Accenture LLP
161 North Clark Street
Chicago, IL 60601-3200
www.accenture.com

accenture

June 18, 2014

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JUN 18 2014
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission
Secretary
Keystone Building, 2nd Floor Room N201
Harrisburg, PA 17120

Re: Application of Accenture LLP for Electric Generation Supplier License

Gentlemen and Ladies:

Enclosed please find the application of Accenture LLP for a Pennsylvania Electric Generation Supplier License. We include one signed original and one PDF copy of the complete Application on CD-ROM, a check in the amount of $350 for applicable filing fees, and one original and two copies of a $10,000 bond pursuant to the modification noted in Section 7.a.

Please feel free to contact me at email: stephen.d.spears@accenture.com or phone: 312.693.4660 if you have any questions or require further information. Thank you very much for your assistance.

Sincerely,

Stephen D. Spears
Senior Offerings Counsel
Accenture LLP

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Accenture LLP, for approval to offer, render, furnish, or supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity services to the public in the Commonwealth of Pennsylvania (Pennsylvania).

To the Pennsylvania Public Utility Commission:

## 1. IDENTIFICATION AND CONTACT INFORMATION

**a. IDENTITY OF THE APPLICANT**: Provide name *(including any fictitious name or d/b/a)*, primary address, web address, and telephone number of Applicant:

Accenture LLP
161 North Clark St.
Chicago, IL 60601
www.procurianenergy.com
877.935.4242

**b. PENNSYLVANIA ADDRESS / REGISTERED AGENT**: If the Applicant maintains a primary address outside of Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's secondary office within Pennsylvania. If the Applicant does not maintain a physical location within Pennsylvania, provide the name, address, telephone number, and fax number of the Applicant's Registered Agent within Pennsylvania.

Accenture LLP
211 South Guelph Road
King of Prussia, PA 19406
*Phone:* 877.935.4242
Fax: 877-424-2339

**c. REGULATORY CONTACT**: Provide the name, title, address, telephone number, fax number, and e-mail address of the person to whom questions about this Application should be addressed.

Stephen D. Spears
Senior Offerings Counsel
Accenture LLP
161 North Clark St., Suite 2300
Chicago, IL 60601
Phone: 312.693.4660
Fax: 312-737-3177
Email: stephen.d.spears@accenture.com

**d. ATTORNEY**: Provide the name, address, telephone number, fax number, and e-mail address of the Applicant's attorney. If the Applicant is not using an attorney, explicitly state so.

*(Applicant has in-house counsel – see Regulatory Contact above)*

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**e. CONTACTS FOR CONSUMER SERVICE AND COMPLAINTS:** Provide the name, title, address, telephone number, FAX number, and e-mail of the person and an alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with the Applicant, the Electric Distribution Company, the Pennsylvania Public Utility Commission, or other agencies. The main contact's information will be listed on the Commission website list of licensed EGSs.

Chad Gottesman
Managing Director, BPO – Enterprise Energy Management & Procurement
211 South Guelph Road
King of Prussia, PA 19406
Phone: 484.690.5949
Fax: 877-424-2339
Email: chad.gottesman@accenture.com

## 2. BUSINESS ENTITY FILINGS AND REGISTRATION

**a. FICTITIOUS NAME:** *(Select appropriate statement and provide supporting documentation as listed.)*

☐ The Applicant will be using a fictitious name or doing business as ("d/b/a")

Provide a copy of the Applicant's filing with Pennsylvania's Department of State pursuant to 54 Pa. C.S. §311, Form PA-953.

**or**

X The Applicant will not be using a fictitious name.

**b. BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**
*(Select appropriate statement and provide supporting documentation. As well, understand that Domestic means being formed within Pennsylvania and foreign means being formed outside Pennsylvania.)*

☐ The Applicant is a sole proprietor.

- If the Applicant is located outside the Commonwealth, provide proof of compliance with 15 Pa. C.S. §4124 relating to Department of State filing requirements.

**or**

☐ The Applicant is a:

☐ domestic general partnership (*)
☐ domestic limited partnership (15 Pa. C.S. §8511)
☐ *foreign general or limited partnership* (15 Pa. C.S. §4124)
☐ domestic limited liability partnership (15 Pa. C.S. §8201)
☐ foreign limited liability general partnership (15 Pa. C.S. §8211)
X *foreign limited liability limited partnership* (15 Pa. C.S. §8211)

- Provide proof of compliance with appropriate Department of State filing requirements as *indicated above.*

See attached Pennsylvania certificate of qualification of Applicant as a foreign limited liability partnership.

Accenture
LLP_PA.pdf

- Give name, d/b/a, and address of partners. If any partner is not an individual, identify the business nature of the partner entity and identify its partners or officers.

  The partners of Applicant are:

  Accenture Inc., Managing Partner

  Officers:
  Jorge L. Benitez, President
  Karen L. Bowen, Vice President
  N. James Shachoy, Vice President
  Dina Eppley, Vice President
  Scott K. Ahlstrom, Treasurer
  Ronald J. Roberts, Secretary

  Accenture LLC, General Partner

  Accenture LLC has no officers

  Each partner of Applicant is a unit of Accenture PLC, a public company listed on the NYSE (symbol: ACN).

- Provide the state in which the business is organized/formed and provide a copy of the Applicant's charter documentation.

  See attached below Applicant's Illinois certificate of limited liability partnership and partnership agreement.

  LLP Cert IL SoS 7Feb2014.pdf     Partnership Agreement1Sept10.p

- * If a corporate partner in the Applicant's domestic partnership is not domiciled in Pennsylvania, attach a copy of the Applicant's Department of State filing pursuant to 15 Pa. C.S. §4124.

**or**

☐ The Applicant is a:

☐ domestic corporation (15 Pa. C.S. §1308)
☐ foreign corporation (15 Pa. C.S. §4124)
☐ domestic limited liability company (15 Pa. C.S. §8913)
☐ foreign limited liability company (15 Pa. C.S. §8981)
☐ Other (Describe):

- Provide proof of compliance with appropriate Department of State filing requirements as indicated above.

- Provide the state in which the business is incorporated/organized/formed and provide a copy of the Applicant's charter documentation.

- Give name and address of officers.

## 3. AFFILIATES AND PREDECESSORS

*(both in state and out of state)*

**a. AFFILIATES:** Give name and address of any affiliate(s) currently doing business and state whether the affiliate(s) are jurisdictional public utilities. If the Applicant does not have any affiliates doing business, explicitly state so. Also, state whether the applicant has any affiliates that are currently applying to do business in Pennsylvania.

In December of 2013, Applicant acquired Procurian Inc., which in turn owns Utilities Analyses Inc. (now Utilities Analyses LLC), a Pennsylvania license electricity broker/marketer ("UAL"), with address at 450 Old Peachtree Rd., Suite 103, Suwanee, GA 30024. UAL is not a jurisdictional public utility. After obtaining the license pursuant to this Application, Applicant intends to integrate the operations of UAL into Applicant's procurement services line of business and withdraw the license of UAL. No other affiliate of Applicant is currently applying to do business in Pennsylvania.

b. **PREDECESSORS**: Identify the predecessor(s) of the Applicant and provide the name(s) under which the Applicant has operated within the preceding five (5) years, including address, web address, and telephone number, if applicable. If the Applicant does not have any predecessors that have done business, explicitly state so.

(None)

## 4. OPERATIONS

a. **APPLICANT'S PRESENT OPERATIONS:** *(select and complete the appropriate statement)*

☐ The Applicant is presently doing business in Pennsylvania as a

- ☐ municipal electric corporation
- ☐ electric cooperative
- ☐ local gas distribution company
- ☐ provider of electric generation, transmission or distribution services
- X Other; Identify the nature of service being rendered.

Applicant does business in Pennsylvania as a provider of outsourcing, technology and management consulting services.

**or**

☐ The Applicant is not presently doing business in Pennsylvania.

b. **APPLICANT'S PROPOSED OPERATIONS:** The Applicant proposes to operate as a (*may check multiple*):

- ☐ Generator of electricity
- ☐ Supplier of electricity
- ☐ Aggregator engaged in the business of supplying electricity
- X *Broker/Marketer engaged in the business of supplying electricity services*
- ☐ Electric Cooperative and supplier of electric power
- ☐ Other (Describe):

*Definitions*

- Supplier – an entity that sells electricity to end-use customers utilizing the jurisdictional transmission and distribution facilities of an EDC.
- Aggregator - an entity that purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.
- Broker/Marketer - an entity that acts as an intermediary in the sale and purchase of electric energy but does not take title to electric energy.

c. **PROPOSED SERVICES:** Describe in detail the electric services or the electric generation services which the Applicant proposes to offer.

Applicant intends to provide services helping commercial and industrial clients manage their supply side utility expenditures. In deregulated markets such as Pennsylvania, Applicant will assist its clients in procuring low cost supply when it is competitive with price-to-compare rates.

d. **PROPOSED SERVICE AREA:** Provide a list of each Electric Distribution Company for which the Applicant proposes to provide service.

Applicant intends to offer services throughout Pennsylvania, working with all eligible Electric Distribution Companies in Pennsylvania.

e. ***CUSTOMERS:*** *Applicant proposes to provide services to:*

☐ Residential Customers
X Small Commercial Customers - (25 kW and Under)
X Large Commercial Customers - (Over 25 kW)
X Industrial Customers
X Governmental Customers
☐ All of above
☐ Other (Describe):

f. **PROPOSED MARKETING METHOD** *(check all that apply)*

X Internal – Applicant will use its own internal resources/employees for marketing
☐ External EGS – Applicant will contract with a PUC **LICENSED EGS** broker/marketer
☐ Affiliate – Applicant will use a **NON-EGS** affiliate marketing company and or individuals.
☐ External Third-Party – Applicant will contract with a **NON-EGS** third party marketing company and or individuals
☐ Other (Describe):

g. **DOOR TO DOOR SALES:** Will the Applicant be implementing door to door sales activities?

☐ Yes
X No

If yes, will the Applicant be using a Third Party Verification procedure?

☐ Yes
☐ No

If yes, describe the Applicant's Third Party Verification procedures.

h. **START DATE:** Provide the approximate date the Applicant proposes to begin services within the Commonwealth.

Applicant would begin services within Pennsylvania promptly after receiving its license.

## 5. <u>COMPLIANCE</u>

a. **CRIMINAL/CIVIL PROCEEDINGS:** *State specifically* whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, has been or is currently the defendant of a criminal or civil proceeding within the last five (5) years.

Identify all such proceedings (active or closed), by name, subject and citation; whether before an administrative body or in a judicial forum. If the Applicant has no proceedings to list, explicitly state such.

(None)

b. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any such proceedings listed above.

c. **CUSTOMER/REGULATORY/PROSECUTORY ACTIONS:** Identify all formal or escalated actions or complaints filed with or by a customer, regulatory agency, or prosecutory agency against the Applicant, an affiliate, a predecessor of either, or a person identified in this Application, for the prior five (5) years, including but not limited to customers, Utility Commissions, and Consumer Protection Agencies such as the Offices of Attorney General. If the Applicant has no actions or complaints to list, explicitly state such.

(None)

d. **SUMMARY:** If applicable; provide a statement as to the resolution or present status of any actions listed above.

## 6. PROOF OF SERVICE

*(Example Certificate of Service is attached at Appendix C)*

a.) **STATUTORY AGENCIES:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, provide proof of service of a signed and verified Application with attachments on the following:

Office of Consumer Advocate
5th Floor, Forum Place
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Office of the Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

b.) **EDCs:** Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, provide Proof of Service of the Application and attachments upon each of the Electric Distribution Companies the Applicant proposed to provide service in. Upon review of the Application, further notice may be required pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14. Contact information for each EDC is as follows.

**Allegheny Power:**
Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

**PECO:**
Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

**Duquesne Light:**

**PPL:**

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

**Met-Ed, Penelec, and Penn Power:**
Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

**UGI:**
UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

**Citizens' Electric Company:**
Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

**Pike County Light & Power Company:**
Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

**Wellsboro Electric Company:**
Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

## 7. FINANCIAL FITNESS

a. **BONDING:** In accordance with 66 Pa. C.S. Section 2809(c)(1)(i), the Applicant is required to file a bond or other instrument to ensure its financial responsibilities and obligations as an EGS. Therefore, the Applicant is...

☐ Furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of $250,000.

☐ Furnishing the **original** (along with copies) of another initial security for Commission approval, to ensure financial responsibility.

X Filing for a modification to the $250,000 requirement and furnishing the **original** (along with copies) of an initial bond, letter of credit or proof of bonding to the Commission in the amount of $10,000. Applicant is required to provide information supporting an amount less than $250,000. Such supporting information must include indication that the Applicant will not take title to electricity and will not pay electricity bills on behalf of its customers. Further details for modification may be described as well.

Applicant will not take title to electricity and will not pay electricity bills on behalf of any of its clients. See attached initial bond of $10,000.

- *At the conclusion of Applicant's first year of operation it is the intention of the Commission to tie security bonds to a percentage of Applicant's gross receipts resulting from the sale of generated electricity consumed in Pennsylvania. The amount of the security bond will be reviewed and adjusted on an annual basis.*

- *Example version of a bond and letter of credit are attached at Appendix D & E, Applicant's security must follow language from these examples.*

- *Any deviation from these examples must be identified in the application and may not be acceptable to the Commission.*

**b. FINANCIAL RECORDS, STATEMENTS, AND RATINGS:** Applicant must provide sufficient information to demonstrate financial fitness commensurate with the service proposed to be provided. Examples of such information which may be submitted include the following:

- Actual (or proposed) organizational structure including parent, affiliated or subsidiary companies.

- Published Applicant or parent company financial and credit information (i.e. 10Q or 10K). (SEC/EDGAR web addresses are sufficient)

- Applicant's accounting statements, including balance sheet and income statements for the past two years.

- Evidence of Applicant's credit rating. Applicant may provide a copy of its Dun and Bradstreet Credit Report and Robert Morris and Associates financial form, evidence of Moody's, S&P, or Fitch ratings, and/or other independent financial service reports.

- A description of the types and amounts of insurance carried by Applicant which are specifically intended to provide for or support its financial fitness to perform its obligations as a licensee.

- Audited financial statements exhibiting accounts over a minimum two year period.

- Bank account statement, tax returns from the previous two years, or any other information that demonstrates Applicant's financial fitness.

Applicant is a U.S. unit of Accenture PLC, a publicly traded company listed on the NYSE (symbol: ACN). Applicant does not file financial statements separately. Attached are the financial statements from the most recently filed Form 10K of Accenture PLC, together with credit rating reports from Moody's, S&P and Fitch.

Accenture_10K_20131029.pdf    Moody's Credit Opinion (Accenture).t    ACN summary S&P.PDF    ACN_Fitch PR_2013 11 18.pdf

**c. ACCOUNTING RECORDS CUSTODIAN:** Provide the name, title, address, telephone number, FAX number, and e-mail address of Applicant's custodian for its accounting records.

Timothy P. O'Neil
Senior Manager, U.S. Controllership
Accenture LLP
180 North LaSalle Street
Chicago, IL 60601
312-693-0229
timothy.p.oneil@accenture.com

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**d. TAXATION:** Complete the TAX CERTIFICATION STATEMENT attached as Appendix F to this application.

*All sections of the Tax Certification Statement must be completed. Absence (submitting N/A) of any of the TAX identifications numbers (items 7A through 7C) shall be accompanied by supporting documentation or an explanation validating the absence of such information.*

*Items 7A and 7C on the Tax Certification Statement are designated by the Pennsylvania Department of Revenue. Item 7B on the Tax Certification Statement is designated by the Internal Revenue Service.*

# 8. TECHNICAL FITNESS:

To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, the Applicant shall provide sufficient information to demonstrate technical fitness commensurate with the service proposed to be provided.

**a.) EXPERIENCE, PLAN, STRUCTURE:** such information may include:

- *Applicant's previous experience in the electricity industry.*
- Summary and proof of licenses as a supplier of electric services in other states or jurisdictions.
- Type of customers and number of customers Applicant currently serves in other jurisdictions.
- Staffing structure and numbers as well as employee training commitments.
- Business plans for operations within the Commonwealth.
- Documentation of membership in PJM, ECAR, MAAC, other regional reliability councils, or any other membership or certification that is deemed appropriate to justify competency to operate as an EGS within the Commonwealth.
- Any other information appropriate to ensure the technical capabilities of the Applicant.

See Exhibit A appended to this Application

**b.) OFFICERS:** Identify Applicant's chief officers including names and their professional resumes.

Applicant is an Illinois limited liability partnership with Accenture Inc. as Managing Partner. Professional experience of Applicant's executives who will be engaged in electricity broker/marketer operations are listed in Exhibit A appended to this application.

**c.) FERC FILING:** Applicant has:

☐ *Filed an Application with the Federal Energy Regulatory Commission to be a Power Marketer.*

☐ Received approval from FERC to be a Power Marketer at Docket or Case Number ____________.

X Not applicable

# 9. DISCLOSURE STATEMENT:

**Disclosure Statements:** If proposing to serve Residential and/or Small Commercial (under 25 kW) customers, provide a Residential and/or Small Commercial disclosure statement. A sample disclosure statement is provided as Appendix G to this Application.

- Electricity should be priced in clearly stated terms to the extent possible. Common definitions should be used. All consumer contracts or sales agreements should be written in plain language with any exclusions, exceptions, add-ons, package offers, limited time offers or other deadlines prominently communicated. Penalties and procedures for ending contracts should be clearly communicated.

***Not applicable for an applicant applying for a license exclusively as a broker/marketer.***

# 10. VERIFICATIONS, ACKNOWLEDGEMENTS, AND AGREEMENTS

a. **PJM LOAD SERVING ENTITY REQUIREMENT:** As a prospective EGS, the applicant understands that those EGSs which provide retail electric supply service (i.e. takes title to electricity) must provide either:

- proof of registration as a PJM Load Serving Entity (LSE), or
- proof of a contractual arrangement with a registered PJM LSE that facilitates the retail electricity services of the EGS.

The Applicant understands that compliance with this requirement must be filed within 120 days of the Applicant receiving a license. As well, the Applicant understands that compliance with this requirement may be filed with this instant application.

*(Select only one of the following)*

☐ AGREED - Applicant has included compliance with this requirement in the instant application, labeled in correspondence with this section (10).

☐ AGREED - *Applicant will provide compliance with this requirement within 120 days of* receiving its license

X ACKNOWLEDGED - Applicant is not proposing to provide retail electric supply service at this time, and therefore is not presently obligated to provide such information

b. **STANDARDS OF CONDUCT AND DISCLOSURE:** As a condition of receiving a license, Applicant agrees to conform to any Uniform Standards of Conduct and Disclosure as set forth by the Commission. Further, the Applicant agrees that it must comply with and ensure that its employees, agents, representatives, and independent contractors comply with the standards of conduct and disclosure set out in Commission regulations at 52 Pa. Code § 54.43.

X AGREED

c. **REPORTING REQUIREMENTS**: Applicant agrees to provide the following information to the Commission or the Department of Revenue, as appropriate:

- Retail Electricity Choice Activity Reports: The regulations at 52 Pa. Code §§ 54.201--54.204 require that all active EGSs report sales activity information. An EGS will file an annual report reporting for customer groups defined by annual usage. Reports must be filed using the appropriate report form that may be obtained from the PUC's Secretary's Bureau or the forms officer, or may be down-loaded from the PUC's internet web site.

- Reports of Gross Receipts: Applicant shall report its Pennsylvania intrastate gross receipts to the Commission on a quarterly and year to date basis no later than 30 days following the end of the quarter.

- The Treasurer or other appropriate officer of Applicant shall transmit to the Department of Revenue by March 15, an annual report, and under oath or affirmation, of the amount of gross receipts received by Applicant during the prior calendar year.

- Applicant shall report to the Commission the percentages of total electricity supplied by each fuel source on an annual basis:

- *Applicant will be required to meet periodic reporting requirements as may be issued by the* Commission to fulfill the Commission's duty under Chapter 28 pertaining to reliability and to inform the Governor and Legislature of the progress of the transition to a fully competitive electric market.

X AGREED

**d. TRANSFER OF LICENSE:** The Applicant understands that if it plans to transfer its license to another entity, it is required to request authority from the Commission for permission prior to transferring the license. *See 66 Pa. C.S. Section 2809(D). Transferee will be required to file the appropriate licensing* application.

X AGREED

**e. ASSESSMENT:** The Commission does not presently assess Electric Generation Suppliers for the purposes of recovery of regulatory expenses; see *PPL Energyplus, LLC v. Commonwealth, 800 A.2d 360 (Pa. Cmwlth. 2002).*

X ACKNOWLEDGED

**f. FURTHER DEVELOPMENTS:** Applicant is under a continuing obligation to amend its application if substantial changes occur to the information upon which the Commission relied in approving the original filing. See 52 Pa. Code § 54.34.

X AGREED

**g. FALSIFICATION:** The Applicant understands that the making of false statement(s) herein may be grounds
for denying the Application or, if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

X AGREED

**h. NOTIFICATION OF CHANGE:** If your answer to any of these items changes during the pendency of your application or if the information relative to any item herein changes while you are operating within the Commonwealth of Pennsylvania, you are under a duty to so inform the Commission, within twenty (20) days, as to the specifics of any changes which have a significant impact on the conduct of business in Pennsylvania. See 52 Pa. Code § 54.34.

X AGREED

**i. CEASING OF OPERATIONS:** Applicant is also required to officially notify the Commission if it plans to cease doing business in Pennsylvania, 90 days prior to ceasing operations.

X AGREED

**j. Electronic Data Interchange:** The Applicant acknowledges the Electronic Data Interchange (EDI) requirements and the relevant contacts for each EDC, as listed at appendix J.

X AGREED

**k. FEE:** The Applicant has enclosed or paid the required initial licensing fee of $350.00 payable to the Commonwealth of Pennsylvania.

X PAYMENT ENCLOSED

## 11. AFFIDAVITS

**a.) APPLICATION AFFIDAVIT:** Complete and submit with your filing an officially notarized Application Affidavit stating that all the information submitted in this application is truthful and correct. An example copy of this Affidavit can be found at Appendix A.

**b.) OPERATIONS AFFIDAVIT:** Provide an officially notarized affidavit stating that you will adhere to the reliability protocols of the North American Electric Reliability Council, the appropriate regional reliability council(s), and the Commission, and that you agree to comply with the operational requirements of the control area(s) within which you provide retail service. An example copy of this Affidavit can be found at Appendix B.

## 12. NEWSPAPER PUBLICATIONS

Notice of filing of this Application must be published in newspapers of general circulation covering each county in which the applicant intends to provide service. Below is a list of newspapers which cover the publication requirements for Electric Generation Suppliers looking to do business in Pennsylvania.

The newspapers in which proof of publication is required is dependent on the service territories the applicant is proposing to serve. The chart below dictates which newspapers are necessary for each EDC. If the applicant is proposing to serve the entire Commonwealth, please file proof of publication in all seven newspapers.

Please file with the Commission the Certification of Publication, along with a photostatic copy of the notice to complete the notice requirements.

Proof of newspaper publications must be filed with the initial application. Applicants **do not** need a *docket number in their publication. Docket numbers will be issued when all criteria on the item 14* checklist (see below) are satisfied.

| | Duquesne | Met Ed | PECO | Penelec | Penn Power | PPL | UGI | West Penn | Entire Commonwealth |
|---|---|---|---|---|---|---|---|---|---|
| Philadelphia Daily News | | X | X | | | X | | | X |
| Harrisburg Patriot-News | | X | | X | | X | | X | X |
| Scranton Times Tribune | | X | | X | | X | X | | X |
| Williamsport Sun Gazette | | | | X | | X | | X | X |
| Johnstown Tribune Democrat | | | | X | | | | X | X |
| Erie Times-News | | | | X | X | | | | X |
| Pittsburgh Post-Gazette | X | | | | X | | | X | X |

*(Example Publication is provided at Appendix H)*

Proof of publication of legal notice in the foregoing newspapers are attached below:

Proof - Tribune Democrat.pdf

Proof - Pittsburg post-gazette.com_20

Proof - Patriot News.pdf

Proof - Scranton Times Trib.pdf

Proof - Philadelphia Daily News.pdf

Proof - Erie Times-News.pdf

Proof - Williamsport Sun Gazette 0524201

## 13. SIGNATURE

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JUN 18 2014

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SECRETARY'S BUREAU

Applicant:: Accenture LLP

Represented by Accenture Inc.
Managing Partner of Principal

By: Ronald J. Roberts
Ronald J. Roberts, Secretary, Accenture Inc

## 14. CHECKLIST

For the applicant's convenience, please use the following checklist to ensure all relevant sections are complete. The Commission Secretary's Bureau will not accept an application unless each of the following sections are complete.

**Applicant:** Accenture LLP

| Applicant's Use | | PUC Secretary's Bureau Use |
|---|---|---|
| ✓ | **Signature** | |
| ✓ | **Filing Fee** | |
| ✓ | **Application Affidavit** | |
| ✓ | **Operations Affidavit** | |
| ✓ | **Proof of Publication** | |
| ✓ | **Bond or Letter of Credit** | |
| ✓ | **Tax Certification Statement** | |
| ✓ | **Commonwealth Department of State Verification** | |
| ✓ | **Certificate of Service** | |

## Appendix A

# APPLICATION AFFIDAVIT

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State of Illinois :

: ss.

