16.6%*	*13.0%*	*13.0%*	*2.5%*	*6.8%*	*5.2%*	*5.8%*
Days sales outstanding [3]	**42**	43	47	47	55	49	49	46
Capital structure								
Net debt [4]	**1,924.5**	2,113.3	2,389.0	2,678.2	2,890.4	2,739.9	2,873.0	2,914.3
Net debt to capitalization ratio [5]	**25.1%**	27.6%	32.6%	35.6%	38.9%	39.6%	41.1%	43.0%
Return on equity [6]	**18.9%**	18.8%	18.1%	17.9%	16.0%	12.3%	4.3%	1.8%
Return on invested capital [7]	**14.7%**	14.5%	13.3%	13.4%	12.7%	11.8%	12.3%	11.1%
Balance sheet								
Cash and cash equivalents, and short-term investments	**489.6**	535.7	131.3	133.8	206.5	106.2	165.3	167.7
Total assets	**11,171.9**	11,234.1	11,162.2	11,560.4	11,801.0	10,879.3	11,132.8	10,936.6
Long-term financial liabilities [8]	**2,451.5**	2,748.4	2,164.8	2,562.4	2,796.6	2,489.5	2,648.2	3,093.5

[1] Constant currency growth is adjusted to remove the impact of foreign currency exchange rate fluctuations. Please refer to page 14 for details.

[2] Adjusted EBIT is a measure for which we provide the reconciliation to its closest IFRS measure on page 19.

[3] Days sales outstanding ("DSO") is a measure which is discussed on page 26.

[4] Net debt is a measure for which we provide the reconciliation to its closest IFRS measure on page 26.

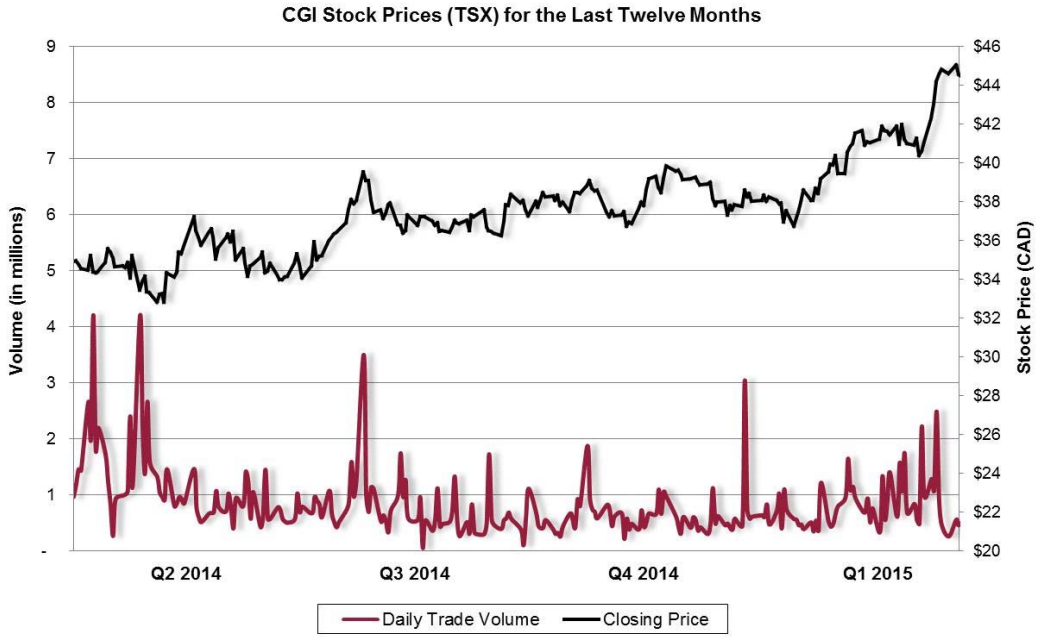
[5] The net debt to capitalization ratio is a measure which is discussed on page 26.

[6] The return on equity ratio is a measure which is discussed on page 26.

[7] The return on invested capital ratio is a measure which is discussed on page 26.

[8] Long-term financial liabilities include the long-term portion of the debt and the long-term derivative financial instruments.

2.3. STOCK PERFORMANCE



2.3.1. Q1 2015 Trading Summary

CGI's shares are listed on the Toronto Stock Exchange ("TSX") (stock quote – GIB.A) and the New York Stock Exchange ("NYSE") (stock quote – GIB) and are included in various indexes such as the S&P/TSX 60 Index.

TSX	(CDN$)	**NYSE**	(US$)
Open:	37.65	Open:	33.74
High:	45.55	High:	39.11
Low:	36.35	Low:	32.24
Close:	44.29	Close:	38.16
CDN average daily trading volumes[1]:	1,484,568	NYSE average daily trading volumes:	192,440

[1] Includes the average daily volumes of both the TSX and alternative trading systems.

2.3.2. Share Repurchase Program

On January 29, 2014, the Company's Board of Directors authorized and subsequently received the approval from the TSX for the renewal of the Normal Course Issuer Bid ("NCIB") to purchase up to 21,798,645 Class A subordinate shares for cancellation, representing 10% of the Company's public float as of the close of business on January 24, 2014. The Class A subordinate shares may be purchased under the NCIB commencing February 11, 2014 and ending on the earlier of February 10, 2015, or the date on which the Company has either acquired the maximum number of Class A subordinate shares allowable under the NCIB, or elects to terminate the NCIB.

During the first quarter of fiscal 2015 and since the beginning of the current NCIB, the Company did not repurchase any of its Class A subordinate shares.

On January 28, 2015 the Company's Board of Directors authorized the renewal of the NCIB and the purchase of up to 10%, or approximately 19.1 million of the public float of the Company's Class A subordinate shares over the next 12 months, subject to regulatory approval.

2.3.3. Capital Stock and Options Outstanding

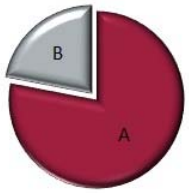
The following table provides a summary of the Capital Stock and Options Outstanding as at January 23, 2015:

Capital Stock and Options Outstanding	As at January 23, 2015
Class A subordinate shares	**280,820,895**
Class B shares	**33,272,767**
Options to purchase Class A subordinate shares	**19,092,927**

3. Financial Review

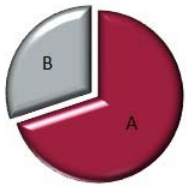
3.1. BOOKINGS AND BOOK-TO-BILL RATIO

Bookings for the quarter were $4.3 billion, representing a book-to-bill ratio of 169.4%. The breakdown of the new bookings signed during the quarter is as follows:



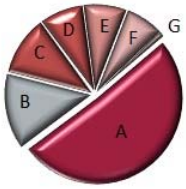
Contract Type

A.	Extensions and renewals	78%
B.	New business	22%



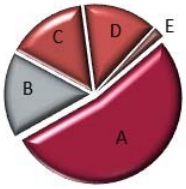
Service Type

A.	Management of IT and business functions (outsourcing)	70%
B.	Systems integration and consulting	30%



Segment

A.	Canada	52%
B.	NSESA	13%
C.	U.S.	11%
D.	U.K.	8%
E.	CEE	8%
F.	France	7%
G.	Asia Pacific	1%



Vertical Markets

A.	Telecommunications & utilities	54%
B.	Government	16%
C.	Manufacturing, retail & distribution	14%
D.	Financial services	14%
E.	Health	2%

Information regarding our bookings is a key indicator of the volume of our business over time. However, due to the timing and transition period associated with outsourcing contracts, the realization of revenue related to these bookings may fluctuate from period to period. The values initially booked may change over time due to their variable attributes, including demand-driven usage, modifications in the scope of work to be performed caused by changes in client requirements as well as termination clauses at the option of the client. As such, information regarding our bookings is not comparable to, nor should it be substituted for an analysis of our revenue; it is instead a key indicator of our future revenue used by the Company's management to measure growth. For the trailing twelve-month period ended December 31, 2014, our book-to-bill ratio was at 112.1%.

The following table provides a summary of the bookings and book-to-bill ratio by segment:

In thousands of CAD except for percentages	**Bookings for the three months ended December 31, 2014**	**Bookings for the trailing twelve-month ended December 31, 2014**	**Book-to-bill ratio for the trailing twelve-month ended December 31, 2014**
Total CGI	**4,303,759**	**11,654,934**	**112.1%**
Canada	2,236,776	3,260,261	196.0%
NSESA	567,160	2,552,356	122.1%
U.S.	494,129	1,692,713	62.4%
U.K.	342,424	1,413,125	100.6%
CEE	326,969	1,196,404	116.2%
France	314,667	1,402,705	105.3%
Asia Pacific	21,634	137,370	82.6%

3.2. FOREIGN EXCHANGE

The Company operates globally and is exposed to changes in foreign currency rates. We report all dollar amounts in Canadian dollars. Accordingly, we value assets, liabilities and transactions that are measured in foreign currencies using various exchange rates as prescribed by IFRS.

Closing foreign exchange rates

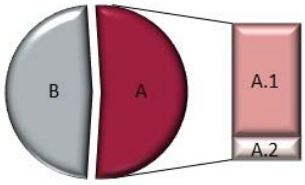
As at December 31,	2014	2013	Change
U.S. dollar	**1.1604**	1.0638	**9.1%**
Euro	**1.4040**	1.4661	**(4.2%)**
Indian rupee	**0.0184**	0.0172	**7.0%**
British pound	**1.8078**	1.7635	**2.5%**
Swedish krona	**0.1483**	0.1655	**(10.4%)**
Australian dollar	**0.9482**	0.9500	**(0.2%)**

Average foreign exchange rates

For the three months ended December 31,	2014	2013	Change
U.S. dollar	**1.1359**	1.0495	**8.2%**
Euro	**1.4189**	1.4292	**(0.7%)**
Indian rupee	**0.0183**	0.0169	**8.3%**
British pound	**1.7981**	1.6996	**5.8%**
Swedish krona	**0.1529**	0.1613	**(5.2%)**
Australian dollar	**0.9720**	0.9736	**(0.2%)**

3.3. REVENUE DISTRIBUTION

The following charts provide additional information regarding our revenue mix for the quarter:

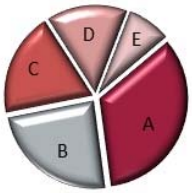


Service Type

A.	Management of IT and business functions (outsourcing)		52%
	1. IT services	43%	
	2. Business process services	9%	
B.	Systems integration and consulting		48%

Client Geography

A.	U.S.	27%
B.	Canada	15%
C.	U.K.	13%
D.	France	13%
E.	Sweden	9%
F.	Finland	7%
G.	Rest of the world	16%



Vertical Markets

A.	Government	34%
B.	Manufacturing, retail & distribution	24%
C.	Financial services	19%
D.	Telecommunications & utilities	15%
E.	Health	8%

3.3.1. Client Concentration

IFRS guidance on segment disclosures defines a single customer as a group of entities that are known to the reporting enterprise to be under common control. The Company considers the federal, regional or local governments each to be a single customer. Our work for the U.S. federal government including its various agencies represented 12.9% of our revenue for the current quarter as compared to 14.1% in the same period of fiscal 2014.

3.4. REVENUE VARIATION AND REVENUE BY SEGMENT

Our seven segments are based on our geographic delivery model: U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific.

The following table provides a summary of the year-over-year changes in our revenue, in total and by segment, separately showing the impacts of foreign currency exchange rate variations between Q1 2015 and Q1 2014. The Q1 2014 revenue by segment was recorded reflecting the actual foreign exchange rates for that period. The foreign exchange impact is the difference between the current period's actual results and the current period's results converted with the prior year's foreign exchange rates.

For the three months ended December 31,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Total CGI revenue	**2,541,255**	2,644,710	**(103,455)**	**(3.9%)**
Variation prior to foreign currency impact	**(6.0%)**			
Foreign currency impact	**2.1%**			
Variation over previous period	**(3.9%)**			
U.S.				
Revenue prior to foreign currency impact	**604,745**	685,592	**(80,847)**	**(11.8%)**
Foreign currency impact	**49,839**			
U.S. revenue	**654,584**	685,592	**(31,008)**	**(4.5%)**
NSESA				
Revenue prior to foreign currency impact	**518,476**	548,792	**(30,316)**	**(5.5%)**
Foreign currency impact	**(15,137)**			
NSESA revenue	**503,339**	548,792	**(45,453)**	**(8.3%)**
Canada				
Revenue prior to foreign currency impact	**381,870**	420,945	**(39,075)**	**(9.3%)**
Foreign currency impact	**279**			
Canada revenue	**382,149**	420,945	**(38,796)**	**(9.2%)**
France				
Revenue prior to foreign currency impact	**327,441**	331,475	**(4,034)**	**(1.2%)**
Foreign currency impact	**(2,136)**			
France revenue	**325,305**	331,475	**(6,170)**	**(1.9%)**
U.K.				
Revenue prior to foreign currency impact	**293,685**	287,236	**6,449**	**2.2%**
Foreign currency impact	**17,013**			
U.K. revenue	**310,698**	287,236	**23,462**	**8.2%**
CEE				
Revenue prior to foreign currency impact	**258,950**	269,438	**(10,488)**	**(3.9%)**
Foreign currency impact	**(2,447)**			
CEE revenue	**256,503**	269,438	**(12,935)**	**(4.8%)**
Asia Pacific				
Revenue prior to foreign currency impact	**102,152**	101,232	**920**	**0.9%**
Foreign currency impact	**6,525**			
Asia Pacific revenue	**108,677**	101,232	**7,445**	**7.4%**

We ended Q1 2015 with revenue of $2,541.3 million, a decrease of $103.5 million or 3.9% over Q1 2014. On a constant currency basis, revenue decreased by $157.4 million or 6.0%, as foreign currency rate fluctuations favourably impacted our revenue by $53.9 million or 2.1%. The change in revenue was due to the additional efforts needed in fiscal 2014 to complete the Affordable Care Act ("ACA") projects in our U.S. segment as well as the planned wind-down of low margin business in our European operations.

3.4.1. U.S.

Revenue in our U.S. segment was $654.6 million in Q1 2015, a decrease of $31.0 million or 4.5% over Q1 2014. On a constant currency basis, revenue decreased by $80.8 million or 11.8%. The change in revenue was mainly due to the completion of the ACA related projects in fiscal 2014.

For the current quarter, the top two U.S. vertical markets were government and health, which together accounted for approximately 76% of its revenue.

3.4.2. NSESA

Revenue in our NSESA segment was $503.3 million in Q1 2015, a decrease of $45.5 million or 8.3% over Q1 2014. On a constant currency basis, revenue decreased by $30.3 million or 5.5%. The decrease in revenue was mainly due to projects completed in Sweden and Southern Europe, partly offset by new business and the ramp up of existing outsourcing contracts.

For the current quarter, revenue coming from Sweden and Finland accounted for 76% of this segment while NSESA's top two vertical markets were MRD and government, which together accounted for approximately 60% of its revenue.

3.4.3. Canada

Revenue in our Canada segment was $382.1 million in Q1 2015, a decrease of $38.8 million or 9.2% over Q1 2014. On a constant currency basis, revenue decreased by $39.1 million or 9.3%. The revenue decrease was mainly due to lower work volumes as a result of the expiration of certain contracts, partly offset by new business.

For the current quarter, Canada's top two vertical markets were financial services and telecommunication & utilities, which together accounted for approximately 58% of its revenue.

3.4.4. France

Revenue in our France segment was $325.3 million in Q1 2015, a decrease of $6.2 million or 1.9% over Q1 2014. On a constant currency basis, revenue decreased by $4.0 million or 1.2%. Revenue was relatively stable as projects were completed, while the new business was partly offset by the run-off of low margin business.

For the current quarter, France's top two vertical markets were MRD and financial services, which together accounted for approximately 63% of its revenue.

3.4.5. U.K.

Revenue in our U.K. segment was $310.7 million in Q1 2015, an increase of $23.5 million or 8.2% over Q1 2014. On a constant currency basis, revenue increased by $6.4 million or 2.2%. The revenue growth was due to winning new business within the government vertical market, which offset the completion of projects in our MRD vertical market and the run-off of low margin business.

For the current quarter, U.K.'s top two vertical markets were government and MRD, which together accounted for approximately 68% of its revenue.

3.4.6. CEE

Revenue in our CEE segment was $256.5 million in Q1 2015, a decrease of $12.9 million or 4.8% over Q1 2014. On a constant currency basis, revenue decreased by $10.5 million or 3.9%. The decrease in revenue was due to the completion of certain projects in the Netherlands, partly offset by new business.

For the current quarter, revenue coming from the Netherlands and Germany accounted for 87% of this segment while CEE's top two vertical markets were MRD and government, which together accounted for approximately 59% of its revenue.

3.4.7. Asia Pacific

Revenue in our Asia Pacific segment was $108.7 million in Q1 2015, an increase of $7.4 million or 7.4% over Q1 2014. On a constant currency basis our revenue remained stable when compared to Q1 2014.

For the current quarter, Asia Pacific's top two vertical markets were telecommunications & utilities and MRD, which together accounted for approximately 81% of its revenue.

3.5. OPERATING EXPENSES

For the three months ended December 31,		% of		% of	Change	
	2014	Revenue	2013	Revenue	$	%
In thousands of CAD except for percentages						
Costs of services, selling and administrative	**2,195,385**	**86.4%**	2,341,314	88.5%	**(145,929)**	**(6.2%)**
Foreign exchange loss	**1,821**	**0.1%**	468	0.0%	**1,353**	**289.1%**

3.5.1. Costs of Services, Selling and Administrative

Costs of services, selling and administrative expenses amounted to $2,195.4 million in Q1 2015, a decrease of $145.9 million or 6.2% compared to Q1 2014. As a percentage of revenue, cost of services, selling and administrative expenses decreased from 88.5% in Q1 2014 to 86.4% in Q1 2015, mainly due to the realization of the business synergies from our integration and the implementation of CGI's Management Foundation. More information on the integration can be found on page 19.

Compared to Q1 2014, as a percentage of revenue, our costs of services decreased mainly due to the extra resources and expenses needed in fiscal 2014 to complete the ACA related projects, while our selling and administrative expenses decreased as a result of the business synergies achieved through the integration.

The majority of our costs are denominated in currencies other than the Canadian dollar. The risk of foreign exchange fluctuation impacting the results is substantially mitigated by a natural hedge in matching our costs with revenue denominated in the same currency. As a result, the translation of the results of our foreign operations from their local currencies to the Canadian dollar unfavourably impacted costs by $42.8 million, substantially offsetting the favourable translation impact of $53.9 million on revenue. In certain cases where there is a substantial imbalance between the costs incurred and the revenue earned in a specific currency, the Company may enter into foreign exchange forward contracts to hedge its cash flows.

3.5.2. Foreign Exchange Loss

The Company, in addition to its natural hedges, has a strategy in place to manage its exposure, to the extent possible, to exchange rate fluctuations through the effective use of derivatives.

3.6. ADJUSTED EBIT BY SEGMENT

For the three months ended December 31,	2014	2013	Change $	Change %
In thousands of CAD except for percentages				
U.S.	**95,127**	67,339	**27,788**	**41.3%**
As a percentage of U.S. revenue	***14.5%***	*9.8%*		
NSESA	**46,554**	49,146	**(2,592)**	**(5.3%)**
As a percentage of NSESA revenue	***9.2%***	*9.0%*		
Canada	**80,740**	90,114	**(9,374)**	**(10.4%)**
As a percentage of Canada revenue	***21.1%***	*21.4%*		
France	**40,877**	35,717	**5,160**	**14.4%**
As a percentage of France revenue	***12.6%***	*10.8%*		
U.K.	**35,173**	21,112	**14,061**	**66.6%**
As a percentage of U.K. revenue	***11.3%***	*7.4%*		
CEE	**25,406**	28,177	**(2,771)**	**(9.8%)**
As a percentage of CEE revenue	***9.9%***	*10.5%*		
Asia Pacific	**20,172**	11,323	**8,849**	**78.2%**
As a percentage of Asia Pacific revenue	***18.6%***	*11.2%*		
Adjusted EBIT	**344,049**	302,928	**41,121**	**13.6%**
Adjusted EBIT margin	***13.5%***	*11.5%*		

Adjusted EBIT for the quarter was $344.0 million, an increase of $41.1 million or 13.6% from Q1 2014, while the margin increased to 13.5% from 11.5%.

The adjusted EBIT of our North American segments was $175.9 million in Q1 2015 compared to $157.5 million for Q1 2014, or 17.0% of revenue compared to 14.2% over the same period. The favourable variance was due to the extra resources and expenses needed in fiscal 2014 to complete the ACA related projects in our U.S. segment.

