



LEADING
IN THE **NEW**

DELIVERING FISCAL 2017

Accenture's very strong financial performance in fiscal 2017 reflects the continued successful execution of our growth strategy—in particular, the rapid rotation of our business to new, high-growth areas.

We delivered all the objectives in our initial business outlook for the year, driving broad-based revenue growth that significantly outpaced the market, as well as double-digit growth in earnings per share on an adjusted basis. We also generated excellent free cash flow and significantly increased our investments in the business, while again returning substantial cash to shareholders.

Here are some highlights:

- We delivered record net revenues of \$34.9 billion, a 7 percent increase in local currency, with positive growth across the vast majority of our industry groups, geographic markets and businesses.
- We generated very strong new bookings of \$37.4 billion, a 6 percent increase in local currency.
- Diluted earnings per share were \$5.44, compared with \$6.45 in fiscal 2016. After excluding a \$0.47 per share pension settlement charge in fiscal 2017 and \$1.11 per share in gains on the sale of businesses in fiscal 2016, adjusted EPS of \$5.91 in fiscal 2017 increased 11 percent.
- Operating margin was 13.3 percent, compared with 14.6 percent in fiscal 2016. Excluding the pension settlement charge in fiscal 2017, adjusted operating margin was 14.8 percent, an expansion of 20 basis points from fiscal 2016.
- We generated free cash flow of \$4.5 billion and returned \$4.2 billion in cash to shareholders through dividends and share repurchases.
- We announced a 10 percent increase in our semi-annual dividend, to \$1.33 per share, shortly after fiscal year-end.

We also reached an important milestone in fiscal 2017: Net revenues from what we call “the New”—digital, cloud and security services—grew about 30 percent to \$18 billion, and accounted for 50 percent of total revenues for the first time. With our rapid rotation to the New and our highly diverse portfolio of business, we successfully executed in an uncertain and increasingly competitive environment and continued driving strong, profitable growth.

Our very strong performance in fiscal 2017—on top of our outstanding results for the last two fiscal years—clearly demonstrates that we are executing our growth strategy in a durable and sustained way.

For the last three fiscal years combined, we delivered compound annual revenue growth of 9 percent in local currency, as well as 9 percent compound annual growth in adjusted earnings per share. Over the same three-year period, Accenture has delivered a compound annual total return to shareholders (including dividends) of 20 percent—twice the total return of the S&P 500 Index.

Leading in the New

We are in the midst of a technology revolution that is disrupting and transforming businesses and entire industries around the world. In this context, we are working with our clients to apply innovation and intelligence at the heart of their organizations.

Our combination of end-to-end capabilities and deep industry expertise—across Accenture Strategy, Accenture Consulting, Accenture Digital, Accenture Technology and Accenture Operations—is unique in the marketplace. We are competing at scale

in each of our five businesses and driving synergies across them to deliver tangible business outcomes for our clients. We also continue to leverage our unmatched position in the technology ecosystem as the largest independent services provider and the leading partner of many key players.

This is why Accenture remains the partner of choice for so many of the world’s leading companies and largest government agencies. We serve more than three-quarters of the FORTUNE Global 500 and 95 of the top 100. We continue to build strong and enduring client relationships—all of our top 100 clients have been with us for at least five years, and 98 have been clients for 10 years or more.

We are especially pleased with the leadership positions we have built in digital, cloud and security services as we rotate to the New consistently and successfully around the world.

- **Digital**—Accenture Interactive has been recognized as the largest provider of digital marketing services—both globally and in the United States—and is working with many of the world’s leading brands to transform their customer experiences. We helped **Melia Hotels**, the European

hospitality company, implement a digital transformation strategy to increase sales through data-driven customer segmentation. In just one year, direct sales increased 27 percent and more than 1 million people joined Melia's rewards program.

- **Cloud**—Accenture is helping many leading companies migrate seamlessly to the cloud to realize the benefits of increased agility and lower costs. We are working with **Hess**, a leading global independent energy company, to implement a cloud-based, as-a-service operating model. With our cloud solutions, analytics and automation, Hess is increasing efficiency and agility across its asset base while benefiting from consumption-based pricing.
- **Security**—We are working with clients to deliver comprehensive solutions spanning strategy development, risk management, cyber defense, digital identity, application security and managed security services. For a global retailer, we are modernizing its digital identity management system, embedding artificial intelligence, robotics process automation, chatbots and other advanced capabilities to enhance security, increase productivity and get products into stores faster.