County of Cook:

Accenture Inc., Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

It is the Managing Partner of Accenture LLP ("Applicant");

That it is authorized to and does make this affidavit for said Applicant;

That the Applicant herein Accenture LLP has the burden of producing information and supporting documentation demonstrating its technical and financial fitness to be licensed as an electric generation supplier pursuant to 66 Pa. C.S. § 2809 (B).

That the Applicant herein Accenture LLP has answered the questions on the application correctly, truthfully, and completely and provided supporting documentation as required.

That the Applicant herein Accenture LLP acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That the Applicant herein Accenture LLP acknowledges that it is under a duty to supplement information provided in answer to questions on this application and contained in supporting documents as requested by the Commission.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief, and that he/she expects said Applicant to be able to prove the same at hearing.

ACCENTURE INC.
(Affiant)

By: Ronald J. Roberts
Ronald J. Roberts, Secretary, Accenture Inc.

Sworn and subscribed before me this 22 day of May, 2014.

Signature of official administering oath

My commission expires 11/28/16.

OFFICIAL SEAL
ALETTA TATE
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:11/28/16

**Appendix B** RECEIVED

# OPERATIONS AFFIDAVIT

JUN 18 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

State of Illinois:

: ss.

County of Cook:

Accenture Inc., Affiant, being duly [sworn/affirmed] according to law, deposes and says that:

It is the Managing Partner of Accenture LLP;

That it is authorized to and does make this affidavit for said Applicant;

That Accenture LLP, the Applicant herein, acknowledges that Accenture LLP may have obligations pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; or with other applicable statutes or regulations including Emergency Orders which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

That Accenture LLP, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render electric service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That Accenture LLP, the Applicant herein, certifies to the Commission that it is subject to , will pay, and in the past has paid, the full amount of taxes imposed by Articles II and XI of the Act of March 4, 1971 (P.L. 6, No. 2 ), known as the Tax Reform Act of 1971 and any tax imposed by Chapter 28 of Title 66. The Applicant acknowledges that failure to pay such taxes or otherwise comply with the taxation requirements of Chapter 28, shall be cause for the Commission to revoke the license of the Applicant. The Applicant acknowledges that it shall report to the Commission its jurisdictional Gross Receipts and power sales for ultimate consumption, for the previous year or as otherwise required by the Commission. The Applicant also acknowledges that it is subject to 66 Pa. C.S. §506 (relating to the inspection of facilities and records).

As provided by 66 Pa. C.S. §2810 (C)(6)(iv), Applicant, by filing of this application waives confidentiality with respect to its state tax information in the possession of the Department of Revenue, regardless of the source of the information, and shall consent to the Department of Revenue providing that information to the Pennsylvania Public Utility Commission.

## Appendix B (Continued)

That Accenture LLP, the Applicant herein, acknowledges that it has a statutory obligation to conform with 66 Pa. C.S. §506, §2807 (C), §2807(D)(2), §2809(B) and the standards and billing practices of 52 PA. Code Chapter 56.

That the Applicant agrees to provide all consumer education materials and information in a timely manner as requested by the Bureau of Public Liaison or other Commission bureaus. Materials and information requested may be analyzed by the Commission to meet obligations under applicable sections of the law.

That the facts above set forth are true and correct/true and correct to the best of his/her knowledge, information, and belief.

ACCENTURE INC.
(Affiant)

By: Ronald J. Roberts
Ronald J. Roberts, Secretary, Accenture Inc.

Sworn and subscribed before me this 22 day of May, 20 14.

Signature of official administering oath

My commission expires 11/28/16.

OFFICIAL SEAL
ALETTA TATE
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:11/28/16

## Appendix D



**Electric Generation Supplier License Bonds**

Bonds submitted in order to satisfy the licensing process must comply with the following:

The bond in the amount of $250,000 should name the Pennsylvania Public Utility Commission as the obligee or beneficiary, and should contain the following language:

> This bond is written in accordance with Section 2809(c)(1)(i) of the Public Utility Code, 66 Pa. C.S. § 2809(c)(1)(i), to assure compliance with applicable provisions of the Public Utility Code, 66 Pa. C.S. §§101, et seq., and the rules and regulations of the Pennsylvania Public Utility Commission by the Principle as a licensed electric generation supplier; to ensure the payment of Gross Receipts Tax as required by Section 2810 of the Public Utility Code, 66 Pa. C.S. § 2810; and to ensure the supply of electricity at retail in accordance with contracts, agreements or arrangements. Payment of claims shall have the following priority: (i) The Commonwealth; (ii) Electric Distribution Companies for the reimbursement of Gross Receipts Tax; *and (iii) Private individuals. Proceeds of the bond may not be used to* pay any penalties or fines levied against the Principal for violations of the law, or for payment of any other tax obligations owed to the Commonwealth.

The original and two copies of the bond must be submitted to the Office of the Secretary, *Pa. Public Utility Commission, P.O. Box 3265, Harrisburg, PA 17105-3265. The entry date of the* Commission's Order will be the effective date for the license.

See attached original bond in the amount of $10,000, pursuant to the modification and supplemental information provided in Section 7.a. of the Application.

**Attachments to Section 2.b.**

- Pennsylvania certificate of qualification as a foreign limited liability partnership of Accenture LLP
- Illinois certificate of limited liability partnership of Accenture LLP
- Partnership Agreement of Accenture LLP

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF STATE

May 2, 2014

*TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:*

I DO HEREBY CERTIFY, That from an examination of the indices and Records of this Department, it appears that on October 26, 2000, an Application for Registration was filed pursuant to the laws of the Commonwealth of Pennsylvania, whereby ACCENTURE LLP is duly qualified as a Foreign Limited Liability Limited Partnership under the laws of the Commonwealth of Pennsylvania and remains subsisting so far as the records of this office show, as of the date herein.

I DO FURTHER CERTIFY, That this shall not imply that all fees, taxes and penalties owed to the Commonwealth of Pennsylvania are paid.

SECRETARY OF THE COMMONWEALTH PENNSYLVANIA

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.

Secretary of the Commonwealth

Certificate Number: 11811815-1

Verify this certificate online at http://www.corporations.state.pa.us/Corp/SOSKB/verify.asp

*File Number* 000-622

# STATE OF ILLINOIS
## OFFICE OF THE SECRETARY OF STATE

## ***To all to whom these Presents Shall Come, Greeting:***

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that*

ACCENTURE LLP, HAVING FILED A STATEMENT OF QUALIFICATION IN THE STATE OF ILLINOIS ON OCTOBER 23, 2001, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE UNIFORM PARTNERSHIP ACT (1997) OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY PARTNERSHIP IN THE STATE OF ILLINOIS, HAVING FULFILLED ALL REQUIREMENTS OF SAID ACT.

***In Testimony Whereof,*** *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 7TH *day of* FEBRUARY *A.D.* 2014 .

Authentication #: 1403801896

Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

**ACCENTURE LLP**

(a general partnership organized and existing
as a registered limited liability partnership
under the laws of the State of Illinois)

# PARTNERSHIP AGREEMENT

## *AS AMENDED AND RESTATED EFFECTIVE AS OF SEPTEMBER 1, 2010*

The undersigned, in consideration of the mutual agreements herein contained, hereby agree as follows:

## ARTICLE I

## CONTINUATION OF PARTNERSHIP

1.1 **Continuation of Partnership**. This Partnership was originally organized under the laws of the State of Louisiana and, prior to September 1, 1989, was engaged in the management information consulting practice, public accounting and related areas. Since September 1, 1989 this Partnership has continued to carry on the practice of management consulting, technology and outsourcing services as a partnership governed by and existing under the laws of the State of Illinois, in such place or places in the United States and elsewhere as may be permitted by law and determined by the Partners. Since September 1, 1994, this Partnership has elected to continue as a form of general partnership known as a registered limited liability partnership in accordance with the Act. This Partnership shall continue until terminated or dissolved in the manner herein provided in Article XIII.

1.2 **Partnership Agreement**. Prior to the date hereof, the affairs of the Partnership were governed by the Prior Partnership Agreement. Accenture Inc. and Accenture LLC are, as of the date hereof, the only two Partners of this Partnership and do hereby amend and restate in its entirety the Prior Partnership Agreement of this Partnership. From and after the effective date of this Agreement as set forth above, this Agreement shall contain the entire understanding among the Partners and supersedes all prior written or oral agreements among them respecting the within subject matter, including, without limitation, the Prior Partnership Agreement.

## ARTICLE II

## PARTNERSHIP NAME

2.1 **Partnership Name**. The Partnership has previously been known as "Andersen Consulting." In connection with the Partnership's election to be organized as a registered limited liability partnership, effective as of September 1, 1994, the Partnership name was changed to "Andersen Consulting LLP", and effective with action taken as of December 28, 2000, the Partnership name was changed to "Accenture LLP."

2.2 **Rights to Name**. In the event of the resignation, removal, retirement or death of any of the Partners during the term of the Partnership, the resigned, removed, retired or deceased Partner shall have no interest in the Partnership name or any variation thereof and shall have no right to receive any payment therefor. No resigned, removed or retired Partner shall at any time use the Partnership name or any variation thereof.

## ARTICLE III

## DEFINITIONS

Where used herein, or in any amendment hereto, the following terms shall, unless the context requires otherwise, have the following meanings, respectively:

***Accenture Inc.*** - The term "Accenture Inc." shall mean Accenture Inc., a Delaware corporation.

***Accenture LLC*** - The term "Accenture LLC" shall mean Accenture LLC, a Delaware limited liability company.

***Act*** - The term "Act" shall mean the Illinois Uniform Partnership Act (1997), as amended.

***Agreement*** - The term "Agreement" shall mean this Amended and Restated Partnership Agreement of the Partnership, as amended from time to time in accordance with the terms hereof.

***Code*** – The term "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and all published announcements, notices, rules, rulings and regulations thereunder.

***Effective Date*** - The term "Effective Date" shall mean September 1, 2010.

***Managing Partner*** - The term "Managing Partner" shall mean Accenture Inc. and any Managing Partner substituted therefor in accordance with the terms of this Agreement.

***Partner and Partners*** - The term "Partner" shall mean, at any time, any person or entity that has been admitted as a partner of the Partnership in accordance with the terms of this Agreement and at such time has not withdrawn or been removed as a Partner.

***Partnership*** - The term "Partnership" shall mean the Illinois general partnership organized and existing as a registered limited liability partnership under the laws of the State of Illinois referred to herein as "Accenture LLP" as such Partnership may from time to time be constituted.

***Partnership Interest*** - The term "Partnership Interest" shall mean the interest of a Partner in the Partnership at any particular time, including the right of such Partner to share profits, losses and cash flow and all other benefits to which such Partner may be entitled as provided in this Agreement and in the Act, together with the obligations of such Partner to comply with all the terms and provisions of this Agreement and of the Act. The Partnership Interest of any Partner may be revised or adjusted at any time pursuant to Section 4.2.

***Prior Partnership Agreement*** - The term "Prior Partnership Agreement" shall mean the partnership agreement of the Partnership as amended and restated effective May 11, 2001.

## ARTICLE IV

## CAPITAL STRUCTURE OF THE PARTNERSHIP

4.1 **Capital Contributions**. The Partners shall make capital contributions to the Partnership in such amounts and at such times as they shall mutually agree.

4.2 **Partnership Interest and Capital**. Upon the Effective Date of this Agreement, the Partnership Interest held by and the amount of capital contributed by (or credited to) each Partner shall be the same as under the Prior Partnership Agreement immediately prior to the Effective Date of this Agreement. The Partnership Interests of the Partners may be adjusted at or as of any time as shall be agreed upon by the Partners. Subsequent contributions and distributions of capital by the Partners and the Partnership, as applicable, and adjustments of the Partnership Interests of the Partners effected in accordance with the terms hereof, shall be noted in the Partnership's records at the direction of, and in such manner as determined by, the Managing Partner.

4.3 **Capital Account**. A separate capital account shall be established and maintained for each Partner in accordance with the Code and the regulations promulgated thereunder, including but not limited to the rules regarding the maintenance of partners' capital accounts set forth in Treasury Regulation Section 1.704-1. To the extent a Partner's capital account is greater than zero, such excess is hereinafter referred to as a "positive balance." To the extent that a Partner's capital account is less than zero, said amount is hereinafter referred to as a "deficit balance."

4.4 **Transferee**. The transferee of a Partnership Interest shall succeed to the portion of the capital of the transferor attributable to such transferred Partnership Interest of the transferor. Upon the withdrawal or removal of a Partner, the Partnership Interest held by such Partner shall be deemed automatically cancelled as of the effective time of withdrawal or removal.

## ARTICLE V

## ORGANIZATION PLAN

5.1 **Management of the Partnership; Managing Partner**.

(A) Subject to and limited by the provisions of this Agreement, the Managing Partner shall have the exclusive right to manage the business of the Partnership, and shall have all powers and rights necessary, appropriate or advisable to effectuate and carry out the purposes and business of the Partnership and, in general, all powers permitted to be exercised by a general partner under the laws of the State of Illinois. The Managing Partner shall have and may exercise such rights, powers and authority without the consent or approval of any other Partner except as to such matters for which the consent or approval of other Partners is expressly required by the terms of this Agreement.

(B) As of the date of this Agreement, Accenture Inc. is the Managing Partner of the Partnership. A Partner may from time to time be substituted as Managing Partner upon the affirmative vote of all of the Partners.

(C) The Managing Partner may appoint, employ, or otherwise contract with any persons or entities for the transaction of the business of the Partnership or the performance of services for or on behalf of the Partnership, and the Managing Partner may delegate to any such person or entity such authority to act on behalf of the Partnership as the Managing Partner may from time to time deem appropriate.

(D) Except as provided in Sections 5.2 and 5.3 below, no employee of the Partnership, in his or her status as such, shall have the right to take part in the management or control of the business of the Partnership or to act for or bind the Partnership or otherwise to transact any business on behalf of the Partnership .

5.2 **Officers of the Partnership**.

(A) The Managing Partner may in its sole and absolute discretion designate any one or more individuals (who may but need not be officers of the Managing Partner or Partners of the Partnership) as officers of the Partnership (and as agents of the Managing Partner and the Partnership for this purpose), with such titles as determined by the Managing Partner in its sole and absolute discretion, and with authority to act on behalf of the Partnership in the conduct of the Partnership's business in the same manner and to the same extent as the Managing Partner itself, or subject to such limitations on such authority as may be determined by the Managing Partner. The appointment of any officer and any limitations on the authority of any such officer shall be set forth in a written designation signed by the Managing Partner and maintained in the records of the Partnership. In addition, the Managing Partner may, but shall not be required to, file with the Illinois Secretary of State, or with any other state or other governmental official or office as the Managing Partner considers appropriate, such designation of officers and/or any statement of authority, or similar documentation, evidencing or confirming such designation of officers.

(B) Any officer (subject to any contract rights available to the Partnership, if applicable) may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Managing Partner. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any officer may be removed as such, either with or without cause, at any time by the Managing Partner in its discretion; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the individual so removed. Designation of an officer shall not of itself create contract rights. Any vacancy occurring in any office of the Partnership may be filled by the Managing Partner and shall remain vacant until filled by the Managing Partner.

5.3 **Committees; Delegation of Authority and Duties**. The Managing Partner may, from time to time, designate one or more committees. Any such committee, to the extent authorized in writing by the Managing Partner, shall have and may exercise all of the authority of the Managing Partner, subject to such limitations on such authority as may be determined by the Managing Partner. Unless otherwise noted in a written authorization of the Managing Partner, at every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members of such committee present at such meeting shall be necessary for the adoption of any resolution or decision. The Managing Partner may dissolve any committee at any time.

5.4 **Exculpation**. No officer, Managing Partner, or member of any committee formed pursuant to Section 5.3 above shall be liable to the Partnership or any Partner for any loss suffered by the Partnership or any Partner unless such loss is caused by such Person's gross negligence, willful misconduct, violation of law or material breach of this Agreement. The officers, Managing Partner or member of any committee formed pursuant to Section 5.3 above shall not be liable for errors in judgment or for any acts or omissions that do not constitute gross negligence, willful misconduct, violation of law or material breach of this Agreement. Any officer, Managing Partner or member of any committee formed pursuant to Section 5.3 above may consult with counsel and accountants in respect of Partnership affairs, and provided such person acts in good faith reliance upon the advice or opinion of such counsel or accountants, such person shall not be liable for any loss suffered by the Partnership or Partner in reliance thereon.

5.5 **Meetings of the Partners**. Meetings of the Partners may be called at any time by any Partner. Written notice of the time, date and place of each such meeting shall be given to every Partner by personal delivery or by sending it by mail, telegram, cable, electronic or facsimile transmission at least five days prior to the date of the meeting. If such a meeting is called, all Partners shall be invited to attend.

## ARTICLE VI

## ADMISSION OF PARTNERS

The Managing Partner shall have the right to admit additional Partners upon such terms and conditions, at such time or times, and for such capital contributions as shall be agreed upon by all of the Partners.

## ARTICLE VII

## REMOVAL AND WITHDRAWAL OF PARTNERS

7.1 **Removal**. Any Partner may be removed from partnership in the Partnership with or without cause by written decision of the Managing Partner. Written notice of such removal must be given to such Partner stating the date upon which such removal shall thereafter become effective. On and from the date so fixed, such removed Partner shall cease to be a Partner in the Partnership, and shall be deemed to be a removed Partner and shall have no right, title or interest in the Partnership and no right to allocations of profits or losses or distributions of cash flow except (i) for the return of such removed Partner's capital, without the payment of interest, as may be determined by the Managing Partner, but in any event within 2 months following the effective date of removal, and (ii) as may be agreed upon between the Managing Partner and the removed Partner.

7.2 **Withdrawal**. No Partner shall have the right to withdraw from the Partnership except with the consent of the Managing Partner and upon such terms and conditions as may be specifically agreed upon between the Managing Partner and the withdrawing Partner. On and from the date of a Partner's withdrawal, such withdrawn Partner shall cease to be a Partner in the Partnership, and shall be deemed a withdrawn Partner and shall have no right, title or interest in the Partnership and no right to allocations of profits or losses or distributions of cash flow, except for the return of such withdrawn Partner's capital, without the payment of interest, as may be determined by the Managing Partner, but in any event within 2 months following the effective date of withdrawal.

## ARTICLE VIII

## VOTING BY PARTNERS AND DECISIONS OF PARTNERSHIP

Each Partner shall have a vote, in proportion to the Partnership Interests held by the Partners, on any matters, decisions or determinations presented to or requiring a decision or determination by the Partners of the Partnership. No other person, firm, entity, trust, estate or corporation entitled to or interested in the capital or net income of the Partnership who is not a Partner of the Partnership shall be entitled to vote on any such matters, decisions or determinations. Except as expressly provided otherwise herein, the affirmative vote of all Partners shall be required in order to approve or make any matter, decision or determination requiring approval of the Partners. A merger, consolidation, combination, restructuring, change of domicile or conversion involving the Partnership or a dissolution of the Partnership must be approved by the affirmative vote of all Partners. Any approval, action, decision or determination by the Partners may be made or effected by electronic means or the written consent of Partners holding the Partnership Interests that are required to give, take or make such approval, action, decision or determination.

## ARTICLE IX

## INTEREST IN PARTNERSHIP NOT ASSIGNABLE

9.1 **Transfer Restrictions**. No Partner may sell, assign, pledge or otherwise transfer or encumber (collectively "**transfer**") all or any part of such Partner's Partnership Interest in the Partnership, nor shall any Partner have the power to substitute a transferee in his place as a substitute Partner, without, in either event, having obtained the prior written consent of the Managing Partner, which consent may be given or withheld in its sole discretion.

9.2 **Managing Partner**. The Managing Partner may not transfer all or any part of its interest in the Partnership (except to any affiliate ), nor shall the Managing Partner have the power to substitute a transferee in its place as a substitute Managing Partner, without, in either event, having obtained the consent of all Partners other than the transferor Managing Partner.

## ARTICLE X

## ALLOCATIONS AND DISTRIBUTIONS.

Distributions of cash or other assets of the Partnership shall be made at such times and in such amounts as the Partners may jointly determine. To the extent distributions are not made to (and profits and losses allocated among) Partners pro rata in accordance with their Partnership Interests, the distributions may result in the Partnership Interests of the Partners being adjusted to take account of such non pro rata distributions if, and to the extent agreed upon, by all of the Partners.

## ARTICLE XI

## RETURN OF CAPITAL AND FINAL DISSOLUTION

No Partner has the right to receive, and the Partners shall jointly have the discretion to make, any distributions to a Partner that include a return of all or any part of such Partner's capital contribution, provided that upon the dissolution of the Partnership, the assets of the Partnership shall be distributed as provided in Section 807 of the Act (or any corresponding provision of the Act as it may be amended or of any replacement act) to the Partners with positive balance in their capital accounts, pro rata in accordance with such positive balances.

## ARTICLE XII

## NOTICES UNDER THIS AGREEMENT

Any notice required by this Agreement to be given by the Partnership shall be in written form signed by a person or persons duly authorized to sign for the Partnership and any notice required by this Agreement to be given by a Partner to the Partnership or by a Partner to the other Partners shall be in written form signed by such Partner. Any such notice so required to be given, and any other notice desired to be given by the Partnership or by a Partner and in such written form and so signed, shall be deemed to have been given when either delivered in person or sent by registered mail, postage prepaid, or by telegram, cable, electronic or facsimile transmission.

## ARTICLE XIII

## VOLUNTARY DISSOLUTION

The Partnership shall be dissolved and its affairs wound up and terminated upon the determination of all Partners to dissolve the Partnership.

## ARTICLE XIV

## NO INVOLUNTARY DISSOLUTION OR TERMINATION

One of the principal purposes of this Agreement is to protect the Partnership against the usual incidents and consequences which ensue upon the resignation, removal, retirement or death of a partner, the transfer by a Partner of his or its interest in the Partnership, the admission of a new Partner, or similar events. Accordingly, it is hereby agreed among the Partners that the dissolution and/or termination of the Partnership can be effected only in accordance with and subject to the terms of Article XIII and that none of the following events shall constitute a dissolution or termination of the Partnership: (a) removal of a Partner, (b) death of a Partner, (c) bankruptcy of any Partner, (d) admission of a new Partner, (e) retirement or resignation of a Partner, (f) assignment or transfer by a Partner of his or its interest in the Partnership, (g) incapacity, lunacy or insanity of any Partner, (h) termination of interest in the Partnership by any Partner or person who was a Partner, (i) change of interest or units of participation in the Partnership, (j) inactive status of a Partner, or (k) any other event except voluntary dissolution pursuant to Article XIII.

## ARTICLE XV

## GOVERNING LAW

The laws of the State of Illinois shall govern, control and determine all questions arising under this Agreement, as well as the interpretation of the provisions and validity hereof.

## ARTICLE XVI

## INTERPRETATION REGARDING PRIOR PARTNERS AND PARTNERSHIP AGREEMENTS

Since this Agreement amends and restates the Prior Partnership Agreement in its entirety, the Prior Partnership Agreement, from and after the Effective Date hereof shall be no longer of any force or effect, except that no resigned, removed or retired individual partners or estate of any deceased partner, shall be deprived of any benefit acquired under the partnership agreement of the Partnership as in effect at the time of such partner's resignation, removal, death or retirement, as and if applicable.

## ARTICLE XVII

## AMENDMENTS

This Agreement may be amended from time to time only upon the approval of all Partners.

## ARTICLE XVIII

## ARBITRATION

Any and all disputes which cannot be settled amicably, including any ancillary claims of any Partner, arising out of or in connection with this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in Chicago, Illinois. The proceedings shall be conducted pursuant to the then existing Commercial Arbitration Rules of the American Arbitration Association. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty days of the request for arbitration, any party may apply to the American Arbitration Association to make the appointment. The parties hereby express their wish that the decision of the arbitrator be rendered as promptly as possible.

The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. The arbitrator shall decide in accordance with the terms of this Agreement. In interpreting the provisions of this Agreement, the arbitrator shall apply the substantive law of the State of Illinois and the United States of America.

## ARTICLE XIX

## MISCELLANEOUS

19.1 **Severability**. If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

19.2 **Parties Bound**. Any person acquiring or claiming an interest in the Partnership, in any manner whatsoever, shall be subject to and bound by all terms, conditions and obligations of this Agreement to which his or its predecessor in interest was subject or bound, without regard to whether such person has executed a counterpart hereof or any other document contemplated hereby. No person, including the legal representative, heir or legatee of a deceased Partner, shall have any rights or obligations greater than those set forth in this Agreement and no person shall acquire an interest in the Partnership or become a Partner thereof except as permitted by the terms of this Agreement. This Agreement shall be binding upon the parties hereto, their successors, heirs, devises, assigns, legal representatives, executors and administrators.

19.3 **Additional Documents and Acts.** In connection with this Agreement as well as all transactions contemplated by this Agreement, each party hereto shall execute and deliver such additional documents and instruments, and perform such additional acts, as any other party hereto may reasonably deem necessary or desirable from time to time to effectuate, perform and evidence all of the terms, provisions and conditions of this Agreement and all such transactions.

19.4 **Benefit**. Nothing contained herein, express or implied, is intended to confer upon any person other than the parties hereto and their respective successors and permitted assigns any rights or remedies under or by reason of this Agreement.