Our European and Asia Pacific segments contributed $168.2 million in Q1 2015 or an adjusted EBIT margin of 11.2%, up from $145.5 million or 9.5% over Q1 2014. The growth in adjusted EBIT and margin in our European and Asia Pacific segments was primarily due to the benefits of the integration, which focused on resource utilization, profitable revenue and optimizing selling, general and administrative expenses. More information on the integration can be found on page 19.

3.6.1. U.S.

Adjusted EBIT in the U.S. segment was $95.1 million in Q1 2015, an increase of $27.8 million compared to Q1 2014, while the margin increased to 14.5% from 9.8%. The favourable variance was mainly due to the extra resources and expenses needed in fiscal 2014 to complete the ACA related projects.

3.6.2. NSESA

Adjusted EBIT in the NSESA segment was $46.6 million in Q1 2015, a decrease of $2.6 million and essentially flat when excluding $2.6 million of non-recurring benefits related to the resolution of acquisition-related provisions in the first quarter of fiscal 2014. Adjusted EBIT margin was 9.2%, an improvement from 8.5% for the same period a year ago when excluding the non-recurring benefits in Q1 2014. This increase in adjusted EBIT margin was mainly attributable to the realization of the cost synergies implemented as part of the integration.

3.6.3. Canada

Adjusted EBIT in the Canada segment was $80.7 million in Q1 2015, a decrease of $9.4 million compared to Q1 2014 which mainly resulted from the revenue decrease, while the margin remained stable for the periods.

3.6.4. France

Adjusted EBIT in the France segment was $40.9 million in Q1 2015, an increase over Q1 2014 of $5.2 million or $11.0 million when excluding $5.8 million of non-recurring benefits related to the resolution of acquisition-related provisions mainly for the settlement of tax credits. Adjusted EBIT margin was 12.6%, an improvement from 9.0% for the same period a year ago when excluding the non-recurring benefits in Q1 2014. This increase in adjusted EBIT and margin was mainly attributable to the realization of the cost synergies implemented as part of the integration and the run-off of low margin business.

3.6.5. U.K.

Adjusted EBIT in the U.K. segment was $35.2 million in Q1 2015, an increase of $14.1 million compared to Q1 2014, while the margin increased to 11.3% from 7.4%. This increase in adjusted EBIT and margin was mainly the result of the cost synergies realized from the integration and the run-off of low margin business.

3.6.6. CEE

Adjusted EBIT in the CEE segment was $25.4 million in Q1 2015, a decrease of $2.8 million compared to Q1 2014, while the margin decreased from 10.5% to 9.9%. This decrease in adjusted EBIT and margin was primarily the result of lower utilization rates in Q1 2015 due to the completion of certain projects in the Netherlands.

3.6.7. Asia Pacific

Adjusted EBIT in the Asia Pacific segment was $20.2 million in Q1 2015, an increase of $8.8 million compared to Q1 2014, while the margin increased to 18.6% from 11.2%. This increase in adjusted EBIT and margin was mainly the result of the cost synergies realized from the integration and the implementation of additional productivity improvements in the India and Philippines global delivery centers.

3.7. EARNINGS BEFORE INCOME TAXES

The following table provides a reconciliation between our adjusted EBIT and earnings before income taxes, which is reported in accordance with IFRS.

For the three months ended December 31,	2014	% of Revenue	2013	% of Revenue	Change $	Change %
In thousands of CAD except for percentages						
Adjusted EBIT	**344,049**	**13.5 %**	302,928	11.5%	**41,121**	**13.6%**
Minus the following items:						
Integration-related costs	**—**	**0.0%**	22,615	0.9%	**(22,615)**	**(100.0%)**
Finance costs	**24,500**	**1.0%**	28,438	1.1%	**(3,938)**	**(13.8%)**
Finance income	**(920)**	**(0.0%)**	(1,080)	(0.0%)	**160**	**(14.8%)**
Earnings before income taxes	**320,469**	**12.6%**	252,955	9.6%	**67,514**	**26.7%**

3.7.1. Integration-Related Costs

The $22.6 million of integration-related costs incurred in Q1 2014 pertain to the restructuring and transformation of Logica's operations to the CGI operating model. In September 2014, we completed the integration of Logica where a total of $575.5 million in one-time costs were spent to drive annual savings in excess of $400 million and enhanced EPS accretion. At the end of Q1 2015, a balance of $83.0 million related to the integration remains to be disbursed. Further details are provided in section 4.1.1 of the present document.

3.7.2. Finance Costs

Finance costs mainly include the interest on our long-term debt. The decrease in finance costs for the three months ended December 31, 2014 was mainly the result of long-term debt repayments.

3.7.3. Finance Income

Finance income includes interest and other investment income related to cash balances, investments, and tax assessments.

3.8. NET EARNINGS AND EARNINGS PER SHARE

The following table sets out the information supporting the earnings per share calculations:

For the three months ended December 31,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Earnings before income taxes	**320,469**	252,955	**67,514**	**26.7%**
Income tax expense	**84,213**	63,165	**21,048**	**33.3%**
Effective tax rate	***26.3%***	*25.0%*		
Net earnings	**236,256**	189,790	**46,466**	**24.5%**
Net earnings margin	***9.3%***	*7.2%*		
Weighted average number of shares outstanding				
Class A subordinate shares and Class B shares (basic)	**311,130,412**	308,482,085		**0.9%**
Class A subordinate shares and Class B shares (diluted)	**320,079,669**	318,679,293		**0.4%**
Earnings per share (in dollars)				
Basic	**0.76**	0.62	**0.14**	**22.6%**
Diluted	**0.74**	0.60	**0.14**	**23.3%**

3.8.1. Income Tax Expense

For Q1 2015, the income tax expense was $84.2 million, an increase of $21.0 million compared to $63.2 million in Q1 2014, while our effective tax rate increased from 25.0% to 26.3%. The increase in income tax expense in Q1 2015 was mainly due to the higher earnings before income taxes while the increase in the income tax rate was attributable to the increased profitability of our U.S. operations where the enacted income tax rate is higher.

The table on page 21 shows the year-over-year comparison of the tax rate with the impact of the Q1 2014 integration-related costs and the benefits related to the resolution of acquisition-related provisions removed.

Based on the enacted rates at the end of Q1 2015 and our current business mix, we expect our effective tax rate before any significant adjustments to be in the range of 25% to 27% in subsequent periods.

3.8.2. Weighted Average Number of Shares

For Q1 2015, CGI's basic and diluted weighted average number of shares increased compared to Q1 2014 due to the issuance of Class A subordinate shares upon the exercise of stock options, partly offset by the repurchase of Class A subordinate shares.

3.8.3. Net Earnings and Earnings per Share Prior to Specific Items

Below is a table showing the year-over-year comparison prior to specific items such as the integration-related costs and the benefits related to the resolution of acquisition-related provisions:

For the three months ended December 31,			Change	
	2014	2013	$	%
In thousands of CAD except for percentages				
Earnings before income taxes	**320,469**	252,955	**67,514**	**26.7%**
Add back:				
Integration-related costs	**—**	22,615	**(22,615)**	**(100.0%)**
Remove:				
Resolution of acquisition-related provisions [1]	**—**	8,412	**(8,412)**	**(100.0%)**
Earnings before income taxes prior to specific items	**320,469**	267,158	**53,311**	**20.0%**
Margin	***12.6%***	*10.1%*		
Income tax expense	**84,213**	63,165	**21,048**	**33.3%**
Add back:				
Tax deduction on integration-related costs	**—**	4,509	**(4,509)**	**(100.0%)**
Remove:				
Income taxes on the resolution of acquisition-related provisions	**—**	652	**(652)**	**(100.0%)**
Income tax expense prior to specific items	**84,213**	67,022	**17,191**	**25.6%**
Effective tax rate prior to specific items	***26.3%***	*25.1%*		
Net earnings prior to specific items	**236,256**	200,136	**36,120**	**18.0%**
Net earnings margin	***9.3%***	*7.6%*		
Weighted average number of shares outstanding				
Class A subordinate shares and Class B shares (basic)	**311,130,412**	308,482,085		**0.9%**
Class A subordinate shares and Class B shares (diluted)	**320,079,669**	318,679,293		**0.4%**
Earnings per share prior to specific items (in dollars)				
Basic	**0.76**	0.65	**0.11**	**16.9%**
Diluted	**0.74**	0.63	**0.11**	**17.5%**

[1] These benefits came from the adjustment of provisions that were established as part of the purchase price allocation for the Logica acquisition. Subsequent to the finalization of the purchase price allocation such adjustments flow through the statement of earnings. Examples of the items that may be included in these benefits comprise the resolution of provisions on client contracts, the settlement of tax credits and the early termination of lease agreements.

4. Liquidity

4.1. INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

CGI's growth is financed through a combination of our cash flow from operations, borrowing under our existing credit facilities, the issuance of long-term debt, and the issuance of equity. One of our financial priorities is to maintain an optimal level of liquidity through the active management of our assets and liabilities as well as our cash flows.

As at December 31, 2014, cash and cash equivalents were $489.6 million. The following table provides a summary of the generation and use of cash for the three months ended December 31, 2014 and 2013.

For the three months ended December 31,	**2014**	**2013**	**Change**
In thousands of CAD			
Cash provided by operating activities	**339,205**	66,304	**272,901**
Cash used in investing activities	**(63,066)**	(85,229)	**22,163**
Cash (used in) provided by financing activities	**(323,459)**	124,633	**(448,092)**
Effect of foreign exchange rate changes on cash and cash equivalents	**1,182**	(5,763)	**6,945**
Net (decrease) increase in cash and cash equivalents	**(46,138)**	**99,945**	**(146,083)**

4.1.1. Cash Provided by Operating Activities

For the three months ended December 31, 2014, and 2013, cash provided by operating activities was $339.2 million compared to $66.3 million, or 13.3% of revenue compared to 2.5% last year. The increase was mainly due to better cash collection in the quarter and to the ongoing improvement in profitability as a result of the integration being realized. The reduction in the amount of integration-related payments and performance-based compensation payments to our members in Q1 2015 also contributed to the increase in cash provided by operating activities. The timing of our working capital inflows and outflows will always have an impact on the cash flow from operations. Excluding the $21.2 million in the integration-related cash disbursements in Q1 2015 and the $53.3 million in Q1 2014 in respect of the CGI integration program, the cash provided by operating activities would have been $360.4 million in Q1 2015, representing 14.2% of revenue compared to $119.6 million or 4.5% of revenue in Q1 2014.

The following table provides a summary of the generation and use of cash from operating activities.

For the three months ended December 31,	**2014**	**2013**	**Change**
In thousands of CAD			
Net earnings	**236,256**	189,790	**46,466**
Amortization and depreciation	**105,891**	110,464	**(4,573)**
Other adjustments [1]	**26,710**	10,588	**16,122**
Cash flow from operating activities before net change in non-cash working capital items	**368,857**	310,842	**58,015**
Net change in non-cash working capital items:			
Accounts receivable, work in progress and deferred revenue	**(46,308)**	(222,238)	**175,930**
Accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities	**(36,754)**	(52,395)	**15,641**
Other [2]	**53,410**	30,095	**23,315**
Net change in non-cash working capital items	**(29,652)**	(244,538)	**214,886**
Cash provided by operating activities	**339,205**	66,304	**272,901**

[1] Other adjustments are comprised of deferred income taxes, foreign exchange (gain) loss and share-based payment costs.

[2] Comprised of prepaid expenses and other assets, long-term financial assets, retirement benefits obligations, derivative financial instruments and income taxes.

For Q1 2015, the $46.3 million decrease in cash coming from the accounts receivable, work in progress and deferred revenue was mainly due to an increase in the other receivables mainly driven by the tax credits.

For Q1 2014, the $222.2 million decrease in cash coming from the accounts receivable, work in progress and deferred revenue was primarily the result of the timing of the completion of billing milestones on certain large U.S. contracts as well as the timing of the billings in France and Finland due to the system conversion required to fully implement our Management Foundation.

For Q1 2015, the $36.8 million of cash used for the accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities was mostly due to the payment of performance-based compensation to our members and the payment of $21.2 million for integration-related items. These were partly offset by the net increase in accounts payable and accrued liabilities mainly driven by sales tax accruals and from the performance-based compensation accruals to our members.

The $52.4 million of cash used in Q1 2014 for the accounts payable and accrued liabilities, accrued compensation, provisions and other long-term liabilities was mostly due to the payment of performance-based compensation to our members and the payment of $53.3 million in integration-related costs in respect of the CGI integration program. These were partly offset by the net increase in our accounts payable, accrued liabilities and accrued compensation and the $22.6 million of integration-related costs incurred.

The $53.4 million increase in cash in Q1 2015 coming from the prepaid expenses and other assets, long-term financial assets, retirement benefits obligations, derivative financial instruments and income taxes was mainly driven by the net increase in the income taxes payable as a result of the timing of our installments and accruals.

The following table provides a summary of the movements in the integration-related provision:

For the three months ended December 31,	**2014**	**2013**
In millions of CAD		
Integration-related provision at the beginning of the period	**105.6**	**135.8**
Integration-related expenses	—	22.6
Integration-related payments	(21.2)	(53.3)
Net impact on non-cash working capital	**(21.2)**	**(30.7)**
Plus: FX impact [1]	(1.4)	5.0
Minus: Non-cash integration-related costs	—	—
Integration-related provision at the end of the period	**83.0**	**110.1**

[1] The foreign currency translation was recorded in other comprehensive income.

4.1.2. Cash Used in Investing Activities

For the three months ended December 31, 2014, and 2013, $63.1 million were used in investing activities compared to $85.2 million respectively. The following table provides a summary of the generation and use of cash from investing activities.

For the three months ended December 31,	2014	2013	Change
In thousands of CAD			
Proceeds from sale of property, plant and equipment	**15,255**	—	**15,255**
Purchase of property, plant and equipment	**(45,819)**	(50,327)	**4,508**
Additions to contract costs	**(14,677)**	(12,764)	**(1,913)**
Additions to intangible assets	**(15,657)**	(15,378)	**(279)**
Net change in short-term investments and net purchase of long-term investments	**(3,294)**	(8,602)	**5,308**
Payments received from long-term receivable	**1,126**	1,842	**(716)**
Cash used in investing activities	**(63,066)**	(85,229)	**22,163**

For Q1 2015, we used $63.1 million in our investing activities, compared to $85.2 million in Q1 2014 which represented a decrease of $22.2 million. The decrease was mainly driven by a $15.3 million sale of equipment in Q1 2015 while our investments in property, plant and equipment, the additions of contract costs and intangible assets remained relatively stable from $78.5 million in Q1 2014 to $76.2 million in Q1 2015.

4.1.3. Cash Used in Financing Activities

For the three months ended December 31, 2014, $323.5 million was used in financing activities while in Q1 2014, $124.6 million was provided by the financing activities. The following table provides a summary of the generation and use of cash from financing activities.

For the three months ended December 31,	2014	2013	Change
In thousands of CAD			
Net change in unsecured committed revolving credit facility	**—**	214,274	**(214,274)**
Net change in long-term debt	**(290,916)**	11,883	**(302,799)**
	(290,916)	226,157	**(517,073)**
Settlement of derivative financial instruments	**(42,972)**	—	**(42,972)**
Purchase of Class A subordinate shares held in trust	**(11,099)**	(23,016)	**11,917**
Resale of Class A subordinate shares held in trust	**—**	1,390	**(1,390)**
Repurchase of Class A subordinate shares	**—**	(100,000)	**100,000**
Issuance of Class A subordinate shares	**21,528**	20,102	**1,426**
Cash (used in) provided by financing activities	**(323,459)**	124,633	**(448,092)**

In Q1 2015, $290.9 million was used to reduce our outstanding long-term debt mainly driven by the $298.2 million repayments under the term loan credit facility, while in Q1 2014 we drew $214.3 million on our credit facility and increased our outstanding long-term debt by $11.9 million. Following the net repayments on our outstanding long-term debt in Q1 2015, the Company used $43.0 million to settle the related cross-currency swaps contract.

For the current quarter, we did not repurchase any Class A subordinate shares under the current NCIB, while for Q1 2014, $100.0 million was used to purchase 2,490,660 Class A subordinate shares under the annual aggregate limit of the NCIB then in effect. For the three months ended December 31, 2014, an amount of $11.1 million was used to purchase CGI shares under the Company's Performance Share Unit Plan (the "PSU" Plan) which is part of the compensation package of certain senior executive officers, while for the comparable period of last year, a net amount of $21.6 million was used to purchase shares under the PSU Plan.

Finally, in Q1 2015, we received $21.5 million in proceeds from the exercise of stock options, compared to $20.1 million in Q1 2014.

4.1.4. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents

For Q1 2015 and Q1 2014, the effect of foreign exchange rate changes on cash and cash equivalents was negligible. These amounts had no effect on net earnings as they were recorded in other comprehensive income.

4.2. CAPITAL RESOURCES

As at December 31 2014, *In thousands of CAD*	Total commitment	Available	Outstanding
Cash and cash equivalents	—	489,577	—
Long-term investments	—	35,020	—
Unsecured committed revolving facilities [a]	**1,500,000**	1,462,264	37,736
Total	**1,500,000**	1,986,861	37,736

[a] Consists of Letters of Credit for $37.7 million outstanding on December 31, 2014.

Our cash position and bank lines are sufficient to support our growth strategy. At December 31, 2014, cash and cash equivalents and long-term marketable investments represented $524.6 million.

Cash equivalents typically include term deposits, all with maturities of 90 days or less. Long-term marketable investments include corporate and government bonds with maturities ranging from one to five years, rated “A” or higher.

The amount of capital available was $1,986.9 million. The long-term debt agreements contain covenants, which require us to maintain certain financial ratios. At December 31, 2014, CGI was in compliance with these covenants.

Total debt decreased by $230.6 million to $2,449.1 million at December 31, 2014, compared to $2,679.7 million at September 30, 2014. The variation was mainly due to the reimbursement of $298.2 million under the term loan credit facility partially offset by an unrealized loss of $49.0 million on foreign exchange translation.

As at December 31, 2014, CGI reported a positive working capital[1] of $58.8 million. The Company has also $1.5 billion available under its unsecured revolving facilities and is generating a significant level of cash that will allow it to fund its operations and further decrease the amount of debt outstanding in the foreseeable future while maintaining adequate levels of liquidity.

4.3. CONTRACTUAL OBLIGATIONS

We are committed under the terms of contractual obligations with various expiration dates, primarily for the rental of premises, computer equipment used in outsourcing contracts and long-term service agreements. There have been no material changes to these obligations since our year ended September 30, 2014.

4.4. FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

We use various financial instruments to manage our exposure to fluctuations of foreign currency exchange rates and interest rates. We do not hold or use any derivative instruments for trading purposes. Foreign exchange translation gains or losses on the net investments and the effective portions of gains or losses on instruments hedging the net investments are recorded in the consolidated statement of comprehensive income. Any realized or unrealized gains or losses on instruments covering the U.S. denominated debt are also recognized in the consolidated statement of comprehensive income.

The following financial instruments have been materially modified since our year ended September 30, 2014:

Hedges on net investments in foreign operations

— $659.4 million cross-currency swaps in Euro designated as a hedging instrument of the Company’s net investment in European operations ($968.8 million as at September 30, 2014).

[1] Working capital is defined as total current assets minus total current liabilities.

Cash flow hedges on future revenue

— $201.9 million foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Canadian dollar and the Indian rupee ($94.6 million as at September 30, 2014).

4.5. SELECTED MEASURES OF LIQUIDITY AND CAPITAL RESOURCES

As at December 31,	2014	2013
In thousands of CAD except for percentages		
Reconciliation between net debt and long-term debt including the current portion:		
Net debt	**1,924,518**	2,890,401
Add back:		
Cash and cash equivalents	**489,577**	206,144
Short-term investments	**—**	364
Long-term investments	**35,020**	29,337
Long-term debt including the current portion	**2,449,115**	**3,126,246**
Net debt to capitalization ratio	**25.1%**	38.9%
Return on equity	**18.9%**	16.0%
Return on invested capital	**14.7%**	12.7%
Days sales outstanding (in days)	**42**	55

We use the net debt to capitalization ratio as an indication of our financial leverage in order to pursue any large outsourcing contracts, expand global delivery centers, or make acquisitions. On August 20, 2012, we acquired Logica using a combination of debt and stock, causing our net debt to capitalization ratio to increase significantly. The net debt to capitalization ratio decreased from 38.9% in Q1 2014 to 25.1% in Q1 2015 due to the increase in equity mainly driven by the net earnings and the strong cash generation.

Return on equity is a measure of the return we are generating for our shareholders. ROE increased from 16.0% in Q1 2014 to 18.9% in Q1 2015. The increase was mainly due to the higher net earnings over the last four quarters as the benefits of the integration were being realized.