We are always looking ahead to anticipate the next big waves of growth, in areas such as artificial intelligence, blockchain, augmented reality and quantum computing. And we are already integrating these technologies into innovative solutions for many of our clients. Together with **IQBit**, a quantum software firm, we recently collaborated with **Biogen**, the biotech company, to develop a new quantum-enabled molecular comparison application that could dramatically speed up drug discovery for complex neurological conditions.

Investing for the Future

To make Accenture even more relevant and competitive, we continue to invest aggressively across the company—both organically and through strategic acquisitions. In fiscal 2017, we significantly stepped up our pace of acquisitions, deploying approximately \$1.7 billion across 37 transactions—nearly twice our investment in fiscal 2016—with the majority of our acquisitions in the New.

For Accenture, acquisitions are an engine to drive organic growth by enhancing our differentiation in the marketplace. In fiscal 2017, key acquisitions in digital included **SinnerSchrader**, a digital agency in Germany, and Paris-based **OCTO Technology**, a leading digital consulting firm. In cloud, we acquired **DayNine**, one of the largest providers of Workday solutions, and **Phase One**, a leader in Salesforce solutions for US federal clients. And in security, we acquired **Arismore**, a French company specializing in identity and access management, and **iDefense**, a cyber threat intelligence business.

“Our very strong performance in fiscal 2017 clearly demonstrates that we are executing our growth strategy in a durable and sustained way.”

We strengthened our capabilities in New IT, including Agile development methodologies, with the acquisitions of **SolutionsIQ** in the United States and **Concrete Solutions** in Brazil. In addition, we continue to build our expertise in key industries with acquisitions such as **Kurt Salmon** in retail, **InvestTech** in capital markets, and **Seabury Group** in aviation.

We also continue to make significant investments in our unique **Accenture Innovation Architecture**. Leveraging specialized capabilities across the company—from research, ventures and labs to studios, innovation centers and delivery centers—we are pioneering new ways of collaborating with clients to co-create, scale and deliver disruptive, cutting-edge solutions.

As part of our innovation-led approach, we continue to open new facilities around the world. In fiscal 2017, we opened 16 Liquid Studios—where we accelerate software development—and eight delivery centers as well as innovation hubs in Bengaluru and Houston, which bring together multiple elements of our Innovation Architecture.

We also opened **The Dock** in Dublin, a multidisciplinary research and incubation hub, where the entire Innovation Architecture comes to life. The Dock is a launch pad for more than 200 designers, developers, researchers and experts in artificial intelligence, advanced analytics, augmented reality and the Internet of Things to create and rapidly prototype innovative solutions for our clients.

Accenture Labs, which celebrated its 30th anniversary during the year, is applying technology not just for clients, but also to solve complex social challenges through its “Tech4Good” initiative. Our team in Bengaluru developed an artificial intelligence smartphone solution that delivers real-time narration to help the blind navigate the world and live more productive lives.

Our People and Our Communities

As a professional services company, Accenture’s people ultimately make the difference in driving

innovation and delivering high-quality services to clients. That is why attracting the very best people and investing to further develop their skills are among our highest priorities.

In fiscal 2017, we invested \$935 million in learning and professional development for our employees, including substantial investments in re-skilling to help them stay relevant in key areas such as cloud, artificial intelligence and robotics. In addition, in just over 18 months, we trained more than 160,000 people in New IT, including automation, Agile development and intelligent platforms.

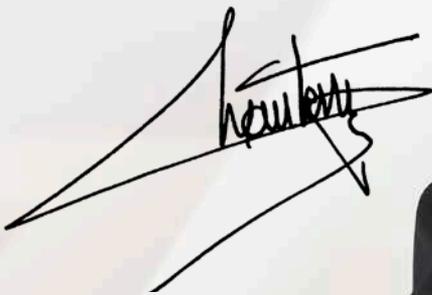
At Accenture, we have an unwavering commitment to inclusion and diversity, and we offer an inclusive environment regardless of ethnicity, religion, gender, sexual orientation, age or disability. With our focus on gender equality, we are pleased that women now represent more than 40 percent of our total workforce. Quite simply, our rich diversity makes Accenture stronger, smarter and more innovative.

We are also committed to achieving our vision of improving the way the world works and lives—from closing employment gaps to advancing sustainable economic growth. With our global capabilities, digital experience and innovation mindset, we develop solutions that address a wide range of social challenges.

By using technology to scale our impact, we are well on our way to achieving our **Skills to Succeed** goal of equipping more than 3 million people by 2020 with the skills to get a job or build a business. And through our commitment to environmental sustainability, we continue to improve our energy efficiency and to decrease per-employee carbon emissions by leveraging the latest collaborative technologies.