19.5 **Waiver**. The failure to insist upon strict enforcement of any of the provisions of this Agreement or of any agreement or instrument delivered pursuant hereto shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Agreement or any agreement or instrument delivered pursuant hereto or any provision hereof or the right of any party hereto to thereafter enforce each and every provision of this Agreement and each agreement and instrument delivered pursuant hereto. No waiver of any breach of any of the provisions of this Agreement or any agreement or instrument delivered pursuant hereto shall be effective unless set forth in a written instrument executed by the party against which enforcement of such waiver is sought, and no waiver of any such breach shall be construed or deemed to be a waiver of any other or subsequent breach.

19.6 **Headings and Gender**. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision. Unless the context clearly indicates the contrary, wherever a personal pronoun in the masculine gender appears in this Agreement, it shall be deemed to include the feminine and neuter gender.

19.7 **Counterparts**. This Agreement may be executed in multiple counterparts with separate signature pages, each such counterpart shall be considered an original, but all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, this Agreement has been duly approved and adopted by the Partners of the Partnership of Accenture LLP effective as of September 1, 2010.

**ACCENTURE INC.**

By: Robert N. Frerichs

Name: Robert N. Frerichs
Title: President

**ACCENTURE LLC**

By: Accenture Sub Inc.,
*sole member of Accenture LLC*

By: Ronald J. Roberts

Name: Ronald J Roberts
Title: Secretary of Accenture Sub Inc.

**Attachments to Section 7.b.**

- Consolidated financial statements of Accenture PLC (from 2013 SEC Form 10K Report)
- *Moody's credit opinion of Accenture PLC*
- Standard & Poor's rating report on Accenture PLC
- Fitch rating report on Accenture PLC

RECEIVED

JUN 18 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

# ACCENTURE PLC

## INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

## Report of Independent Registered Public Accounting Firm

**The Board of Directors and Shareholders**
***Accenture plc:***

We have audited the accompanying Consolidated Balance Sheets of Accenture plc and its subsidiaries as of August 31, 2013 and 2012, and the related Consolidated Income Statements, Consolidated Statements of Comprehensive Income, Consolidated Shareholders' Equity Statements, and Consolidated Cash Flows Statements for each of the years in the three-year period ended August 31, 2013. We also have audited Accenture plc's internal control over financial reporting as of August 31, 2013, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Accenture plc's management is responsible for these consolidated financial statements, 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's Annual Report on Internal Control over Financial Reporting (Item 9A(b)). Our responsibility is to express an opinion on these consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Accenture plc and its subsidiaries as of August 31, 2013 and 2012, and the results of their operations and their cash flows for each of the years in the three-year period ended August 31, 2013, in conformity with U.S. generally accepted accounting principles. Also in our opinion, Accenture plc maintained, in all material respects, effective internal control over financial reporting as of August 31, 2013, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

/s/ KPMG LLP

Chicago, Illinois
October 29, 2013

**ACCENTURE PLC**
**CONSOLIDATED BALANCE SHEETS**
**August 31, 2013 and 2012**
**(In thousands of U.S. dollars, except share and per share amounts)**

| | August 31, 2013 | August 31, 2012 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS:** | | |
| Cash and cash equivalents | $ 5,631,885 | $ 6,640,526 |
| Short-term investments | 2,525 | 2,261 |
| Receivables from clients, net | 3,333,126 | 3,080,877 |
| Unbilled services, net | 1,513,448 | 1,399,834 |
| Deferred income taxes, net | 794,917 | 685,732 |
| Other current assets | 568,277 | 778,701 |
| Total current assets | 11,844,178 | 12,587,931 |
| **NON-CURRENT ASSETS:** | | |
| Unbilled services, net | 18,447 | 12,151 |
| Investments | 43,631 | 28,180 |
| Property and equipment, net | 779,675 | 779,494 |
| Goodwill | 1,818,586 | 1,215,383 |
| Deferred contract costs | 554,747 | 537,943 |
| Deferred income taxes, net | 1,018,567 | 808,765 |
| Other non-current assets | 789,218 | 695,568 |
| Total non-current assets | 5,022,871 | 4,077,484 |
| **TOTAL ASSETS** | $ 16,867,049 | $ 16,665,415 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| **CURRENT LIABILITIES:** | | |
| Current portion of long-term debt and bank borrowings | $ — | $ 11 |
| Accounts payable | 961,851 | 903,847 |
| Deferred revenues | 2,230,615 | 2,275,052 |
| Accrued payroll and related benefits | 3,460,393 | 3,428,838 |
| Accrued consumption taxes | 308,655 | 317,622 |
| Income taxes payable | 266,593 | 253,527 |
| Deferred income taxes, net | 24,031 | 21,916 |
| Other accrued liabilities | 908,852 | 908,392 |
| Total current liabilities | 8,160,990 | 8,109,205 |
| **NON-CURRENT LIABILITIES:** | | |
| Long-term debt | 25,600 | 22 |
| Deferred revenues relating to contract costs | 517,397 | 553,764 |
| Retirement obligation | 872,761 | 1,352,266 |
| Deferred income taxes, net | 174,818 | 105,544 |
| Income taxes payable | 1,224,251 | 1,597,590 |
| Other non-current liabilities | 463,403 | 322,596 |
| Total non-current liabilities | 3,278,230 | 3,931,782 |
| **COMMITMENTS AND CONTINGENCIES** | | |
| **SHAREHOLDERS' EQUITY:** | | |
| Ordinary shares, par value 1.00 euros per share, 40,000 shares authorized and issued as of August 31, 2013 and August 31, 2012 | 57 | 57 |
| Class A ordinary shares, par value $0.0000225 per share, 20,000,000,000 shares authorized, 771,301,885 and 745,749,177 shares issued as of August 31, 2013 and August 31, 2012, respectively | 17 | 16 |
| Class X ordinary shares, par value $0.0000225 per share, 1,000,000,000 shares authorized, 30,312,244 and 43,371,864 shares issued and outstanding as of August 31, 2013 and August 31, 2012, respectively | 1 | 1 |
| Restricted share units | 875,156 | 863,714 |
| Additional paid-in capital | 2,393,936 | 1,341,576 |
| Treasury shares, at cost: Ordinary, 40,000 shares as of August 31, 2013 and August 31, 2012; Class A ordinary, 135,258,733 and 112,370,409 shares as of August 31, 2013 and August 31, 2012, respectively | (7,326,079) | (5,285,625) |
| Retained earnings | 10,069,844 | 7,904,242 |
| Accumulated other comprehensive loss | (1,052,746) | (678,148) |
| Total Accenture plc shareholders' equity | 4,960,186 | 4,145,833 |
| Noncontrolling interests | 467,643 | 478,595 |

| | | | | |
|---|---|---|---|---|
| Total shareholders' equity | | 5,427,829 | | 4,624,428 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | $ | 16,867,049 | $ | 16,665,415 |

The accompanying Notes are an integral part of these Consolidated Financial Statements.

# ACCENTURE PLC
## CONSOLIDATED INCOME STATEMENTS
### For the Years Ended August 31, 2013, 2012 and 2011
### (In thousands of U.S. dollars, except share and per share amounts)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| **REVENUES:** | | | |
| Revenues before reimbursements ("Net revenues") | $ 28,562,810 | $ 27,862,330 | $ 25,507,036 |
| Reimbursements | 1,831,475 | 1,915,655 | 1,845,878 |
| Revenues | 30,394,285 | 29,777,985 | 27,352,914 |
| **OPERATING EXPENSES:** | | | |
| Cost of services: | | | |
| Cost of services before reimbursable expenses | 19,178,635 | 18,874,629 | 17,120,317 |
| Reimbursable expenses | 1,831,475 | 1,915,655 | 1,845,878 |
| Cost of services | 21,010,110 | 20,790,284 | 18,966,195 |
| Sales and marketing | 3,481,891 | 3,303,478 | 3,094,465 |
| General and administrative costs | 1,835,646 | 1,810,984 | 1,820,277 |
| Reorganization (benefits) costs, net | (272,042) | 1,691 | 1,520 |
| Total operating expenses | 26,055,605 | 25,906,437 | 23,882,457 |
| **OPERATING INCOME** | 4,338,680 | 3,871,548 | 3,470,457 |
| Interest income | 32,893 | 42,550 | 41,083 |
| Interest expense | (14,035) | (15,061) | (15,000) |
| Other (expense) income, net | (18,244) | 5,137 | 15,482 |
| **INCOME BEFORE INCOME TAXES** | 4,339,294 | 3,904,174 | 3,512,022 |
| Provision for income taxes | 784,775 | 1,079,241 | 958,782 |
| **NET INCOME** | 3,554,519 | 2,824,933 | 2,553,240 |
| Net income attributable to noncontrolling interests in Accenture SCA and Accenture Canada Holdings Inc. | (234,398) | (237,520) | (243,575) |
| Net income attributable to noncontrolling interests – other | (38,243) | (33,903) | (31,988) |
| **NET INCOME ATTRIBUTABLE TO ACCENTURE PLC** | $ 3,281,878 | $ 2,553,510 | $ 2,277,677 |
| **Weighted average Class A ordinary shares:** | | | |
| Basic | 645,536,995 | 643,132,601 | 645,631,170 |
| Diluted | 712,763,616 | 727,011,059 | 743,211,312 |
| **Earnings per Class A ordinary share:** | | | |
| Basic | $ 5.08 | $ 3.97 | $ 3.53 |
| Diluted | $ 4.93 | $ 3.84 | $ 3.39 |
| Cash dividends per share | $ 1.62 | $ 1.35 | $ 0.90 |

The accompanying Notes are an integral part of these Consolidated Financial Statements.

# ACCENTURE PLC
## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
### For the Years Ended August 31, 2013, 2012 and 2011
### (In thousands of U.S. dollars)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| **NET INCOME** | $ 3,554,519 | $ 2,824,933 | $ 2,553,240 |
| ***OTHER COMPREHENSIVE (LOSS) INCOME, NET OF TAX:*** | | | |
| Foreign currency translation | (258,391) | (303,780) | 192,408 |
| Defined benefit plans | 77,338 | (189,222) | 31,705 |
| Cash flow hedges | (193,539) | (51,756) | 28,014 |
| Marketable securities | (6) | 990 | (215) |
| **OTHER COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO ACCENTURE PLC** | (374,598) | (543,768) | 251,912 |
| *Other comprehensive (loss) income attributable to noncontrolling interests* | (24,762) | (48,603) | 31,778 |
| **COMPREHENSIVE INCOME** | $ 3,155,159 | $ 2,232,562 | $ 2,836,930 |
| | | | |
| **COMPREHENSIVE INCOME ATTRIBUTABLE TO ACCENTURE PLC** | $ 2,907,280 | $ 2,009,742 | $ 2,529,589 |
| Comprehensive income attributable to noncontrolling interests | 247,879 | 222,820 | 307,341 |
| **COMPREHENSIVE INCOME** | $ 3,155,159 | $ 2,232,562 | $ 2,836,930 |

The accompanying Notes are an integral part of these Consolidated Financial Statements.

# ACCENTURE PLC
## CONSOLIDATED SHAREHOLDERS' EQUITY STATEMENTS
## For the Years Ended August 31, 2013, 2012 and 2011
## (In thousands of U.S. dollars and share amounts)

| | Ordinary Shares | | Class A Ordinary Shares | | Class X Ordinary Shares | | Restricted Share Units | Additional Paid-In Capital | Treasury Shares | | Retained Earnings | Accumulated Other Comprehensive Loss | Total Accenture plc Shareholders' Equity | Noncontrolling Interests | Total Shareholders' Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | No. Shares | $ | No. Shares | $ | No. Shares | | | $ | No. Shares | | | | | |
| Balance as of August 31, 2010 | $ 57 | 40 | $ 16 | 696,815 | $ 1 | 64,985 | $ 973,889 | $ 137,883 | $ (2,524,137) | (71,816) | $ 4,634,329 | $ (380,292) | $ 2,835,746 | $ 438,977 | $ 3,274,723 |
| Net income | | | | | | | | | | | 2,277,677 | | 2,277,677 | 275,563 | 2,553,240 |
| Other comprehensive income | | | | | | | | | | | | 251,912 | 251,912 | 31,778 | 283,690 |
| Income tax benefit on share-based compensation plans | | | | | | | | 93,772 | | | | | 93,772 | | 93,772 |
| Purchases of Class A ordinary shares | | | | | | | | 137,599 | (1,599,734) | (31,013) | | | (1,462,135) | (137,599) | (1,599,734) |
| Share-based compensation expense | | | | | | | 415,918 | 34,219 | | | | | 450,137 | | 450,137 |
| Purchases/redemptions of Accenture SCA Class I common shares, Accenture Canada Holdings Inc. exchangeable shares and Class X ordinary shares | | | | | | (15,620) | | (515,690) | | | | | (515,690) | (56,453) | (572,143) |
| *Issuances of Class A ordinary shares:* | | | | | | | | | | | | | | | |
| Employee share programs | | | | 24,144 | | | (638,085) | 616,086 | 546,297 | 16,427 | | | 524,298 | 33,068 | 557,366 |
| Upon redemption of Accenture SCA Class I common shares | | | | 6,837 | | | | | | | | | — | | — |
| Dividends | | | | | | | 32,555 | | | | (610,751) | | (578,196) | (65,446) | (643,642) |
| Other, net | | | | | | | | 21,168 | | | (19,738) | | 1,430 | (47,967) | (46,537) |
| Balance as of August 31, 2011 | $ 57 | 40 | $ 16 | 727,796 | $ 1 | 49,365 | $ 784,277 | $ 525,037 | $ (3,577,574) | (86,402) | $ 6,281,517 | $ (134,380) | $ 3,878,951 | $ 471,921 | $ 4,350,872 |
| Net income | | | | | | | | | | | 2,553,510 | | 2,553,510 | 271,423 | 2,824,933 |
| Other comprehensive loss | | | | | | | | | | | | (543,768) | (543,768) | (48,603) | (592,371) |
| Income tax benefit on share-based compensation plans | | | | | | | | 113,620 | | | | | 113,620 | | 113,620 |
| Purchases of Class A ordinary shares | | | | | | | | 146,689 | (1,960,396) | (34,316) | | | (1,813,707) | (146,689) | (1,960,396) |
| Share-based compensation expense | | | | | | | 497,531 | 40,555 | | | | | 538,086 | | 538,086 |
| Purchases/redemptions of Accenture SCA Class I common shares, Accenture Canada Holdings Inc. exchangeable shares and Class X ordinary shares | | | | | | (5,993) | | (126,354) | | | | | (126,354) | (12,091) | (138,445) |
| Issuances of Class A ordinary shares: | | | | | | | | | | | | | | | |
| Employee share programs | | | | 13,331 | | | (465,672) | 653,442 | 252,345 | 8,308 | | | 440,115 | 14,272 | 454,387 |
| Upon redemption of Accenture SCA Class I common shares | | | | 4,622 | | | | | | | | | — | | — |
| Dividends | | | | | | | 47,578 | | | | (915,929) | | (868,351) | (82,506) | (950,857) |
| Other, net | | | | | | | | (11,413) | | | (14,856) | | (26,269) | 10,868 | (15,401) |
| Balance as of August 31, 2012 | $ 57 | 40 | $ 16 | 745,749 | $ 1 | 43,372 | $ 863,714 | $ 1,341,576 | $ (5,285,625) | (112,410) | $ 7,904,242 | $ (678,148) | $ 4,145,833 | $ 478,595 | $ 4,624,428 |

# ACCENTURE PLC
## CONSOLIDATED SHAREHOLDERS' EQUITY STATEMENTS — (Continued)
## For the Years Ended August 31, 2013, 2012 and 2011
## (In thousands of U.S. dollars and share amounts)

| | Ordinary Shares | | Class A Ordinary Shares | | Class X Ordinary Shares | | | | Treasury Shares | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | No. Shares | $ | No. Shares | $ | No. Shares | Restricted Share Units | Additional Paid-In Capital | $ | No. Shares | Retained Earnings | Accumulated Other Comprehensive Loss | Total Accenture plc Shareholders' Equity | Noncontrolling Interests | Total Shareholders' Equity |
| Net income | | | | | | | | | | | 3,281,878 | | 3,281,878 | 272,641 | 3,554,519 |
| Other comprehensive loss | | | | | | | | | | | | (374,598) | (374,598) | (24,762) | (399,360) |
| Income tax benefit on share-based compensation plans | | | | | | | | 204,714 | | | | | 204,714 | | 204,714 |
| Purchases of Class A ordinary shares | | | | | | | | 131,382 | (2,326,229) | (31,297) | | | (2,194,847) | (131,382) | (2,326,229) |
| Share-based compensation expense | | | | | | | 572,456 | 43,422 | | | | | 615,878 | | 615,878 |
| Purchases/redemptions of Accenture SCA Class I common shares, Accenture Canada Holdings Inc. exchangeable shares and Class X ordinary shares | | | | | | (13,060) | | (202,262) | | | | | (202,262) | (15,861) | (218,123) |
| Issuances of Class A ordinary shares: | | | | | | | | | | | | | | | |
| Employee share programs | | | 1 | 14,534 | | | (615,740) | 816,145 | 285,775 | 8,408 | | | 486,181 | 29,631 | 515,812 |
| Upon redemption of Accenture SCA Class I common shares | | | | 11,019 | | | | 50,240 | | | | | 50,240 | (50,240) | — |
| Dividends | | | | | | | 54,726 | | | | (1,097,643) | | (1,042,917) | (78,821) | (1,121,738) |
| Other, net | | | | | | | | 8,719 | | | (18,633) | | (9,914) | (12,158) | (22,072) |
| Balance as of August 31, 2013 | $57 | 40 | $17 | 771,302 | $1 | 30,312 | $875,156 | $2,393,936 | $(7,326,079) | (135,299) | $10,069,844 | $ (1,052,746) | $ 4,960,186 | $ 467,643 | $ 5,427,829 |

The accompanying Notes are an integral part of these Consolidated Financial Statements.

# ACCENTURE PLC
## CONSOLIDATED CASH FLOWS STATEMENTS
### For the Years Ended August 31, 2013, 2012 and 2011
### (In thousands of U.S. dollars)

| | 2013 | 2012 | 2011 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | |
| Net income | $ 3,554,519 | $ 2,824,933 | $ 2,553,240 |
| Adjustments to reconcile Net income to Net cash provided by operating activities— | | | |
| Depreciation, amortization and asset impairments | 593,028 | 593,545 | 513,256 |
| Reorganization (benefits) costs, net | (272,042) | 1,691 | 1,520 |
| Share-based compensation expense | 615,878 | 538,086 | 450,137 |
| Deferred income taxes, net | (209,674) | 56,981 | (196,395) |
| Other, net | (90,043) | (94,332) | 81,127 |
| Change in assets and liabilities, net of acquisitions— | | | |
| Receivables from clients, net | (213,634) | 15,822 | (486,128) |
| Unbilled services, current and non-current, net | (96,060) | (144,281) | (134,353) |
| Other current and non-current assets | (21,152) | (355,472) | (466,913) |
| Accounts payable | (5,073) | (68,082) | 63,005 |
| Deferred revenues, current and non-current | (81,878) | 229,724 | 294,512 |
| Accrued payroll and related benefits | 88,202 | 420,049 | 442,107 |
| Income taxes payable, current and non-current | (260,902) | 69,146 | 186,937 |
| Other current and non-current liabilities | (298,041) | 169,042 | 139,687 |
| Net cash provided by operating activities | 3,303,128 | 4,256,852 | 3,441,739 |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | |
| Proceeds from maturities and sales of available-for-sale investments | — | 12,549 | 10,932 |
| Purchases of available-for-sale investments | — | (7,554) | (11,173) |
| Proceeds from sales of property and equipment | 17,366 | 5,977 | 6,755 |
| Purchases of property and equipment | (369,593) | (371,974) | (403,714) |
| Purchases of businesses and investments, net of cash acquired | (803,988) | (174,383) | (306,187) |
| Net cash used in investing activities | (1,156,215) | (535,385) | (703,387) |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | | |
| Proceeds from issuance of ordinary shares | 515,812 | 454,387 | 557,366 |
| Purchases of shares | (2,544,352) | (2,098,841) | (2,171,877) |
| Repayments of long-term debt, net | (34) | (6,399) | (1,539) |
| Proceeds from (repayments of) short-term borrowings, net | 88 | 131 | (69) |
| Cash dividends paid | (1,121,738) | (950,857) | (643,642) |
| Excess tax benefits from share-based payment arrangements | 114,073 | 78,357 | 171,314 |
| Other, net | (29,478) | (35,633) | (33,057) |
| Net cash used in financing activities | (3,065,629) | (2,558,855) | (2,121,504) |
| Effect of exchange rate changes on cash and cash equivalents | (89,925) | (223,164) | 245,938 |
| **NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS** | (1,008,641) | 939,448 | 862,786 |
| **CASH AND CASH EQUIVALENTS,** beginning of period | 6,640,526 | 5,701,078 | 4,838,292 |
| **CASH AND CASH EQUIVALENTS,** end of period | $ 5,631,885 | $ 6,640,526 | $ 5,701,078 |
| **SUPPLEMENTAL CASH FLOW INFORMATION** | | | |
| Interest paid | $ 13,984 | $ 15,133 | $ 14,884 |
| Income taxes paid | $ 963,039 | $ 1,033,704 | $ 824,434 |

The accompanying Notes are an integral part of these Consolidated Financial Statements.

# ACCENTURE PLC

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Description of Business

Accenture plc is one of the world's leading organizations providing management consulting, technology and outsourcing services and operates globally with one common brand and business model designed to enable it to provide clients around the world with the same high level of service. Drawing on a combination of industry expertise, functional capabilities, alliances, global resources and technology, Accenture plc seeks to deliver competitively priced, high-value services that help clients measurably improve business performance. Accenture plc's global delivery model enables it to provide an end-to-end delivery capability by drawing on its global resources to deliver high-quality, cost-effective solutions to clients.

### Basis of Presentation

The Consolidated Financial Statements include the accounts of Accenture plc, an Irish company, and its controlled subsidiary companies (collectively, the "Company"). Accenture plc's only business is to hold Class I common shares in, and to act as the sole general partner of, its subsidiary, Accenture SCA, a Luxembourg partnership limited by shares. The Company operates its business through Accenture SCA and subsidiaries of Accenture SCA. Accenture plc controls Accenture SCA's management and operations and consolidates Accenture SCA's results in its Consolidated Financial Statements.

The shares of Accenture SCA and Accenture Canada Holdings Inc. held by persons other than the Company are treated as a noncontrolling interest in the Consolidated Financial Statements. The noncontrolling interest percentages were 6% and 8% as of August 31, 2013 and 2012, respectively. Purchases and/or redemptions of Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares are accounted for at carryover basis.

All references to years, unless otherwise noted, refer to the Company's fiscal year, which ends on August 31. For example, a reference to "fiscal 2013" means the 12-month period that ended on August 31, 2013. All references to quarters, unless otherwise noted, refer to the quarters of the Company's fiscal year.

The preparation of the Consolidated Financial Statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the Consolidated Financial Statements and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may be different from those estimates.

Fiscal 2012 income tax amounts in certain line items within cash flows from operating activities in the Company's Consolidated Cash Flows Statement have been revised. These revisions were not material and had no impact on reported Net cash provided by operating activities. In addition, certain other amounts reported in previous years have been reclassified to conform to the fiscal 2013 presentation.

### Revenue Recognition

Revenues from contracts for technology integration consulting services where the Company designs/redesigns, builds and implements new or enhanced systems applications and related processes for its clients are recognized on the percentage-of-completion method, which involves calculating the percentage of services provided during the reporting period compared to the total estimated services to be provided over the duration of the contract. Contracts for technology integration consulting services generally span six months to two years. Estimated revenues used in applying the percentage-of-completion method include estimated incentives for which achievement of defined goals is deemed probable. This method is followed where reasonably dependable estimates of revenues and costs can be made. Estimates of total contract revenues and costs are continuously monitored during the term of the contract, and recorded revenues and estimated costs are subject to revision as the contract progresses. Such revisions may result in increases or decreases to revenues and income and are reflected in the Consolidated Financial Statements in the periods in which they are first identified. If the Company's estimates indicate that a contract loss will occur, a loss provision is recorded in the period in which the loss first becomes probable and reasonably estimable. Contract losses are determined to be the amount by which the estimated total direct and indirect costs of the contract exceed the estimated total revenues that will be generated by the contract and are included in Cost of services and classified in Other accrued liabilities.

Revenues from contracts for non-technology integration consulting services with fees based on time and materials or cost-plus are recognized as the services are performed and amounts are earned. The Company considers amounts to be earned once evidence of an arrangement has been obtained, services are delivered, fees are fixed or determinable, and collectibility is reasonably assured. In such contracts, the Company's efforts, measured by time incurred, typically are provided in less than a year and represent the contractual milestones or output measure, which is the contractual earnings pattern. For non-technology integration consulting contracts with fixed fees, the Company recognizes revenues as amounts become billable in accordance with contract terms, provided the billable amounts are not contingent, are consistent with the services delivered, and are earned. Contingent or incentive revenues relating to non-technology integration consulting contracts are recognized when the contingency is satisfied and the Company concludes the amounts are earned.