ROIC is a measure of the Company's efficiency in allocating the capital under our control to profitable investments. The return on invested capital was 14.7% as at December 31, 2014, compared to 12.7% a year ago. The improvement in the ROIC was mainly the result of our higher after-tax adjusted EBIT compared to last year as the benefits of the integration were being realized.

DSO decreased from 55 days in Q1 2014 to 42 days at the end of Q1 2015. In calculating the DSO, we subtract the deferred revenue balance from trade accounts receivable and work in progress; for that reason, the timing of payments received from outsourcing clients in advance of the work to be performed and the timing of payments related to project milestones can affect the DSO fluctuations. We remain committed to manage our DSO within our 45 day target or less.

4.6. OFF-BALANCE SHEET FINANCING AND GUARANTEES

CGI engages in the practice of off-balance sheet financing in the normal course of operations for a variety of transactions such as operating leases for office space, computer equipment and vehicles as well as accounts receivable factoring. From time to time, we also enter into agreements to provide financial or performance assurances to third parties on the sale of assets, business divestitures, guarantees and U.S. Government contracts.

In connection with sales of assets and business divestitures, we may be required to pay counterparties for costs and losses incurred as the result of breaches in representations and warranties, intellectual property right infringement and litigation against counterparties. While some of the agreements specify a maximum potential exposure totalling $10.1 million, others

do not specify a maximum amount or limited period. It is impossible to reasonably estimate the maximum amount that may have to be paid under such guarantees. The amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. The Company does not expect to incur any potential payment in connection with these guarantees that could have a materially adverse effect on its consolidated financial statements.

We are also engaged to provide services under contracts with the U.S. Government. The contracts are subject to extensive legal and regulatory requirements and, from time to time, agencies of the U.S. Government investigate whether our operations are being conducted in accordance with these requirements. Generally, the Government has the right to change the scope of, or terminate, these projects at its convenience. The termination or a reduction in the scope of a major government project could have a material adverse effect on our results of operations and financial condition.

In the normal course of business, we may provide certain clients, principally governmental entities, with bid and performance bonds. In general, we would only be liable for the amount of the bid bonds if we refuse to perform the project once the bid is awarded. We would also be liable for the performance bonds in the event of default in the performance of our obligations. As at December 31, 2014, we had committed for a total of $55.6 million for these bonds. To the best of our knowledge, we complied with our performance obligations under all service contracts for which there was a performance or bid bond, and the ultimate liability, if any, incurred in connection with these guarantees would not have a material adverse effect on our consolidated results of operations or financial condition.

4.7. CAPABILITY TO DELIVER RESULTS

Sufficient capital resources and liquidity are required for supporting ongoing business operations and to execute our build and buy growth strategy. The Company has sufficient capital resources coming from the cash generated from operations, credit facilities, long-term debt agreements and invested capital from shareholders. Our principal uses of cash are for procuring new large outsourcing and managed services contracts; investing in our business solutions; pursuing accretive acquisitions; buying back CGI shares and paying down debt. Funds were also used to expand our global delivery network as more and more of our clients demand lower cost alternatives. In terms of financing, we are well positioned to continue executing our four-pillar growth strategy in fiscal 2015.

Strong and experienced leadership is essential to successfully implement our corporate strategy. CGI has a strong leadership team with members who are highly knowledgeable and have gained a significant amount of experience within the IT industry via various career paths and leadership roles. CGI fosters leadership development to ensure a continuous flow of knowledge and strength is maintained throughout the organization. As part of our succession planning in key positions, we established the Leadership Institute, our own corporate university, to develop leadership, technical and managerial skills inspired by CGI’s roots and traditions.

As a Company built on human capital, our professionals and their knowledge are critical to delivering quality service to our clients. Our human resources program provides competitive compensation and benefits, a favourable working environment, and our training and career development programs combine to allow us to attract and retain the best talent. Employee satisfaction is monitored regularly through a Company-wide survey and issues are addressed immediately. Approximately 46,000 of our members were also owners of CGI through our Share Purchase Plan. The Share Purchase Plan, along with the Profit Participation Program, allows members to share in the success of the Company and aligns member objectives with our strategic goals.

In addition to our capital resources and the talent of our human capital, CGI has established a Management Foundation encompassing governance policies, sophisticated management frameworks and an organizational model for its business units and corporate processes. This foundation, along with our appropriate internal systems, helps in providing a disciplined high standard of quality service to our clients across all of our operations, and additional value to our stakeholders. CGI’s operations maintain appropriate certifications in accordance with service requirements such as the ISO and Capability Maturity Model Integration quality programs.

5. Changes in Accounting Policies

The interim condensed consolidated financial statements for the three months ended December 31, 2014 include all adjustments that CGI's management considers necessary for the fair presentation of its financial position, results of operations, and cash flows.

FUTURE ACCOUNTING STANDARD CHANGES

The following standards have been issued but are not yet effective:

IFRS 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers", to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue related interpretations. The standard will be effective on October 1, 2017 for the Company with earlier adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

IFRS 9 - Financial Instruments

In July 2014, the IASB amended IFRS 9, "Financial Instruments", to bring together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement". The standard supersedes all previous versions of IFRS 9 and will be effective on October 1, 2018 for the Company with earlier application permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements.

6. Critical Accounting Estimates and Judgements

The Company's significant accounting policies are described in Note 3 of the audited consolidated financial statements for the year ended September 30, 2014. The preparation of the consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets, liabilities and equity and the accompanying disclosures at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Because the use of judgements and estimates is inherent in the financial reporting process, actual results could differ.

An accounting estimate is considered critical if the estimate requires management to make assumptions about matters that were highly uncertain at the time the estimate was made, if different estimates could reasonably have been used in the period, or changes in the accounting estimates that are reasonably likely to occur, could have a material impact on the presentation of our financial condition, changes in financial condition or results of operations.

Areas impacted by estimates	Consolidated balance sheets	Consolidated statements of earnings		
		Revenue	Cost of services, selling and administrative	Income taxes
Revenue recognition [1]	ü	ü	ü	
Estimated losses on revenue-generating contracts	ü		ü	
Goodwill impairment	ü		ü	
Business combinations	ü	ü	ü	ü
Income taxes	ü			ü
Litigations and claims	ü	ü	ü	

[1] Affects the balance sheet through accounts receivable, work in progress and deferred revenue.

The use of judgments, apart from those involving estimations, that have the most significant effect on the amounts recognized in the financial statements are:

Multiple component arrangements

Assessing whether the deliverables within an arrangement are separately identifiable components requires judgement by management. A component is considered as separately identifiable if it has value to the client on a stand-alone basis. The Company first reviews the contract clauses to evaluate if the deliverable is accepted separately by the client. Then, the Company assesses if the deliverable could have been provided by another vendor and if it would have been possible for the client to decide to not purchase the deliverable.

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required concerning uncertainties that exist with respect to the timing of future taxable income required to recognize a deferred tax asset. The Company recognizes an income tax benefit only when it is probable that the tax benefit will be realized in the future. In making this judgement, the Company assesses forecast and the availability of future tax planning strategies.

Significant estimates about the future and other major sources of estimation uncertainty at the end of the reporting period could have a significant risk of causing a material adjustment to the carrying amounts of the following:

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts, volume rebates and sales related taxes.

The Company's arrangements often include a mix of the services and products. If an arrangement involves the provision of multiple components, the total arrangement value is allocated to each separately identifiable component based on its relative selling price. When estimating selling price of each component, the Company maximizes the use of observable prices which are established using the Company's prices for same or similar components. When observable prices are not available, the Company estimates selling prices based on its best estimate. The best estimate of selling price is the price at which the Company would normally expect to offer the services or products and is established by considering a number of internal and external factors including, but not limited to, geographies, the Company's pricing policies, internal costs and margins.

Revenue from systems integration and consulting services under fixed-fee arrangements where the outcome of the arrangements can be estimated reliably is recognized using the percentage-of-completion method over the service periods. The Company uses the labour costs or labour hours to measure the progress towards completion. This method relies on estimates of total expected labour costs or total expected labour hours to complete the service, which are compared to labour costs or labour hours incurred to date, to arrive at an estimate of the percentage of revenue earned to date. Management regularly reviews underlying estimates of total expected labour costs or hours. If the outcome of an arrangement cannot be estimated reliably, revenue is recognized to the extent of arrangement costs incurred that are likely to be recoverable.

Estimated losses on revenue-generating contracts

Estimated losses on revenue-generating contracts may occur due to additional contract costs which were not foreseen at inception of the contract. Contract losses are measured at the amount by which the estimated total costs exceed the estimated total revenue from the contract. The estimated losses on revenue-generating contracts are recognized in the period when it is determined that a loss is probable. Management regularly reviews arrangement profitability and the underlying estimates.

Goodwill impairment

The carrying value of goodwill is tested for impairment annually on September 30, or earlier if events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of each segment has been determined based on the its value in use ("VIU") calculation which includes estimates about their future financial performance based on cash flows approved by management covering a period of five years as the Company generates revenue mainly through long-term contracts. Key assumptions used in the VIU calculations are the discount rate applied and the long-term growth rate of net operating cash flows. In determining these assumptions, management has taken into consideration the current economic environment and its resulting impact on expected growth and discount rates. The cash flow projections reflect management's expectations of the operating segment's operating performance and growth prospects in the operating segment's market. The discount rate applied to an operating segment is the weighted average cost of capital ("WACC"). Management considers factors such as country risk premium, risk-free rate, size premium and cost of debt to derive the WACC.

For goodwill impairment testing purposes, the group of CGUs that represent the lowest level within the Company at which management monitors goodwill is the operating segment level.

Business combinations

Management makes assumptions when allocating the fair value of the consideration to tangible and intangible assets acquired and liabilities assumed. The goodwill recognized is composed of the future economic value associated to acquire work force and synergies with the Company's operations which are primarily due to reduction of costs and new business opportunities.

The determination of fair value involves making estimates relating to acquired intangible assets, PP&E, litigation, provision for estimated losses on revenue-generating contracts, other onerous contracts and contingency reserves. Estimates include the forecasting of future cash flows and discount rates.

Income taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Once this assessment is made, the Company considers the analysis of forecast and future tax planning strategies. Such estimates are made based on the forecast by jurisdiction on an undiscounted basis. Management considers factors such as the number of years to include in the forecast period, the history of the taxable profits and availability of tax strategies.

The Company is subject to taxation in numerous jurisdictions and there are transactions and calculations for which the ultimate tax determination is uncertain. When a tax position is uncertain, the Company recognizes an income tax benefit or reduces an income tax liability only when it is probable that the tax benefit will be realized in the future or that the income tax liability is no longer probable. The provision for uncertain tax position is made using the best estimate of the amount expected to be paid based on qualitative assessment of all relevant factors.

Litigations and claims

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted using a current pre-tax rate when the impact of the time value of money is material.

The accrued litigation and legal claim provisions are based on historical experience, current trends and other assumptions that are believed to be reasonable under the circumstances. Estimates include the period in which the underlying cause of the claim occurred and the degree of probability of an unfavourable outcome.

7. Integrity of Disclosure

Our management assumes the responsibility for the existence of appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.

CGI has a formal corporate disclosure policy whose goal is to raise awareness of the Company's approach to disclosure among the members of the Board of Directors, senior management and employees.

The Board of Directors has the responsibility under its charter and under the securities laws that govern CGI's continuous disclosure obligations to oversee CGI's compliance with its continuous and timely disclosure obligations as well as the integrity of the Company's internal controls and management information systems. The Board of Directors carries out this responsibility mainly through its Audit and Risk Management Committee.

The Audit and Risk Management Committee of CGI is composed entirely of independent directors who meet the independence and experience requirements of the New York Stock Exchange as well as those that apply under Canadian securities regulation. The responsibilities of our Audit and Risk Management Committee include: a) reviewing of all our public disclosure documents containing audited or unaudited financial information; b) identifying and examining all risks to which we are exposed and reviewing the various policies and practices that are intended to manage those risks; c) reviewing and assessing of the effectiveness of our accounting policies and practices concerning financial reporting; d) reviewing and monitoring our internal control procedures, programs and policies and assessing of the adequacy and effectiveness thereof; e) reviewing the adequacy of our internal audit resources including the mandate and objectives of the internal auditor; f) recommending to the Board of Directors of CGI on the appointment of external auditors, the assertion of the external auditors' independence, the review of the terms of their engagement as well as pursuing ongoing discussions with them; g) reviewing of the audit procedures; h) reviewing of related party transactions; and i) carrying out such other responsibilities usually attributed to audit and risk committees or as directed by our Board of Directors. In making its recommendation to the Board of Directors in relation to the annual appointment of the external auditor, the Audit and Risk Management Committee conducts an annual assessment of the external auditor following the recommendations of the Chartered Professional Accountants of Canada. The formal assessment is concluded in advance of the Annual General Meeting of shareholders and is conducted with the assistance of key CGI personnel.

As reported in our 2014 Annual Report, the Company evaluated the effectiveness of its disclosure controls and procedures and internal controls over financial reporting, supervised by and with the participation of the Chief Executive Officer and the Chief Financial Officer as of September 30, 2014. The Chief Executive Officer and Chief Financial Officer concluded that, based on this evaluation, the Company's disclosure controls and procedures and internal controls over financial reporting were adequate and effective, at a reasonable level of assurance, to ensure that material information related to the Company and its consolidated subsidiaries would be made known to them by others within those entities.

For the quarter ended December 31, 2014, there was no change in our internal control over financial reporting that materially affected, or is reasonably likely to materially affect the Company's internal controls over financial reporting.

8. Risk Environment

8.1. RISKS AND UNCERTAINTIES

While we are confident about our long-term prospects, the following risks and uncertainties could affect our ability to achieve our strategic vision and objectives for growth and should be considered when evaluating our potential as an investment.

8.1.1. Risks Related to the Market

Economic risk

The level of business activity of our clients, which is affected by economic conditions, has a bearing upon the results of our operations. We can neither predict the impact that current economic conditions will have on our future revenue, nor predict when economic conditions will show meaningful improvement. During an economic downturn, our clients and potential clients may cancel, reduce or defer existing contracts and delay entering into new engagements. In general, companies also decide to undertake fewer IT systems projects during difficult economic times, resulting in limited implementation of new technology and smaller engagements. Since there are fewer engagements in a downturn, competition usually increases and pricing for services may decline as competitors, particularly companies with significant financial resources, decrease rates to maintain or increase their market share in our industry and this may trigger pricing adjustments related to the benchmarking obligations within our contracts. Our pricing, revenue and profitability could be negatively impacted as a result of these factors.

8.1.2. Risks Related to our Industry

The competition for contracts

CGI operates in a global marketplace in which competition among providers of IT services is vigorous. Some of our competitors possess greater financial, marketing, sales resources, and larger geographic scope in certain parts of the world than we do, which, in turn, provides them with additional leverage in the competition for contracts. In certain niche, regional or metropolitan markets, we face smaller competitors with specialized capabilities who may be able to provide competing services with greater economic efficiency. Some of our competitors have more significant operations than we do in lower cost countries that can serve as a platform from which to provide services worldwide on terms that may be more favourable. Increased competition among IT services firms often results in corresponding pressure on prices. There can be no assurance that we will succeed in providing competitively priced services at levels of service and quality that will enable us to maintain and grow our market share.

The availability and retention of qualified IT professionals

There is strong demand for qualified individuals in the IT industry. Hiring and retaining a sufficient amount of individuals with the desired knowledge and skill set may be difficult. Therefore, it is important that we remain able to successfully attract and retain highly qualified professionals and establish an effective succession plan. If our comprehensive programs aimed at attracting and retaining qualified and dedicated professionals do not ensure that we have staff in sufficient numbers and with the appropriate training, expertise and suitable government security clearances required to serve the needs of our clients, we may have to rely on subcontractors or transfers of staff to fill resulting gaps. If our succession plan fails to identify those with potential or to develop these key individuals, we may lose key members and be required to recruit and train these new resources. This might result in lost revenue or increased costs, thereby putting pressure on our earnings.

The ability to continue developing and expanding service offerings to address emerging business demands and technology trends

The rapid pace of change in all aspects of information technology and the continually declining costs of acquiring and maintaining information technology infrastructure mean that we must anticipate changes in our clients' needs. To do so, we must adapt our services and our solutions so that we maintain and improve our competitive advantage and remain able to provide cost

effective services. The market for the services and solutions we offer is extremely competitive and there can be no assurance that we will succeed in developing and adapting our business in a timely manner. If we do not keep pace, our ability to retain existing clients and gain new business may be adversely affected. This may result in pressure on our revenue, profit margin and resulting cash flows from operations.

Infringing on the intellectual property rights of others

Despite our efforts, the steps we take to ensure that our services and offerings do not infringe on the intellectual property rights of third parties may not be adequate to prevent infringement and, as a result, claims may be asserted against us or our clients. We enter into licensing agreements for the right to use intellectual property and may otherwise offer indemnities against liability and damages arising from third-party claims of patent, copyright, trademark or trade secret infringement in respect of our own intellectual property or software or other solutions developed for our clients. In some instances, the amount of these indemnity claims could be greater than the revenue we receive from the client. Intellectual property claims or litigation could be time-consuming and costly, harm our reputation, require us to enter into additional royalty or licensing arrangements, or prevent us from providing some solutions or services. Any limitation on our ability to sell or use solutions or services that incorporate software or technologies that are the subject of a claim could cause us to lose revenue-generating opportunities or require us to incur additional expenses to modify solutions for future projects.

Benchmarking provisions within certain contracts

Some of our outsourcing contracts contain clauses allowing our clients to externally benchmark the pricing of agreed upon services against those offered by other providers in an appropriate peer comparison group. The uniqueness of the client environment is factored in and, if results indicate a difference outside the agreed upon tolerance, we may be required to work with clients to reset the pricing for their services.

Protecting our intellectual property rights

Our success depends, in part, on our ability to protect our proprietary methodologies, processes, know-how, tools, techniques and other intellectual property that we use to provide our services. CGI's business solutions will generally benefit from available copyright protection and, in some cases, patent protection. Although CGI takes reasonable steps to protect and enforce its intellectual property rights, there is no assurance that such measures will be enforceable or adequate. The cost of enforcing our rights can be substantial and, in certain cases, may prove to be uneconomic. In addition, the laws of some countries in which we conduct business may offer only limited intellectual property rights protection. Despite our efforts, the steps taken to protect our intellectual property may not be adequate to prevent or deter infringement or other misappropriation of intellectual property, and we may not be able to detect unauthorized use of our intellectual property, or take appropriate steps to enforce our intellectual property rights.

8.1.3. Risks Related to our Business

Risks associated with our growth strategy

CGI's Build and Buy strategy is founded on four pillars of growth: first, organic growth through contract wins, renewals and extensions in the areas of outsourcing and system integration; second, the pursuit of new large outsourcing contracts; third, acquisitions of smaller firms or niche players; and fourth, transformational acquisitions.

Our ability to grow through organic growth and new large outsourcing transactions is affected by a number of factors outside of our control, including a lengthening of our sales cycle for major outsourcing contracts.

Our ability to grow through niche and transformational acquisitions requires that we identify suitable acquisition targets and that we correctly evaluate their potential as transactions that will meet our financial and operational objectives. There can be no assurance that we will be able to identify suitable acquisition candidates and consummate additional acquisitions that meet our economic thresholds, or that future acquisitions will be successfully integrated into our operations and yield the tangible accretive value that had been expected.

If we are unable to implement our Build and Buy strategy, we will likely be unable to maintain our historic or expected growth rates.

The variability of financial results

Our ability to maintain and increase our revenues is affected not only by our success in implementing our Build and Buy strategy, but also by a number of other factors, including: our ability to introduce and deliver new services and products; a lengthened sales cycle; the cyclicality of purchases of technology services and products; the nature of a customer's business; and the structure of agreements with customers. These, and other factors, make it difficult to predict financial results for any given period.

Business mix variations

The proportion of revenue that we generate from shorter-term systems integration and consulting ("SI&C") projects, versus revenue from long-term outsourcing contracts, will fluctuate at times, affected by acquisitions or other transactions. An increased exposure to revenue from SI&C projects may result in greater quarterly revenue variations.

The financial and operational risks inherent in worldwide operations

We manage operations in numerous countries around the world. The scope of our operations subjects us to various issues that can negatively impact our operations: the fluctuations of currency (see foreign exchange risk); the burden of complying with a wide variety of national and local laws (see regulatory risk); the differences in and uncertainties arising from local business culture and practices; political, social and economic instability including the threats of terrorism, civil unrest, war, natural disasters and pandemic illnesses. Any or all of these risks could impact our global business operations and cause our profitability to decline.