We are especially proud that Accenture was recognized for the second year in a row on FORTUNE's Change the World list for our use of data analytics to help health care clients save patients' lives. In addition, we were pleased to be recognized once again by FORTUNE as one of the "100 Best Companies to Work For," and by Ethisphere as one of the "World's Most Ethical Companies."

In closing, I want to thank all Accenture people for their dedication and passion in delivering value for our clients and our company. We finished fiscal 2017 with strong momentum, positioning us well for the new fiscal year. With our highly differentiated capabilities and focused investments in the New—together with our disciplined management of the business—I am confident in our ability to continue driving sustainable, profitable growth.



Pierre Nanterme
Chairman & CEO
October 26, 2017



We delivered a durable and balanced performance in fiscal 2017 as we continued rotating to “the New” —digital, cloud and security services.

Twelve months ended August 31, 2017

NET REVENUES

\$34.9B

An increase of 7 percent in local currency and 6 percent in US dollars from fiscal 2016. Includes \$18 billion from “the New”—an increase of about 30 percent in local currency

DILUTED EARNINGS PER SHARE

\$5.44

 GAAP

After excluding a \$0.47 pension settlement charge in fiscal 2017 and \$1.11 in gains on the sale of businesses in fiscal 2016, adjusted EPS of \$5.91 increased 11 percent from \$5.34 in fiscal 2016

FREE CASH FLOW

\$4.5B

Defined as operating cash flow of \$5.0 billion net of property and equipment additions of \$516 million

NEW BOOKINGS

\$37.4B

An increase of 6 percent in local currency and in US dollars from fiscal 2016

OPERATING MARGIN

13.3%

 GAAP

After excluding a 150 basis-point impact from a pension settlement charge, adjusted operating margin was 14.8 percent, an expansion of 20 basis points from fiscal 2016

CASH RETURNED TO SHAREHOLDERS

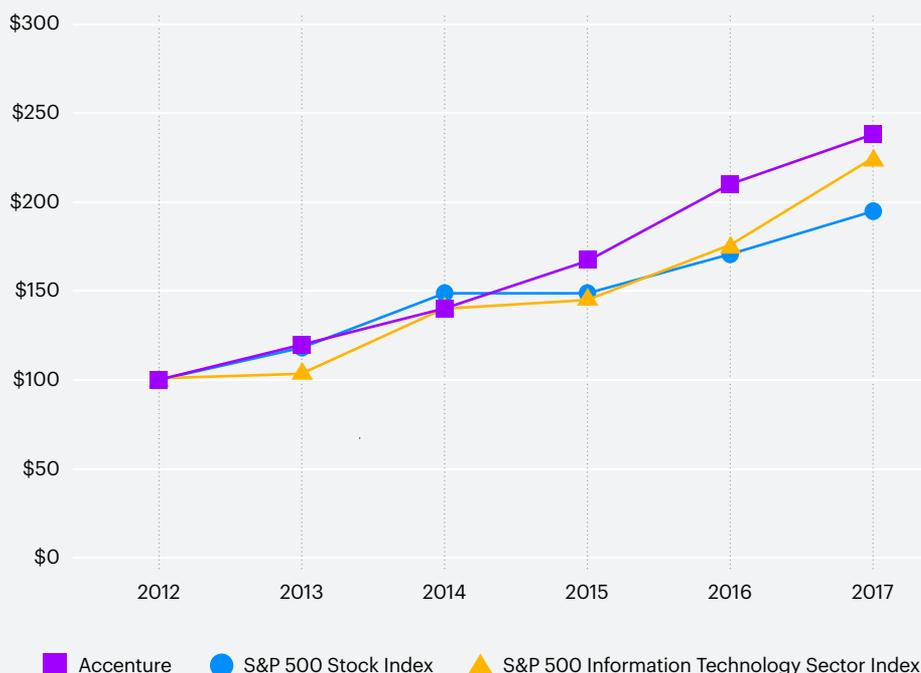
\$4.2B

Defined as cash dividends of \$1.57 billion plus share repurchases of \$2.65 billion

Comparison of Cumulative Total Return

August 31, 2012— August 31, 2017 Accenture vs. S&P 500 Stock Index and S&P 500 Information Technology Sector Index

The performance graph to the right shows the cumulative total shareholder return on our Class A shares for the period starting on August 31, 2012, and ending on August 31, 2017, which was the end of fiscal 2017. This is compared with the cumulative total returns over the same period of the S&P 500 Stock Index and the S&P 500 Information Technology Sector Index. The graph assumes that, on August 31, 2012, \$100 was invested in our Class A shares and \$100 was invested in each of the other two indices, with dividends reinvested on the ex-dividend date without payment of any commissions. The performance shown in the graph represents past performance and should not be considered an indication of future performance.