Outsourcing contracts typically span several years and involve complex delivery, often through multiple workforces in different countries. In a number of these arrangements, the Company hires client employees and becomes responsible for certain client obligations. Revenues are recognized on outsourcing contracts as amounts become billable in accordance with contract terms, unless the amounts are billed in advance of performance of services, in which case revenues are recognized when the services are performed and amounts are earned. Revenues from time-and-materials or cost-plus contracts are recognized as the services are performed. In such contracts, the Company's effort, measured by time incurred, represents the contractual milestones or output measure, which is the contractual earnings pattern. Revenues from unit-priced contracts are recognized as transactions are processed based on objective measures of output. Revenues from fixed-price contracts are recognized on a straight-line basis, unless revenues are earned and obligations are fulfilled in a different pattern. Outsourcing contracts can also include incentive payments for benefits delivered to clients. Revenues relating to such incentive payments are recorded when the contingency is satisfied and the Company concludes the amounts are earned.

Costs related to delivering outsourcing services are expensed as incurred with the exception of certain transition costs related to the set-up of processes, personnel and systems, which are deferred during the transition period and expensed evenly over the period outsourcing services are provided. The deferred costs are specific internal costs or incremental external costs directly related to transition or set-up activities necessary to enable the outsourced services. Generally, deferred amounts are protected in the event of early termination of the contract and are monitored regularly for impairment. Impairment losses are recorded when projected remaining undiscounted operating cash flows of the related contract are not sufficient to recover the carrying amount of contract assets. Deferred transition costs were $539,048 and $538,638 as of August 31, 2013 and 2012, respectively, and are included in Deferred contract costs. Amounts billable to the client for transition or set-up activities are deferred and recognized as revenue evenly over the period outsourcing services are provided. Deferred transition revenues were $515,578 and $551,364 as of August 31, 2013 and 2012, respectively, and are included in non-current Deferred revenues relating to contract costs. Contract acquisition and origination costs are expensed as incurred.

The Company enters into contracts that may consist of multiple elements. These contracts may include any combination of technology integration consulting services, non-technology integration consulting services or outsourcing services described above. Revenues for contracts with multiple elements are allocated based on the lesser of the element's relative selling price or the amount that is not contingent on future delivery of another element. The selling price of each element is determined by obtaining the vendor-specific objective evidence ("VSOE") of fair value of each element. VSOE of fair value is based on the price charged when the element is sold separately by the Company on a regular basis and not as part of a contract with multiple elements. If the amount of non-contingent revenues allocated to a delivered element accounted for under the percentage-of-completion method of accounting is less than the costs to deliver such services, then such costs are deferred and recognized in future periods when the revenues become non-contingent. Revenues are recognized in accordance with the Company's accounting policies for the separate elements, as described above. Elements qualify for separation when the services have value on a stand-alone basis, selling price of the separate elements exists and, in arrangements that include a general right of refund relative to the delivered element, performance of the undelivered element is considered probable and substantially in the Company's control. While determining fair value and identifying separate elements require judgment, generally fair value and the separate elements are readily identifiable as the Company also sells those elements unaccompanied by other elements.

Revenues recognized in excess of billings are recorded as Unbilled services. Billings in excess of revenues recognized are recorded as Deferred revenues until revenue recognition criteria are met.

Revenues before reimbursements ("net revenues") include the margin earned on computer hardware and software, as well as revenues from alliance agreements. Reimbursements include billings for travel and other out-of-pocket expenses and third-party costs, such as the cost of hardware and software resales. In addition, Reimbursements include allocations from gross billings to record an amount equivalent to reimbursable costs, where billings do not specifically identify reimbursable expenses. The Company reports revenues net of any revenue-based taxes assessed by governmental authorities that are imposed on and concurrent with specific revenue-producing transactions.

### Employee Share-Based Compensation Arrangements

Share-based compensation expense is recognized over the requisite service period for awards of equity instruments to employees based on the grant date fair value of those awards expected to ultimately vest. Forfeitures are estimated on the date of grant and revised if actual or expected forfeiture activity differs materially from original estimates.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

**Income Taxes**

The Company calculates and provides for income taxes in each of the tax jurisdictions in which it operates. Deferred tax assets and liabilities, measured using enacted tax rates, are recognized for the future tax consequences of temporary differences between the tax and financial statement bases of assets and liabilities. A valuation allowance reduces the deferred tax assets to the amount that is more likely than not to be realized. The Company establishes liabilities or reduces assets for uncertain tax positions when the Company believes those tax positions are not more likely than not of being sustained if challenged. Each fiscal quarter, the Company evaluates these uncertain tax positions and adjusts the related tax assets and liabilities in light of changing facts and circumstances.

**Translation of Non-U.S. Currency Amounts**

Assets and liabilities of non-U.S. subsidiaries whose functional currency is not the U.S. dollar are translated into U.S. dollars at fiscal year-end exchange rates. Revenue and expense items are translated at average foreign currency exchange rates prevailing during the fiscal year. Translation adjustments are included in Accumulated other comprehensive loss. Gains and losses arising from intercompany foreign currency transactions that are of a long-term investment nature are reported in the same manner as translation adjustments.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of all cash balances and liquid investments with original maturities of three months or less, including money market funds of $650,000 and $1,265,000 as of August 31, 2013 and 2012, respectively. Cash and cash equivalents also includes restricted cash of $45,132 and $27,982 as of August 31, 2013 and 2012, respectively, which primarily relates to cash held to meet certain insurance requirements. As a result of certain subsidiaries' cash management systems, checks issued but not presented to the banks for payment may create negative book cash payables. Such negative balances are classified as Current portion of long term debt and bank borrowings.

***Client Receivables, Unbilled Services and Allowances***

The Company records its client receivables and unbilled services at their face amounts less allowances. On a periodic basis, the Company evaluates its receivables and unbilled services and establishes allowances based on historical experience and other currently available information. As of August 31, 2013 and 2012, total allowances recorded for client receivables and unbilled services were $91,716 and $64,874, respectively. The allowance reflects the Company's best estimate of collectibility risks on outstanding receivables and unbilled services. In limited circumstances, the Company agrees to extend financing to certain clients. The terms vary by contract, but generally payment for services is contractually linked to the achievement of specified performance milestones.

**Concentrations of Credit Risk**

The Company's financial instruments, consisting primarily of cash and cash equivalents, foreign currency exchange rate instruments, client receivables and unbilled services, are exposed to concentrations of credit risk. The Company places its cash and cash equivalents and foreign exchange instruments with highly-rated financial institutions, limits the amount of credit exposure with any one financial institution and conducts ongoing evaluation of the credit worthiness of the financial institutions with which it does business. Client receivables are dispersed across many different industries and countries; therefore, concentrations of credit risk are limited.

**Investments**

All liquid investments with an original maturity greater than 90 days but less than one year are considered to be short-term investments. Investments with an original maturity greater than one year are considered to be long-term investments. Marketable short-term and long-term investments are classified and accounted for as available-for-sale investments. Available-for-sale investments are reported at fair value with changes in unrealized gains and losses recorded as a separate component of Accumulated other comprehensive loss until realized. Quoted market prices are used to determine the fair values of common equity and debt securities that were issued by publicly traded entities. Interest and amortization of premiums and discounts for debt securities are included in Interest income. Realized gains and losses on securities are determined based on the First In, First Out method and are included in Other (expense) income, net. The Company does not hold these investments for speculative or trading purposes.

(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

**Property and Equipment**

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation of property and equipment is computed on a straight-line basis over the following estimated useful lives:

| | |
|---|---|
| Buildings | 20 to 25 years |
| Computers, related equipment and software | 2 to 7 years |
| Furniture and fixtures | 5 to 10 years |
| Leasehold improvements | Lesser of lease term or 15 years |

**Long-Lived Assets**

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. Recoverability of long-lived assets or groups of assets is assessed based on a comparison of the carrying amount to the estimated future net cash flows. If estimated future undiscounted net cash flows are less than the carrying amount, the asset is considered impaired and expense is recorded at an amount required to reduce the carrying amount to fair value.

**Operating Expenses**

Selected components of operating expenses were as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| Training costs | $ 878,108 | $ 857,574 | $ 810,387 |
| Research and development costs | 715,094 | 559,611 | 481,970 |
| Advertising costs | 90,310 | 81,640 | 81,420 |
| Provision for (release of) doubtful accounts (1) | 32,238 | (204) | (24,361) |

(1) For additional information, see "—Client Receivables, Unbilled Services and Allowances."

***Recently Adopted Accounting Pronouncements***

In August 2013, the Company early adopted guidance issued by the Financial Accounting Standards Board ("FASB") which requires enhanced disclosures in the notes to the consolidated financial statements to present separately, by item, reclassifications out of accumulated other comprehensive income (loss). The early adoption of this guidance did not have a material impact on the Consolidated Financial Statements. For additional information related to the reclassifications out of accumulated other comprehensive income (loss), see Note 4 (Accumulated Other Comprehensive Loss) to these Consolidated Financial Statements.

In September 2012, the Company adopted guidance issued by the FASB, which requires companies to present net income and other comprehensive income in either one continuous statement or in two separate but consecutive statements. The adoption of this guidance resulted in a change in the presentation of the components of comprehensive income, which are now presented in the Consolidated Statements of Comprehensive Income rather than in the Consolidated Shareholders' Equity Statements.

In September 2011, the FASB issued guidance on testing goodwill for impairment. The new guidance provides an entity the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If an entity determines that this is the case, it is required to perform the prescribed two-step goodwill impairment test to identify potential goodwill impairment and measure the amount of goodwill impairment to be recognized for that reporting unit (if any). If an entity determines that the fair value of a reporting unit is greater than its carrying amount, the two-step goodwill impairment test is not required. The Company adopted this new guidance for its fiscal 2013 annual goodwill impairment test. The adoption of this guidance did not have a material impact on the Consolidated Financial Statements.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 2. EARNINGS PER SHARE

Basic and diluted earnings per share were calculated as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| **Basic Earnings per share** | | | |
| Net income attributable to Accenture plc | $ 3,281,878 | $ 2,553,510 | $ 2,277,677 |
| Basic weighted average Class A ordinary shares | 645,536,995 | 643,132,601 | 645,631,170 |
| Basic earnings per share | $ 5.08 | $ 3.97 | $ 3.53 |
| **Diluted Earnings per share** | | | |
| Net income attributable to Accenture plc | $ 3,281,878 | $ 2,553,510 | $ 2,277,677 |
| Net income attributable to noncontrolling interests in Accenture SCA and Accenture Canada Holdings Inc. (1) | 234,398 | 237,520 | 243,575 |
| Net income for diluted earnings per share calculation | $ 3,516,276 | $ 2,791,030 | $ 2,521,252 |
| Basic weighted average Class A ordinary shares | 645,536,995 | 643,132,601 | 645,631,170 |
| Class A ordinary shares issuable upon redemption/exchange of noncontrolling interests (1) | 46,212,252 | 59,833,742 | 69,326,725 |
| Diluted effect of employee compensation related to Class A ordinary shares (2) | 20,843,994 | 23,917,121 | 28,122,887 |
| Diluted effect of share purchase plans related to Class A ordinary shares | 170,375 | 127,595 | 130,530 |
| Diluted weighted average Class A ordinary shares (2) | 712,763,616 | 727,011,059 | 743,211,312 |
| Diluted earnings per share (2) | $ 4.93 | $ 3.84 | $ 3.39 |

(1) Diluted earnings per share assumes the redemption of all Accenture SCA Class I common shares owned by holders of noncontrolling interests and the exchange of all Accenture Canada Holdings Inc. exchangeable shares for Accenture plc Class A ordinary shares, on a one-for-one basis. The income effect does not take into account "Net income attributable to noncontrolling interests—other," since those shares are not redeemable or exchangeable for Accenture plc Class A ordinary shares.

(2) Fiscal 2012 and 2011 diluted weighted average Accenture plc Class A ordinary shares and earnings per share amounts have been restated to reflect the impact of the issuance of additional restricted share units to holders of restricted share units in connection with the fiscal 2013 payment of cash dividends. This did not result in a change to previously reported Diluted earnings per share.

**ACCENTURE PLC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)**
**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

## 3. REORGANIZATION (BENEFITS) COSTS, NET

In fiscal 2001, the Company accrued reorganization liabilities in connection with its transition to a corporate structure. These included liabilities for certain individual income tax exposures related to the transfer of interests in certain entities to the Company as part of the reorganization. The Company has recorded reorganization expense and the related liability where such liabilities are probable. Interest accruals are made to cover reimbursement of interest on such tax assessments.

The Company's reorganization activity was as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| Reorganization liability, beginning of period | $ 268,806 | $ 307,286 | $ 271,907 |
| Final determinations | (273,945) | — | — |
| Interest expense accrued | 1,903 | 1,691 | 1,520 |
| Other adjustments | 3,532 | — | (3,873) |
| Foreign currency translation | 18,165 | (40,171) | 37,732 |
| Reorganization liability, end of period | $ 18,461 | $ 268,806 | $ 307,286 |

As a result of final determinations, certain reorganization liabilities established in connection with the Company's transition to a corporate structure in 2001 are no longer probable. Accordingly, the Company recorded reorganization benefits of $273,945 during fiscal 2013. These benefits were partially offset by interest expense associated with carrying these liabilities of $1,903. As of August 31, 2013, reorganization liabilities of $5,080 were included in Other accrued liabilities because expirations of statutes of limitations or other final determinations could occur within 12 months, and reorganization liabilities of $13,381 were included in Other non-current liabilities. Final resolution, through settlement, conclusion of legal proceedings or a tax authority's decision not to pursue a claim, will result in payment by the Company of amounts in settlement or judgment of these matters and/or recording of a reorganization benefit or cost in the Company's Consolidated Income Statement. As of August 31, 2013, only a small number of countries remain that have active audits/investigations or open statutes of limitations.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 4. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive loss attributable to Accenture plc:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| **Foreign currency translation** | | | |
| Beginning balance | $ (156,010) | $ 147,770 | $ (44,638) |
| Foreign currency translation | (280,128) | (334,750) | 224,805 |
| Income tax benefit (expense) | 4,603 | 3,491 | (6,432) |
| Portion attributable to noncontrolling interests | 17,134 | 27,479 | (25,965) |
| Foreign currency translation, net of tax | (258,391) | (303,780) | 192,408 |
| Ending balance | (414,401) | (156,010) | 147,770 |
| **Defined benefit plans** | | | |
| Beginning balance | (502,742) | (313,520) | (345,225) |
| Actuarial gains (losses) | 162,975 | (366,711) | 17,859 |
| Prior service costs arising during the period | (45,653) | — | — |
| Reclassifications into net periodic pension and post-retirement expense (1) | 33,393 | 28,070 | 38,114 |
| Income tax (expense) benefit | (68,300) | 132,764 | (21,171) |
| Portion attributable to noncontrolling interests | (5,077) | 16,655 | (3,097) |
| Defined benefit plans, net of tax | 77,338 | (189,222) | 31,705 |
| Ending balance | (425,404) | (502,742) | (313,520) |
| **Cash flow hedges** | | | |
| Beginning balance | (19,402) | 32,354 | 4,340 |
| Unrealized (losses) gains | (365,203) | (146,532) | 72,066 |
| Reclassification adjustments into Cost of services | 49,954 | 55,068 | (21,753) |
| Income tax benefit (expense) | 109,005 | 35,152 | (19,562) |
| Portion attributable to noncontrolling interests | 12,705 | 4,556 | (2,737) |
| *Cash flow hedges, net of tax* | (193,539) | (51,756) | 28,014 |
| Ending balance | (212,941) | (19,402) | 32,354 |
| **Marketable securities** | | | |
| Beginning balance | 6 | (984) | (769) |
| Unrealized gains (losses) | — | 142 | (236) |
| Reclassification adjustments into Other (expense) income, net | (5) | 935 | — |
| Portion attributable to noncontrolling interests | (1) | (87) | 21 |
| Marketable securities, net of tax | (6) | 990 | (215) |
| Ending balance | — | 6 | (984) |
| **Accumulated other comprehensive loss** | $ (1,052,746) | $ (678,148) | $ (134,380) |

(1) Reclassifications into net periodic pension and post-retirement expense are recognized in Cost of services, Sales & marketing and General & administrative costs.

**ACCENTURE PLC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)**
**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

## 5. PROPERTY AND EQUIPMENT

The components of Property and equipment, net were as follows:

| | August 31, | |
|---|---|---|
| | 2013 | 2012 |
| Buildings and land | $ 3,502 | $ 3,296 |
| Computers, related equipment and software | 1,379,731 | 1,356,950 |
| Furniture and fixtures | 307,199 | 313,370 |
| Leasehold improvements | 697,454 | 654,134 |
| Property and equipment, gross | 2,387,886 | 2,327,750 |
| Total accumulated depreciation | (1,608,211) | (1,548,256) |
| Property and equipment, net | $ 779,675 | $ 779,494 |

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 6. BUSINESS COMBINATIONS AND GOODWILL

On July 8, 2013, the Company acquired Acquity Group Ltd. ("Acquity"), a provider of strategy, digital marketing and technical services, for $282,985, net of cash acquired. This acquisition expanded Accenture's range of digital marketing services and resulted in more than 600 Acquity employees joining Accenture. In connection with this acquisition, the Company recorded goodwill of $215,979, which was allocated to the Products, Communication, Media & Technology and Financial Services reportable segments, and intangible assets of $55,972, primarily related to customer relationships and technology-related assets. The goodwill is not deductible for U.S. federal income tax purposes. The intangible assets are being amortized over one to ten years. The pro forma effects on the Company's operations were not material.

During fiscal 2013, the Company also completed other individually immaterial acquisitions, including a provider of clinical and regulatory information management solutions and software for the pharmaceutical industry and a provider of loan origination software and electronic document management services, for total consideration of $521,003. These acquisitions were completed primarily to expand the Company's products and services offerings. In connection with these acquisitions, the Company recorded goodwill of $405,151, which was allocated among the reportable operating segments, and intangible assets of $122,012, primarily related to customer relationships and technology-related assets. Goodwill also included immaterial adjustments related to prior period acquisitions and is not deductible for U.S. federal income tax purposes. The intangible assets are being amortized over one to fifteen years. The pro forma effects on the Company's operations were not material.

During fiscal 2012, the Company completed several individually immaterial acquisitions, including a provider of residential and commercial mortgage processing services, for total consideration of $174,383. In connection with these acquisitions, the Company recorded goodwill of $123,817, which was allocated among the reportable operating segments, and intangible assets of $57,732, primarily related to customer relationships. Goodwill also included immaterial adjustments related to prior period acquisitions. The intangible assets are being amortized over three to seven years. The pro forma effects on the Company's operations were not material.

During fiscal 2011, the Company completed several individually immaterial acquisitions, including a provider of software solutions for the property and casualty insurance industry, for total consideration of $306,187. In connection with these acquisitions, the Company recorded goodwill of $254,975, which was allocated among the reportable operating segments, and intangible assets of $81,735, primarily related to customer relationships and intellectual property. The intangible assets are being amortized over a period of less than one to fifteen years. The pro forma effects on the Company's operations were not material.

Goodwill is reviewed for impairment annually or more frequently if indicators of impairment exist. Based on the results of its annual impairment analysis, the Company determined that no impairment existed as of August 31, 2013 and 2012.

The changes in the carrying amount of goodwill by reportable operating segment were as follows:

| | August 31, 2011 | Additions/ Adjustments | Foreign Currency Translation | August 31, 2012 | Additions/ Adjustments | Foreign Currency Translation | August 31, 2013 |
|---|---|---|---|---|---|---|---|
| Communications, Media & Technology | $ 173,867 | $ 2,298 | $ (7,752) | $ 168,413 | $ 69,879 | $ (3,848) | $ 234,444 |
| Financial Services | 304,720 | 112,733 | (9,497) | 407,956 | 182,800 | (8,107) | 582,649 |
| Health & Public Service | 286,158 | 1,322 | (2,147) | 285,333 | 10,287 | (576) | 295,044 |
| Products | 278,929 | 5,241 | (13,992) | 270,178 | 347,847 | (1,017) | 617,008 |
| Resources | 88,317 | 3,147 | (7,961) | 83,503 | 9,988 | (4,050) | 89,441 |
| Total | $ 1,131,991 | $ 124,741 | $ (41,349) | $ 1,215,383 | $ 620,801 | $ (17,598) | $ 1,818,586 |

## 7. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business, the Company uses derivative financial instruments to manage foreign currency exchange rate risk. Derivative transactions are governed by a uniform set of policies and procedures covering areas such as authorization, counterparty exposure and hedging practices. Positions are monitored using techniques such as market value and sensitivity analyses. The Company does not enter into derivative transactions for trading purposes. The Company classifies cash flows from its derivative programs as cash flows from operating activities in the Consolidated Cash Flows Statement.

Certain derivatives also give rise to credit risks from the possible non-performance by counterparties. Credit risk is generally limited to the fair value of those contracts that are favorable to the Company, and the maximum amount of loss due to credit risk, based on the gross fair value of all of the Company's derivative financial instruments, was approximately $4,805 as of August 31, 2013.

The Company also utilizes standard counterparty master agreements containing provisions for the netting of certain foreign currency transaction obligations and for set-off of certain obligations in the event of an insolvency of one of the parties to the transaction. These provisions may reduce the Company's potential overall loss resulting from the insolvency of a counterparty and reduce a counterparty's potential overall loss resulting from the insolvency of the Company. Additionally, these agreements contain early termination provisions triggered by adverse changes in a counterparty's credit rating, thereby enabling the Company to accelerate settlement of a transaction prior to its contractual maturity and potentially decrease the Company's realized loss on an open transaction. Similarly, a decrement in the Company's credit rating could trigger a counterparty's early termination rights, thereby enabling a counterparty to accelerate settlement of a transaction prior to its contractual maturity and potentially increase the Company's realized loss on an open transaction. The aggregate fair value of the Company's derivative instruments with credit-risk-related contingent features that are in a liability position as of August 31, 2013 was $418,697.

The Company's derivative financial instruments consist of deliverable and non-deliverable foreign currency forward contracts. Fair values for derivative financial instruments are based on prices computed using third-party valuation models and are classified as Level 2 in accordance with the three-level hierarchy of fair value measurements. All of the significant inputs to the third-party valuation models are observable in active markets. Inputs include current market-based parameters such as forward rates, yield curves and credit default swap pricing. For additional information related to the three-level hierarchy of fair value measurements, see Note 10 (Retirement and Profit Sharing Plans) to these Consolidated Financial Statements.

### Cash Flow Hedges

Certain of the Company's subsidiaries are exposed to currency risk through their use of resources supplied by the Company's Global Delivery Network. To mitigate this risk, the Company uses foreign currency forward contracts to hedge the foreign exchange risk of the forecasted intercompany expenses denominated in foreign currencies for up to three years in the future. The Company has designated these derivatives as cash flow hedges. As of August 31, 2013 and 2012, the Company held no derivatives that were designated as fair value or net investment hedges.

In order for a derivative to qualify for hedge accounting, the derivative must be formally designated as a fair value, cash flow or net investment hedge by documenting the relationship between the derivative and the hedged item. The documentation includes a description of the hedging instrument, the hedge item, the risk being hedged, the Company's risk management objective and strategy for undertaking the hedge, the method for assessing the effectiveness of the hedge and the method for measuring hedge ineffectiveness. Additionally, the hedge relationship must be expected to be highly effective at offsetting changes in either the fair value or cash flows of the hedged item at both inception of the hedge and on an ongoing basis. The Company assesses the ongoing effectiveness of its hedges using the Hypothetical Derivative Method, which measures hedge ineffectiveness based on a comparison of the change in fair value of the actual derivative designated as the hedging instrument and the change in fair value of a hypothetical derivative. The hypothetical derivative would have terms that identically match the critical terms of the hedged item. The Company measures and records hedge ineffectiveness at the end of each fiscal quarter.

For a cash flow hedge, the effective portion of the change in estimated fair value of a hedging instrument is recorded in Accumulated other comprehensive loss as a separate component of Shareholders' Equity and is reclassified into Cost of services in the Consolidated Income Statement during the period in which the hedged transaction is recognized. The amounts related to derivatives designated as cash flow hedges that were reclassified into Cost of services were a net loss of $49,954 and $55,068 during fiscal 2013 and 2012, respectively, and a net gain of $21,753 during fiscal 2011. The ineffective portion of the change in fair value of a cash flow hedge is recognized immediately in Other (expense) income, net in the Consolidated Income Statement and for fiscal 2013, 2012 and 2011, was not material. In addition, the Company did not discontinue any cash flow hedges during fiscal 2013, 2012 and 2011. As of August 31, 2013, $177,201 of net unrealized losses related to derivatives designated as cash flow hedges and recorded in Accumulated other comprehensive loss is expected to be reclassified into earnings in the next 12 months.

**ACCENTURE PLC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)**
**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

### Other Derivatives

The Company also uses foreign currency forward contracts, which have not been designated as hedges, to hedge balance sheet exposures, such as intercompany loans. These instruments are generally short-term in nature, with typical maturities of less than one year, and are subject to fluctuations in foreign exchange rates. Realized gains or losses and changes in the estimated fair value of these derivatives were a net loss of $142,432 and $153,913 for fiscal 2013 and 2012, respectively. Gains and losses on these contracts are recorded in Other (expense) income, net in the Consolidated Income Statement and are offset by gains and losses on the related hedged items.