Organizational challenges associated with our size

Our culture, standards, core values, internal controls and our policies need to be instilled across newly acquired businesses as well as maintained within our existing operations. To effectively communicate and manage these standards throughout a large global organization is both challenging and time consuming. Newly acquired businesses may be resistant to change and may remain attached to past methods, standards and practices which may compromise our business agility in pursuing opportunities. Cultural differences in various countries may also present barriers to introducing new ideas or aligning our vision and strategy with the rest of the organization. If we cannot overcome these obstacles in maintaining a strategic bond throughout the Company worldwide, we may not be able to achieve our growth and profitability objectives.

Taxes

In estimating our income tax payable, management uses accounting principles to determine income tax positions that are likely to be sustained by applicable tax authorities. However, there is no assurance that our tax benefits or tax liability will not materially differ from our estimates or expectations. The tax legislation, regulation and interpretation that apply to our operations are continually changing. In addition, future tax benefits and liabilities are dependent on factors that are inherently uncertain and subject to change, including future earnings, future tax rates, and anticipated business mix in the various jurisdictions in which we operate. Moreover, our tax returns are continually subject to review by applicable tax authorities; it is these tax authorities that will make the final determination of the actual amounts of taxes payable or receivable, of any future tax benefits or liabilities and of income tax expense that we may ultimately recognize. Any of the above factors could have a material adverse effect on our net income or cash flows by affecting our operations and profitability, the availability of tax credits, the cost of the services we provide, and the availability of deductions for operating losses as we develop our international service delivery capabilities.

Credit risk with respect to accounts receivable and work in progress

In order to sustain our cash flows and net earnings from operations, we must invoice and collect the amounts owed to us in an efficient and timely manner. Although we maintain provisions to account for anticipated shortfalls in amounts collected, the provisions we take are based on management estimates and on our assessment of our clients' creditworthiness which may

prove to be inadequate in the light of actual results. To the extent that we fail to perform our services in accordance with our contracts and our clients' reasonable expectations, and to the extent that we fail to invoice clients for our services correctly in a timely manner, our collections could suffer resulting in a direct and adverse effect to our revenue, net earnings and cash flows. In addition, a prolonged economic downturn may cause clients to curtail or defer projects, impair their ability to pay for services already provided, and ultimately cause them to default on existing contracts, in each case, causing a shortfall in revenue and impairing our future prospects.

Material developments regarding major commercial clients resulting from such causes as changes in financial condition, mergers or business acquisitions

Consolidation among our clients resulting from mergers and acquisitions may result in loss or reduction of business when the successor business' information technology needs are served by another service provider or are provided by the successor Company's own personnel. Growth in a client's information technology needs resulting from acquisitions or operations may mean that we no longer have a sufficient geographic scope or the critical mass to serve the client's needs efficiently, resulting in the loss of the client's business and impairing our future prospects. There can be no assurance that we will be able to achieve the objectives of our growth strategy in order to maintain and increase our geographic scope and critical mass in our targeted markets.

Early termination risk

If we should fail to deliver our services according to contractual agreements, some of our clients could elect to terminate contracts before their agreed expiry date, which would result in a reduction of our earnings and cash flow and may impact the value of our backlog. In addition, a number of our outsourcing contractual agreements have termination for convenience and change of control clauses according to which a change in the client's intentions or a change in control of CGI could lead to a termination of the said agreements. Early contract termination can also result from the exercise of a legal right or when circumstances that are beyond our control or beyond the control of our client prevent the contract from continuing. In cases of early termination, we may not be able to recover capitalized contract costs and we may not be able to eliminate ongoing costs incurred to support the contract.

Cost estimation risks

In order to generate acceptable margins, our pricing for services is dependent on our ability to accurately estimate the costs and timing for completing projects or long-term outsourcing contracts. In addition, a significant portion of our project-oriented contracts are performed on a fixed-price basis. Billing for fixed-price engagements is carried out in accordance with the contract terms agreed upon with our client, and revenue is recognized based on the percentage of effort incurred to date in relation to the total estimated costs to be incurred over the duration of the respective contract. These estimates reflect our best judgment regarding the efficiencies of our methodologies and professionals as we plan to apply them to the contracts in accordance with the CGI Client Partnership Management Framework ("CPMF"), a process framework which helps ensure that all contracts are managed according to the same high standards throughout the organization. If we fail to apply the CPMF correctly or if we are unsuccessful in accurately estimating the time or resources required to fulfil our obligations under a contract, or if unexpected factors, including those outside of our control, arise, there may be an impact on costs or the delivery schedule which could have an adverse effect on our expected profit margins.

Risks related to teaming agreements and subcontracts

We derive substantial revenues from contracts where we enter into teaming agreements with other providers. In some teaming agreements we are the prime contractor whereas in others we act as a subcontractor. In both cases, we rely on our relationships with other providers to generate business and we expect to do so in the foreseeable future. Where we act as prime contractor, if we fail to maintain our relationships with other providers, we may have difficulty attracting suitable participants in our teaming agreements. Similarly, where we act as subcontractor, if our relationships are impaired, other providers might reduce the work they award to us, award that work to our competitors, or choose to offer the services directly to the client in order to compete with our business. In either case, our business, prospects, financial condition and operating results could be harmed.

Our partners' ability to deliver on their commitments

Increasingly large and complex contracts may require that we rely on third party subcontractors including software and hardware vendors to help us fulfil our commitments. Under such circumstances, our success depends on the ability of the third parties to perform their obligations within agreed upon budgets and timeframes. If our partners fail to deliver, our ability to complete the contract may be adversely affected, which may have an unfavourable impact on our profitability.

Guarantees risk

In the normal course of business, we enter into agreements that may provide for indemnification and guarantees to counterparties in transactions such as consulting and outsourcing services, business divestitures, lease agreements and financial obligations. These indemnification undertakings and guarantees may require us to compensate counterparties for costs and losses incurred as a result of various events, including breaches of representations and warranties, intellectual property right infringement, claims that may arise while providing services or as a result of litigation that may be suffered by counterparties.

Risk related to human resources utilization rates

In order to maintain our profit margin, it is important that we maintain the appropriate availability of professional resources in each of our geographies by having a high utilization rate while still being able to assign additional resources to new work. Maintaining an efficient utilization rate requires us to forecast our need for professional resources accurately and to manage recruitment activities, professional training programs, attrition rates and restructuring programs appropriately. To the extent that we fail to do so, or to the extent that laws and regulations, particularly those in Europe, restrict our ability to do so, our utilization rates may be reduced; thereby having an impact on our revenue and profitability. Conversely, we may find that we do not have sufficient resources to deploy against new business opportunities in which case our ability to grow our revenue would suffer.

Client concentration risk

We derive a significant portion of our revenue from the services we provide to the U.S. federal government and its agencies, and we expect that this will continue for the foreseeable future. In the event that a major U.S. federal government agency were to limit, reduce, or eliminate the business it awards to us, we might be unable to recover the lost revenue with work from other agencies or other clients, and our business, prospects, financial condition and operating results could be materially and adversely affected. Although IFRS considers a national government and its agencies as a single client, our client base in the U.S. government economic sector is in fact diversified with contracts from many different departments and agencies.

Government business risk

Changes in government spending policies or budget priorities could directly affect our financial performance. Among the factors that could harm our government contracting business are the curtailment of governments' use of consulting and IT services firms; a significant decline in spending by governments in general, or by specific departments or agencies in particular; the adoption of new legislation and/or actions affecting companies that provide services to governments; delays in the payment of our invoices by government payment offices; and general economic and political conditions. These or other factors could cause government agencies and departments to reduce their purchases under contracts, to exercise their right to terminate contracts, to issue temporary stop work orders, or not to exercise options to renew contracts, any of which would cause us to lose future revenue. Government spending reductions or budget cutbacks at these departments or agencies could materially harm our continued performance under these contracts, or limit the awarding of additional contracts from these agencies.

Regulatory risk

Our global operations require us to be compliant with laws in many jurisdictions on matters such as: anti-corruption, trade restrictions, immigration, taxation, securities regulation, anti-competition, data privacy and labour relations, amongst others. Complying with these diverse requirements worldwide is a challenge and consumes significant resources. Some of these laws may impose conflicting requirements; we may face the absence in some jurisdictions of effective laws to protect our intellectual property rights; there may be restrictions on the movement of cash and other assets; or restrictions on the import

and export of certain technologies; or restrictions on the repatriation of earnings and reduce our earnings, all of which may expose us to penalties for non-compliance and harm our reputation.

Our business with the U.S. federal government and its agencies requires that we comply with complex laws and regulations relating to government contracts. These laws relate to the integrity of the procurement process, impose disclosure requirements, and address national security concerns, among other matters. For instance, we are routinely subject to audits by U.S. government agencies with respect to compliance with these rules. If we fail to comply with these requirements we may incur penalties and sanctions, including contract termination, suspension of payments, suspension or debarment from doing business with the federal government, and fines.

Legal claims made against our work

We create, implement and maintain IT solutions that are often critical to the operations of our clients' business. Our ability to complete large projects as expected could be adversely affected by unanticipated delays, renegotiations, and changing client requirements or project delays. Also, our solutions may suffer from defects that adversely affect their performance; they may not meet our clients' requirements or may fail to perform in accordance with applicable service levels. Such problems could subject us to legal liability, which could adversely affect our business, operating results and financial condition, and may negatively affect our professional reputation. We typically use reasonable efforts to include provisions in our contracts which are designed to limit our exposure to legal claims relating to our services and the applications we develop. We may not always be able to include such provisions and, where we are successful, they may not protect us adequately or may not be enforceable under some circumstances or under the laws of some jurisdictions.

Information and infrastructure risks

Our business often requires that our clients' applications and information, which may include their proprietary information, be processed and stored on our networks and systems, and in data centres that we manage. Digital information and equipment is subject to loss, theft or destruction, and services that we provide may become temporarily unavailable as a result thereof or upon an equipment or system malfunction. Failures can arise from human error in the course of normal operations, maintenance and upgrading activities, or from hacking, vandalism (including denial of service attacks and computer viruses), theft and unauthorized access by third parties, as well as from power outages or surges, floods, fires, natural disasters or from any other causes. The measures that we take to protect information and software, including both physical and logical controls on access to premises and information and backup systems may prove in some circumstances to be inadequate to prevent the loss, theft or destruction of client information or service interruptions. Such events may expose the Company to financial loss or damages.

Risk of harm to our reputation

CGI's reputation as a capable and trustworthy service provider and long term business partner is key to our ability to compete effectively in the market for information technology services. The nature of our operations exposes us to the potential loss, unauthorized access to, or destruction of our clients' information, as well as temporary service interruptions. Depending on the nature of the information or services, such events may have a negative impact on how the Company is perceived in the marketplace. Under such circumstances, our ability to obtain new clients and retain existing clients could suffer with a resulting impact on our revenue and profit.

Risks associated with the integration of new operations

The successful integration of new operations arising from our acquisition strategy or from large outsourcing contracts requires that a substantial amount of management time and attention be focused on integration tasks. Management time that is devoted to integration activities may detract from management's normal operations focus with resulting pressure on the revenues and earnings from our existing operations. In addition, we may face complex and potentially time-consuming challenges in implementing the uniform standards, controls, procedures and policies across new operations to harmonize their activities with those of our existing business units. Integration activities can result in unanticipated operational problems, expenses and liabilities. If we are not successful in executing our integration strategies in a timely and cost-effective manner, we will have difficulty achieving our growth and profitability objectives.

Internal controls risks

Due to the inherent limitations of internal controls including the circumvention or overriding of controls, or fraud, there can only be reasonable assurance that the Company's internal controls will detect and prevent a misstatement. If the Company is unable to design, implement, monitor and maintain effective internal controls throughout its different business environments, the efficiency of our operations might suffer, resulting in a decline in revenue and profitability, and the accuracy of our financial reporting could be impaired.

Liquidity and funding risks

The Company's future growth is contingent on the execution of its business strategy, which, in turn, is dependent on its ability to grow the business organically as well as conclude business acquisitions. By its nature, our growth strategy requires us to fund the investments required to be made using a mix of cash generated from our existing operations, money borrowed under our existing or future credit agreements, and equity funding generated by the issuance of shares of our capital stock to counterparties in transactions, or to the general public. Our ability to raise the required funding depends on the capacity of the capital markets to meet our financing needs in a timely fashion and on the basis of interest rates and share prices that are reasonable in the context of profitability objectives. Increasing interest rates, volatility in our share price, and the capacity of our current lenders to meet our liquidity requirements are all factors that may have an adverse effect on our access to the funding we require. If we are unable to obtain the necessary funding, we may be unable to achieve our growth objectives.

Foreign exchange risk

The majority of our revenue and costs are denominated in currencies other than the Canadian dollar. Foreign exchange fluctuations impact the results of our operations as they are reported in Canadian dollars. This risk is partially mitigated by a natural hedge in matching our costs with revenue denominated in the same currency and through the use of derivatives in our hedging strategy. As we continue our global expansion, natural hedges may begin to diminish and the use of hedging contracts exposes us to the risk that financial institutions will fail to perform their obligations under our hedging instruments. Other than the use of financial products to deliver on our hedging strategy, we do not trade derivative financial instruments.

Our functional and reporting currency is the Canadian dollar. As such, our American, European and Asian investments, operations and assets are exposed to net change in currency exchange rates. Volatility in exchange rates could have an adverse effect on our business, financial condition and results of our operations.

8.2. LEGAL PROCEEDINGS

The Company is involved in legal proceedings, audits, claims and litigation arising in the ordinary course of its business. Certain of these matters seek damages in significant amounts. Although the outcome of such matters is not predictable with assurance, the Company has no reason to believe that the disposition of any such current matter could reasonably be expected to have a material adverse effect on the Company's financial position, results of operations or the ability to carry on any of its business activities.

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Interim Condensed Consolidated Financial Statements of

CGI GROUP INC.

For the three months ended December 31, 2014 and 2013
(unaudited)

Interim Consolidated Statements of Earnings

For the three months ended December 31
(in thousands of Canadian dollars, except per share data) (unaudited)

	2014	2013
	$	$
Revenue	**2,541,255**	2,644,710
Operating expenses		
Costs of services, selling and administrative	**2,195,385**	2,341,314
Integration-related costs	**—**	22,615
Finance costs	**24,500**	28,438
Finance income	**(920)**	(1,080)
Foreign exchange loss	**1,821**	468
	2,220,786	2,391,755
Earnings before income taxes	**320,469**	252,955
Income tax expense	**84,213**	63,165
Net earnings	**236,256**	189,790
Earnings per share (Note 7c)		
Basic earnings per share	**0.76**	0.62
Diluted earnings per share	**0.74**	0.60

Interim Consolidated Statements of Comprehensive Income

For the three months ended December 31
(in thousands of Canadian dollars) (unaudited)

	2014	2013
	$	$
Net earnings	**236,256**	189,790
Items that will be reclassified subsequently to net earnings (net of income taxes):		
Net unrealized (losses) gains on translating financial statements of foreign operations	**(7,420)**	221,643
Net losses on derivative financial instruments and on translating long-term debt designated as hedges of net investments in foreign operations	**(36,312)**	(84,389)
Net unrealized gains on cash flow hedges	**2,214**	2,070
Net unrealized gains on investments available for sale	**238**	30
Items that will not be reclassified subsequently to net earnings (net of income taxes):		
Net remeasurement gains	**5,623**	2,573
Other comprehensive (loss) income	**(35,657)**	141,927
Comprehensive income	**200,599**	331,717

Interim Consolidated Balance Sheets

(in thousands of Canadian dollars) (unaudited)

	As at December 31, 2014	As at September 30, 2014
	$	$
Assets		
Current assets		
Cash and cash equivalents (Note 3)	**489,577**	535,715
Current derivative financial instruments (Note 10)	**12,028**	9,397
Accounts receivable	**1,103,663**	1,036,068
Work in progress	**777,001**	807,989
Prepaid expenses and other current assets	**151,159**	174,137
Income taxes	**9,047**	8,524
Total current assets before funds held for clients	**2,542,475**	2,571,830
Funds held for clients	**316,573**	295,754
Total current assets	**2,859,048**	2,867,584
Property, plant and equipment	**479,896**	486,880
Contract costs	**155,607**	156,540
Intangible assets	**596,207**	630,074
Other long-term assets	**74,157**	74,158
Long-term financial assets	**96,828**	84,077
Deferred tax assets	**305,116**	323,416
Goodwill	**6,604,992**	6,611,323
	11,171,851	11,234,052
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**1,127,423**	1,060,380
Current derivative financial instruments (Note 10)	**5,096**	4,588
Accrued compensation	**513,934**	583,979
Deferred revenue	**443,578**	457,056
Income taxes	**187,112**	156,283
Provisions (Note 4)	**118,918**	143,309
Current portion of long-term debt (Note 5)	**91,439**	80,367
Total current liabilities before clients' funds obligations	**2,487,500**	2,485,962
Clients' funds obligations	**312,786**	292,257
Total current liabilities	**2,800,286**	2,778,219
Long-term provisions (Note 4)	**64,442**	70,586
Long-term debt (Note 5)	**2,357,676**	2,599,336
Other long-term liabilities	**294,104**	308,387
Long-term derivative financial instruments (Note 10)	**93,815**	149,074
Deferred tax liabilities	**165,616**	155,972
Retirement benefits obligations	**178,846**	183,753
	5,954,785	6,245,327
Equity		
Retained earnings	**2,592,264**	2,356,008
Accumulated other comprehensive income (Note 6)	**192,967**	228,624
Capital stock (Note 7a)	**2,265,596**	2,246,197

Contributed surplus	**166,239**	157,896
	5,217,066	4,988,725
	11,171,851	11,234,052

Interim Consolidated Statements of Changes in Equity

For the three months ended December 31
(in thousands of Canadian dollars) (unaudited)

	Retained earnings	Accumulated other comprehensive income	Capital stock	Contributed surplus	Total equity
	$	$	$	$	$
Balance as at September 30, 2014	2,356,008	228,624	2,246,197	157,896	4,988,725
Net earnings	236,256	—	—	—	236,256
Other comprehensive loss	—	(35,657)	—	—	(35,657)
Comprehensive income	236,256	(35,657)	—	—	200,599
Share-based payment costs	—	—	—	10,915	10,915
Income tax impact associated with stock options	—	—	—	5,492	5,492
Exercise of stock options (Note 7a)	—	—	28,052	(5,618)	22,434
Exercise of performance share units (“PSU”) (Note 7a)	—	—	2,446	(2,446)	—
Purchase of Class A subordinate shares held in trust (Note 7a)	—	—	(11,099)	—	(11,099)
Balance as at December 31, 2014	**2,592,264**	**192,967**	**2,265,596**	**166,239**	**5,217,066**

	Retained earnings	Accumulated other comprehensive income	Capital stock	Contributed surplus	Total equity
	$	$	$	$	$
Balance as at September 30, 2013	1,551,956	121,855	2,240,494	141,392	4,055,697
Net earnings	189,790	—	—	—	189,790
Other comprehensive income	—	141,927	—	—	141,927
Comprehensive income	189,790	141,927	—	—	331,717
Share-based payment costs	—	—	—	10,012	10,012
Income tax impact associated with stock options	—	—	—	2,130	2,130
Exercise of stock options	—	—	26,532	(5,535)	20,997
Repurchase of Class A subordinate shares	(46,675)	—	(53,325)	—	(100,000)
Purchase of Class A subordinate shares held in trust	—	—	(23,016)	—	(23,016)
Resale of Class A Subordinate shares held in trust	—	—	908	482	1,390
Balance as at December 31, 2013	1,695,071	263,782	2,191,593	148,481	4,298,927

Interim Consolidated Statements of Cash Flows

For the three months ended December 31
(in thousands of Canadian dollars) (unaudited)

	2014	2013
	$	$
Operating activities		
Net earnings	**236,256**	189,790
Adjustments for:		
Amortization and depreciation	**105,891**	110,464
Deferred income taxes	**17,232**	(527)
Foreign exchange (gain) loss	**(1,437)**	1,103
Share-based payment costs	**10,915**	10,012
Net change in non-cash working capital items (Note 8)	**(29,652)**	(244,538)
Cash provided by operating activities	**339,205**	66,304
Investing activities		
Net change in short-term investments	**—**	(295)
Proceeds from sale of property, plant and equipment	**15,255**	—
Purchase of property, plant and equipment	**(45,819)**	(50,327)
Additions to contract costs	**(14,677)**	(12,764)
Additions to intangible assets	**(15,657)**	(15,378)
Purchase of long-term investments	**(4,249)**	(8,307)
Proceeds from sale of long-term investments	**955**	—
Payments received from long-term receivable	**1,126**	1,842
Cash used in investing activities	**(63,066)**	(85,229)
Financing activities		
Net change in unsecured committed revolving credit facility	**—**	214,274
Increase of long-term debt	**26,919**	27,731
Repayment of long-term debt (Note 5)	**(317,835)**	(15,848)
Settlement of derivative financial instruments (Note 10)	**(42,972)**	—
Purchase of Class A subordinate shares held in trust (Note 7a)	**(11,099)**	(23,016)
Resale of Class A subordinate shares held in trust	**—**	1,390
Repurchase of Class A subordinate shares (Note 7a)	**—**	(100,000)
Issuance of Class A subordinate shares	**21,528**	20,102
Cash (used in) provided by financing activities	**(323,459)**	124,633
Effect of foreign exchange rate changes on cash and cash equivalents	**1,182**	(5,763)
Net (decrease) increase in cash and cash equivalents	**(46,138)**	99,945
Cash and cash equivalents, beginning of period	**535,715**	106,199
Cash and cash equivalents, end of period (Note 3)	**489,577**	206,144

Supplementary cash flow information (Note 8).