Index Prices as of August 31

	2012	2013	2014	2015	2016	2017
Accenture	\$100	\$120	\$138	\$164	\$205	\$238
S&P 500 Stock Index	\$100	\$119	\$149	\$149	\$168	\$195
S&P 500 Information Technology Sector Index	\$100	\$105	\$141	\$144	\$171	\$225

AWARDS AND RECOGNITION

RECOGNIZED AMONG

FORTUNE's World's Most Admired Companies

for 15 consecutive years; ranked No. 1 in IT Services category for four years

RANKED NO. 24 ON

Barron's 500

marking 15 consecutive years and two as the top-ranked company in industry sector

RANKED NO. 272 ON

Forbes' Global 2000

marking 14 consecutive years

RANKED NO. 305 ON

FORTUNE's Global 500

marking 16 consecutive years

RANKED NO. 37 ON

Interbrand's Best Global Brands

marking 16 consecutive years

RECOGNIZED IN

CDP's Climate Change Report

as a leading company for reducing emissions and mitigating climate change

INCLUDED ON

Dow Jones Sustainability Index North America and FTSE4GOOD Global Index

for 13 consecutive years

INCLUDED ON

FORTUNE's Change the World list

of the 50 best companies putting purpose at the center of their business strategies

DEBUTED AT NO. 53 ON

Barron's 100 Most Respected American Companies

RECOGNIZED AMONG

Ethisphere's World's Most Ethical Companies

for 10 consecutive years

INCLUDED ON

FORTUNE's 100 Best Companies to Work For

for nine consecutive years

RANKED NO. 12 ON THE

Thomson Reuters Diversity & Inclusion Index

marking two consecutive years

RECOGNIZED ON

DiversityInc's Top 50 Companies for Diversity

for 11 consecutive years and six in the top 15

JOINED

Working Mother's 100 Best Companies Hall of Fame

recognizing 15 consecutive years

RECEIVED A PERFECT SCORE ON

Human Rights Campaign's Corporate Equality Index

each year since 2008

Stock listing

Accenture plc Class A ordinary shares are traded on the New York Stock Exchange under the symbol ACN.

Available information

Our website address is accenture.com. We use our website as a channel of distribution for company information. We make available free of charge on the Investor Relations section of our website (investor.accenture.com) our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission (the "SEC") pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"). We also make available through our website other reports filed with or furnished to the SEC under the Exchange Act, including our proxy statements and reports filed by officers and directors under Section 16(a) of the Exchange Act, as well as our Code of Business Ethics. Financial and other material information regarding Accenture is routinely posted on and accessible at investor.accenture.com. We do not intend for information contained in this letter or on our website to be part of the Annual Report on Form 10-K. This letter and our Annual Report on Form 10-K for the fiscal year ended August 31, 2017, together constitute Accenture's annual report to security holders for purposes of Rule 14a-3(b) of the Exchange Act.

Accenture discloses information about "the New"—digital, cloud and security services—to provide additional insights into the company's business. Net revenues for the New are approximate, require judgment to allocate revenues for arrangements with multiple offerings and may be modified to reflect periodic changes to the definition of the New.

Trademark references

Rights to trademarks referenced herein, other than Accenture trademarks, belong to their respective owners. We disclaim proprietary interest in the marks and names of others.

Forward-looking statements and certain factors that may affect our business

We have included in this letter "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act relating to our operations, results of operations and other matters that are based on our current expectations, estimates, assumptions and projections. Words such as "will," "expect," "believe" and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ

materially from what is expressed or forecast in these forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to, the factors discussed in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q (available through the Investor Relations section of our website at investor.accenture.com) under the sections entitled "Risk Factors." Our forward-looking statements speak only as of the date of this letter or as of the date they are made, and we undertake no obligation to update them.

Reconciliation of non-GAAP measures

This letter contains certain non-GAAP (Generally Accepted Accounting Principles) measures that our management believes provide our shareholders with additional insights into Accenture's results of operations. The non-GAAP measures in this letter are supplemental in nature. They should not be considered in isolation or as alternatives to net income as indicators of company performance, to cash flows from operating activities as measures of liquidity, or to other financial information prepared in accordance with GAAP. Reconciliations of this non-GAAP financial information to Accenture's financial statements as prepared under GAAP are included in this letter.

All amounts throughout this letter are stated in US dollars, except where noted.