### Fair Value of Derivative Instruments

The notional and fair values of all derivative instruments were as follows:

| | August 31, 2013 | August 31, 2012 |
|---|---|---|
| **Assets** | | |
| **Cash Flow Hedges** | | |
| Other current assets | $ — | $ 15,392 |
| Other non-current assets | — | 36,106 |
| **Other Derivatives** | | |
| Other current assets | 4,805 | 9,988 |
| Total assets | $ 4,805 | $ 61,486 |
| **Liabilities** | | |
| **Cash Flow Hedges** | | |
| Other accrued liabilities | $ 187,525 | $ 59,458 |
| Other non-current liabilities | 159,155 | 23,471 |
| **Other Derivatives** | | |
| Other accrued liabilities | 72,017 | 11,147 |
| Total liabilities | $ 418,697 | $ 94,076 |
| Total fair value | $ (413,892) | $ (32,590) |
| Total notional value | $ 5,499,224 | $ 4,853,191 |

(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 8. BORROWINGS AND INDEBTEDNESS

As of August 31, 2013, the Company had the following borrowing facilities, including the issuance of letters of credit, to support general working capital purposes:

| | Facility Amount | Borrowings Under Facilities |
|---|---|---|
| Syndicated loan facility (1) | $ 1,000,000 | $ — |
| Separate, uncommitted, unsecured multicurrency revolving credit facilities (2) | 507,899 | — |
| Local guaranteed and non-guaranteed lines of credit (3) | 170,138 | — |
| Total | $ 1,678,037 | $ — |

(1) This facility, which matures on October 31, 2016, provides unsecured, revolving borrowing capacity for general working capital purposes, including the issuance of letters of credit. Financing is provided under this facility at the prime rate or at the London Interbank Offered Rate plus a spread. The Company continues to be in compliance with relevant covenant terms. The facility is subject to annual commitment fees. As of August 31, 2013 and 2012, the Company had no borrowings under the facility.

(2) The Company maintains separate, uncommitted and unsecured multicurrency revolving credit facilities. These facilities provide local currency financing for the majority of the Company's operations. Interest rate terms on the revolving facilities are at market rates prevailing in the relevant local markets. As of August 31, 2013 and 2012, the Company had no borrowings under these facilities.

(3) The Company also maintains local guaranteed and non-guaranteed lines of credit for those locations that cannot access the Company's global facilities. As of August 31, 2013 and 2012, the Company had no borrowings under these various facilities.

Under the borrowing facilities described above, the Company had an aggregate of $179,186 and $164,121 of letters of credit outstanding as of August 31, 2013 and 2012, respectively. In addition, the Company also had total outstanding debt of $25,600 and $33 as of August 31, 2013 and 2012, respectively.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 9. INCOME TAXES

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| **Current taxes** | | | |
| U.S. federal(1) | $ 155,090 | $ 118,498 | $ 334,400 |
| U.S. state and local(1) | 3,425 | 16,754 | 46,878 |
| Non-U.S. | 835,934 | 887,008 | 747,762 |
| Total current tax expense | 994,449 | 1,022,260 | 1,129,040 |
| **Deferred taxes** | | | |
| U.S. federal(1) | (12,912) | 161,093 | (8,229) |
| U.S. state and local(1) | 795 | 27,362 | (1,140) |
| Non-U.S. | (197,557) | (131,474) | (160,889) |
| Total deferred tax (benefit) expense | (209,674) | 56,981 | (170,258) |
| Total | $ 784,775 | $ 1,079,241 | $ 958,782 |

(1) The fiscal 2012 U.S. federal and U.S. state and local current and deferred tax expense reflects the impact of a discretionary cash contribution of $500,000 made to the Company's U.S. defined benefit pension plan during fiscal 2013.

The components of Income before income taxes were as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| U.S. sources | $ 1,043,810 | $ 748,177 | $ 719,315 |
| Non-U.S. sources | 3,295,484 | 3,155,997 | 2,792,707 |
| Total | $ 4,339,294 | $ 3,904,174 | $ 3,512,022 |

The reconciliation of the U.S. federal statutory income tax rate to the Company's effective income tax rate was as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| U.S. federal statutory income tax rate | 35.0 % | 35.0 % | 35.0 % |
| U.S. state and local taxes, net | 1.1 | 1.0 | 0.9 |
| Non-U.S. operations taxed at lower rates | (13.1) | (13.7) | (14.6) |
| Reorganization final determinations (1) | (2.2) | — | — |
| Other final determinations (1) | (8.2) | (8.6) | (0.6) |
| Other net activity in unrecognized tax benefits | 3.8 | 9.4 | 4.8 |
| Other, net | 1.7 | 4.5 | 1.8 |
| Effective income tax rate | 18.1 % | 27.6 % | 27.3 % |

(1) Final determinations include final agreements with tax authorities and expirations of statutes of limitations.

The effect on deferred tax assets and liabilities of enacted changes in tax laws and tax rates did not have a material impact on the Company's effective tax rate.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

The components of the Company's deferred tax assets and liabilities included the following:

| | August 31, 2013 | August 31, 2012 |
|---|---|---|
| **Deferred tax assets** | | |
| Pensions | $ 127,515 | $ 165,216 |
| Revenue recognition | 97,361 | 89,420 |
| Compensation and benefits | 498,035 | 440,768 |
| Share-based compensation | 217,990 | 239,326 |
| Tax credit carryforwards | 94,417 | 137,904 |
| Net operating loss carryforwards | 197,691 | 176,649 |
| Depreciation and amortization | 46,185 | 55,182 |
| Deferred amortization deductions | 393,392 | 244,103 |
| Indirect effects of unrecognized tax benefits | 357,093 | 316,776 |
| Derivatives | 120,229 | 11,482 |
| Other | 99,182 | 94,308 |
| | 2,249,090 | 1,971,134 |
| Valuation allowance | (204,561) | (221,015) |
| Total deferred tax assets | 2,044,529 | 1,750,119 |
| **Deferred tax liabilities** | | |
| Revenue recognition | (71,907) | (56,429) |
| Depreciation and amortization | (128,106) | (96,833) |
| Investments in subsidiaries | (159,910) | (174,943) |
| Other | (69,971) | (54,877) |
| Total deferred tax liabilities | (429,894) | (383,082) |
| Net deferred tax assets | $ 1,614,635 | $ 1,367,037 |

The Company recorded valuation allowances of $204,561 and $221,015 as of August 31, 2013 and 2012, respectively, against deferred tax assets principally associated with certain tax net operating loss and tax credit carryforwards, as the Company believes it is more likely than not that these assets will not be realized. For all other deferred tax assets, the Company believes it is more likely than not that the results of future operations will generate sufficient taxable income to realize these deferred tax assets. During fiscal 2013, the Company recorded a net decrease of $16,454 in the valuation allowance, primarily due to the realization of foreign tax credits.

The Company had net operating loss carryforwards as of August 31, 2013 of $724,484. Of this amount, $142,937 expires between 2014 and 2023, $30,061 expires between 2024 and 2033, and $551,486 has an indefinite carryforward period. The Company had tax credit carryforwards as of August 31, 2013 of $94,417, of which $26,269 will expire between 2014 and 2023, $10,405 will expire between 2024 and 2033, and $57,743 has an indefinite carryforward period.

As of August 31, 2013, the Company had $1,263,070 of unrecognized tax benefits, of which $647,208, if recognized, would favorably affect the Company's effective tax rate. As of August 31, 2012, the Company had $1,604,745 of unrecognized tax benefits, of which $813,721, if recognized, would favorably affect the Company's effective tax rate. The differences of $615,862 and $791,024, respectively, represent items recorded as adjustments to equity and offsetting tax benefits associated with the correlative effects of potential transfer pricing adjustments, state income taxes and timing adjustments.

**ACCENTURE PLC**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)**
**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

A reconciliation of the beginning and ending amounts of unrecognized tax benefits was as follows:

| | Fiscal | |
|---|---|---|
| | 2013 | 2012 |
| Balance, at beginning of period | $ 1,604,745 | $ 1,645,831 |
| Additions for tax positions related to the current year | 171,133 | 271,305 |
| Additions for tax positions related to prior years | 124,372 | 328,210 |
| Reductions for tax positions related to prior years | (533,570) | (458,767) |
| Statute of limitations expirations | (67,891) | (26,766) |
| Settlements with tax authorities | (36,218) | (112,520) |
| Cumulative foreign currency translation | 499 | (42,548) |
| Balance, at end of period | $ 1,263,070 | $ 1,604,745 |

The Company recognizes interest and penalties related to unrecognized tax benefits in the Provision for income taxes. During fiscal 2013, 2012 and 2011, the Company recognized (benefit) expense of $(46,602), $(98,765) and $59,950 in interest and penalties, respectively. The Company had accrued interest and penalties related to unrecognized tax benefits of $119,937 ($100,939, net of tax benefits) and $171,556 ($125,993, net of tax benefits) on the Company's Consolidated Balance Sheets as of August 31, 2013 and 2012, respectively.

The Company is currently under audit by the U.S. Internal Revenue Service for fiscal 2010 to 2011. The audit by the U.S. Internal Revenue Service for fiscal 2006 to 2009 closed during fiscal 2013. The Company is also currently under audit in numerous state and non-U.S. tax jurisdictions. Although the outcome of tax audits is always uncertain and could result in significant cash tax payments, the Company does not believe the outcome of these audits will have a material adverse effect on the Company's consolidated financial position or results of operations. With limited exceptions, the Company is no longer subject to income tax audits by taxing authorities for the years before 2006. The Company believes that it is reasonably possible that its unrecognized tax benefits could decrease by approximately $732,000 or increase by approximately $112,000 in the next 12 months as a result of settlements, lapses of statutes of limitations and other adjustments. The majority of these amounts relate to transfer pricing matters in both U.S. and non-U.S. tax jurisdictions.

As of August 31, 2013, the Company had not recognized a deferred tax liability on $2,847,544 of undistributed earnings for certain foreign subsidiaries, because these earnings are intended to be permanently reinvested. If such earnings were distributed, some countries may impose additional taxes. It is not practicable to determine the amount of the related unrecognized deferred income tax liability.

Portions of the Company's operations are subject to reduced tax rates or are free of tax under various tax holidays which expire between fiscal 2014 and 2017. Some of the holidays are renewable at reduced levels, with renewal periods through 2027. The income tax benefits attributable to the tax status of these subsidiaries were estimated to be approximately $84,000, $84,000 and $72,000 in fiscal 2013, 2012 and 2011, respectively.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 10. RETIREMENT AND PROFIT SHARING PLANS

### Defined Benefit Pension Plans

In the United States and certain other countries, the Company maintains and administers defined benefit retirement plans for certain current, retired and resigned employees. In addition, the Company's U.S. defined benefit pension plans include a frozen plan for former pre-incorporation partners, which is unfunded. Benefits under the employee retirement plans are primarily based on years of service and compensation during the years immediately preceding retirement or termination of participation in the plan. The defined benefit pension disclosures include the Company's U.S. and material non-U.S. defined benefit pension plans.

### Postemployment Plans

Certain postemployment benefits, including severance benefits, disability-related benefits and continuation of benefits, such as healthcare benefits and life insurance coverage, are provided to former or inactive employees after employment but before retirement. These costs are not material and are substantially provided for on an accrual basis.

### Assumptions

The weighted-average assumptions used to determine the defined benefit pension obligations as of August 31 and the net periodic pension expense for the subsequent year were as follows:

| | August 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2013 | | 2012 | | 2011 | |
| | U.S. Plans | Non-U.S. Plans | U.S. Plans | Non-U.S. Plans | U.S. Plans | Non-U.S. Plans |
| Discount rate | 5.00% | 4.18% | 4.00% | 4.23% | 5.25% | 4.99% |
| Expected rate of return on plan assets | 5.50% | 4.79% | 5.50% | 4.72% | 7.50% | 5.12% |
| Rate of increase in future compensation | 3.60% | 3.79% | 4.00% | 3.81% | 4.00% | 4.03% |

The Company's methodology for selecting the discount rate for the U.S. Plans is to match the plans' cash flows to that of the average of two yield curves that provide the equivalent yields on zero-coupon corporate bonds for each maturity. The discount rate assumption for the non-U.S. Plans primarily reflects the market rate for high-quality, fixed-income debt instruments. The discount rate assumptions are based on the expected duration of the benefit payments for each of the Company's defined benefit pension plans as of the annual measurement date and is subject to change each year. The expected long-term rate of return on plan assets should, over time, approximate the actual long-term returns on defined benefit pension plan assets and is based on historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the asset portfolio.

### Pension Expense

Pension expense for fiscal 2013, 2012 and 2011 was $91,771, $102,555 and $110,332 respectively.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

**Benefit Obligation, Plan Assets and Funded Status**

The changes in the defined benefit pension obligations, plan assets and funded status for fiscal 2013 and 2012 were as follows:

| | August 31, | | | |
|---|---|---|---|---|
| | 2013 | | 2012 | |
| | U.S. Plans | Non-U.S. Plans | U.S. Plans | Non-U.S. Plans |
| **Reconciliation of benefit obligation** | | | | |
| Benefit obligation, beginning of year | $ 1,881,544 | $ 1,145,964 | $ 1,433,884 | $ 1,046,251 |
| Service cost | 11,472 | 60,173 | 11,437 | 53,086 |
| Interest cost | 74,664 | 47,042 | 74,403 | 47,800 |
| Participant contributions | — | 5,792 | — | 7,058 |
| Acquisitions/divestitures/transfers | — | (34) | — | 7,211 |
| Amendments | — | (3,120) | — | — |
| Curtailments | — | (471) | — | — |
| Actuarial (gain) loss | (317,291) | 47,699 | 395,636 | 94,896 |
| Benefits paid | (36,295) | (38,899) | (33,816) | (30,710) |
| Exchange rate impact | — | (32,569) | — | (79,628) |
| Benefit obligation, end of year | $ 1,614,094 | $ 1,231,577 | $ 1,881,544 | $ 1,145,964 |
| **Reconciliation of fair value of plan assets** | | | | |
| Fair value of plan assets, beginning of year | $ 1,185,961 | $ 846,494 | $ 1,006,507 | $ 779,754 |
| Actual return on plan assets | (95,320) | 78,312 | 202,018 | 67,724 |
| Acquisitions/divestitures/transfers | — | — | — | 6,935 |
| Employer contributions (1) | 511,418 | 55,490 | 11,252 | 55,052 |
| Participant contributions | — | 5,792 | — | 7,058 |
| Benefits paid | (36,295) | (38,899) | (33,816) | (30,710) |
| Exchange rate impact | — | (33,895) | — | (39,319) |
| Fair value of plan assets, end of year | $ 1,565,764 | $ 913,294 | $ 1,185,961 | $ 846,494 |
| Funded status, end of year | $ (48,330) | $ (318,283) | $ (695,583) | $ (299,470) |
| **Amounts recognized in the Consolidated Balance Sheets** | | | | |
| Non-current assets | $ 91,316 | $ 59,758 | $ — | $ 30,365 |
| Current liabilities | (11,570) | (9,511) | (11,709) | (8,953) |
| Non-current liabilities | (128,076) | (368,530) | (683,874) | (320,882) |
| Funded status, end of year | $ (48,330) | $ (318,283) | $ (695,583) | $ (299,470) |

(1) The Company made a discretionary cash contribution of $500,000 to its U.S. defined benefit pension plan during fiscal 2013.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

**Accumulated Other Comprehensive Loss**

2012 was as follows:

| | August 31, 2013 U.S. Plans | August 31, 2013 Non-U.S. Plans | August 31, 2012 U.S. Plans | August 31, 2012 Non-U.S. Plans |
|---|---|---|---|---|
| Net actuarial loss | $ 456,347 | $ 193,503 | $ 607,011 | $ 203,608 |
| Prior service (credit) cost | — | (14,275) | 3 | (15,281) |
| Accumulated other comprehensive loss, pre-tax | $ 456,347 | $ 179,228 | $ 607,014 | $ 188,327 |

The estimated amounts that will be amortized from Accumulated other comprehensive loss as of August 31, 2013 into net periodic pension expense during fiscal 2014 are as follows:

| | U.S. Plans | Non-U.S. Plans |
|---|---|---|
| Actuarial loss | $ 10,003 | $ 9,467 |
| Prior service credit | — | (2,719) |
| Total | $ 10,003 | $ 6,748 |

**Funded Status for Defined Benefit Plans**

The accumulated benefit obligation as of August 31, 2013 and 2012 was as follows:

| | August 31, 2013 U.S. Plans | August 31, 2013 Non-U.S. Plans | August 31, 2012 U.S. Plans | August 31, 2012 Non-U.S. Plans |
|---|---|---|---|---|
| Accumulated benefit obligation | $ 1,603,868 | $ 1,134,505 | $ 1,867,820 | $ 1,046,280 |

The following information is provided for defined benefit pension plans with projected benefit obligations in excess of plan assets and for plans with accumulated benefit obligations in excess of plan assets as of August 31, 2013 and 2012:

| | August 31, 2013 U.S. Plans | August 31, 2013 Non-U.S. Plans | August 31, 2012 U.S. Plans | August 31, 2012 Non-U.S. Plans |
|---|---|---|---|---|
| **Projected benefit obligation in excess of plan assets** | | | | |
| Projected benefit obligation | $ 139,646 | $ 484,162 | $ 1,881,544 | $ 672,195 |
| Fair value of plan assets | — | 106,120 | 1,185,961 | 342,361 |

| | August 31, 2013 U.S. Plans | August 31, 2013 Non-U.S. Plans | August 31, 2012 U.S. Plans | August 31, 2012 Non-U.S. Plans |
|---|---|---|---|---|
| **Accumulated benefit obligation in excess of plan assets** | | | | |
| Accumulated benefit obligation | $ 139,646 | $ 403,788 | $ 1,867,820 | $ 436,499 |
| Fair value of plan assets | — | 81,416 | 1,185,961 | 178,600 |

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

### Investment Strategies

***U.S. Pension Plans***

The overall investment objective of the plans is to provide growth in the defined benefit pension plans' assets to help fund future defined benefit pension obligations while managing risk in order to meet current defined benefit pension obligations. The plans' future prospects, their current financial conditions, the Company's current funding levels and other relevant factors suggest that the plans can tolerate some interim fluctuations in market value and rates of return in order to achieve long-term objectives without undue risk to the plans' ability to meet their current benefit obligations. The Company recognizes that asset allocation of the defined benefit pension plans' assets is an important factor in determining long-term performance. Actual asset allocations at any point in time may vary from the target asset allocations and will be dictated by current and anticipated market conditions, required cash flows and investment decisions of the investment committee and the pension plans' investment funds and managers. Ranges are established to provide flexibility for the asset allocation to vary around the targets without the need for immediate rebalancing.

***Non-U.S. Pension Plans***

Plan assets in non-U.S. defined benefit pension plans conform to the investment policies and procedures of each plan and to relevant legislation. The pension committee or trustee of each plan regularly, but at least annually, reviews the investment policy and the performance of the investment managers. In certain countries, the trustee is also required to consult with the Company. Asset allocation decisions are made to provide risk adjusted returns that align with the overall investment strategy for each plan. Generally, the investment return objective of each plan is to achieve a total annualized rate of return that exceeds inflation over the long term by an amount based on the target asset allocation mix of that plan. In certain countries, plan assets are invested in funds that are required to hold a majority of assets in bonds, with a smaller proportion in equities. Also, certain plan assets are entirely invested in contracts held with the plan insurer, which determines the strategy. Defined benefit pension plans in certain countries are unfunded.

***Risk Management***

Plan investments are exposed to certain risks including market, interest rate and operating risk. In order to mitigate significant concentrations of these risks, the assets are invested in a diversified portfolio primarily consisting of fixed income instruments and equities. To minimize asset volatility relative to the liabilities, plan assets allocated to debt securities appropriately match the duration of individual plan liabilities. Equities are diversified between U.S. and non-U.S. index funds and are intended to achieve long term capital appreciation. Plan asset allocation and investment managers' guidelines are reviewed on a regular basis.

### Plan Assets

The Company's target allocation for fiscal 2014 and weighted-average plan assets allocations as of August 31, 2013 and 2012 by asset category, for defined benefit pension plans were as follows:

| | 2014 Target Allocation | | 2013 | | 2012 | |
|---|---|---|---|---|---|---|
| | U.S. Plans | Non-U.S. Plans | U.S. Plans | Non-U.S. Plans | U.S. Plans | Non-U.S. Plans |
| **Asset Category** | | | | | | |
| Equity securities | 20% | 46-48% | 23% | 43% | 55% | 40% |
| Debt securities | 80 | 40-42 | 76 | 43 | 44 | 44 |
| Cash and short-term investments | — | 2-3 | 1 | 2 | 1 | 2 |
| Insurance contracts | — | 5-10 | — | 8 | — | 11 |
| Other | — | 2-3 | — | 4 | — | 3 |
| Total | 100% | n/m | 100% | 100% | 100% | 100% |

n/m = not meaningful

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

***Fair Value Measurements***

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

The three-level hierarchy of fair value measurements is based on whether the inputs to those measurements are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. The fair-value hierarchy requires the use of observable market data when available and consists of the following levels:

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations derived from valuation techniques in which one or more significant inputs are unobservable.

The fair values of defined benefit pension plan assets as of August 31, 2013 were as follows:

***U.S. Plans***

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Equity** | | | | |
| U.S. equity securities | $ — | $ 216,231 | $ — | $ 216,231 |
| Non-U.S. equity securities | — | 135,899 | — | 135,899 |
| **Fixed Income** | | | | |
| U.S. government, state and local debt securities | — | 649,255 | — | 649,255 |
| Non-U.S. government debt securities | — | 16,482 | — | 16,482 |
| U.S. corporate debt securities | — | 190,924 | — | 190,924 |
| Non-U.S. corporate debt securities | — | 22,944 | — | 22,944 |
| Mutual fund debt securities | 314,528 | — | — | 314,528 |
| Cash and short-term investments | — | 19,501 | — | 19,501 |
| Total | $ 314,528 | $ 1,251,236 | $ — | $ 1,565,764 |

***Non-U.S. Plans***

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Equity** | | | | |
| U.S. equity securities | $ — | $ 63,827 | $ — | $ 63,827 |
| Non-U.S. equity securities | — | 279,257 | — | 279,257 |
| Mutual fund equity securities | — | 46,773 | — | 46,773 |
| **Fixed Income** | | | | |
| Non-U.S. government debt securities | 12,147 | 253,375 | — | 265,522 |
| Non-U.S. corporate debt securities | — | 60,692 | — | 60,692 |
| Mutual fund debt securities | — | 65,954 | — | 65,954 |
| Cash and short-term investments | 16,528 | 7,399 | — | 23,927 |
| Insurance contracts | — | 71,103 | — | 71,103 |
| Other | — | 36,239 | — | 36,239 |
| Total | $ 28,675 | $ 884,619 | $ — | $ 913,294 |

There were no transfers between Levels 1 and 2 during fiscal 2013.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

### Expected Contributions

Generally, annual contributions are made at such times and in amounts as required by law and may, from time to time, exceed minimum funding requirements. The Company estimates it will pay approximately $66,644 in fiscal 2014 related to contributions to its U.S. and non-U.S. defined benefit pension plans and benefit payments related to the unfunded frozen plan for former pre-incorporation partners. The Company has not determined whether it will make additional voluntary contributions for its defined benefit pension plans.

### Estimated Future Benefit Payments

Benefit payments for defined benefit pension plans, which reflect expected future service, as appropriate, are expected to be paid as follows:

| | U.S. Plans | Non-U.S. Plans |
|---|---|---|
| 2014 | $ 37,588 | $ 40,247 |
| 2015 | 40,070 | 36,183 |
| 2016 | 42,868 | 42,826 |
| 2017 | 46,038 | 47,967 |
| 2018 | 49,401 | 51,449 |
| 2019-2023 | 310,930 | 303,012 |

### Defined Contribution Plans

In the United States and certain other countries, the Company maintains and administers defined contribution plans for certain current, retired and resigned employees. Defined contribution plans in countries other than the United States and the United Kingdom are individually immaterial. Total expenses recorded for the United States and the United Kingdom defined contribution plans were $248,242, $255,606 and $235,439 in fiscal 2013, 2012 and 2011, respectively.

## 11. SHARE-BASED COMPENSATION

### Share Incentive Plans

On February 6, 2013 the Company's shareholders approved an amendment to the Accenture plc 2010 Share Incentive Plan (the "Amended 2010 SIP"), which the Board of Directors of Accenture approved on December 6, 2012. The Amended 2010 SIP is substantially the same as the Accenture plc 2010 Share Incentive Plan (the "2010 SIP"), except that it was amended to authorize an additional 24,000,000 shares and expressly prohibit the repricing of options and share appreciation rights. The 2010 SIP was originally approved by the Company's shareholders on February 4, 2010. No new awards were granted under the 2001 Share Incentive Plan (the "2001 SIP") on or after February 4, 2010, and any share capacity remaining under the 2001 SIP was cancelled and not incorporated in the 2010 SIP. However, outstanding awards granted under the 2001 SIP, before the approval of the 2010 SIP, continue to be satisfied from shares authorized under the 2001 SIP.