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013

(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

1. Description of business

CGI Group Inc. (the "Company"), directly or through its subsidiaries, manages information technology ("IT") services as well as business process services ("BPS") to help clients effectively realize their strategies and create added value. The Company's services include the management of IT and business functions ("outsourcing"), systems integration and consulting, as well as the sale of software solutions. The Company was incorporated under Part IA of the Companies Act (Québec) predecessor to the Business Corporations Act (Québec) which came into force on February 14, 2011 and its shares are publicly traded. The executive and registered office of the Company is situated at 1350 René-Lévesque Blvd. West, Montréal, Québec, Canada, H3G 1T4.

2. Basis of preparation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board. In addition, the interim condensed consolidated financial statements have been prepared in accordance with the accounting policies set out in Note 3, "Summary of significant accounting policies" of the Company's consolidated financial statements for the year ended September 30, 2014. The accounting policies were consistently applied to all periods.

These interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended September 30, 2014.

The Company's interim condensed consolidated financial statements for the three months ended December 31, 2014 and 2013 were authorized for issue by the Board of Directors on January 28, 2015.

3. Cash and cash equivalents

	As at December 31, 2014	As at September 30, 2014
	$	$
Cash	**359,577**	265,715
Cash equivalents	**130,000**	270,000
	489,577	535,715

4. Provisions

The Company's provisions consist of liabilities for leases of premises that the Company has vacated, litigation and claim provisions arising in the ordinary course of business and decommissioning liabilities for operating leases of office buildings where certain arrangements require premises to be returned to their original state at the end of the lease term. The Company also recognizes restructuring provisions related to business acquisitions.

During the three months ended December 31, 2014, the Company paid $21,186,000 ($53,325,000 during the three months ended December 31, 2013) related to the restructuring and transformation of Logica's operations to the CGI operating model.

The provision as at December 31, 2014 related to the integration program was $82,990,000 ($105,617,000 as at September 30, 2014).

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

5. Long-term debt

During the three months ended December 31, 2014, the Company repaid in advance, without penalty, a portion of the 2016, $1,005,332,000 maturing tranche of unsecured committed term loan credit facility. The partial repayment amounted to $298,152,000.

6. Accumulated other comprehensive income

	As at December 31, 2014	As at September 30, 2014
	$	$
Items that will be reclassified subsequently to net earnings:		
Net unrealized gains on translating financial statements of foreign operations, net of accumulated income tax expense of $37,698 as at December 31, 2014 ($31,986 as at September 30, 2014)	**504,269**	511,689
Net losses on derivative financial instruments and on translating long-term debt designated as hedges of net investments in foreign operations, net of accumulated income tax recovery of $42,512 as at December 31, 2014 ($37,024 as at September 30, 2014)	**(274,895)**	(238,583)
Net unrealized gains on cash flow hedges, net of accumulated income tax expense of $7,051 as at December 31, 2014 ($2,162 as at September 30, 2014)	**16,734**	14,520
Net unrealized gains on investments available for sale, net of accumulated income tax expense of $1,019 as at December 31, 2014 ($942 as at September 30, 2014)	**2,814**	2,576
Items that will not be reclassified subsequently to net earnings:		
Net remeasurement losses, net of accumulated income tax recovery of $18,819 as at December 31, 2014 ($18,728 as at September 30, 2014)	**(55,955)**	(61,578)
	192,967	228,624

For the three months ended December 31, 2014, $928,000 of the net unrealized gains previously recognized in other comprehensive income, net of income tax expense of $480,000 were reclassified to net earnings for derivative financial instruments designated as cash flow hedges.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

7. Capital stock, share-based payments and earnings per share

A) CAPITAL STOCK

	Class A subordinate shares		Class B shares		Total	
	Number	Carrying value	Number	Carrying value	Number	Carrying value
		$		$		$
As at September 30, 2014	279,311,564	2,199,778	33,272,767	46,419	312,584,331	2,246,197
Issued upon exercise of stock options[1]	1,343,898	28,052	—	—	1,343,898	28,052
Purchased and held in trust[2]	—	(11,099)	—	—	—	(11,099)
PSUs exercised[3]	—	2,446	—	—	—	2,446
As at December 31, 2014	**280,655,462**	**2,219,177**	**33,272,767**	**46,419**	**313,928,229**	**2,265,596**

On January 29, 2014, the Company's Board of Directors authorized the renewal of a Normal Course Issuer Bid ("NCIB") for the purchase of up to 21,798,645 Class A subordinate shares for cancellation on the open market through the Toronto Stock Exchange ("TSX"). The Class A subordinate shares were available for purchase commencing February 11, 2014, until no later than February 10, 2015, or on such earlier date when the Company completes its purchases or elects to terminate the NCIB. On January 28, 2015, the Company's Board of Directors authorized the renewal of the NCIB for the purchase of up to 19,052,207 Class A subordinate shares over the next twelve months, subject to regulatory approval.

During the three months ended December 31, 2014, the Company did not repurchase any Class A subordinate shares. During the three months ended December 31, 2013, the Company repurchased 2,490,660 Class A subordinate shares from the Caisse de dépôt et placement du Québec for cash consideration of $100,000,000. The excess of purchase price over the carrying value in the amount of $46,675,000 was charged to retained earnings. In accordance with the requirements of TSX, the repurchased shares have been taken into account in calculating the annual aggregate limit that the Company is entitled to repurchase under its previous NCIB.

[1] The carrying value of Class A subordinate shares includes $5,618,000 ($5,535,000 as at December 31 2013), which corresponds to a reduction in contributed surplus representing the value of accumulated compensation costs associated with the stock options exercised during the period.

[2] The trustee, in accordance with the terms of the PSU plan and a Trust Agreement, purchased 288,535 Class A subordinate shares of the Company on the open market for $11,099,000 during the three months ended December 31, 2014 (619,888 Class A subordinate shares for $23,016,000 during the three months ended December 31, 2013).

During the three months ended December 31, 2014, the trustee did not sell any Class A subordinate shares that were held in trust. During the three months ended December 31, 2013, the trustee sold 35,576 Class subordinate shares that were held in trust on the open market. The excess of proceeds over the carrying value of the Class A subordinate shares, in the amount of $482,000, resulted in an increase of contributed surplus.

[3] During the three months ended December 31, 2014, 89,401 PSUs (nil during the three months ended December 31, 2013) were exercised with a recorded average fair value of $2,446,000 that was removed from contributed surplus. As at December 31, 2014, 1,947,283 Class A subordinate shares were held in trust under the PSU plan ($1,771,007 as at December 31, 2013) (Note 7b).

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

7. Capital stock, share-based payments and earnings per share (continued)

B) SHARE-BASED PAYMENTS

i) Stock options

Under the Company's stock option plan, the Board of Directors may grant, at its discretion, stock options to purchase Class A subordinate shares to certain employees, officers and directors of the Company and its subsidiaries. The exercise price is established by the Board of Directors and is equal to the closing price of the Class A subordinate shares on the TSX on the day preceding the date of the grant. Stock options generally vest over four years from the date of grant conditionally upon achievement of objectives and must be exercised within a ten-year period, except in the event of retirement, termination of employment or death.

The following table presents information concerning the number of outstanding stock options granted by the Company:

Outstanding as at September 30, 2014	19,728,106
Granted	3,249,320
Exercised	(1,343,898)
Forfeited	(2,373,222)
Outstanding as at December 31, 2014	**19,260,306**

The fair value of stock options granted during the three months ended December 31 and the weighted average assumptions used in the calculation of their fair value on the date of grant using the Black-Scholes option pricing model were as follows:

	2014	2013
Grant date fair value ($)	**8.59**	7.92
Dividend yield (%)	**0.00**	0.00
Expected volatility (%)[1]	**24.70**	23.77
Risk-free interest rate (%)	**1.34**	1.56
Expected life (years)	**4.00**	4.00
Exercise price ($)	**39.54**	37.01
Share price ($)	**39.54**	37.01

[1] Expected volatility was determined using statistical formulas and based on the weekly historical average of closing daily share prices over the period of the expected life of stock option.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

7. Capital stock, share-based payments and earnings per share (continued)

B) SHARE-BASED PAYMENTS (CONTINUED)

ii) Performance share units

Under the PSU plan, the Board of Directors may grant PSUs to senior executives and other key employees ("participants") which entitle them to receive one Class A subordinate share for each PSU. The vesting performance conditions are determined by the Board of Directors at the time of each grant. PSUs expire on the business day preceding December 31 of the third calendar year following the end of the fiscal year during which the PSU award was made, except in the event of retirement, termination of employment or death. Granted PSUs vest annually over a period of four years from the date of grant conditionally upon achievement of objectives.

Class A subordinate shares purchased in connection with the PSU plan are held in trust for the benefit of the participants. The trust, considered as a structured entity, is consolidated in the Company's consolidated financial statements with the cost of the purchased shares recorded as a reduction of capital stock (Note 7a).

The following table presents information concerning the number of outstanding PSUs granted by the Company:

Outstanding as at September 30, 2014	1,748,149
Granted[1]	530,000
Exercised	(89,401)
Forfeited	(241,465)
Outstanding as at December 31, 2014	**1,947,283**

[1] The PSUs granted in the period had a grant date fair value of $37.84 per unit.

C) EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share for the three months ended December 31:

	2014			2013		
	Net earnings	**Weighted average number of shares outstanding[1]**	**Earnings per share**	Net earnings	Weighted average number of shares outstanding[1]	Earnings per share
	$		**$**	$		$
Basic	**236,256**	**311,130,412**	**0.76**	189,790	308,482,085	0.62
Net effect of dilutive stock options and PSUs[2]		**8,949,257**			10,197,208	
	236,256	**320,079,669**	**0.74**	189,790	318,679,293	0.60

[1] During the three months ended December 31, 2014, there was no repurchase of Class A subordinate shares and 1,947,283 Class A subordinate shares held in trust were excluded from the calculation of weighted average number of shares outstanding as of the date of transaction (2,490,660 and 1,771,007, respectively, during the three months ended December 31, 2013).

[2] The calculation of the diluted earnings per share excluded 6,185,267 stock options for the three months ended December 31, 2014 (4,841,382 for the three months ended December 31, 2013), as they were anti-dilutive.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

8. Supplementary cash flow information

a) Net change in non-cash working capital items is as follows for the three months ended December 31:

	2014	2013
	$	$
Accounts receivable	**(70,012)**	(217,288)
Work in progress	**36,237**	(56,540)
Prepaid expenses and other assets	**25,298**	(2,190)
Long-term financial assets	**(2,041)**	(1,759)
Accounts payable and accrued liabilities	**72,632**	39,109
Accrued compensation	**(66,541)**	(35,758)
Deferred revenue	**(12,533)**	51,590
Provisions	**(28,382)**	(62,550)
Other long-term liabilities	**(14,463)**	6,804
Retirement benefits obligations	**(1,245)**	(1,350)
Derivative financial instruments	**(29)**	1,217
Income taxes	**31,427**	34,177
	(29,652)	(244,538)

b) Interest paid and received and income taxes paid are classified within operating activities and are as follows for the three months ended December 31:

	2014	2013
	$	$
Interest paid	**21,274**	35,359
Interest received	**817**	371
Income taxes paid	**37,026**	24,117

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

9. Segmented information

The following presents information on the Company's operations based on its current management structure managed through seven operating segments which are based on the geographic delivery model, namely: United States of America ("U.S."); Nordics, Southern Europe and South America ("NSESA"); Canada; France (including Luxembourg and Morocco); United Kingdom ("U.K."); Central and Eastern Europe (primarily the Netherlands and Germany) ("CEE"); Asia Pacific (including Australia, India and Philippines).

For the three months ended December 31, 2014

	U.S.	NSESA	Canada	France	U.K.	CEE	Asia Pacific	Total
	$	$	$	$	$	$	$	$
Segment revenue	**654,584**	**503,339**	**382,149**	**325,305**	**310,698**	**256,503**	**108,677**	**2,541,255**
Earnings before finance costs, finance income and income tax expense[1]	**95,127**	**46,554**	**80,740**	**40,877**	**35,173**	**25,406**	**20,172**	**344,049**
Finance costs								**(24,500)**
Finance income								**920**
Earnings before income taxes								**320,469**

[1] Total amortization and depreciation of $105,594,000 included in the U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific operating segments is $28,302,000, $19,660,000, $18,026,000, $8,047,000, $18,574,000, $7,481,000 and $5,504,000, respectively, for the three months ended December 31, 2014.

For the three months ended December 31, 2013

	U.S.	NSESA	Canada	France	U.K.	CEE	Asia Pacific	Total
	$	$	$	$	$	$	$	$
Segment revenue	685,592	548,792	420,945	331,475	287,236	269,438	101,232	2,644,710
Earnings before integration-related costs, finance costs, finance income and income tax expense[1]	67,339	49,146	90,114	35,717	21,112	28,177	11,323	302,928
Integration-related costs								(22,615)
Finance costs								(28,438)
Finance income								1,080
Earnings before income taxes								252,955

[1] Total amortization and depreciation of $110,169,000 included in the U.S., NSESA, Canada, France, U.K., CEE and Asia Pacific operating segments is $27,845,000, $21,755,000, $22,265,000, $8,250,000, $16,602,000, $7,863,000 and $5,589,000, respectively, for the three months ended December 31, 2013.

The accounting policies of each operating segment are the same as those described in the summary of significant accounting policies (Note 3) of the Company's consolidated financial statements for the year ended September 30, 2014. Intersegment revenue is priced as if the revenue was from third parties.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

10. Financial instruments

FAIR VALUE

All financial instruments are initially measured at their fair values. Subsequently, financial assets classified as loans and receivables and financial liabilities classified as other liabilities are measured at their amortized cost using the effective interest rate method. Financial assets and liabilities classified as fair value through earnings (“FVTE”) and classified as available for sale are measured subsequently at their fair values.

The Company has made the following classifications:

FVTE

Cash and cash equivalents and derivative financial instruments (unless they qualify for hedge accounting). In addition, deferred compensation plan assets within long-term financial assets were designated by management as FVTE upon initial recognition as this reflected management's investment strategy.

Loans and receivables

Trade accounts receivable, cash included in funds held for clients and long-term receivables within long-term financial assets.

Available for sale

Long-term bonds included in funds held for clients and in long-term investments within long-term financial assets.

Other liabilities

Accounts payable and accrued liabilities, accrued compensation, long-term debt and clients’ funds obligations.

FAIR VALUE HIERARCHY

Fair value measurements recognized in the balance sheet are categorized in accordance with the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1, but that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data.

FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation techniques used to value financial instruments are as follows:

- The fair value of Senior U.S. and euro unsecured notes, the unsecured committed term loan credit facility and the other long-term debt is estimated by discounting expected cash flows at rates currently offered to the Company for debts of the same remaining maturities and conditions;
- The fair value of long-term bonds included in funds held for clients and in long-term investments is determined by discounting the future cash flows using observable inputs, such as interest rate yield curves or credit spreads, or according to similar transactions on an arm's-length basis;
- The fair value of foreign currency forward contracts is determined using forward exchange rates at the end of the reporting period;

- The fair value of cross-currency swaps and interest rate swaps is determined based on market data (primarily yield curves, exchange rates and interest rates) to calculate the present value of all estimated flows.

There were no changes in valuation techniques during the three months ended December 31, 2014 and for the year ended September 30, 2014.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

10. Financial instruments (continued)

FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents financial liabilities measured at amortized cost categorized using the fair value hierarchy:

		As at December 31, 2014		As at September 30, 2014	
	Level	**Carrying amount**	**Fair value**	Carrying amount	Fair value
		$	**$**	$	$
Financial liabilities for which fair value is disclosed					
Other liabilities					
Senior U.S. and euro unsecured notes	Level 2	**1,529,267**	**1,595,228**	1,476,537	1,528,724
Unsecured committed term loan credit facility	Level 2	**706,717**	**709,061**	1,001,752	1,005,792
Other long-term debt	Level 2	**34,348**	**33,117**	22,036	20,276
		2,270,332	**2,337,406**	2,500,325	2,554,792

The following table presents financial assets and liabilities measured at fair value categorized using the fair value hierarchy:

	Level	**As at December 31, 2014**	As at September 30, 2014
		$	$
Financial assets			
Financial assets at fair value through earnings			
Cash and cash equivalents	Level 2	**489,577**	535,715
Deferred compensation plan assets	Level 1	**34,070**	31,151
		523,647	566,866
Derivative financial instruments designated as hedging instruments			
Current derivative financial instruments	Level 2	**12,028**	9,397
Long-term derivative financial instruments	Level 2	**19,520**	14,834
		31,548	24,231
Available for sale			
Long-term bonds included in funds held for clients	Level 2	**198,143**	198,177
Long-term investments	Level 2	**35,020**	30,689
		233,163	228,866
Financial liabilities			
Derivative financial instruments designated as hedging instruments			
Current derivative financial instruments	Level 2	**5,096**	4,588
Long-term derivative financial instruments	Level 2	**93,815**	149,074
		98,911	153,662

There were no transfers between Level 1 and Level 2 during the three months ended December 31, 2014 and for the year ended

September 30, 2014.

Notes to the Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2014 and 2013
(tabular amounts only are in thousands of Canadian dollars, except per share data) (unaudited)

10. Financial instruments (continued)

FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes the fair value of outstanding derivative financial instruments:

	Recorded in derivative financial instruments	**As at December 31, 2014**	As at September 30, 2014
		$	$
Hedges on net investments in foreign operations			
$659,400 cross-currency swaps in euro designated as a hedging instrument of the Company's net investment in European operations ($968,800 as at September 30, 2014)	Long-term liabilities	**86,697**	136,203
Cash flow hedges on future revenue			
U.S.$26,250 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Canadian dollar (U.S.$32,000 as at September 30, 2014)	Current liabilities Long-term liabilities	**2,114** **697**	1,651 605
U.S.$65,261 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the U.S. dollar and the Indian rupee (U.S.$75,216 as at September 30, 2014)	Current assets Long-term assets Current liabilities Long-term liabilities	**1,216** **2,113** **1,875** **937**	1,226 1,586 1,963 1,153
$201,866 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Canadian dollar and the Indian rupee ($94,600 as at September 30, 2014)	Current assets Long-term assets Current liabilities Long-term liabilities	**5,785** **8,742** **281** **—**	4,276 5,937 475 45
kr126,225 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the Swedish krona and the Indian rupee (kr142,600 as at September 30, 2014)	Current assets Long-term assets Current liabilities Long-term liabilities	**766** **928** **—** **—**	1 — 16 32
€111,825 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the euro and the British pound (€121,100 as at September 30, 2014)	Current assets Long-term assets	**4,261** **7,737**	3,894 7,311
€12,500 foreign currency forward contracts to hedge the variability in the expected foreign currency exchange rate between the euro and the Swedish krona (€15,000 as at September 30, 2014)	Current liabilities Long-term liabilities	**826** **301**	483 183
Cash flow hedges on unsecured committed term loan credit facility			
$484,400 interest rate swaps floating-to-fixed ($484,400 as at September 30, 2014)	Long-term liabilities	**732**	943
Fair value hedges on Senior U.S. unsecured notes			
U.S.$250,000 interest rate swaps fixed-to-floating (U.S.$250,000 as at September 30, 2014)	Long-term liabilities	**4,451**	9,910

During the three months ended December 31, 2014, following debt repayments, the Company settled the related floating-to-floating cross-currency swaps with a notional amount of $309,400,000.

SECTION 4: REVIEW REPORT

Interim review report

To the Audit and Risk Management Committee of
CGI Group Inc.

In accordance with our engagement letter dated January 27, 2015, we have reviewed the interim condensed consolidated balance sheet of CGI Group Inc. as at December 31, 2014, and the interim condensed consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the three-month period then ended. These interim condensed consolidated financial statements are the responsibility of CGI Group Inc. management.

We performed our review in accordance with Canadian generally accepted standards and the standards of the Public Company Accounting Oversight Board (United States) for a review of interim financial statements by an entity's auditor (an "interim review"). Such an interim review consists principally of applying analytical procedures to financial data, and making inquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit, whose objective is the expression of an opinion regarding the financial statements; accordingly, we do not express such an opinion. An interim review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit.