The Amended 2010 SIP is administered by the Compensation Committee of the Board of Directors of Accenture and provides for the grant of nonqualified share options, incentive stock options, restricted share units and other share-based awards. A maximum of 74,000,000 Accenture plc Class A ordinary shares are currently authorized for awards under the Amended 2010 SIP. As of August 31, 2013, there were 37,517,583 shares available for future grants under the Amended 2010 SIP. Accenture plc Class A ordinary shares covered by awards that terminate, lapse or are cancelled may again be used to satisfy awards under the Amended 2010 SIP. The Company issues new Accenture plc Class A ordinary shares and shares from treasury for shares delivered under the Amended 2010 SIP.

A summary of information with respect to share-based compensation is as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| Total share-based compensation expense included in Net income | $ 615,878 | $ 538,086 | $ 450,137 |
| Income tax benefit related to share-based compensation included in Net income | 186,839 | 167,109 | 138,984 |

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

***Restricted Share Units***

Under the Amended 2010 SIP, participants may be, and previously under the 2001 SIP participants were, granted restricted share units, each of which represents an unfunded, unsecured right, which is nontransferable except in the event of death of the participant, to receive an Accenture plc Class A ordinary share on the date specified in the participant's award agreement. The fair value of the awards is determined on the grant date based on the Company's stock price. The restricted share units granted under these plans are subject to cliff or graded vesting, generally ranging from two to seven years. For awards with graded vesting, compensation expense is recognized over the vesting term of each separately vesting portion. Compensation expense is recognized on a straight-line basis for awards with cliff vesting. Restricted share unit activity during fiscal 2013 was as follows:

| | Number of Restricted Share Units | | Weighted Average Grant-Date Fair Value |
|---|---|---|---|
| Nonvested balance as of August 31, 2012 | 34,454,315 | $ | 44.27 |
| Granted (1) | 12,001,178 | | 67.56 |
| Vested (2) | (13,417,667) | | 45.75 |
| Forfeited | (1,328,782) | | 47.65 |
| Nonvested balance as of August 31, 2013 | 31,709,044 | $ | 52.32 |

(1) The weighted average grant-date fair value for restricted share units granted for fiscal 2013, 2012 and 2011 was $67.56, $53.98 and $47.87, respectively.

(2) The total grant-date fair value of restricted share units vested for fiscal 2013, 2012 and 2011 was $613,920, $488,085 and $592,482, respectively.

As of August 31, 2013, there was $623,117 of total restricted share unit compensation expense related to nonvested awards not yet recognized, which is expected to be recognized over a weighted average period of 1.4 years. As of August 31, 2013, there were 1,520,776 restricted share units vested but not yet delivered as Accenture plc Class A ordinary shares.

***Stock Options***

Stock options may be granted to members of Accenture Leadership and other employees under the Amended 2010 SIP and were previously granted under the 2001 SIP. Options generally have an exercise price that is at least equal to the fair value of the Accenture plc Class A ordinary shares on the date the option is granted. Options granted under the Amended 2010 SIP and previously under the 2001 SIP are subject to cliff or graded vesting, generally ranging from two to five years, and generally have a contractual term of 10 years. For awards with graded vesting, compensation expense is recognized over the vesting period of each separately vesting portion. Compensation expense is recognized on a straight-line basis for awards with cliff vesting. The fair value of each options grant is estimated on the date of grant using the Black-Scholes-Merton option pricing model. Stock option activity for fiscal 2013 was as follows:

| | Number of Options | | Weighted Average Exercise Price | Weighted Average Remaining Contractual Term (In Years) | | Aggregate Intrinsic Value |
|---|---|---|---|---|---|---|
| Options outstanding as of August 31, 2012 | 5,836,662 | $ | 24.49 | 2.3 | $ | 216,291 |
| Granted | — | | — | | | |
| Exercised | (2,071,005) | | 23.43 | | | |
| Forfeited | (51,248) | | 18.06 | | | |
| Options outstanding as of August 31, 2013 | 3,714,409 | $ | 25.18 | 1.5 | $ | 175,110 |
| Options exercisable as of August 31, 2013 | 3,660,375 | $ | 25.04 | 1.4 | $ | 173,051 |
| Options exercisable as of August 31, 2012 | 5,715,100 | | 24.32 | 2.2 | | 212,750 |
| Options exercisable as of August 31, 2011 | 7,902,845 | | 23.79 | 3.0 | | 237,690 |

**ACCENTURE PLC**

***NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)***
**(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)**

Other information pertaining to option activity is as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| Weighted average grant-date fair value of stock options granted | $ — | $ — | $ 13.73 |
| Total fair value of stock options vested | 771 | 726 | 3,757 |
| Total intrinsic value of stock options exercised | 100,487 | 83,470 | 450,956 |

Cash received from the exercise of stock options was $48,519 and the income tax benefit realized from the exercise of stock options was $20,244 for fiscal 2013. As of August 31, 2013, there was $36 of total stock option compensation expense related to nonvested awards not yet recognized, which is expected to be recognized over a weighted average period of 1 year.

**Employee Share Purchase Plan**

***2010 ESPP***

The 2010 Employee Share Purchase Plan (the "2010 ESPP") is a nonqualified plan that provides eligible employees of the Company with an opportunity to purchase Accenture plc Class A ordinary shares through payroll deductions. Under the 2010 ESPP, eligible employees may purchase Accenture plc Class A ordinary shares through the Employee Share Purchase Plan (the "ESPP") or the Voluntary Equity Investment Program (the "VEIP"). Under the ESPP, eligible employees may elect to contribute 1% to 10% of their compensation during each semi-annual offering period (up to $7.5 per offering period) to purchase Accenture plc Class A ordinary shares at a discount. Under the VEIP, eligible members of Accenture Leadership may elect to contribute up to 30% of their total compensation towards the monthly purchase of Accenture plc Class A ordinary shares at fair market value. At the end of the VEIP program year, Accenture Leadership participants, who did not withdraw from the program, will be granted restricted share units under the Amended 2010 SIP equal to 50% of the number of shares purchased during that year.

A maximum of 45,000,000 Accenture plc Class A ordinary shares may be issued under the 2010 ESPP. As of August 31, 2013, the Company had issued 23,429,599 Accenture plc Class A ordinary shares under the 2010 ESPP. The Company issued 6,916,088, 7,406,727 and 7,382,949 shares to employees in fiscal 2013, 2012 and 2011, respectively, under the 2010 ESPP.

**12. SHAREHOLDERS' EQUITY**

**Accenture plc**

***Ordinary Shares***

The Company has 40,000 authorized ordinary shares, par value €1 per share. Each ordinary share of Accenture plc entitles its holder to receive payments upon a liquidation of Accenture plc; however a holder of an ordinary share is not entitled to vote on matters submitted to a vote of shareholders of Accenture plc or to receive dividends.

***Class A Ordinary Shares***

An Accenture plc Class A ordinary share entitles its holder to one vote per share, and holders of those shares do not have cumulative voting rights. Each Class A ordinary share entitles its holder to a pro rata part of any dividend at the times and in the amounts, if any, which Accenture plc's Board of Directors from time to time determines to declare, subject to any preferred dividend rights attaching to any preferred shares. Each Class A ordinary share is entitled on a winding-up of Accenture plc to be paid a pro rata part of the value of the assets of Accenture plc remaining after payment of its liabilities, subject to any preferred rights on liquidation attaching to any preferred shares.

***Class X Ordinary Shares***

An Accenture plc Class X ordinary share entitles its holder to one vote per share, and holders of those shares do not have cumulative voting rights. A Class X ordinary share does not entitle its holder to receive dividends, and holders of those shares are not entitled to be paid any amount upon a winding-up of Accenture plc. Most of the Company's partners who received Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares in connection with the Company's transition to a corporate structure received a corresponding number of Accenture plc Class X ordinary shares. Accenture plc may redeem, at its option, any Class X ordinary share for a redemption price equal to the par value of the Class X ordinary share. Accenture plc has separately agreed with the original holders of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares not to redeem any Class X ordinary share of such holder if the redemption would reduce the number of Class X ordinary shares held by that holder to a number that is less than the number of Accenture SCA Class I common shares or Accenture Canada Holdings Inc. exchangeable shares owned by that holder, as the case may be. Accenture plc will redeem Class X ordinary shares upon the redemption or exchange of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares so that the aggregate number of Class X ordinary shares outstanding at any time does not exceed the aggregate number of Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares outstanding. Class X ordinary shares are not transferable without the consent of Accenture plc.

**Equity of Subsidiaries Redeemable or Exchangeable for Accenture plc Class A Ordinary Shares**

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

Members of Accenture Leadership in certain countries, including the United States, received Accenture SCA Class I common shares in connection with the Company's transition to a corporate structure. Only the Company and its current and former senior executives and their permitted transferees hold Accenture SCA Class I common shares. Each Accenture SCA Class I common share entitles its holder to one vote on all matters submitted to a vote of shareholders of Accenture SCA and entitles its holders to dividends and liquidation payments.

Accenture SCA is obligated, at the option of the holder, to redeem any outstanding Accenture SCA Class I common share at a redemption price per share generally equal to its current market value as determined in accordance with Accenture SCA's articles of association. Under Accenture SCA's articles of association, the market value of a Class I common share will be deemed to be equal to (i) the average of the high and low sales prices of an Accenture plc Class A ordinary share as reported on the New York Stock Exchange (or on such other designated market on which the Class A ordinary shares trade), net of customary brokerage and similar transaction costs, or (ii) if Accenture plc sells its Class A ordinary shares on the date that the redemption price is determined (other than in a transaction with any employee or an affiliate or pursuant to a preexisting obligation), the weighted average sales price of an Accenture plc Class A ordinary share on the New York Stock Exchange (or on such other market on which the Class A ordinary shares primarily trade), net of customary brokerage and similar transaction costs. Accenture SCA may, at its option, pay this redemption price with cash or by delivering Accenture plc Class A ordinary shares on a one-for-one basis. Each holder of Class I common shares is entitled to a pro rata part of any dividend and to the value of any remaining assets of Accenture SCA after payment of its liabilities upon dissolution.

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

Partners resident in Canada and New Zealand received Accenture Canada Holdings Inc. exchangeable shares in connection with the Company's transition to a corporate structure. Holders of Accenture Canada Holdings Inc. exchangeable shares may exchange their shares for Accenture plc Class A ordinary shares at any time on a one-for-one basis. The Company may, at its option, satisfy this exchange with cash at a price per share generally equal to the market price of an Accenture plc Class A ordinary share at the time of the exchange. Each exchangeable share of Accenture Canada Holdings Inc. entitles its holder to receive distributions equal to any distributions to which an Accenture plc Class A ordinary share entitles its holder.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 13. MATERIAL TRANSACTIONS AFFECTING SHAREHOLDERS' EQUITY

### Share Purchases and Redemptions

The Board of Directors of Accenture plc has authorized funding for the Company's publicly announced open-market share purchase program for acquiring Accenture plc Class A ordinary shares and for purchases and redemptions of Accenture plc Class A ordinary shares, Accenture SCA Class I common shares and Accenture Canada Holdings Inc. exchangeable shares held by the Company's current and former members of Accenture Leadership and their permitted transferees. As of August 31, 2013, the Company's aggregate available authorization was $1,964,096 for its publicly announced open-market share purchase and these other share purchase programs.

The Company's share purchase activity during fiscal 2013 was as follows:

| | Accenture plc Class A Ordinary Shares | | Accenture SCA Class I Common Shares and Accenture Canada Holdings Inc. Exchangeable Shares | |
|---|---|---|---|---|
| | Shares | Amount | Shares | Amount |
| Open-market share purchases (1) | 26,547,155 | $ 1,996,622 | — | $ — |
| Other share purchase programs | — | — | 3,062,148 | 218,123 |
| Other purchases (2) | 4,750,122 | 329,607 | — | — |
| Total | 31,297,277 | $ 2,326,229 | 3,062,148 | $ 218,123 |

(1) The Company conducts a publicly announced, open-market share purchase program for Accenture plc Class A ordinary shares. These shares are held as treasury shares by Accenture plc and may be utilized to provide for select employee benefits, such as equity awards to the Company's employees.

(2) During fiscal 2013, as authorized under the Company's various employee equity share plans, the Company acquired Accenture plc Class A ordinary shares primarily via share withholding for payroll tax obligations due from employees and former employees in connection with the delivery of Accenture plc Class A ordinary shares under those plans. These purchases of shares in connection with employee share plans do not affect the Company's aggregate available authorization for the Company's publicly announced open-market share purchase and the other share purchase programs.

### *Other Share Redemptions*

During fiscal 2013, the Company issued 11,019,187 Accenture plc Class A ordinary shares upon redemptions of an equivalent number of Accenture SCA Class I common shares pursuant to its registration statement on Form S-3 (the "registration statement"). The registration statement allows the Company, at its option, to issue freely tradable Accenture plc Class A ordinary shares in lieu of cash upon redemptions of Accenture SCA Class I common shares held by current and former members of Accenture Leadership and their permitted transferees.

### Dividends

The Company's dividend activity during fiscal 2013 was as follows:

| | | Accenture plc Class A Ordinary Shares | | Accenture SCA Class I Common Shares and Accenture Canada Holdings Inc. Exchangeable Shares | | |
|---|---|---|---|---|---|---|
| Dividend Payment Date | Dividend Per Share | Record Date | Cash Outlay | Record Date | Cash Outlay | Total Cash Outlay |
| November 15, 2012 | $ 0.81 | October 12, 2012 | $ 516,170 | October 9, 2012 | $ 43,965 | $ 560,135 |
| May 15, 2013 | 0.81 | April 12, 2013 | 526,747 | April 9, 2013 | 34,856 | 561,603 |
| Total Dividends | | | $ 1,042,917 | | $ 78,821 | $ 1,121,738 |

The payment of the cash dividends also resulted in the issuance of additional restricted share units to holders of restricted share units. Diluted weighted average Accenture plc Class A ordinary share amounts have been restated for all periods presented to reflect this issuance.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

**Subsequent Events**

On September 25, 2013, the Board of Directors of Accenture plc declared a semi-annual cash dividend of $0.93 per share on its Class A ordinary shares for shareholders of record at the close of business on October 11, 2013. Accenture plc will cause Accenture SCA to declare a semi-annual cash dividend of $0.93 per share on its Class I common shares for shareholders of record at the close of business on October 8, 2013. Both dividends are payable on November 15, 2013. The payment of the cash dividends will result in the issuance of an immaterial number of additional restricted share units to holders of restricted share units.

On September 25, 2013, the Board of Directors of Accenture plc approved $5,000,000 in additional share repurchase authority bringing the Company's total outstanding authority to $6,964,096.

## 14. LEASE COMMITMENTS

The Company has operating leases, principally for office space, with various renewal options. Substantially all operating leases are non-cancelable or cancelable only by the payment of penalties. Rental expense in agreements with rent holidays and scheduled rent increases is recorded on a straight-line basis over the lease term. Rental expense, including operating costs and taxes and sublease income from third parties, during fiscal 2013, 2012 and 2011 was as follows:

| | Fiscal | | |
|---|---|---|---|
| | 2013 | 2012 | 2011 |
| Rental expense | $ 529,342 | $ 541,182 | $ 493,734 |
| Sublease income from third parties | (31,663) | (33,171) | (32,503) |

Future minimum rental commitments under non-cancelable operating leases as of August 31, 2013, were as follows:

| | Operating Lease Payments | Operating Sublease Income |
|---|---|---|
| 2014 | $ 454,655 | $ (28,280) |
| 2015 | 364,701 | (23,821) |
| 2016 | 283,849 | (19,794) |
| 2017 | 219,043 | (15,680) |
| 2018 | 163,549 | (13,500) |
| Thereafter | 674,603 | (20,351) |
| | $ 2,160,400 | $ (121,426) |

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 15. COMMITMENTS AND CONTINGENCIES

### Commitments

The Company has the right to purchase or may also be required to purchase substantially all of the remaining outstanding shares of its Avanade Inc. subsidiary ("Avanade") not owned by the Company at fair value if certain events occur. Certain holders of Avanade common stock and options to purchase the stock have put rights that, under certain circumstances and conditions, would require Avanade to redeem shares of its stock at fair value. As of August 31, 2013 and 2012, the Company has reflected the fair value of $94,310 and $95,957, respectively, related to Avanade's redeemable common stock and the intrinsic value of the options on redeemable common stock in Other accrued liabilities on the Consolidated Balance Sheets.

### Indemnifications and Guarantees

In the normal course of business and in conjunction with certain client engagements, the Company has entered into contractual arrangements through which it may be obligated to indemnify clients with respect to certain matters. These arrangements with clients can include provisions whereby the Company has joint and several liability in relation to the performance of certain contractual obligations along with third parties also providing services and products for a specific project. In addition, the Company's consulting arrangements may include warranty provisions that the Company's solutions will substantially operate in accordance with the applicable system requirements. Indemnification provisions are also included in arrangements under which the Company agrees to hold the indemnified party harmless with respect to third-party claims related to such matters as title to assets sold or licensed or certain intellectual property rights.

Typically, the Company has contractual recourse against third parties for certain payments made by the Company in connection with arrangements where third-party nonperformance has given rise to the client's claim. Payments by the Company under any of the arrangements described above are generally conditioned on the client making a claim, which may be disputed by the Company typically under dispute resolution procedures specified in the particular arrangement. The limitations of liability under these arrangements may be expressly limited or may not be expressly specified in terms of time and/or amount.

As of August 31, 2013 and 2012, the Company's aggregate potential liability to its clients for expressly limited guarantees involving the performance of third parties was approximately $748,000 and $596,000, respectively, of which all but approximately $15,000 and $21,000, respectively, may be recovered from the other third parties if the Company is obligated to make payments to the indemnified parties that are the consequence of a performance default by the other third parties. For arrangements with unspecified limitations, the Company cannot reasonably estimate the aggregate maximum potential liability, as it is inherently difficult to predict the maximum potential amount of such payments, due to the conditional nature and unique facts of each particular arrangement.

To date, the Company has not been required to make any significant payment under any of the arrangements described above. The Company has assessed the current status of performance/payment risk related to arrangements with limited guarantees, warranty obligations, unspecified limitations and/or indemnification provisions and believes that any potential payments would be immaterial to the Consolidated Financial Statements, as a whole.

### Legal Contingencies

As of August 31, 2013, the Company or its present personnel had been named as a defendant in various litigation matters. The Company and/or its personnel also from time to time are involved in investigations by various regulatory or legal authorities concerning matters arising in the course of its business around the world. Based on the present status of these matters, management believes the range of reasonably possible losses in addition to amounts accrued, net of insurance recoveries, will not have a material effect on the Company's results of operations or financial condition.

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 16. SEGMENT REPORTING

Operating segments are components of an enterprise where separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company's chief operating decision maker is its Chief Executive Officer. The Company's operating segments are managed separately because each operating segment represents a strategic business unit providing management consulting, technology and outsourcing services to clients in different industries.

The Company's reportable operating segments are the five operating groups, which are Communications, Media & Technology, Financial Services, Health & Public Service, Products and Resources. Information regarding the Company's reportable operating segments is as follows:

| Fiscal 2013 | Communications, Media & Technology | Financial Services | Health & Public Service | Products | Resources | Other | Total |
|---|---|---|---|---|---|---|---|
| Net revenues | $ 5,686,370 | $ 6,165,663 | $ 4,739,483 | $ 6,806,615 | $ 5,143,073 | $ 21,606 | $ 28,562,810 |
| Depreciation (1) | 65,857 | 64,844 | 62,048 | 81,888 | 50,360 | — | 324,997 |
| Operating income | 785,543 | 1,002,785 | 594,417 | 985,375 | 970,560 | — | 4,338,680 |
| Assets as of August 31 (2) | 712,074 | 176,601 | 552,888 | 667,415 | 617,743 | (54,965) | 2,671,756 |
| **2012** | | | | | | | |
| Net revenues | $ 5,906,724 | $ 5,842,776 | $ 4,255,631 | $ 6,562,974 | $ 5,275,001 | $ 19,224 | $ 27,862,330 |
| Depreciation (1) | 64,202 | 63,251 | 61,994 | 72,532 | 56,013 | — | 317,992 |
| Operating income | 845,411 | 809,633 | 376,125 | 863,860 | 976,519 | — | 3,871,548 |
| Assets as of August 31 (2) | 582,652 | 215,741 | 477,536 | 533,522 | 484,095 | (91,557) | 2,201,989 |
| **2011** | | | | | | | |
| Net revenues | $ 5,434,024 | $ 5,380,674 | $ 3,861,146 | $ 5,931,333 | $ 4,882,248 | $ 17,611 | $ 25,507,036 |
| Depreciation (1) | 63,524 | 56,256 | 56,207 | 68,136 | 53,426 | — | 297,549 |
| Operating income | 727,761 | 898,287 | 318,430 | 679,716 | 846,263 | — | 3,470,457 |
| Assets as of August 31 (2) | 556,190 | 189,611 | 576,505 | 579,616 | 642,250 | (86,104) | 2,458,068 |

(1) Amounts include depreciation on property and equipment controlled by each operating segment, as well as an allocation for depreciation on property and equipment they do not directly control.

(2) The Company does not allocate total assets by operating segment. Operating segment assets directly attributed to an operating segment and provided to the chief operating decision maker include Receivables from clients, current and non-current Unbilled services, Deferred contract costs and current and non-current Deferred revenues.

The accounting policies of the operating segments are the same as those described in Note 1 (Summary of Significant Accounting Policies) to these Consolidated Financial Statements.

# ACCENTURE PLC

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
## (In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

Revenues are attributed to geographic regions and countries based on where client services are supervised. Information regarding geographic regions and countries is as follows:

| Fiscal | Americas | EMEA(1) | Asia Pacific | Total |
|---|---|---|---|---|
| **2013** | | | | |
| Net revenues | $ 13,518,623 | $ 11,047,417 | $ 3,996,770 | $ 28,562,810 |
| Reimbursements | 972,217 | 576,178 | 283,080 | 1,831,475 |
| Revenues | 14,490,840 | 11,623,595 | 4,279,850 | 30,394,285 |
| Property and equipment, net as of August 31 | 317,759 | 199,593 | 262,323 | 779,675 |
| **2012** | | | | |
| Net revenues | $ 12,522,673 | $ 11,296,207 | $ 4,043,450 | $ 27,862,330 |
| Reimbursements | 897,483 | 697,622 | 320,550 | 1,915,655 |
| Revenues | 13,420,156 | 11,993,829 | 4,364,000 | 29,777,985 |
| Property and equipment, net as of August 31 | 256,697 | 206,356 | 316,441 | 779,494 |
| **2011** | | | | |
| Net revenues | $ 11,270,668 | $ 10,853,684 | $ 3,382,684 | $ 25,507,036 |
| Reimbursements | 851,081 | 699,631 | 295,166 | 1,845,878 |
| Revenues | 12,121,749 | 11,553,315 | 3,677,850 | 27,352,914 |
| Property and equipment, net as of August 31 | 235,900 | 230,805 | 318,526 | 785,231 |

(1) EMEA includes Europe, Middle East and Africa.

The Company conducts business in the following countries that individually comprised 10% or more of consolidated Net revenues:

| | Fiscal 2013 | Fiscal 2012 | Fiscal 2011 |
|---|---|---|---|
| United States | 39% | 36% | 35% |
| United Kingdom | 9 | 9 | 10 |

The Company conducts business in the following countries that hold 10% or more of its total consolidated Property and equipment, net:

| | August 31, 2013 | August 31, 2012 | August 31, 2011 |
|---|---|---|---|
| United States | 31% | 26% | 23% |
| India | 17 | 21 | 23 |
| Philippines | 9 | 10 | 9 |

Net revenues by type of work were as follows:

| | Fiscal 2013 | Fiscal 2012 | Fiscal 2011 |
|---|---|---|---|
| Consulting | $ 15,383,485 | $ 15,562,321 | $ 14,924,187 |
| Outsourcing | 13,179,325 | 12,300,009 | 10,582,849 |
| Net revenues | 28,562,810 | 27,862,330 | 25,507,036 |
| Reimbursements | 1,831,475 | 1,915,655 | 1,845,878 |
| Revenues | $ 30,394,285 | $ 29,777,985 | $ 27,352,914 |

ACCENTURE PLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
(In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

## 17. QUARTERLY DATA (unaudited)

| Fiscal 2013 | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual |
|---|---|---|---|---|---|
| Net revenues | $ 7,219,961 | $ 7,058,042 | $ 7,198,140 | $ 7,086,667 | $ 28,562,810 |
| Reimbursements | 448,075 | 435,278 | 509,795 | 438,327 | 1,831,475 |
| Revenues | 7,668,036 | 7,493,320 | 7,707,935 | 7,524,994 | 30,394,285 |
| Cost of services before reimbursable expenses | 4,853,768 | 4,827,679 | 4,760,121 | 4,737,067 | 19,178,635 |
| Reimbursable expenses | 448,075 | 435,278 | 509,795 | 438,327 | 1,831,475 |
| Cost of services | 5,301,843 | 5,262,957 | 5,269,916 | 5,175,394 | 21,010,110 |
| Operating income | 1,048,674 | 1,164,532 | 1,141,971 | 983,503 | 4,338,680 |
| Net income | 766,031 | 1,187,098 | 874,063 | 727,327 | 3,554,519 |
| Net income attributable to Accenture plc | 698,817 | 1,101,802 | 810,258 | 671,001 | 3,281,878 |
| Weighted average Class A ordinary shares: | | | | | |
| —Basic | 639,659,238 | 649,520,337 | 650,625,931 | 642,359,475 | 645,536,995 |
| —Diluted (1) | 716,630,385 | 715,135,968 | 714,984,161 | 706,256,084 | 712,763,616 |
| Earnings per Class A ordinary share: | | | | | |
| —Basic | $ 1.09 | $ 1.70 | $ 1.25 | $ 1.04 | $ 5.08 |
| —Diluted (1) | 1.06 | 1.65 | 1.21 | 1.01 | 4.93 |
| Ordinary share price per share: | | | | | |
| —High | $ 71.79 | $ 75.97 | $ 84.22 | $ 83.30 | $ 84.22 |
| —Low | 60.69 | 65.20 | 72.42 | 69.00 | 60.69 |

(1) The first and second quarters of fiscal 2013 diluted weighted average Accenture plc Class A ordinary shares and earnings per share amounts have been restated to reflect the impact of the issuance of additional restricted share units to holders of restricted share units in connection with the fiscal 2013 payment of cash dividends. This did not result in a change to previously reported Diluted earnings per share.