We have previously audited, in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of CGI Group Inc. as at September 30, 2014, and the related statements of earnings, comprehensive income, changes in equity and cash flows for the year then ended (not presented herein). In our report dated November 12, 2014, we expressed an unmodified audit opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as at September 30, 2014, is fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

Based on our review, we are not aware of any material modification that needs to be made for these interim condensed consolidated financial statements to be in accordance with IAS 34, *Interim Financial Reporting*. This report is solely for the use of the Audit and Risk Management Committee of CGI Group Inc. to assist it in discharging its regulatory obligation to review these interim condensed consolidated financial statements, and should not be used for any other purpose. Any use that a third party makes of this report, or any reliance or decisions made based on it, are the responsibility of such third party. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on this report.

Ernst & Young LLP[1]

Montreal, Canada
January 28, 2015

[1] CPA auditor, CA, public accountancy permit no. A122227

KOKKUVÕTE

Kokkuvõte on koostatud avaldamisnõuete, mida nimetatakse "elementideks", alusel. Elemendid on nummerdatud jaotistesse A-E (A.1-E.7).

Käesolev kokkuvõte sisaldab kõiki elemente, mis peavad olema välja toodud sellist liiki väärtpaberite ja emitendi kohta käivas kokkuvõttes, mida käesolev prospekt käsitleb. Kuna mõningaid elemente ei pea käsitlema, võivad elementide järjekorranumbrites esineda lüngad.

Isegi kui teatud element peab olema kokkuvõttes käsitletud, kuna käesolev prospekt käib teatud väärtpaberite liigi ja emitendi kohta, on võimalik, et selle elemendi kohta ei saa edastada asjakohast informatsiooni. Sel juhul sisaldab kokkuvõte elemendi lühikirjeldust koos märkusega „ei kohaldu".

Jaotis A – Sissejuhatus ja hoiatused		
A.1	***Sissejuhatus ja hoiatus:***	Käesolevat kokkuvõtet peaks lugema kui prospekti sissejuhatust. Mistahes otsus investeerida Ettevõtte A-klassi aktsiatesse peaks olema tehtud investori poolt prospekti kui terviku kaalutlemise tulemusena. Kui kohtusse esitatakse nõue, mis seondub käesolevas prospektis sisalduva informatsiooniga, võib olla, et investorist hageja peab EEA liikmesriigi siseriikliku õiguse alusel kandma prospekti tõlkimise kulud enne õigusliku menetluse algatamist. Tsiviilvastutus laieneb ainult nendele isikutele, kes on kokkuvõtva tabeli, kaasa arvatud selle mistahes tõlke, koostanud, kuid ainult juhul kui kokkuvõte on prospekti teiste osadega koos lugedes eksitav, ebatäpne või ebajärjekindel või juhul, kui see ei anna koos prospekti teiste osadega lugedes võtmeinformatsiooni, abistamaks investoreid otsuse juures, kas investeerida nendesse väärtpaberitesse või mitte.
A.2	***Väärtpaberite edasimüük või väärtpaberite lõpp-pakkumine finantsvahen-dajate kaasabil***	Ei kohaldu: emitent ei nõustu käesoleva prospekti kasutamisega väärtpaberite mistahes hilisemal edasimüügil või väärtpaberite lõplikul pakkumisel finantsvahendajate poolt.
Jaotis B – Emitent		
B.1	***Emitendi juriidiline ja kaubanduslik nimi:***	CGI Group Inc.
B.2	***Asukoht ja õiguslik vorm, seadusandlus ja asutamisriik:***	CGI asukoht on Kanadas ja CGI on asutatud Kanadas korporatsioonina ettevõtete seaduse (*Companies Act*) (Québec) alusel, mis on eelkäijaks Ettevõttele praegusel hetkel kohalduvale ärikorporatsioonide seadusele (*Business Corporations Act*) (Québec).

B.3	***Praegused tegevused, põhitegevused ja turud:***	Grupp on suuruselt viies sõltumatu informatsioonitehnoloogia (***IT***) ja äriprotsesside teenuste (*business process services*) ettevõte kogu maailmas. Grupil on üle maailma umbes 68 000 töötajat, keda ta nimetab liikmeteks. Grupp pakub oma klientidele alljärgnevaid teenuseid: • IT konsultatsioon: CGI pakub täiskomplekti IT ja ärikonsultatsiooni teenuseid, kaasa arvatud äri ümberkujundamine (*transformation*), strateegiline IT planeerimine, äriprotsesside ülesehitus (*engineering*) ja süsteemiarhitektuur; • Süsteemide integratsioon: CGI integreerib ja kohandab juhtivaid tehnoloogiaid ja tarkvararakendusi, et luua klientide strateegilistele vajadustele vastavad IT süsteemid; • IT ja ärifunktsioonide edasiandmise (*outsourcing*) haldamine: kliendid delegeerivad täieliku või osalise vastutuse oma IT või ärifunktsioonide eest CGI-le, et saavutada kokkuhoidu ja pääseda ligi hästi sobivale tehnoloogiale, säilitades samal ajal ise kontrolli strateegilise tasandi IT ja ärifunktsioonide üle. Nende lepingute osana juurutab CGI oma kvaliteediprotsesse ja praktikaid, mis aitavad suurendada oma klientide efektiivsust. CGI ka integreerib oma klientide tegevusi oma tehnoloogiavõrku. CGI võib ka sõlmida edasiandmise (*outsourcing*) lepinguid oma klientidega, millega CGI võtab üle kliendi teatud IT või ärifunktsioonidega töötajate töölepingud, mis võimaldab klientidel keskenduda oma põhilisele äritegevusele. Osana edasiandmise (*outsourcing*) lepingust võidakse pakkuda uute projektide ja rakenduste arendus- ja juurutusteenust, rakenduste hooldus- ja tugiteenust, tehnoloogiainfrastruktuuri haldusteenust (ettevõtte ja lõppkasutaja andmetöötlus- ja võrguteenuseid (*enterprise and end-user computing and network services*)), tehingute- ja äritöötlusteenuseid nagu palga-, nõuete- ja dokumendihaldusteenuseid; ja • Kaubanduslikke ärilahendusi: CGI-l on lai valik kaubanduslikke ärilahendusi, mis aitavad nii klientidel kui ka osanikel leida uusi võimalusi ja suurendada väärtust. Lisaks, sisaldavad CGI kaubanduslikud ärilahendused ettevõtte ressursside planeerimise lahendust, energia haldamist, krediidi ja laenu kogumist, maksuhaldust, nõuete auditeerimist ja pettuste avastamist. CGI pakub oma koguteenuseid fokusseeritud hulgale valdkonna vertikaalturgudest, kus CGI-l on tekkinud ulatuslik kompetents. CGI sihtvertikaalturud hõlmavad: finantsteenuseid, valitsust, tervist, telekommunikatsioone ja kommunaalteenuseid, tootmist, jaemüüki ja levitamist (**MRD**).

<table>
<tr><td>B.4a</td><td>Olulised hiljutised trendid:</td><td>Grupp lõpetas 2015. majandusaasta esimese kvartali (st 1. oktoober 2014 kuni 31. detsember 2014) (Q1 2015) tuluga 2 541,3 miljonit Kanada dollarit, mis on langus 103,5 miljonit Kanada dollarit või 3,9 protsenti võrreldes 2014. majandusaasta esimese kvartaliga (st 1. oktoober 2013 kuni 31. detsember 2013) (Q1 2014). Ettemääratud valuutakursi alusel (on a constant currency basis) vähenes tulu 157,4 miljoni Kanada dollari või 6,0 protsendi võrra, samal ajal kui valuutakursside kõikumine mõjutas Grupi tulu soodsalt 53,9 miljoni Kanada dollari või 2,1 protsendi võrra.

Tulud Grupi Kanada segmendist olid perioodil Q1 2015 382,1 miljonit Kanada dollarit, langus 38,8 miljoni Kanada dollari ehk 9,2 protsendi võrra, võrreldes perioodiga Q1 2014. See muutus tuludes oli peamiselt põhjustatud madalamatest töömahtudest, mis olid põhjustatud teatud lepingute lõppemisest, osaliselt korvatud uute äridega.

Grupi Ameerika Ühendriikide (USA) segmendi tulu perioodil Q1 2015 oli 654,6 miljonit Kanada dollarit, mis on langus 31,0 miljonit Kanada dollarit või 4,5 protsenti, võrreldes perioodiga Q1 2014. Ettemääratud valuutakursi alusel vähenes tulu USA segmendist 80,8 miljoni Kanada dollari võrra või 11,8 protsenti. Muutus tuludes oli peamiselt põhjustatud ACA-ga seotud projektide lõpule viimisest aastal 2014.

Grupi viie ülejäänud segmendi tulu (hõlmates Põhjamaid, Lõuna-Euroopat ja Lõuna-Ameerikat (NSESA), Prantsusmaad (kaasa arvatud Luxemburg ja Maroko), UK-d, Kesk- ja Ida-Euroopat (peamiselt Holland ja Saksamaa) (CEE) ja Aasia Vaikset Ookeani (kaasa arvatud Austraalia, India ja Filipiinid), moodustas 1 504,5 miljonit Kanada dollarit või 59,2 protsenti Grupi kogutulust perioodil Q1 2015, võrreldes viie segmendi tuluga perioodil Q1 2014, mil see oli 1 538,1 miljonit Kanada dollarit, mis moodustas 58,2 protsenti Grupi kogutulust. See tulumuutus tulenes: (i) projektide lõpetamisest Rootsis, Lõuna-Euroopas ja Hollandis, (ii) madala marginaaliga äri lõppemisest (run-off), mida osaliselt korvas; (iii) hiljuti toimunud mitmeaastaste edasiandmise lepingute saamine.</td></tr>
<tr><td>B.5</td><td>Emitendi grupi ja emitendi grupisisese positsiooni kirjeldus</td><td>CGI on Grupi emaettevõte. Grupi juhtivad tegutsevad tütarettevõtted on alljärgnevad:

<table>
<tr><td>Conseillers en Gestion et Informatique CGI Inc.</td><td>Québec, Canada</td></tr>
<tr><td>CGI Information Systems and Management Consultants Inc.</td><td>Québec, Canada</td></tr>
<tr><td>CGI Technologies and Solutions Inc.</td><td>Delaware, United States</td></tr>
<tr><td>CGI Federal Inc.</td><td>Delaware, United States</td></tr>
<tr><td>Stanley Associates, Inc.</td><td>Delaware, United States</td></tr>
<tr><td>CGI Sverige AB</td><td>Sweden</td></tr>
<tr><td>CGI Suomi Oy</td><td>Finland</td></tr>
<tr><td>CGI Nederland B.V.</td><td>Netherlands</td></tr>
<tr><td>CGI Deutschland Ltd. & Co. KG</td><td>Germany</td></tr>
<tr><td>CGI IT UK Limited</td><td>United Kingdom</td></tr>
<tr><td>CGI Information Systems and Management Consultants Private Limited</td><td>India</td></tr>
<tr><td>CGI France SAS</td><td>France</td></tr>
</table></td></tr>
</table>

B.6	***Isikute nimed, kellel on otsene või kaudne huvi emitendi kapitali vastu või hääleõigus, millest peab teavitama emitendi siseriikliku õiguse kohaselt ning sellise huvi suurus nii palju kui see on emitendile teada:***	Huvidest emitendi kapitali vastu või hääleõigusest suurusjärgus 10 protsenti või enam on Kanada õiguse alusel kohustuslik teavitada. CGI nominaalkapital koosneb: (i) piiramata arvust eelisaktsiatest, välja antavad seeriate kaupa (***eelisaktsiad, First Preferred Shares***); (ii) piiramata arvust teise järjekorra aktsiatest, välja antavad seeriate kaupa (***teise järjekorra aktsiad, Second Preferred Shares***); (iii) piiramata arvust A-klassi aktsiatest, millel on hääleõigus 1 hääl aktsia kohta; ja (iv) piiramata arvust B-klassi aktsiatest, millel on hääleõigus 10 häält aktsia kohta (***B-klassi aktsiad, Class B Shares***), kõik ilma nimiväärtuseta. 9. märtsi 2015 seisuga (viimane võimalik kuupäev enne käesoleva prospekti avaldamist) ei olnud väljalaskmisel (*in issue*) ühtegi eelisaktsiat ega teise järjekorra aktsiat. 9. märtsi 2015 seisuga (viimane võimalik kuupäev enne käesoleva prospekti avaldamist) ja nii kaua kui on ettevõttele teada olnud, on ainsad kasusaajad isikud, kes on kas otsesed või kaudsed omanikud või kes teostavad kontrolli või juhtimist üle 10 protsendi CGI poolt kauplemisel olevate (*outstanding*) A-klassi või B-klassi aktsiate osas (nende 9. märtsi 2015 seisuga avaldatud A-klassi ja B-klassi aktsiate omandi alusel), on: • Serge Godin (asutaja ja juhatuse esimees (*Executive Chairman of the Board*)): omas 50 815 A-klassi aktsiat ning oma kontrolli kaudu Distinction Capital Inc-s, 3727912 Canada Inc-s ja 9164-7586 Québec Inc-s, 28 577 089 B-klassi aktsiat (0,02 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*) ning 85,89 protsenti välja antud ja kauplemisel olevatest B-klassi aktsiatest (*issued and outstanding*), esindades 46,53 protsenti CGI kogu hääleõigusest); ja • André Imbeau (asutaja, juhatuse aseesimees ja Ettevõtte sekretär (*Corporate Secretary*): omas 267 827 A-klassi aktsiat ning oma kontrolli kaudu 9088-0832 Québec Inc-s ja 9102-7003 Québec Inc-s, 4 275 659 B-klassi aktsiat (0,10 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*) ning 12,85 protsenti välja antud ja kauplemisel olevatest B-klassi aktsiatest (*issued and outstanding*), esindades 7,00 protsenti CGI kogu hääleõigusest). Lisaks teeb CGI investorsuhete osakond regulaarselt ülevaateid Ettevõtte suurimatest institutsionaalsetest aktsionäridest. Kõige viimaste Ettevõttele saadaolevate aktsionäride identifitseerimisandmete alusel, st 9. märtsi 2015 seisuga on A-klassi aktsiate top-10 institutsionaalsed omanikud alljärgnevad: • Caisse omas 58 174 038 A-klassi aktsiat (20,66 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest, esindades 9,47 protsenti CGI kogu hääleõigusest); • FMR LLC omas 28 245 000 A-klassi aktsiat (10,03 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest, esindades 4,60 protsenti CGI kogu hääleõigusest); • BlackRock Asset Management Canada Limited omas 12 275 000 A-klassi aktsiat (4,36 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest, esindades 2,00 protsenti CGI kogu hääleõigusest); • 1832 Asset Management L.P. omas 10 600 000 A-klassi aktsiat (3,76 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest, esindades 1,73 protsenti CGI kogu hääleõigusest); • CI Investments Inc. omas 9 835 000 A-klassi aktsiat (3,49 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 1,60 protsenti CGI kogu hääleõigusest);

		• Invesco Advisers, Inc. omas 9,531,274 A-klassi aktsiat (3,38 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 1,55 protsenti CGI kogu hääleõigusest); • Jarislowsky Fraser, Ltd. omas 6,325,000 A-klassi aktsiat (2,25 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 1,03 protsenti CGI kogu hääleõigusest); • BMO Nesbit Burns Inc. omas 5 434 300 A-klassi aktsiat (1,93 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 0,88 protsenti CGI kogu hääleõigusest). • Fiera Capital Corporation omas 5 387 000 A-klassi aktsiat (1,91 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 0,88 protsenti CGI kogu hääleõigusest); • Guardian Capital LP omas 5 026 568 A-klassi aktsiat (1,78 protsenti välja antud ja kauplemisel olevatest A-klassi aktsiatest (*issued and outstanding*), esindades 0,82 protsenti CGI kogu hääleõigusest); Välja arvatud kui ülal on teisiti märgitud, ei ole 9. märtsi 2015 seisuga (viimane võimalik kuupäev enne käesoleva prospekti avaldamist), Ettevõtte direktoritele (igaüks eraldi ***direktor*** ja koos ***direktorid***) ja Ettevõtte tegevjuhtidele teadaolevalt rohkem ühtegi isikut, kes oleks läbi otsese või kaudse omandi rohkem kui 10 protsendi suuruses osas kasusaaja, või kes teostaks kontrolli või juhtimist rohkem kui 10 protsendi CGI poolt kauplemisel olevate (*outstanding*) A-klassi või B-klassi aktsiate üle (nende 9. märtsi 2015 seisuga avaldatud A-klassi ja B-klassi aktsiate omandi alusel).
	Kas emitent on otseselt või kaudselt kellegi omandis või kellegi poolt kontrollitud? Kui jah, siis kelle poolt ning kirjeldage selle kontrolli olemust, nii palju kui see on emitendile teada	Välja arvatud Serge Godin, kelle huvid CGI hääleõigusliku aktsiakapitali suhtes on kirjeldatud ülal, ei ole CGI teadlik ühestki teisest isikust, kes 9. märtsi 2015 seisuga (viimane võimalik kuupäev enne käesoleva prospekti avaldamist), teostab või võiks teostada otseselt või kaudselt, ühiselt või eraldi, CGI üle kontrolli.
	Kas emitendi suuraktsionäridel on erinevad hääleõigused?	CGI suuraktsionäridel, nagu ülal ära toodud, on samasugused hääleõigused kui kõikidel teistel A-klassi ja B-klassi aktsiate omanikel.

B.7	***Valitud ajalooline võtmeinformatsioon ja jutustav kirjeldus oluliste muutuste kohta emitendi finantstingimuste ja tegevuse tulemuste kohta perioodi jooksul, mis hõlmab ajaloolist võtmeinformatsiooni finantsvaldkonna kohta või peale seda:***	Allpooltoodud tabelites on ära toodud Grupi kohta käiv võtmeinformatsioon märgitud perioodidel. Allpooltoodud andmed on väljavõte CGI auditeeritud konsolideeritud finantsaruannetest aastatest, mis lõppesid 2012, 2013 ja 2014 ja CGI sisemistest finantsaruannetest kolmekuuliseks perioodiks, mis lõppes 31. detsember 2014, ilma oluliste muutmisteta. CGI auditeeritud konsolideeritud finantsaruanded aastatest, mis lõppesid 2012, 2013 ja 2014 ja CGI sisemised finantsaruanded kolmekuuliseks perioodiks, mis lõppes 31. detsember 2014, valmistati ette arvestades Rahvusvaheliste finantsaruannete standarditega (*International Financial Reporting Standards*), välja antud Rahvusvahelise Raamatupidamisstandardite Nõukogu poolt (*International Accounting Standards Board*, ***IASB***). **Konsolideeritud tuluaruanne (*Statement of Earnings*):** (tuhandetes Kanada dollarites, välja arvatud aktsiate andmed)

	Kolmekuuliseks perioodiks, mis lõppeb 31.12.2014	Aastaks, mis lõppeb 30.09.2014	Aastaks, mis lõppeb 30.09.2013	Aastaks, mis lõppeb 30.09.2012
Tulu	$	$	$	$
	2,541,255	10,499,692	10,084,624	4,772,454
Tegevuskulud				
Teenuste-, müügi- ja administratiivkulud	2,195,385	9,129,791	9,012,310	4,226,859
Integratsioonikulud	-	127,341	338,439	254,973
Finantseerimiskulud	24,500	101,278	113,931	42,099
Finantseerimistulud	(920)	(2,010)	(4,362)	(5,318)
Muud tulud	-	-	-	(3,955)
(Sissetulek) Kahjum valuutavahetusest	1,821	13,042	(3,316)	(1,134)
Jagatud tulud ühistest ettevõtmistest	-	-	-	(3,996)
	2,220,786	9,369,442	9,457,002	4,509,528
Tasu enne tulumaksu	320,469	1,130,250	627,622	262,926
Tulumaksu kulud	84,213	270,807	171,802	131,397
Neto sissetulek	236,256	859,443	455,820	131,529
Sissetulek aktsia kohta				
Põhisissetulek aktsia kohta	0.76	2.78	1.48	0.50
Korrigeeritud sissetulek aktsia kohta	0.74	2.69	1.44	0.48

Konsolideeritud bilanss:
(tuhandetes Kanada dollarites)

	31.12. 2014 seisuga	30.09.2014 seisuga	30.09.2013 seisuga	30.09.2012 seisuga
	$	$	$	$
Varad				
Käibevara				
Sularaha ja sularaha ekvivalendid	489,577	535,715	106,199	113,103
Lühiajalised investeeringud	-	-	-	14,459
Jooksvad derivatiiv finantsinstrumendid	12,028	9,397	1,344	-
Nõuded	1,103,663	1,036,068	1,205,625	1,412,935
Pooleliolevad projektid	777,001	807,989	911,848	697,132
Ettemaksud ja muu käibevara	151,159	174,137	218,446	235,962
Tulumaks	9,047	8,524	17,233	39,877
Kogu käibevara enne klientide vara	2,542,475	2,571,830	2,460,695	2,513,468
Klientide vara	316,573	295,754	222,469	202,407
Kogu käibevara	2,859,048	2,867,584	2,683,164	2,715,875
Kinnisvara, vabrikud, seadmed	479,896	486,880	475,143	481,480
Lepingu täitmise kulu	155,607	156,540	140,472	168,650
Mittevaraline vara	596,207	630,074	708,165	787,779
Muud pikaajalised varad	74,157	74,158	58,429	94,625
Pikaajalised finantsvarad	96,828	84,077	51,892	-
Edasilükatud maksud	305,116	323,416	368,217	348,689
Goodwill	6,604,992	6,611,323	6,393,790	6,093,134
	11,171,851	11,234,052	10,879,272	10,690,232
Kohustused				
Jooksvad kohustused				
Tarnijate nõuded ja kogunenud kohustused	1,127,423	1,060,380	1,119,034	1,286,031
Jooksvad derivatiiv finantsinstrumendid	5,096	4,588	6,882	-
Kogunenud kompensatsioon	513,934	583,979	713,933	522,564
Edasilükatud tulu	443,578	457,056	508,267	535,902
Tulumaks	187,112	156,283	156,358	176,962
Tulevased nõuded	118,918	143,309	223,074	250,687
Jooksev osa pikaajalisest võlast	91,439	80,367	534,173	52,347
Jooksvad kohustused kokku enne kohustusi klientide ees	2,487,500	2,485,962	3,261,721	2,824,493
Kohustused klientide ees	312,786	292,257	220,279	197,986
Jooksvad kohustused kokku	2,800,286	2,778,219	3,482,000	3,022,479
Pikaajalised tulevased nõuded	64,442	70,586	109,011	126,138
Pikaajaline võlg	2,357,676	2,599,336	2,332,377	3,196,061
Muud pikaajalised kohustused	294,104	308,387	434,653	657,121
Pikaajalised derivatiiv finantsinstrumendid	93,815	149,074	157,110	-
Edasilükatud maksukohustused	165,616	155,972	155,329	147,452
Pensionikohustused	178,846	183,753	153,095	118,078
	5,954,785	6,245,327	6,823,575	7,267,329
Omakapital				
Jaotamata kasum	2,592,264	2,356,008	1,551,956	1,113,225
Kogunenud muu sissetulek	192,967	228,624	121,855	294
Aktsiakapital	2,265,596	2,246,197	2,240,494	2,201,694
Ülekurss	166,239	157,896	141,392	107,690
	5,217,066	4,988,725	4,055,697	3,422,903
	11,171,851	11,234,052	10,879,272	10,690,232

[1] Vastavuses Rahvusvaheliste Finantsaruannete Standarditega (*International Financial Reporting Standards*).