## ACCENTURE PLC

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (continued)
### (In thousands of U.S. dollars, except share and per share amounts or as otherwise disclosed)

| Fiscal 2012 | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual |
|---|---|---|---|---|---|
| Net revenues | $ 7,074,497 | $ 6,797,250 | $ 7,154,690 | $ 6,835,893 | $ 27,862,330 |
| Reimbursements | 514,611 | 462,578 | 486,100 | 452,366 | 1,915,655 |
| Revenues | 7,589,108 | 7,259,828 | 7,640,790 | 7,288,259 | 29,777,985 |
| Cost of services before reimbursable expenses | 4,822,957 | 4,680,884 | 4,783,785 | 4,587,003 | 18,874,629 |
| Reimbursable expenses | 514,611 | 462,578 | 486,100 | 452,366 | 1,915,655 |
| Cost of services | 5,337,568 | 5,143,462 | 5,269,885 | 5,039,369 | 20,790,284 |
| Operating income | 981,138 | 889,299 | 1,060,761 | 940,350 | 3,871,548 |
| Net income | 711,757 | 714,190 | 762,831 | 636,155 | 2,824,933 |
| Net income attributable to Accenture plc | 642,086 | 643,923 | 689,219 | 578,282 | 2,553,510 |
| Weighted average Class A ordinary shares: | | | | | |
| —Basic | 644,285,298 | 646,452,990 | 645,761,617 | 636,064,228 | 643,132,601 |
| —Diluted (1) | 730,916,739 | 730,034,891 | 729,528,085 | 718,489,744 | 727,011,059 |
| Earnings per Class A ordinary share: | | | | | |
| —Basic | $ 1.00 | $ 1.00 | $ 1.07 | $ 0.90 | $ 3.97 |
| —Diluted (1) | 0.96 | 0.97 | 1.03 | 0.88 | 3.84 |
| Ordinary share price per share: | | | | | |
| —High | $ 61.90 | $ 60.20 | $ 65.89 | $ 61.98 | $ 65.89 |
| —Low | 48.55 | 51.08 | 56.21 | 54.94 | 48.55 |

(1) Fiscal 2012 diluted weighted average Accenture plc Class A ordinary shares and earnings per share amounts have been restated to reflect the impact of the issuance of additional restricted share units to holders of restricted share units in connection with the fiscal 2013 payment of cash dividends. This did not result in a change to previously reported Diluted earnings per share.

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# Credit Opinion: Accenture plc

***Global Credit Research - 28 Aug 2013***

*Dublin, Ireland*

## Ratings

| Category | Moody's Rating |
|---|---|
| Outlook | Stable |
| Issuer Rating | A1 |

## Contacts

| Analyst | Phone |
|---|---|
| Stephen Sohn/New York City | 212.553.2965 |
| Robert Jankowitz/New York City | 212.553.1318 |

## Key Indicators

[1]**Accenture plc**

| | 5/31/2013(L) | 8/31/2012 | 8/31/2011 | 8/31/2010 | 8/31/2009 |
|---|---|---|---|---|---|
| Pretax Income (USD Million) | $4,051.1 | $3,906.8 | $3,527.5 | $2,917.6 | $2,856.3 |
| Revenue (USD Million) | $30,157.6 | $29,778.0 | $27,352.9 | $23,094.1 | $23,171.0 |
| RCF / Net Debt | -157.5% | -106.5% | -122.7% | -142.0% | -195.5% |
| FCF / Debt | 59.9% | 78.7% | 75.2% | 66.7% | 86.1% |
| (EBITDA-CapEx) / Interest Exp | 19.6x | 18.8x | 18.1x | 17.1x | 16.7x |
| Debt / EBITDA | 0.7x | 0.7x | 0.7x | 0.8x | 0.7x |

[1] All ratios are calculated using Moody's Standard Adjustments.

*Note: For definitions of Moody's most common ratio terms please see the accompanying* User's Guide.

## Opinion

### Rating Drivers

Leading IT services firm with global scale and low-cost offshore infrastructure

Diversified client base, long-term contracts, and high renewal rates

Consistent and high levels of profits and free cash flow with low financial leverage

Market trend towards outsourcing and leaner IT models

Strengthening of foreign competitors and consolidation could pressure long-term profitability

### Corporate Profile

Accenture plc is a global management consulting, technology services, and outsourcing company with projected annual gross revenues over $31 billion.

## SUMMARY RATING RATIONALE

Accenture's A1 rating reflects its position as a leading information technology (IT) services firm with a resilient business model supported by long-term contracts and predictable cash flow. Accenture operates as an independent IT services provider using an asset-light approach to its contracts which helps to reduce earnings and cash flow volatility. We believe that ongoing demand for consulting and outsourcing services that help companies reduce costs and increase efficiency supports Accenture operating performance during economic downcycles. During the past recession, Accenture generated high levels of cash flow and profits (e.g., annual free cash flow greater than $2 billion) even as revenue fell slightly. A large portion of Accenture's costs are variable with a labor force that can be managed with flexibility during a slowdown.

We project annual revenue growth of mid single digits over the next couple of years as Accenture's clients continue to upgrade their aging IT systems and make additional investments in new IT projects that help support growth initiatives. Accenture exhibits the financial strength characteristic of its A1 rating level. Accenture does not have any reported debt, but adjustments for operating leases and pension obligation results in adjusted debt of about $3.7 billion. Liquidity is strong with a cash balance over $5.9 billion, with foreign cash that we believe to be readily accessible. We expect consistent cash flow generation with operating cash flow of at least $4 billion annually. In addition, we expect operating margins to remain higher than industry peers (e.g., mid teens percentage) due to Accenture's global scale and efficient offshore workforce infrastructure. Accenture's size and global reach allow the company to attract a diversified client base of multinational corporations and public sector agencies.

At the same time, the rating also considers Accenture's challenges in achieving revenue and earnings growth in an environment where it competes with several strong competitors including International Business Machines (IBM), Hewlett Packard, Computer Sciences Corporation (CSC), and a host of emerging offshore low-cost players. In addition, consolidation within the technology industry could threaten the company's market position, profitability, and leverage profile longer term.

## DETAILED RATING CONSIDERATIONS

### MID-SINGLE DIGIT TOP-LINE GROWTH EXPECTED

We expect at least 5% annual revenue growth for Accenture over the next year, modestly ahead of our industry growth projections of low to mid single digits in 2014. While Accenture has reported slowing growth in recent quarters (e.g., revised forecast of 3-4% revenue growth in local currency for fiscal year ending August 2013, as compared to 11% and 15% growth in fiscal years 2012 and 2011, respectively), we expect sustained revenue growth to continue for Accenture driven by a strong track record of execution and favorable industry dynamics. Tailwinds include the ongoing demand for consulting and outsourcing services as companies continue to see ways to reduce costs, increase efficiency, and enhance functionality in an increasingly complex technological world.

However, we believe corporate and government IT spending could remain cautious due to global macroeconomic challenges which include sovereign debt issues in Europe and the U.S., slowing growth in emerging markets, and uncertainty surrounding the U.S. federal budget. Already, Accenture has seen a slowing of consulting revenues which tend to be more discretionary, smaller, and shorter duration than outsourcing projects. We think the muted spending environment will be relatively short-lived as corporations and governments turn to IT consultants to help navigate through rapidly evolving IT models (e.g., cloud computing, mobile enterprise, data analytics, and social networking).

### STRONG MARKET POSITION AS LARGEST INDEPENDENT IT SERVICES FIRM

We expect that Accenture will continue to gain market share as its growth will likely outpace that of its primary competitors, IBM Global Services, Hewlett Packard (EDS), and CSC. As an independent IT services firm, we believe that Accenture benefits from playing the role of a neutral, unbiased channel partner and advisor. Most enterprise hardware and software providers actively solicit Accenture's help when launching new product offerings. Clients, meanwhile, rely on Accenture to select the best option applicable as the company is not aligned with a specific solution or product suite.

Accenture benefits from high barriers to entry given its highly-scalable offshore labor infrastructure and deeply-entrenched customer base secured by long-term contracts, and financial strength which, we believe, will allow the company to remain a leading player in the IT services industry globally. In addition, the company has a highly diversified business profile as measured by its geographic revenue distribution, service offerings, and customer concentration. More than half of total net revenues are derived outside of the Americas with EMEA and Asia Pacific accounting for about 39% and 14% of total net revenues, respectively, for the nine months ended May, 31, 2013.

Accenture offers a wide range of services and participates in several industry verticals including communications, high tech, financial services, healthcare, products, energy, mining, and public services. Accenture also has a well diversified client base. Additionally, about 54% of revenues are generated from consulting versus 46% from the outsourcing business, which provides revenue stability due to the long-term nature of outsourcing arrangements.

BUSINESS MODEL IS RELATIVELY RESILIENT DURING ECONOMIC CYCLES

Accenture performed well during the past recession due to its recurring revenue stream secured by long-term contracts, high customer retention rate (which we estimate to be well over 90%), and diversified customer base in multiple industries. Its performance was also supported by customer demand for services that help streamline their business and IT processes, and infrastructure costs. For fiscal year 2014, we expect revenues to increase by at least mid single digits with operating margins in the mid teens percentage range. As the global economy continues its slow and choppy recovery, we expect Accenture to benefit from companies releasing their pent up spending needs to remain competitive as business expansion opportunities begin to arise. This has been true for certain cyclical sectors such as financial services, which experienced sizable cost reductions and industry consolidation in the aftermath of the banking crisis.

*Regardless of economic climate, businesses will need to manage their IT systems cost-effectively and without* disruption. In addition, risk management, regulatory compliance, and data security/privacy have become greater priorities for management teams, especially in the wake of the financial-market crisis and heightened government scrutiny. We also believe global enterprises and government agencies will continue to integrate their businesses, functions, and underlying systems, which is a process that often requires an overhaul of older systems to achieve greater efficiency and productivity. These factors should support the Health and Public Service operating segments despite any budgetary constraints facing the U.S. and state governments. In addition, the eventual emergence of cloud computing whether conducted onsite or at third party data centers should provide further growth opportunities for Accenture.

OFFSHORE INFRASTRUCTURE SUPPORTS COMPETITIVE MARKET POSITION BUT THE CONTINUED STRENGTHENING OF FOREIGN COMPETITORS COULD WEIGH ON MARGINS

Accenture has an industry leading global footprint in which about 63% of its overall workforce is located in its Global Delivery Network (GDN), which is predominantly offshore (up from 13% in 2003). The balance of onshore and offshore mix is comparable to that of IBM Global Services and HP Enterprise Services and well ahead of smaller peers such as CSC and Xerox Corp. Accenture's GDN headcount is over 162,000 with about half of the personnel located in India. This network enables the company to deliver comprehensive and specialized services and cost-effective solutions to clients in a seamless and timely manner around the world.

India-based IT service providers such as Tata Consultancy Services, Infosys Technologies, and Wipro have grown more rapidly in the past decade with operating margin percentages far exceeding their U.S. counterparts (in excess of 20% for the top Indian outsourcers versus low to mid teens percentage for Accenture), driven principally by labor cost advantages. However, the offshore companies have experienced slower, more volatile revenue growth due to challenges with the global economy and certain sectors like financial services. In addition, the Indian labor market continues to be stressed by rising labor wages as demand has increased not only from local employers but also from the multinational firms seeking to expand offshore infrastructure.

Although Moody's believes India will remain the leading targeted location for offshore infrastructure; we believe the higher wages and pricing pressures from clients could erode operating margins. We expect Accenture to continue to migrate its labor force abroad to India as well as other foreign locations (e.g., Philippines, China, Eastern Europe, and Latin America) to combat rising competition and the growing trend towards outsourcing services, which tend to be lower margin than consulting services.

INCREASING SHIFT OF BUSINESS MIX TO OUTSOURCING COULD PRESSURE MARGINS

Accenture has steadily expanded into outsourcing services to the point where this segment now represents about 46% total revenues, with the remainder largely from consulting. The demand for outsourcing services remained *strong during the economic downturn as companies sought ways to reduce costs. While outsourcing contracts* can provide stability due to their long-term nature (e.g. 5-7 years), this segment has an operational and financial risk profile that differs from the consulting business, which consists of management consulting and system integration services (e.g., implementation of enterprise resource planning systems).

When Accenture enters into an outsourcing arrangement, the company either has to take over certain operations in which client personnel or subcontractors are transferred to the company or develop its own internal team. Outsourcing contracts usually have longer contractual terms than consulting projects and typically have lower gross margins, especially during the first year of the contract. As new contracts are taken on and outsourcing activity increases, profitability margins are likely to be negatively impacted compared to historical levels due not only to the shift in service line offerings (from consulting to outsourcing), but also to the start-up investment required during the early stages of new outsourcing contracts. However, Accenture has adopted an "asset light" approach by focusing on application outsourcing and business process outsourcing instead of the more capital-intensive infrastructure outsourcing.

While we believe that outsourcing services will continue to become a larger part of overall revenues over the long-term given industry trends, we expect that Accenture will be able to preserve or expand its consolidated operating margins with higher offshore mix and the continued expansion of its global workforce.

TECH INDUSTRY CONSOLIDATION COULD ALTER COMPETITIVE LANDSCAPE

We expect consolidation will continue to occur across broad sectors within the technology landscape. Convergence is taking place within the overall technology industry, where industry titans are looking to expand product (e.g., hardware and software) and service offerings to offer bundled IT solutions to customers, some of which may prefer dealing with a single-source vendor. This means that standalone IT services firms face larger and potentially more formidable rivals that can offer a broader array of products and services. With enough scale to put together a complete solution, competitors like IBM and Hewlett-Packard may be able to exert greater pricing pressure on traditional IT services firms such as Accenture. Furthermore, continued industry consolidation could reduce market opportunities for Accenture if a key partner such as SAP, for example, were to be acquired by a leading hardware provider with its own services arm.

WITH NO REPORTED DEBT, LEVERAGE IS LOW FOR THE RATING LEVEL

Based on Moody's standard adjustments, which includes an operating lease adjustment of about $2.7 billion and a pension adjustment of about $1.0 billion, Accenture's adjusted debt was $3.7 billion at May 31, 2013. As such, the company's adjusted debt to EBITDA approximates 0.7x at May 31, 2013. Accenture did not have reported debt, and we do not anticipate the company will take on debt absent a substantial acquisition. Accenture's financial profile is strong as its interest coverage and leverage ratios are similar to business services industry peers rated Aa to Aaa.

Since fiscal 2006, Accenture has used over 85% of its annual operating cash flow for share repurchases (both founder's shares and open market purchases) and dividend payments. We expect Accenture to continue buying back shares consistent with historical levels, and to fund future share repurchases and dividends from internal sources.

We also expect Accenture to engage in small to modest-sized acquisitions to enhance technological capabilities, expand service offerings, and increase its presence in certain industries and geographies. At present, there is sufficient room within the A1 rating to accommodate these investments with a modest increase in adjusted debt to EBITDA.

**Liquidity Profile**

Accenture maintains excellent liquidity, based on the expectation of continued robust free cash flow and high cash balances. We expect the company to generate over $2 billion of annual free cash flow ($2.2 billion of free cash flow for the twelve months ended May 31, 2013, after dividends of $1.1 billion). Meanwhile, Accenture had $5.9 billion of cash and cash equivalents at May 31, 2013. In addition, Accenture has an undrawn $1 billion syndicated loan facility maturing October 2016. The company is well within compliance of its debt-to-cash-flow ratio covenant, which is not to exceed 1.75x.

**Rating Outlook**

The stable outlook reflects our expectation that Accenture will continue to maintain conservative financial policies with low financial leverage (e.g., debt to EBITDA after standard adjustments below 1x) and generate profitability and cash flow consistent with historical levels through economic cycles. We expect the company to grow revenues at least in the mid single digits over the next year (ahead of global GDP growth) with operating margins continuing at about 14%.

### What Could Change the Rating - Up

We do not expect a ratings upgrade over the intermediate term. However, upwards ratings pressure would develop if Accenture can sustain organic revenue growth exceeding that of the market and significant operating margin expansion (e.g., above 17%) that is consistently better than its direct business peers, and also maintains debt to EBITDA below the current level.

### What Could Change the Rating - Down

Accenture's A1 rating could experience downwards rating pressure if revenues, operating income, or free cash flow were to decline in the mid single digits. The rating could also be lowered if adjusted debt increases meaningfully such that that leverage (Moody's adjusted debt/EBITDA) was to exceed 1.2x on a sustained basis. A moderate amount of debt in the capital structure, other than on a temporary basis to fund specific investments, could also pressure the rating because Accenture has not used debt in its capital structure in the past.

### Other Considerations

GRID IMPLIED RATING

The grid-implied rating from Moody's Global Business Services Industry Rating Methodology is Aa1, three notches higher than the actual A1 rating. The grid from the rating methodology weights heavily Accenture's relatively low financial leverage. In addition, the A1 rating reflects the potential strains from the continued emergence of offshore competitors and ongoing consolidation in the technology industry which could threaten Accenture's market position, profitability and leverage profile over time.

## Rating Factors

**Accenture plc**

| Business and Consumer Service [1][2] | As of 5/31/2013(L) | | [3]Moody's 12-18 month Forward View | |
|---|---|---|---|---|
| **Factor 1: Size and Profitability (30%)** | **Measure** | **Score** | **Measure** | **Score** |
| a) Pretax Income (USD million) | $4,051.1 | Aaa | $4,200 - 4,400 | Aaa |
| b) Revenue (USD million) | $30,157.6 | Aaa | $31,100 - 32,500 | Aaa |
| **Factor 2: Financial Strength (55%)** | | | | |
| a) RCF / Net Debt | -157.5% | Aaa | (-150%) - (-120%) | Aaa |
| b) FCF / Debt | 59.9% | Aaa | 60.0 - 70.0% | Aaa |
| c) (EBITDA - CapEx) / Interest Expense | 19.6x | Aaa | 19.5 - 21.5x | Aaa |
| d) Debt / EBITDA | 0.7x | Aa | 0.7 - 0.6x | Aa |
| **Factor 3: Financial Policy (15%)** | | | | |
| a) Financial Policy | A | A | A | A |
| **Rating:** | | | | |
| a) Indicated Rating from Grid | | Aa1 | | Aa1 |
| b) Actual Rating Assigned | | A1 | | |

[1] All ratios are calculated using Moody's Standard Adjustments. [2] As of 5/31/2013(L); Source: Moody's Financial Metrics [3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text; does not incorporate significant acquisitions and divestitures.

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## Summary:

# Accenture PLC

**Primary Credit Analyst:**
Philip L Schrank, New York (1) 212-438-7859; phil_schrank@standardandpoors.com

**Secondary Contact:**
*Martha P Toll-Reed, New York (1) 212-438-7867; molly_toll-reed@standardandpoors.com*

## Table Of Contents

**Summary:**

# Accenture PLC

**Credit Rating:** A+/Stable/--

## Rationale

The rating on Ireland-based Accenture PLC reflects the company's consistently strong operating performance and "modest" financial risk profile. Somewhat offsetting these strengths is Accenture's relative concentration in the consulting and systems integration sector, making it susceptible to declines in clients' discretionary information technology spending.

With 2012 annual revenues (ending August 31) of about $28 billion, Accenture's "strong" business profile stems from its recognized leadership in consulting and information technology services, and its established client relationships with the largest global corporations. Growth in new contract signings was 9% in fiscal 2012 across Accenture's operating groups and geographic regions. Standard & Poor's Ratings Services expects continuing strength in Accenture's outsourcing business--primarily focused on business transformation and application outsourcing--to offset the potential for greater volatility in consulting and system integration revenues. Outsourcing revenues, which represent about 44% of net revenue, enhance visibility through contractually recurring revenues. The company's focus on higher end services, a highly variable cost base, and moderate capital intensity has allowed it to maintain solid adjusted EBITDA margins in the mid-teen area.

Accenture has maintained a strong balance sheet, with negligible funded debt levels. After we adjust for capitalized operating leases and post-retirement obligations, debt to EBITDA was about 0.4x as of August 2012, and we expect it to remain below 1x. The current rating and outlook incorporate our expectations of modest acquisition activity and ongoing net share repurchases funded with discretionary cash flow.

### *Liquidity*

Accenture has "strong" liquidity, with sources of cash likely to substantially exceed uses for the next 12 to 24 months. Cash sources include cash and short-term investment balances of $6.6 billion as of Aug. 31, 2012, and expected annual free operating cash flow in the $3 billion area. We expect near-term uses to include capital spending of about $450 million, and annual dividends of about $950 million.

Relevant aspects of Accenture's liquidity, in our view, are as follows:

- We see coverage of uses to be in excess of 2x for the next two years, in part reflecting minimal debt maturities.
- We expect that net sources would be positive in the near term, even with a 30% decline in EBITDA from fiscal 2011 levels.
- Potential acquisitions are likely to be moderate in size and not materially affect Accenture's leverage profile.
- Additional liquidity comes from availability under Accenture's $1 billion credit facility, expiring in October 2016.
- Shareholder returns get support from consistently strong free operating cash flows.

## Outlook

The stable outlook reflects our expectation that Accenture will maintain its solid operating performance, will generate growth primarily organically, and will continue to manage credit protection measures at levels that are strong for the rating. Highly competitive industry conditions and a business profile somewhat narrower than its major competitors limit a possible upgrade. Erosion of the company's business position and profitability, or sustained leverage approaching 1.5x because of acquisitions or aggressive share repurchase activity, could lead to a negative rating action.

## Related Criteria And Research

- Criteria Methodology: Business Risk/Financial Risk Matrix Expanded, Sept. 18, 2012
- Top 10 Investor Questions: How Will The Global Technology Industry Fare Amid An Economy In Flux?, April 26, 2012
- Global Technology Ratings Trend Shifts To Negative In The First Quarter, April 11, 2012
- Issuer Ranking: Global Technology Ratings, Strongest To Weakest, March 29, 2012
- U.S. Technology Companies' Liquidity Is Higher, For Now, Jan. 18, 2012
- Liquidity Descriptors For Global Corporate Issuers, Sept. 28, 2011
- Key Credit Factors: Methodology And Assumptions On Risks In The Global High Technology Industry, Oct. 15, 2009
- 2008 Corporate Criteria: Analytical Methodology, April 15, 2008

# FITCH AFFIRMS ACCENTURE'S IDR AT 'A+'; OUTLOOK STABLE

Fitch Ratings-New York-18 November 2013: Fitch Ratings has affirmed the ratings of Accenture plc (Accenture) and subsidiaries as follows:

Accenture
--Long-term Issuer Default Rating (IDR) at 'A+'.

Accenture International Capital SCA
--Long-term IDR at 'A+';
--Senior unsecured bank credit facility at 'A+'.

Accenture Capital Inc.
--Long-term IDR at 'A+';
--Senior unsecured bank credit facility at 'A+'.

The Rating Outlook is Stable. Approximately $1 billion of debt, consisting of an undrawn credit facility, is affected by Fitch's action.

KEY RATING DRIVERS

The Ratings and Outlook are supported by Accenture's:
--Strong balance sheet with negligible debt;

--Solid liquidity supported by significant and consistent free cash flow (FCF), despite cyclical demand associated with the consulting and systems integration (C&SI) business. Fitch projects $2 to $2.5 billion of free cash flow (post dividends) in fiscal 2014 compared with $1.8 billion in fiscal 2013, which included a $500 million discretionary cash payment to its U.S. defined benefit pension plan;

--Revenue stability from established, long-term client relationships and industry expertise, resulting in a significant percentage of new contracts awarded on a sole-sourced basis;

--Strong market position in targeted IT service groups with solid projected long-term market growth rates, especially application and business process outsourcing, supported by the company's significant and diversified offshore delivery capability;

--Recurring revenue provided by longer-term outsourcing contracts (nearly 46% of net revenue) and less capital-intensive business model relative to its peers;

--Diversified revenue base from a customer, industry, geography and service line offering perspective.

Ratings concerns center on:
--Potential for sizable debt-funded share repurchases and/or acquisitions. However, Fitch believes Accenture has considerable financial flexibility at the current rating due to its strong balance sheet and consistent FCF.

--Pricing pressures due to intense competition from multinational, offshore (primarily India-based) and niche IT Services providers.

integration services, particularly enterprise resource planning software. Fitch believes total IT services revenue generated from SaaS will likely be less than traditional software implementations over the software's entire life cycle, despite initial revenue from integrating SaaS into a client's existing systems.

--Threat of new market entrants in the traditional outsourcing market due to increasing adoption of cloud computing.

RATING SENSITIVITIES

Negative: Future developments that may lead to a negative rating action include:
--Significant debt-financed acquisitions and/or share repurchases that result in a material deterioration in credit protection measures.

Positive: Upside movement in the ratings is unlikely in the near term.

As of Aug. 31, 2013, Accenture's liquidity was strong, consisting of $5.6 billion of cash and investments, an undrawn $1 billion revolving line of credit maturing 2016 and $1.8 billion of FCF in fiscal 2013 ending Aug. 31, including the aforementioned discretionary pension contribution. The credit facility agreement requires the company to maintain a consolidated leverage ratio (debt/EBITDA) of less than 1.75 times (x).

Fitch believes the company maintains greater flexibility in accessing its cash due to certain structural considerations involved in the 2001 reorganization that continue with Accenture's reincorporation in Ireland. Fitch anticipates free cash flow remaining after cash dividends will continue to be utilized primarily for share repurchases and acquisitions.

As of Aug. 31, 2013, Accenture had negligible outstanding debt as the company generates ample cash flow to internally fund share repurchases, cash dividends and acquisition activity to date.

The company does have off-balance sheet debt in the form of significant operating lease commitments since it does not own any of its real estate as part of its 'asset-light' strategy. In the past five fiscal years, Fitch estimates total adjusted debt to EBITDAR ranged from 0.9x - 1x and was 0.8x in fiscal 2013.

Contact:

Primary Analyst
John M. Witt, CFA
Senior Director
+1-212-908-0673
Fitch Ratings, Inc.
33 Whitehall Street
New York, NY 10004

Secondary Analyst
Jason Pompeii
Senior Director
+1-312-368-3210

Committee Chairperson
Jamie Rizzo, CFA

Media Relations: Brian Bertsch, New York, Tel: +1 212-908-0549, Email: brian.bertsch@fitchratings.com.

Additional information is available at 'www.fitchratings.com'.

Applicable Criteria and Related Research:
--'Corporate Rating Methodology' (Aug. 8, 2012).

Applicable Criteria and Related Research:
Corporate Rating Methodology: Including Short-Term Ratings and Parent and Subsidiary Linkage
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=715139

**Exhibit A**

**Attachments to Section 8.**

**Accenture LLP Application for Broker/Marketer of Electricity Services**
***In The Commonwealth of Pennsylvania***

Applicant is a nationwide provider of outsourcing, technology and management consulting services. In December of 2013 Applicant acquired Procurian, Inc., parent company of Utilities Analyses Inc., now Utilities Analyses LLC ("UAL"), a licensed Pennsylvania electricity broker/marketer. Applicant will integrate the operations of UAL into Applicant's procurement services line of business, withdrawing UAL's license once Applicant is fully licensed to provide such energy broker/marketer services. Applicant intends to provide services helping commercial and industrial clients manage their supply side utility expenditures. In deregulated markets such as Pennsylvania, Applicant will assist its clients in procuring low cost supply when it is competitive with price-to-compare rates.

Listed below are resumes of key employees who will be engaged in the electricity broker/marketer operations of Applicant.

***Chad Gottesman***

**12/2013 – Current: Accenture LLP.** Mr. Gottesman leads Applicant's Global Energy Enterprise Management and Procurement team in helping clients to reduce their energy cost and consumption by combining and leveraging site-level energy data and proprietary market intelligence. As the Global Lead, he is responsible for driving the overall strategy, growth, and operations of the business.

**06/2011 – 12/2013: Procurian, Inc.** Mr. Gottesman was Head of Procurian Energy for Procurian, joining the company concurrent with Procurian's acquisition of Neuwing Energy Ventures in June 2013.

**04/2007 - 06/2013: Neuwing Energy Ventures.** Mr. Gottesman founded and served as CEO of Neuwing Energy Ventures, helping large commercial and industrial clients maximize their returns on energy efficiency and renewable energy investments.

**01/2001 – 04/2007: The Extraprise Group.** - As Chief Marketing Officer, Mr. Gottesman was responsible for all aspects of the company's go-to-market strategy including new service development, corporate and field marketing, inside sales, strategic alliance development, and public and analyst relations. Prior to holding this position, Mr. Gottesman led the Metro New York and Eastern regions and was directly responsible for the largest P&L in the company.

**05/1997 – 12/2000: GE Capital.** - as Director of the Global Sales Effectiveness Center of Excellence, Mr. Gottesman led the design, development, staffing, and operations of the Center and worked across over two dozen GE businesses to provide strategy, process, and technology solutions. While leading the Center, Mr. Gottesman completed a two-year executive development program sponsored by Gary Reiner (Global GE CIO). He was one of 40 executives selected across GE globally to participate in this program.

**10/1993 – 05/1997: Accenture.** - Mr. Gottesman held various project management positions at Accenture while working on global engagements for Fortune 500 clients focusing on sales, marketing, and customer service improvement.

Mr. Gottesman earned an MBA from Columbia Business School at Columbia University and a Bachelor of Science degree from the University of Albany.

**Raymond Culver III**

**12/2013 – Current: Accenture LLP.** Mr. Culver is the Applicant's Category Management Senior Manager, leading the Applicant's Energy Supply Services business in both regulated and deregulated markets globally.

**01/2013 – 12/2013: Procurian, Inc.** Mr. Culver served commercial and industrial energy users leading the Procurian's Energy Supply Services business in both regulated and deregulated markets globally.

**09/2010–12/2012: Constellation Energy.** - Mr. Culver had responsibility for providing their portfolio of products and services to large energy users assigned to National Accounts team.

**01/2006 - 07/2010: Fellon-McCord.** Mr. Culver was responsible for overall management of the Consulting business for the company when it was owned by Constellation Energy, and had responsibility for Operations, Client Management, and Sales after the Company was taken private.

**09/2001– 01/2006: Summit Energy.** Mr. Culver held Management positions in Global Energy Services and Energy Procurement

**01/1993–06/2000: Potash Corp.** Mr. Culver was responsible for Energy Procurement for seven energy-intensive ammonia plants at Potash, the largest global integrated fertilizer company.

Mr. Culver earned an MBA, and a Bachelor of Science degree, both from Christian Brothers University in Memphis, Tennessee.

**Cobb Pearson**

**12/2013–Current: Accenture LLP.** Mr. Pearson is the Applicant's De-Regulated Energy Market Sourcing Lead. In this role he is responsible for Energy Procurement in all deregulated North American markets, including IL, in addition to market research, client reporting, risk management, and other client delivery functions.

**03/2013 – 12/2013: Procurian.** Mr. Pearson served as the De-Regulated Energy Sourcing Lead for deregulated markets in North America.

**09/2007 – 02/2013: Cox Enterprises.** Served as the Energy Procurement Manager responsible for a $110 million annual energy spend for subsidiaries including Cox Communications, Auto Trader.com, Cox Media Group (television, radio, newspaper), and Manheim Auto Auctions. Mr. Pearson supported numerous sustainability initiatives during his nearly six years at Cox, managed carbon footprint tracking efforts for all subsidiaries, and designed an Oracle-based Energy Dashboard and Data Warehouse which was internally built and is still in use today.

**11/2004 – 08/2007: Gas South.** – Served as the Mid Market Sales Manager, leading a 10-person sales team which focused on small industrials, restaurants, churches, dry cleaners, and other businesses.

**08/2002 – 11/2004 Southern Company.** – Served in sales and marketing roles including performing energy audits, conducting regulated rate studies, and eventually performing load forecasts for all new commercial properties in the Mobile division.

Mr. Pearson graduated from Georgia Tech with a degree in Industrial Engineering. He currently serves on the founding board of the Westside Atlanta Charter School.

## Attachments to Section 12

Proof of publication of legal notice affidavits:

- Philadelphia Daily News
- Harrisburg Patriot-News
- *Scranton Times Tribune*
- Williamsport Sun Gazette
- Johnstown Tribune Democrat
- Erie Times-News
- Pittsburgh Post-Gazette

RECEIVED

JUN 18 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Proof of Publication in The Philadelphia Daily News**
**Under Act. No 587, Approved May 16, 1929**

---

*STATE OF PENNSYLVANIA*
*COUNTY OF PHILADELPHIA*

Florence Devlin being duly sworn, deposes and says that **The Philadelphia Daily News** is a newspaper published daily, except Sunday, at Philadelphia, Pennsylvania, and was established in said city in 1925, since which date said newspaper has been regularly issued in said County, and that a copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said newspaper on the following dates:

May 27, 2014

Affiant further deposes and says that she is an employee of the publisher of said newspaper and has been authorized to verify the foregoing statement and that she is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Florence Devlin

Sworn to and subscribed before me this 27th day of May, 2014.

Mary Anne Logan
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARY ANNE LOGAN, Notary Public
City of Philadelphia, Phila. County
My Commission Expires March 30, 2017

**Copy of Notice of Publication**

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
NOTICE

Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.

Accenture LLP will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity. Accenture LLP proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Spears) at the address listed below.

Accenture LLP
161 North Clark Street, Suite 2300
Chicago, IL 60601
Phone: 312.693.4880 Fax: 312.737.3177

RECEIVED
JUN 18 2014
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

The Patriot-News Co.
2020 Technology Pkwy
Suite 300
Mechanicsburg, PA 17050
Inquiries - 717-255-8213

**The Patriot-News**
Now you know

ACCENTURE LLP
161 NORTH CLARK STREET, SUITE 2300
ATTN: STEPHEN SPEARS

CHICAGO IL 60601

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## THE PATRIOT NEWS
## THE SUNDAY PATRIOT NEWS

## Proof of Publication

*Under Act No. 587, Approved May 16, 1929*
Commonwealth of Pennsylvania, County of Dauphin} ss

Marianne Miller, being duly sworn according to law, deposes and says:

That she is a Staff Accountant of The Patriot News Co., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal office and place of business at 2020 Technology Pkwy, Suite 300, in the Township of Hampden, County of Cumberland, State of Pennsylvania, owner and publisher of The Patriot-News and The Sunday Patriot-News newspapers of general circulation, printed and published at 1900 Patriot Drive, in the City, County and State aforesaid; that The Patriot-News and The Sunday Patriot-News were established March 4th, 1854, and September 18th, 1949, respectively, and all have been continuously published ever since;

That the printed notice or publication which is securely attached hereto is exactly as printed and published in their regular daily and/or Sunday/ Community Weekly editions which appeared on the date(s) indicated below. That neither she nor said Company is interested in the subject matter of said printed notice or advertising, and that all of the allegations of this statement as to the time, place and character of publication are true; and

That she has personal knowledge of the facts aforesaid and is duly authorized and empowered to verify this statement on behalf of The Patriot-News Co. aforesaid by virtue and pursuant to a resolution unanimously passed and adopted severally by the *stockholders and board of directors of the said Company and subsequently duly recorded in the office for the Recording of Deeds* in and for said County of Dauphin in Miscellaneous Book "M", Volume 14, Page 317.

**PUBLICATION COPY**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**

Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.

Accenture LLP will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity. Accenture LLP proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Spears) at the address listed below.

Accenture LLP
161 North Clark Street, Suite 2300
Chicago, IL 60601
Phone: 312.693.4660
Fax: 312.737.3177

**This ad # 0002301869 ran on the dates shown below:**

**May 27, 2014**

Sworn to and subscribed before me this 29 day of May, 2014 A.D.

Notary Public

COMMONWEALTH OF PENNSYLVANIA

MEMBER, PENNSYLVANIA AS... ...IES

The Scranton Times (Under act P.L. 877 No 160. July 9,1976)
Commonwealth of Pennsylvania, County of Lackawanna

ACCENTURE OPERATIONS
MEAGAN JOYNES
211 S GULPH ROAD KING OF PRUSSIA PA 19406

Account # 596631
Order # 81522331
Ad Price: 197.55

LEGAL NOTICE PENNSYLVANIA
Gina Krushinski
Being duly sworn according to law deposes and says that (s)he is Billing clerk for The Scranton Times, owner and publisher of The Scranton Times, a newspaper of general circulation, established in 1870, published in the city of Scranton, county and state aforesaid, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the said newspaper on the following dates:

05/24/2014 05/24/2014

Affiant further deposes and says that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid notice or advertisement and that all allegations in the foregoing statement as time, place and character or publication are true Gina Krushinski.

Sworn and subscribed to before me
this 27th day of May A.D., 2014

Sharon Venturi
(Notary Public)

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sharon Venturi, Notary Public
City of Scranton, Lackawanna County
My Commission Expires Feb. 12, 2018
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

LEGAL NOTICE

**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**

*Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.*

Accenture LLP will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity. Accenture LLP proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Spears) at the address listed below.

**Accenture LLP**
**161 North Clark Street, Suite 2300**
**Chicago, IL 60601**
**Phone: 312.693.4660**
**Fax: 312.737.3177**

No. Term, 19

# PROOF OF PUBLICATION OF NOTICE IN THE WILLIAMSPORT SUN-GAZETTE UNDER ACT NO. 587, APPROVED MAY 16, 1929

STATE OF PENNSYLVANIA
COUNTY OF LYCOMING SS:

Bernard A. Oravec Publisher of the Sun-Gazette Company, publishers of the Williamsport, Sun-Gazette, successor to the Williamsport Sun and the Gazette & Bulletin, both daily newspapers of general circulation, published at 252 West Fourth Street, Williamsport, Pennsylvania, being duly sworn, deposes and says that the Williamsport Sun was established in 1870 and the Gazette & Bulletin was established in 1801, since which dates said successor, the Williamsport Sun-Gazette, has been regularly issued and published in the County of Lycoming aforesaid, and that a copy of the printed notice is attached hereto exactly as the same was printed and published in the regular editions of said Williamsport Sun-Gazette on the following dates, viz:

May 24, 2014

Affiant further deposes that he is an officer daily authorized by the Sun-Gazette Company, publisher of the Williamsport Sun-Gazette, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all the allegations in the foregoing statement as to time, place and character of publication are true.

Bernd A. Ora

SUN-GAZETTE COMPANY

Sworn to and subscribed before me
the 28th day of May 2014
Cathy A. Billey
Notary Public

NOTARIAL SEAL
CATHY A. BILLEY, Notary Public
City of Williamsport, Lycoming County
My Commission Expires May 15, 2015

**LEGAL NOTICES**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**

*Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.*

Accenture LLP will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity. Accenture LLP proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Spears) at the address listed below.

Accenture LLP

**LEGAL NOTICES**

161 North Clark Street, Suite 2300
Chicago, IL 60601
Phone: 312.693.4660
Fax: 312.737.3177

## STATEMENT OF ADVERTISING COSTS

To the Sun-Gazette Company, Dr.:
For publishing the notice attached hereto on the above state dates..........$ 224.76
Probated same..........$
Total..........$ 224.76

## PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

E COMPANY hereby acknowledges receipt of the aforesaid advertising and publication costs e same have been fully paid.

SUN-GAZETTE COMPANY

BY Bernard A. Oravec

**COMMONWEALTH OF PENNSYLVANIA**
***County of Cambria*** } **SS**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**

*Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/ Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.*

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The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Speers) at the address listed below.

**Accenture LLP**
**161 North Clark Street, Suite 2300**
**Chicago, IL 60601**
**Phone: 312.693.4880**
**Fax: 312.737.3177**

*On this 23rd day of May A.D. 2014, before me, the subscriber, a Notary Public in and for said County and State, personally appeared Christine Marhefka, who being duly sworn according to law, deposes and says as Classified Advertising Manager of the Tribune-Democrat, Johnstown, PA, a newspaper of general circulation as defined by the "Newspaper Advertising Act", a merger September 8,1952, of the Johnstown Tribune, established December 7,1853; and of the Johnstown Democrat, established March 5, 1863,*

*publi[illegible] unty of Cambria, and Commonwealth of Pennsylvania and that t[illegible] bove matter published in said publication in the regular issues of Th[illegible] PA, on May 23, 2014; and that the Affiant is not interested in the subject matter of said notice or advertising and that all of the allegations as to time, place and character of said publication are true.*

Christine Marhefka

**STATEMENT OF ADVERTISING COSTS**

Sworn and Subscribed before me this
23rd day of May, 2014.

Vivian Ohs

| | |
|---|---|
| 55 Lines @ $2.50 per line | 137.50 |
| 0.00 Inches @ $25.00 per inch | 0.00 |
| Notary Fee | 5.00 |
| Clerical Fee | 2.50 |
| **Total Cost** | **145.00** |

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Vivian Ohs, Notary Public
City of Johnstown, Cambria County
My Commission Expires Dec. 6, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

To The Tribune-Democrat, Johnstown, PA
For publishing the notice or publication attached hereto on the above stated dates.

**PUBLISHER'S RECEIPT FOR ADVERTISING COSTS**

____________________ for publisher of ____________________
a newspaper of general circulation, hereby acknowledges receipt of the aforesaid and publication costs and certifies that the same has been duly paid.

____________________
(Name of Newspaper)

By____________________

# PROOF OF PUBLICATION
# In
# THE ERIE TIMES-NEWS

## COMBINATION EDITION

Accenture LLP
161 North Clark Suite 2300
Chicago IL 60601

REFERENCE: 79945 70913
PUC Notice

STATE OF PENNSYLVANIA)
COUNTY OF ERIE ) SS:
Debra McGraw, being duly sworn, deposes and says that: (1) he/she is a designated agent of the Times Publishing Company (TPC) to execute Proofs of Publication on behalf of the TPC; (2) the TPC, whose principal place of business is at 205 W. 12th Street, Erie, Pennsylvania, owns and publishes the Erie Times-News, established October 2, 2000, a daily newspaper of general circulation, and published at Erie, Erie County Pennsylvania; (3) the subject notice or advertisement, a true and correct copy of which is attached, was published in the regular edition(s) of said newspaper on the date(s) referred to below. Affiant further deposes that he/she is duly authorized by the TPC, owner and publisher of the Erie Times-News, to verify the foregoing statement under oath, and affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statement as to time, place and character of publication are true.

PUBLISHED ON: 05/26/14

TOTAL COST: $409.00 AD SPACE: 0 Lines

FILED ON: 05/26/14

**PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE**

Application of Accenture LLP For Approval To Offer, Render, Furnish Or Supply Electric Generation Services As A Marketer/Broker Engaged In The Business Of Supplying Electricity To The Public In The Commonwealth Of Pennsylvania.

Accenture LLP will be filing an application with the Pennsylvania Public Utility Commission ("PUC") for a license to supply electricity or electric generation services as a broker/marketer engaged in the business of supplying electricity. Accenture LLP proposes to sell electricity and related services throughout all of Pennsylvania under the provisions of the new Electricity Generation Customer Choice and Competition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filed within 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of any protest to Accenture LLP (Attn: Stephen D. Spears) at the address listed below.

Accenture LLP
161 North Clark Street, Suite 2300
*Chicago, IL 60601*
Phone: 312.693.4660
Fax: 312.737.3177

Sworn to and subscribed before me this 17th day of June 2014

Affiant: Debra McGraw

NOTARY: Barbara J Moore

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Barbara J. Moore, Notary Public
City of Erie, Erie County
My Commission Expires March 23, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

No.____________________ Term,__________

# Proof of Publication of Notice in Pittsburgh Post-Gazette

Under Act No 587, Approved May 16, 1929, PL 1784, as last amended by Act No 409 of September 29, 1951

Commonwealth of Pennsylvania, County of Allegheny, ss H. Java, being duly sworn, deposes and says that the Pittsburgh Post-Gazette, a newspaper of general circulation published in the City of Pittsburgh, County and Commonwealth aforesaid, was established in 1993 by the merging of the Pittsburgh Post-Gazette and Sun-Telegraph and The Pittsburgh Press and the Pittsburgh Post-Gazette and Sun-Telegraph was established in 1960 and the Pittsburgh Post-Gazette was established in 1927 by the merging of the Pittsburgh Gazette established in 1786 and the Pittsburgh Post, established in 1842, since which date the said Pittsburgh Post-Gazette has been regularly issued in said County and that a copy of said printed notice or publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said Pittsburgh Post-Gazette a newspaper of general circulation on the following dates, viz:

**02 of June, 2014**

Affiant further deposes that he/she is an agent for the PG Publishing Company, a corporation and publisher of the Pittsburgh Post-Gazette, that, as such agent, affiant is duly authorized to verify the foregoing statement under oath, that affiant is not interested in the subject matter of the afore said notice or publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

H. Java

PG Publishing Company

Sworn to and subscribed before me this day of:
June 02, 2014

Linda M. Gaertner

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda M. Gaertner, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Jan. 31, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

**STATEMENT OF ADVERTISING COSTS**

accenture Operations
211 S. Gulph Road
King of Prussia PA 19406

To PG Publishing Company

Total ------------------------------ $405.00

## Publisher's Receipt for Advertising Costs

PG PUBLISHING COMPANY, *publisher of the Pittsburgh Post-Gazette*, a newspaper of general circulation, hereby acknowledges receipt of the aforsaid advertising and publication costs and certifies that the same have been fully paid.

Office
34 Boulevard of the Allies
PITTSBURGH, PA 15222
Phone 412-263-1338

*PG Publishing Company, a Corporation, Publisher of*
Pittsburgh Post-Gazette, a Newspaper of General Circulation

By Samuel J. Arbutina

I hereby certify that the foregoing is the original Proof of Publication and receipt for the Advertising costs in the subject matter of said notice.

______________________________

Attorney For

**COPY OF NOTICE OR PUBLICATION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Application of Accenture LLP For Approval ToOffer, Render, Furnish Or Supply Electric Generation ServicesAs A Marketer/Broker EngagedIn The Business Of Supplying Electricity To The Public In The Commonwealth OfPennsylvania.

Accenture LLPwill be filing an application with the Pennsylvania PublicUtility Commission ("PUC") for a license to supply electricity or electricgeneration services as abroker/marketer engaged in the business of supplying electricity. Accenture LLPproposes to sell electricity and related services throughout all of Pennsylvaniaunder the provisions of the new Electricity Generation Customer Choice andCompetition Act.

The PUC may consider this application without a hearing. Protests directed to the technical or financial fitness of Accenture LLP may be filedwithin 15 days of the date of this notice with the Secretary of the PUC, P.O. Box 3265, Harrisburg, PA 17105-3265. You should send copies of anyprotest to Accenture LLP(Attn: Stephen D. Spears) at the address listed below.

Accenture LLP, 161 North Clark Street, Suite 2300, Chicago, IL 60601, Phone: 312.693.4660, Fax: 312.737.3177

**Appendix C**

**CERTIFICATE OF SERVICE**

On this the 18th day of June 2014, I certify that a true and correct copy of the foregoing application form for licensing within the Commonwealth of Pennsylvania as an Electric Generation Supplier and all attachments have been served upon the following:

Office of Consumer Advocate
*5th Floor, Forum Place*
555 Walnut Street
Harrisburg, PA 17120

Office of the Attorney General
*Bureau of Consumer Protection*
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Commonwealth of Pennsylvania
Department of Revenue
Bureau of Compliance
Harrisburg, PA 17128-0946

Legal Department
West Penn Power d/b/a Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

Manager Energy Acquisition
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699

Regulatory Affairs
Duquesne Light Company
411 Seventh Street, MD 16-4
Pittsburgh, PA 15219

Legal Department
Attn: Paul Russell
PPL
Two North Ninth Street
Allentown, PA 18108-1179

Legal Department
First Energy
2800 Pottsville Pike
Reading PA, 19612

UGI Utilities, Inc.
Attn: Rates Dept. – Choice Coordinator
2525 N. 12th Street, Suite 360
Post Office Box 12677
Reading, Pa 19612-2677

Citizens' Electric Company
Attn: EGS Coordination
1775 Industrial Boulevard
Lewisburg, PA 17837

Director of Customer Energy Services
Orange and Rockland Company
390 West Route 59
Spring Valley, NY 10977-5300

Wellsboro Electric Company
Attn: EGS Coordination
33 Austin Street
P. O. Box 138
Wellsboro, PA 16901

RECEIVED

JUN 18 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Stephen D. Spears**
**Accenture LLP**

STEPHEN.D.SPEARS
ACCENTURE CHICAGO
161 N CLARK
CHICAGO IL 60601

1.0 LBS LTR 1 OF 1

**SHIP TO:**
SECRETARY
PENNSYLVANIA PUBLIC UTILITY COMMN
ROOM N201
2ND FLOOR
KEYSTONE BLDG
**HARRISBURG PA 17120**

**PA 171 9-20**

**UPS NEXT DAY AIR** **1**
TRACKING #: 1Z W20 6X1 01 9711 7473

BILLING: P/P

Reference No.1: ALZUE005
Reference No.2: PA EGS app

XOL 14.03.05 NV45 51.0A 04/2014

RECEIVED
JUN 18 2014
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

FOLD HERE

## UPS CVS: View/Print Label

1. **Print the label(s):** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.

2. **Fold the printed label at the dotted line.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

3. **GETTING YOUR SHIPMENT TO UPS**
   **Customers without a Daily Pickup**
   - Schedule a same day or future day Pickup to have a UPS driver pickup all of your Internet Shipping packages.
   - Hand the package to any UPS driver in your area.
   - Take your package to The UPS Store™, Customer Center or Authorized Shipping Outlet.
   - Drop off your Air Shipments including Worldwide Express SM at one of our 50,000 UPS locations.

   **Customers with a Daily Pickup**
   - Your driver will pickup your shipment(s) as usual.