		Teatud olulised muudatused Grupi finantsseisundis ja majandustulemustes toimusid 2012, 2013 ja 2014 majandusaastatel ning 2015 Q1-s. Need muudatused on allpool kirjeldatud. • Grupp omandas 2012 majandusaastal 2,7 miljardi Kanada dollari eest Logica Plc (Logica), hinnale lisandub Logica netovõla omandamine 0,9 miljardi Kanada dollari ulatuses. Peale 20. augustit 2012, CGI tulemused sisaldasid Logica operatsioone. Alates 30. septembrist 2014 CGI viis lõpule Logica integratsiooni. • Lisaks 525 miljoni Kanada dollari suurusele investeerimisprogrammile Logica integreerimiseks, mis oli enne välja kuulutatud 2013. aastal, CGI investeeris veel 26,5 miljonit Kanada dollarit, et saavutada uued sünergiad, samal ajal kui välisvaluutakursi muutused mõjutasid programmi ebasoodsalt umbes 24,0 miljoni Kanada dollari võrra. Kokkuvõttes, kokku tehti korraga kulusid 575 Kanada dollarit, et aastased kokkuhoiud oleksid üle 400 miljoni Kanada dollari ja CGI-le tekiks kasu aktsia juurdekasvust. • Tasu, mis maksti välja Logica omandamise eest, oli finantseeritud järgneva kombinatsiooni kaudu: (i) sularahatulud 1,0 miljardit Kanada dollarit 46 707 146 märkimiskviitungi *(subscription receipt)* emiteerimisest, mis on vahetatavad Caisse uute Klass A aktsiate vastu hinnaga 21,41 Kanada dollarit märkimiskviitungi kohta vastavalt (a) märkimislepingule, mille on Caisse ja Ettevõte sõlminud 31. mail 2012 ja (b) märkimislepingule, mille on sõlminud Caisse, Ettevõte ja Computershare Trust Company of Canada kui märkimisagent (*subscription receipt agent*) 31. mail 2012. a; (ii) võla rahastamine laenuandjate sündikaadi poolt 1,9 miljardi Kanada dollari suuruse tagamata tähtajalise laenu (*loan facilities*) kaudu vastavalt laenulepingule, tasukokkuleppele (*fee letter*) ja sündikaadikokkuleppele (*syndicate letter*), mis kõik kannavad kuupäeva 31. mai 2012 (**Tähtajaline Laen**); ja (iii) võla rahastamine laenuandjate sündikaadi poolt Ettevõtte olemasoleva 1,5 miljardi Kanada dollari suuruse laenulepingu alusel antava käibekrediidina (**Käibekrediit**) (*Revolving Credit Facility*). • Perioodil Q1 2014, Käibekrediidi tähtaega pikendati ühe aasta võrra kuni detsembrini 2017. 25. juulil 2014 Käibekrediidi tähtaega pikendati veel ühe aasta võrra kuni detsembrini 2018 ja seda võib aasta kaupa veel pikendada. Kõik muud tingimused Käibekrediidis, sealhulgas intressimäär ja lepingust tulenevad kohustused, jäid samaks. Aprillis 2014 maksis CGI tagasi Tähtajalise Laenu esimese tagastatava osa (*maturing tranche*) suuruses 486,7 miljonit Kanada dollarit, kasutades laekumisi oma krediiditeenustest. Septembris 2014 emiteeris Ettevõte suunatult 955 miljoni Kanada dollari väärtuses võlakirju kaalutud keskmise lunastustähtajaga 7,9 aastat ning kaalutud keskmise fikseeritud intressimääraga 3,62 protsenti, kusjuures emissioon koosnes neljast tagamata ja allutamata USA dollarites denomineeritud jaost kogumahus 745 miljonit USA dollarit ning ühest tagamata ja allutamata 85 miljoni euro suurusest jaost. Ettevõte kasutas uuest suunatud võlakirjaemissioonist saadud vahendeid Tähtajalise Laenu 2015. aasta mais saabuva maksetähtajaga 494,7 miljoni Kanada dollari suuruse osa ning Tähtajalise Laenu jäägi tagasimaksmiseks. • 29. novembril 2013 Caisse vähendas oma osalust Ettevõttes 9 962 660 A-klassi allutatud hääleõigusega aktsia võrra vastavalt Caisse portfelli tasakaalustamise poliitikale. Ühe osana sellest tehingust ostis Ettevõte tühistamiseks 2 490 660 klassi A teisejärgulist hääleõigusega aktsiat, mis moodustavad 25 protsenti Caisse poolt müüdud aktsiatest, hinnaga 40,15 Kanada dollarit aktsia kohta, mis vastab netohinnale, mille Caisse sai maaklerilt, kes omandas ülejäänud 75% aktsiatest. • Grupi tulud suurenesid umbkaudselt: (a) 5,3 miljardit Kanada dollarit või 111,3 protsenti 2012 majandusaastast 2013 majandusaastasse (tulu oli 2012

		majandusaastal umbkaudselt 4,8 miljardit Kanada dollarit ja 2013 majandusaastal 10,1 miljardit Kanada dollarit); (b) 0,4 miljardit Kanada dollarit või 4,1 protsenti 2013 majandusaastast 2014 majandusaastasse (tulud olid umbes 10,1 miljardit Kanada dollarit 2013. majandusaastal ja 10,5 miljardit Kanada dollarit 2014. majandusaastal); ja (c) vähenesid 0,1 miljardi Kanada dollari võrra või 3,9 protsenti perioodist Q1 2014 kuni Q1 2015 (tulud olid umbes 2,6 miljardit Kanada dollarit perioodil Q1 2014 ja 2,5 miljardit Kanada dollarit perioodil Q1 2015). • Grupi tulud enne tulumaksu (**EBT**): (a) suurenesid 262,9 miljonilt Kanada dollarilt (mis vastab 5,5-le protsendile Grupi tuludest) 2012. aastal umbes 627,6 miljonile Kanada dollarile peale 2013. aastal (mis vastab 6,2-le protsendile Grupi tuludest); (b) suurenesid umbes 627,6 miljonilt Kanada dollarilt (mis vastas 6,2-le protsendile Grupi tuludest) 2013. majandusaastal 1 130,2 miljonile Kanada dollarile (mis vastab 10,8-le protsendile Grupi tuludest) 2014. majandusaastal; ja (c) suurenesid umbes 253,0 miljonilt Kanada dollarilt (mis vastab 9,6-le protsendile Grupi tuludest) perioodil Q1 2014 320,5 miljonile Kanada dollarile (mis vastab 12,6-le protsendile Grupi tuludest) perioodil Q1 2015. • Grupi tegevuskulud suurenesid umbes: (a) 2012. majandusaastast kuni 2013. majandusaastasse 4,8 miljardit Kanada dollarit või 113,2 protsenti (tegevuskulud olid umbes 4,2 miljardit Kanada dollarit 2012 majandusaastal ja 9,0 miljardit Kanada dollarit 2013 majandusaastal); (b) 2013. majandusaastast kuni 2014. majandusaastasse 0,1 miljardit Kanada dollarit või 1,3 protsenti (tegevuskulud olid umbes 9,0 miljardit Kanada dollarit 2013. majandusaastal ja 9,1 miljardit Kanada dollarit 2014. majandusaastal; ja (c) vähenesid perioodist Q1 2014 kuni Q1 2015 0,1 miljardi Kanada dollari või 6,2 protsendi võrra (tegevuskulud olid 2,3 miljardit Kanada dollarit perioodil Q1 2014 ja 2,2 miljardit Kanada dollarit perioodil Q1 2015). CGI finantstingimustes või tegevuskasumis ei ole toimunud olulisi muutusi peale 31. detsembrist 2014, mil lõppeb 1. oktoober 2014 alanud ja 31. detsembril 2014 lõppenud kolmekuuline periood, mille kohta käib CGI finantsalane vaheinformatsioon **vormil 6-K** 31. detsembril 2014 lõppenud fiskaalkvartali osas. Vorm 6-K esitati USA Väärtpaberite- ja väärtpaberituru komisjonile (*United States Securities and Exchange Commission*) (***SEC***) 28. jaanuaril 2015.
B.8	***Valitud pro forma finantsalane võtmeinfor-matsioon:***	Ei kohaldu: käesolev prospekt ei sisalda *pro forma* finantsinformatsiooni.
B.9	***Ennustatav/ eeldatav kasum:***	Ei kohaldu: käesolev prospekt ei sisalda ennustatavat ega eeldatavat kasumit.
B.10	***Auditi raportitest tulenevad lisatingimused***	Ei kohaldu: Grupi ajaloolise finantsinformatsiooni kohta käivates auditi raportites ei ole lisatingimusi.
B.11	***Ebapiisav käibekapital:***	Ei kohaldu: arvestades Grupi laenuvõimekust, on Grupi käibekapital piisav praeguste nõuete täitmiseks, st vähemalt käesoleva prospekti kuupäevale järgneva 12 kuu jooksul.

Jaotis C – Väärtpaberid		
C.1	***Kauplemisele lubatavate väärtpaberite liik ja klass ning identifitseerimisnumber:***	A-klassi aktsiad. A-klassi aktsiatega kaubeldakse New Yorgi börsil (*New York Stock Exchange*) (***NYSE***) sümboli GIB all ja Toronto börsil (*Toronto Stock Exchange)* (***TSE***) sümboli GIB.A all. A-klassi aktsiatel on ISIN number CA39945C1095.
C.2	***Väärtpaberite emissiooni valuuta:***	A-klassi aktsiatel ei ole nimiväärtust. A-klassi aktsiate valuuta on (i) NYSE-l noteeritud aktsiatel USA dollarid ja (ii) TSE-l noteeritud aktsiatel Kanada dollarid.
C.3	***Aktsiate arv ja nimiväärtus emissioonis:***	CGI nominaalkapital koosneb: • piiramata arvust eelisaktsiatest, välja antavad seeriate kaupa; • piiramata arvust teise järjekorra aktsiatest, välja antavad seeriate kaupa; • piiramata arvust A-klassi aktsiatest; ja • piiramata arvust B-klassi aktsiatest, kõik ilma nimiväärtuseta. 9. märtsi 2015 seisuga (viimane võimalik kuupäev enne käesoleva prospekti avaldamist) oli Ettevõtte välja antud ja kauplemisel olev (*issued and outstanding*) aktsiakapital 281 602 825 A-klassi aktsiat ning 33 272 767 B-klassi aktsiat. Välja antud ei ole eelisaktsiaid ega teise järjekorra aktsiaid.
C.4	***Väärtpaberitega kaasnevad õigused:***	Igal A-klassi aktsiate omanikul on õigus: • osaleda ja hääletada Ettevõtte aktsionäride koosolekul. Iga A-klassi aktsia annab omanikule ühe hääle aktsia kohta. Iga B-klassi aktsia annab omanikule kümme häält aktsia kohta. • osaleda võrdselt, aktsia aktsia vastu, igas dividendis, mis on välja kuulutatud, välja makstud või maksmiseks kõrvale pandud; ja • peale Ettevõtte likvideerimist või lõpetamist või mistahes muud selle vara aktsionäride vahel laialijagamist, mille eesmärgiks on Ettevõtte tegevuste lõpetamine, omandada võrdselt, aktsia aktsia vastu, osa A-klassi aktsiate omanikele väljamaksmisele või nende vahel jagamisele kuuluvast Ettevõtte varast. Kui ülevõtmispakkumus, turupakkumus (*exchange bid)* või aktsia tagasiostmispakkumus (*issuer bid*), välja arvatud võistlev pakkumus (*exempt bid)*, B-klassi aktsiate suhtes tehakse B-klassi aktsiate omanikele ilma, et see tehakse samaaegselt ning samadel tingimustel A-klassi aktsiate omanikele, muutub iga A-klassi aktsia vahetatavaks B-klassi aktsiaks, vastavalt omaniku otsusele, selleks, et võimaldada omanikul vastu võtta pakkumus sellise kuupäevaga nagu see on tehtud. Seda õigust ei loeta jõustunuks, kui pakkumus ei ole lõplikult esitatud pakkuja poolt või kui Grupi vanemjuhtkonna liikmed ja täiskohaga töötajad ja mistahes äriühingud, mis kuuluvad ühe või rohkemate selliste vanemjuhtkonna liikmete kontrolli alla, rohkem kui 50-protsendilise osalusega B-klassi aktsiate omanike grupina, ei võta pakkumust vastu. Õiguseid, eeliseid, tingimusi ja piiranguid, mis kaasnevad A-klassi aktsiatega, võib muuta, kui selline muudatus kiidetakse heaks vähemalt kahe kolmandiku häälte poolt, mis on antud A-klassi aktsiate ja B-klassi aktsiate omanike koosolekul, mis on nõuetekohaselt kokku kutsutud selleks eesmärgiks. Sellegipoolest, kui A-klassi aktsiad liigina oleksid sellest muudatusest mõjutatud teisiti kui teised CGI aktsiate liigid, siis on selle muudatuse heaks kiitmiseks lisaks vaja veel vähemalt kahte kolmandikku häältest, mis antakse koosolekul, kus osalevad ainult A-klassi aktsiate

		omanikud.
C.5	***Piirangud väärtpaberite vabale käsutamisele (transferability)***	Ei kohaldu: A-klassi aktsiatel ei ole piiranguid nende vabalt käsutamisele (*transferability*).
C.6	***Juurdepääs kauplemisele reguleeritud turul:***	A-klassi aktsiad on lubatud kauplemisele NYSE-l ja TSE-l.
C.7	***Dividendipoliitika:***	Arvestades Ettevõtte vajadusi oma tegevuste ja suurte investeerimisprojektide reinvesteerimisel, ei maksa äriühing dividende. Sellegipoolest vaatab juhatus (*Board of Directors*) dividendipoliitika iga-aastaselt uuesti läbi. 2014. majandusaastal olid Ettevõtte vajadused järgmised: (i) reinvesteeringud oma tegevuste toetamiseks; (ii) investeerimisprojektid; (iii) Ettevõtte laenu tagasimaksmine; ja (iv) välja antud A-klassi aktsiate tagasiostmine, tulenevalt nendest juhatus otsustas, et Ettevõte ei maksa dividende.
Jaotis D – Riskid		
D.1	***Võtmeinfo emitendile või tema tööstusharule omaste võtmeriskide kohta***	***Grupi tööstusharuga seotud riskid*** • Grupp on sõltuv kvalifitseeritud IT professionaalidest. Kui Grupil ei ole võimalik ligi meelitada ja säilitada piisavat arvu kvalifitseeritud professionaale, kellel on sobiv väljaõpe, oskused ning valitsuse poolt antud julgeolekuload, mis on vajalikud Grupi klientide vajaduste täitmiseks, võib juhtuda, et Grupp peab toetuma alltöövõtjatele, töötajaskonna ümberpaigutamisele või uute indiviidide värbamisele ja/võt treenimisele, et olemasolevaid lünki täita. Selle tulemusena võib kaasneda tulu kaotus või kulude suurenemine, millega pannakse surve alla Grupi teenistus, mis võib raskelt mõjutada Grupi turuosa ja tema äri, tulusid, tegevuse tulemusi, finantsolukorda või väljavaadeteid. • Grupp võib riivata teistele kuuluvaid intellektuaalse omandi õigusi, mille tulemusena võidakse esitada Grupi vastu nõudeid. Grupi vastu esitatud intellektuaalomandi nõuded või kohtuasjad võivad olla aeganõudvad ja kulukad, rikkuda Grupi mainet, kohustada Gruppi astuma täiendavatesse kasutustasu- või litsentsilepingutesse või takistada Grupil mõnede lahenduste või teenuste pakkumist. Kui mistahes nendest faktoritest peaks ilmnema, võivad nendel olla rasked tagajärjed Grupi turuosale ja tema ärile, tuludele, tegevuse tulemustele, finantsolukorrale või väljavaadetele. ***<u>Grupi äriga seotud riskid</u>*** • Kui Grupil ei õnnestu pakkuda teenuseid kooskõlas lepingute ja klientide mõistlike ootustega või korrektne ja ajakohane arveldamine klientidega ebaõnnestub, võivad Grupi sissetulekud kannatada. Lisaks võivad kliendid pikaajalise majanduslanguse tulemusena projekte piirata või edasi lükata, see võib mõjutada nende võimekust maksta teenuste eest, mida Grupp on neile juba osutanud, ning lõpuks võib põhjustada Grupiga olemasolevate lepingute rikkumist. Milline tahes nendest faktoritest võib raskelt mõjutada Grupi turuosa ja tema äri, tulusid, tegevuse tulemusi, finantsolukorda või väljavaateid. • Grupp saab olulise osa oma tuludest lepingutest, mille puhul Grupp sõlmib meeskonnalepinguid teiste teenusepakkujatega. Mõnedes meeskonnalepingutes on Grupp lepingu põhipartneriks, teistes alltöövõtjaks. Mõlemal juhul on Grupp äri loomisel sõltuv suhetest partneritega ja Grupp eeldab selle toimumist ettenähtavas tulevikus. Kui Grupil ebaõnnestub sobilik suhete säilitamine nende pakkujatega või Grupi suhe nende pakkujatega satub muul viisil ohtu, võivad sellel olla rasked tagajärjed Grupi turuosale ja tema ärile, tuludele, tegevuse tulemustele, finantsolukorrale või väljavaadetele.

		• Teatud lepingutest tulenevate kohustuste täitmisel sõltub Grupp kolmandatest isikutest alltöövõtjatest. Kui nendel alltöövõtjatel ebaõnnestub oma kohustuste õigeaegne ja eelarvesse mahtuv täitmine, võib see ulatuslikku negatiivset mõju avaldada Grupi võimele vastavaid lepinguid täita, millel võivad olla rasked tagajärjed Grupi turuosale ja tema ärile, tuludele, tegevuse tulemustele, finantsolukorrale või väljavaadetele. • Grupp saab suure osa oma tulust teenustelt, mida ta pakub erinevatele USA föderaalvalitsuse osakondadele ja agentuuridele. Ei ole garanteeritud, et kõik need USA föderaalvalitsuse osakonnad ja agentuurid ka tulevikus jätkuvalt kasutavad Grupi teenuseid samas ulatuses või et nad Grupi teenuseid üldse tulevikus kasutavad. Kui oluline USA föderaalvalitsuse osakond või agentuur peaks Grupile antavaid töid limiteerima, vähendama või need lõpetama, on võimalik, et Grupp ei saa taastada kaotatud tulu töö arvelt teistelt USA föderaalvalitsuse osakondadelt või agentuuridelt või teistelt klientidelt, mis võib raskelt mõjutada Grupi turuosa ja tema ärisid, tulusid, tegevuse tulemusi, finantsolukorda või väljavaateid. • Valitsuse kulude kärped, eelarve vähendamised või poliitikamuutused võivad põhjustada valitsusagentuuride ja osakondade, millega Grupil lepingud on, poolset olemasolevate lepingute alusel tehtavate tellimuste vähenemist, nad võivad kasutada oma õigust leping lõpetada, anda välja ajutisi töö peatamise käskkirju või nad võivad kasutada oma võimalust lepinguid mitte uuendada. Kui mistahes nendest faktoritest peaks ilmnema, võib see raskelt mõjutada Grupi turuosale ja tema ärisid, tulusid, tegevuse tulemusi, finantsolukorda või väljavaateid. • Grupi reputatsioon on võtmeks tema võimele võistelda IT teenuste turul edukalt. Grupi tegevuste iseloom ohustab Gruppi klientide informatsiooni potentsiaalse kaotuse suhtes, klientide informatsioonile omavolilise ligipääsu suhtes, või klientide informatsiooni hävimise suhtes, lisaks ka ajutiste teenuste häirete osas. Sellistel sündmustel võib olla negatiivne mõju Grupi reputatsioonile, tema võimele hankida uusi kliente ja tema võimele säilitada olemasolevaid kliente, mis võib raskelt mõjutada Grupi turuosa ja tema ärisid, tulusid, tegevuse tulemusi, finantsolukorda või väljavaateid. • Grupi ees võivad seista keerulised ja ajakulukad väljakutsed ühtsete standardite, kontrollsüsteemide, protseduuride ja poliitika sisseviimises uutesse tegevustesse, et neid harmoniseerida Grupi olemasolevate äriliste üksustega. Integratsioonitegevused võivad kaasa tuua ootamatuid tegevusprobleeme, -kulusid ja -kohustusi. Kui mistahes nendest faktoritest peaks ilmnema, on Grupil keeruline saavutada oma kasvu- ja kasumlikkuse eesmärke, mis võib raskelt mõjutada Grupi turuosa ja tema ärisid, tulusid, tegevuse tulemusi, finantsolukorda või väljavaateid.
D.3	***Võtmeinformatsioon võtmeriskide kohta, mis on omased väärtpaberitele:***	• A-klassi aktsiate hind võib kõikuda erinevate faktorite tõttu, kaasa arvatud: (i) meedia- või investeerimiskogukonna spekulatsioonid muutuste kohta või tegelikud muutused äritegevuses, turuosas, organisatsioonistruktuuris, tegevustes, majandustingimustes, majandus- või aktsiate hinnastruktuuris, väljavaadetes või CGI ja/või konkurentide juhtkonnas; (ii) uutest toodetest, teenustest, omandamistest, loovutamistest või muudest olulistest tehingutest teatamine CGI ja/või tema konkurentide poolt; (iii) tegelike ja/või oodatud majandustulemuste avaldamine CGI ja/või tema konkurentide poolt; ja (iv) A-klassi aktsiate tagasiostmine CGI poolt. Turutingimused, aktsiaturgude tootlus või makropoliitilised ja geopoliitilised faktorid, mis ei ole seotud CGI tootlusega võivad samuti A-klassi aktsiate hinda mõjutada. Töötajad ei tohiks lähtuda hiljutistest ega ajaloolistest trendidest tuleviku aktsiahindade ennustamisel. • Olulise hulga A-klassi aktsiate müük või hinnang või mistahes teade, et selline müük võib toimuda, võib negatiivselt mõjutada A-klassi aktsiate turuhinda ja teha A-klassi aktsiate omanikele raskemaks oma A-klassi aktsiate müümise sellisel ajal ja hinna eest nagu nad eelistaksid.

		• A-klassi aktsiate lisapakkumus Ettevõtte poolt või avalik hinnang, et selline pakkumus või müük võib toimuda, võib omada negatiivset mõju A-klassi aktsiate turuhinnale.
		Jaotis E – Pakkumus
E.1	***Netotulud ja eeldatavad kulud:***	Käesoleva prospektiga seoses ei väljastata Uusi A-klassi aktsiaid (või mistahes muid CGI väärtpabereid). Seega ei saa CGI käesolevas prospektis sisalduva pakkumus(t)ega seoses mingit tulusid. A-klassi aktsiad, mis on saadaval ostmiseks Aktsiate ostuplaani alusel (*Share Purchase Plan*), mis on käesoleva prospekti subjektiks, on kas (i) registreeritud SEC juures ja nendega kaubeldakse NYSE-l või (ii) nendega kaubeldakse TSE-l. A-klassi aktsiad (või mistahes muid CGI väärtpaberid) ei ole noteeritud ega vastu võetud kauplemiseks reguleeritud turul EMÜ-s. Käesoleva prospekti kuupäeva seisuga ei ole kavatsust esitada taotlust A-klassi aktsiate, mis on käesoleva prospekti subjektiks, noteerimiseks või kauplemisele lubamiseks mistahes EMÜ reguleeritud turul. Avatud turult Aktsiate ostuplaani alusel ostetud A-klassi aktsiate hulk sõltub mitmetest faktoritest, kaasa arvatud töötajate arv, töötajate osaluse tase, osalevate töötajate ja CGI poolt aktsiate ostmise suhtes tehtud panuste suurus ja A-klassi aktsiate väärtus ostmise ajal. CGI poolt käesoleva prospekti ja käesolevas prospektis sisalduva(te) pakkumus(t)e ettevalmistamisel tehtud kogukulud, tasud ja kulutused on eeldatavalt £225 000.
E.2a	***Pakkumuse põhjused, tulude kasutamine ja tulude eeldatav netosumma:***	Käesoleva Aktsiate ostuplaani eesmärgiks on julgustada töötajate poolset aktsiate omamist seeläbi, et Grupi sobivatele töötajatele pakutakse võimalust osta A-klassi aktsiaid palgast mahaarvamiste kaudu, millele Ettevõte lisab omalt poolt sama suure panuse. CGI usub, et Aktsiate ostuplaan pakub mugava viisi A-klassi aktsiate omandamiseks ja hoidmiseks Grupi töötajatele, kes muidu A-klassi aktsiaid ei omaks ja et Ettevõtte poolt välja pandud pakett vastavate (*matching*) panuste osas on sobivatele töötajatele oluliseks ajendiks osalemisel. CGI usub ka, et osalevate töötajate kui aktsionäride jätkuv majandushuvi CGI tulemuslikkuse suhtes loob sellistele töötajatele lisahuvi, panustamaks Grupi potentsiaalsesse kasvu ja kasumlikkusesse.
E.3	***Pakkumuse tingimused:***	Pakkumus(ed), mis on käesoleva prospekti subjektiks, ei ole tehtud avalikkusele ega ühelegi teisele isikule kui Grupi sobivatele töötajatele asukohaga Suurbritannia, Belgia, Tšehhi Vabariik, Taani, Eesti, Soome, Saksamaa, Ungari, Luksemburg, Holland, Norra, Poola, Portugal, Slovakkia Vabariik, Hispaania ja Rootsi. Ainult need sobivad töötajad saavad omandada A-klassi aktsiaid käesoleva prospekti alusel kooskõlas Aktsiate Ostuplaani kava dokumentidega. Aktsiate ostuplaani põhitingimused on kokku võetud allpool: **Aktsiate ostuplaan** (*Share Purchase Plan*): *Ülevaade* CGI lõi Aktsiate ostuplaani, võimaldamaks sobivatel Grupi töötajatel (***Osalised***) omandada A-klassi aktsiaid avatud turul. Vastavad A-klassi aktsiad ostetakse Aktsiate ostuplaani haldaja (***Haldaja,*** *Plan Administrator*) poolt, kasutades Osaliste poolt Haldajale makstud panuseid, mis on maha arvestatud netopalgast ja Grupi ettevõtete poolt, kes osalevad Aktsiate ostuplaanis (igaüks Osalev tööandja). Haldaja hoiab A-klassi aktsiaid, mis sel viisil on ostetud, Osaliste arvel. *Sobivus ja osalemine* Grupi Osaleva tööandja iga täisaja või osalise tööajaga töötaja vastavas EMÜ liikmesriigis, kes on registreerimise ajal aktiivselt tööl, on sobiv osalema Aktsiate ostuplaanis. Töötaja ei ole enam sobiv osalema Aktsiate ostuplaanis alates oma viimasest tööpäevast Osaleva tööandja juures, välja arvatud perioodid, mil ta saab tasu töölt lahkumise teate või muu teate esitamise asemel.

		Osalejaks saamiseks peaks sobiv töötaja (välja arvatud kui teda on teistmoodi juhendatud) liituma viisil, mille on kindlaks määranud Osalev tööandja. Töötaja osalus Aktsiate ostuplaanis algab esimesel võimalikul kuupäeval peale liitumist. *Panused* Osaleja panustab Aktsiate ostuplaani väljamaksetelt tehtavate kinnipidamiste kaudu, mis peetakse kinni Osaleja netopalgast. Panuse summa põhineb protsendil Osaleja aastasest bruto põhipalgast (või kui nii on vastavalt Osaleva tööandja poolt ainuisikuliselt otsustatud, osa vastavast aastasest bruto põhipalgast, mis tegelikult Osaleja poolt vastaval aastal teeniti), mis on jõus kuupäeval kui Osaleja ühineb Aktsiate ostuplaaniga (***Osaleja põhipanus***) (*Participant Basic Contribution*), vastav protsent (***Osaleja Panuse Protsent***) (*Participant Contribution Percentage*) määratakse aeg-ajalt asutaja ja juhatuse esimehe poolt või presidendi ja tegevjuhi poolt (*Chief Executive Officer*). See protsent võib muutuda, arvestades positsiooni ja äriüksust ning aja jooksul kui asutaja ja juhatuse esimees või president ja tegevjuht (*Chief Executive Officer*) vastavalt oma äranägemisele nii otsustavad, arvestades, et vastav protsent ei tohi ületada 3,5 protsenti. Osaleja põhipanus eraldatakse Osaleva tööandja poolt Haldajale igal Osaleja palgaperioodil. Osalev tööandja panustab Aktsiate ostuplaani iga Osaleja suhtes summa, mis on võrdne protsendiga Osaleja põhipanusest (välja arvatud lisapanused, mis on sätestatud vahetult järgnevas paragrahvis). Osaleja põhipanuse protsent, mille Osalev tööandja on kohustatud maksma, otsustatakse aeg-ajalt asutaja ja juhatuse esimehe poolt või presidendi ja tegevjuhi poolt (*Chief Executive Officer*), arvestades, et Osalev tööandja panus ei tohi ületada 100-t protsenti Aktsiate ostuplaani iga Osaleja poolt Osaleja põhipanusena makstud kogusummast. Protsent, mille Osalev tööandja panustab, võib muutuda, arvestades positsiooni ja äriüksust ning aja jooksul kui asutaja ja juhatuse esimees või president ja tegevjuht (*Chief Executive Officer*) vastavalt oma äranägemisele nii otsustab. Osalev tööandja võib maksta Haldajale lisapanusena oma äranägemise järgi mistahes summa Aktsiate ostuplaani lisaks ülalkirjeldatud panustele ning Haldaja ostab vastavalt Grupi vastava ettevõtte instruktsioonidele A-klassi aktsiaid teiseselt turult läbi börsi, millel A-klassi aktsiad on noteeritud. Selliste A-klassi aktsiate jaotus toimub Osalejate kontodele.
		Osalev tööandja maksab Haldajale palgast tehtavate mahaarvamiste kaudu summa, mis on võrdne Osaleva tööandja panusega kohalduval maksmise perioodil. Osaleja võib Aktsiate ostuplaani maksta lisapanuseid, mis ületavad Osaleja põhipanust, 0,5 protsendi kuni 10 protsenti iga-aastasest bruto põhipalgast, tehes seda 0,5-protsendiliste osade kaupa, arvestamata ülaltoodud osalemismäära ning vastavuses samade tingimustega, mis on toodud ülalpool. Sellegipoolest ei pane Osalev tööandja nende Osaleja tehtud panuste suhtes välja endapoolset panust. *A-klassi aktsiate ostmine ja sularahajaotiste kasutamine* Pärast Osaleja ja Osaleva tööandja panuste saamist ostab Haldaja A-klassi aktsiaid teisesel turul läbi börsi, millel A-klassi aktsiad on noteeritud, olgu selleks TSE ja/või NYSE (vastavalt vajadusele). Haldaja jõustab ostuorderid pärast panuste saamist. Haldaja poolt Osalejate ja Osaleva tööandja poolt makstud panuste eest ostetud A-klassi aktsiad omistatakse Osaliste kontole vastavalt Osalejate ja Osaleva tööandja poolt tehtud kohalduvatele panustele ja kaalutud keskmisele hinnale, mille Haldaja maksis A-klassi aktsiate eest kohalduval börsil, ja hoitakse Haldaja poolt Osalejate arvel. Kõik sularahadividendid ja muud sularahajaotised, mille Haldaja on saanud A-klassi aktsiate eest, mida Haldaja hoiab Osalejate arvel, kasutatakse Haldaja poolt uute A-klassi aktsiate ostmiseks. Nii omandatud A-klassi aktsiad jaotatakse Osalejatele proportsionaalselt nende vastavate huvidega. Aktsiate dividendid, mille Haldaja on omandanud A-klassi aktsiate eest, hoitakse Haldaja poolt Osalejate arvel.

		Raportid Haldaja võimaldab igal Osalejal oma kodulehe kaudu tutvuda elektroonilise raportiga, mis näitab Haldaja poolt iga Osaleja arvel hoitavat A-klassi aktsiate hulka ja toob välja ka A-klassi aktsiate arvu vastavatelt Osaleja lisapanustele. *Aktsiate ostuplaanis osalemise lõpetamine või peatamine ja Aktsiate ostuplaanist väljumine* Et igal ajal lõpetada oma osalemine Aktsiate ostuplaanis, peaks Osaleja (kui teda ei ole muud moodi juhendatud) teatama sellest Osalevale tööandjale ja Haldajale viisil, mille määrab Osalev tööandja. Selline Osaleja võib otsustada säilitada oma A-klassi aktsiaid Aktsiate ostuplaanis või osa või kõik oma A-klassi aktsiatest tagasi võtta vastavuses tagasivõtmise sätetega, mis järgnevad vahetult allpool. Osaleja võib igal ajal osaliselt või täielikult tagasi võtta A-klassi aktsiad, mida Haldaja tema arvel hoiab, teatades sellest Haldajale (vormis ja viisil, mis on Haldaja poolt aeg-ajalt kindlaks määratud). Pärast taolist taganemist müüb Haldaja A-klassi aktsiad, mis Osaleja arvel on hoitud ja maksab Osalejale sularahas summa, mis on võrdne sellise müügi tuluga, sealt maha arvestades vahendustasud; juhul kui tegu on täieliku tagasivõtmisega, siis tehakse makse koos kõikide muude varadega, mida Haldaja vastavalt Aktsiate Ostuplaanile Osaleja arvel hoiab.
		Osaleja võib alternatiivselt valida, et ta saab A-klassi aktsiad sularahamakse asemel. Sellisel juhul annab Haldaja Osalejale Otsese registreerimisväljavõtte (***Otsene registreerimisväljavõte***) (*Direct Registration Statement*), mis vastab nendele A-klassi aktsiatele, mis on Osaleja nimele registreeritud. Sellegipoolest, CGI jätab endale õiguse Otsese registreerimisväljavõtte asemel üle kanda Osaleja nimel olevad A-klassi aktsiate sertifikaadid, mida Haldaja hoiab, selle Osaleja kontole. Kui Osaleja töösuhe lõppeb mistahes põhjusel ja Osaleja ei teavita Haldajat ja Osalevat tööandjat oma valikust allpooltoodud viisil (vahetult pärast seda kui tema viimane panus on tehtud), siis pärast Osalejalt või Osalevalt tööandjalt töösuhte lõpetamise teate saamist Haldaja (i) annab välja Otsese registreerimisväljavõtte A-klassi aktsiate kohta, mida Haldaja hoiab Osaleja arvel või (ii) müüb A-klassi aktsiad, mida Haldaja hoiab Osaleja arvel, kui neid on vähem kui 100 A-klassi aktsiat, teisesel turul börsi kaudu, millel A-klassi aktsiad on noteeritud ja maksab Osalejale summa, mis on võrdne sellise müügi tuludega, kust on maha arvestatud vahendustasud koos mistahes muu varaga, mida Haldaja hoiab Aktsiate ostuplaani alusel Osaleja arvel. Sellegipoolest võib Osaleja teha valiku saada Otsene registreerimisväljavõte, nagu kirjeldatud vahetult eelnevas paragrahvis, andes Osalevale tööandjale ja Haldajale teate vahetult pärast seda, kui tema viimane panus on omistatud Osaleja kontole. Töösuhte lõpetamise kuupäev on Osaleja viimane tööpäev Osaleva tööandja juures, välja arvatud perioodid, mil ta saab tasu töölt lahkumise teate või muu teate esitamise asemel. Juhul kui Osaleja puudub töölt mistahes ajaperioodi jooksul mistahes põhjusel ja ei saa sellise puudumise perioodi jooksul Osalevalt tööandjalt mingit hüvitist, peatatakse Osaleja osalemine Aktsiate ostuplaanis automaatselt kuni Osaleja naaseb tööle või kuni Osaleja otsustab lõpetada oma osaluse Aktsiate ostuplaanis. *Aktsiate ostuplaani haldamine ja muutmine, peatamine või lõpetamine* Juhatusel (*Board*) on täielik pädevus ja volitused tõlgendada Aktsiate ostuplaani ja vastu võtta selliseid reegleid, tingimusi ja muid meetmeid, nagu nad peavad Aktsiate ostuplaani haldamiseks vajalikuks. Juhatus (*Board*) võib igal ajal Aktsiate ostuplaani muuta, peatada või lõpetada; sellegipoolest ei või Aktsiate ostuplaani ükski muutus, peatamine või lõpetamine mõjutada mistahes omandatud õigust, mis Osalejal võib olla A-klassi aktsiate suhtes vastavalt Aktsiate ostuplaanile või Aktsiate ostuplaani suhtes kuni vastava Aktsiate

		ostuplaani muutmise, peatamise või lõpetamise kuupäevani.
		Aktsiate ostuplaani lõpetamise korral saadab Haldaja nii ruttu kui võimalik igale Osalejale Otsese registreerimisväljavõtte A-klassi aktsiate kohta koos mistahes muu varaga, mida Haldaja vastavalt Aktsiate ostuplaanile Osaleja arvel hoiab. *Kohalduv õigus* Aktsiate ostuplaanile kohaldub Québeci provintsi, Kanada, õigus ja seda tõlgendatakse vastavalt Québeci provintsi, Kanada, seaduste kohaselt.
E.4	***Emissiooni/ pakkumise suhtes olulised huvid, kaasa arvatud huvide konfliktid:***	Ei kohaldu: emissiooni/pakkumise suhtes ei ole olulisi huvisid (kaasa arvatud huvide konflikte).
E.5	***Isiku või üksuse, kes väärtpabereid müügiks pakub, nimi ja mistahes lock-up lepingute üksikasjad:***	Ei kohaldu: mitte ükski isik ei paku A-klassi aktsiate müüki ja Aktsiate ostuplaani alusel ostetud A-klassi aktsiate osas ei ole mingeid *lock-up* lepinguid.
E.6	***Pakkumisest lähtuva vahetu osaluse vähendamise (dilution) suurus ja protsent:***	Ei kohaldu: Aktsiate ostuplaani alusel ostetud A-klassi aktsiad, millele käesolev prospekt kohaldub, on juba välja antud ja nendega kaubeldakse avatud turul, seetõttu ei järgne pakkumisele osaluse vähendamist (*dilution*).
E.7	***Investoritelt Ettevõtte poolt nõutavad eeldatavad kulud:***	Ei kohaldu: Ettevõte ei nõua investoritelt mingite kulude katmist.