

Message to shareholders

Fundamentals matter. In tough times, they are paramount. We write this letter as the global marketplace faces one of its most challenging times in close to a century. Although the state of the economy is changing on a near daily basis, we can tell you with confidence that your company's foundation is solid. Our performance is among the strongest in our industry.

Out of challenges come great opportunities and we are positioned, not only to take advantage of these opportunities, but to create them for our clients, our members and our shareholders.



Serge Godin
Founder and
Executive Chairman of the Board

Michael E. Roach
President and
Chief Executive Officer

As demonstrated by our performance—and rooted deeply within our culture—we are focused on the essentials of running a sound and stable business for the long term. This stability is a result of CGI's business model and focus on growing our backlog of committed orders. Today, at \$11.7 billion, our profitable backlog provides revenue and profit visibility for all stakeholders and allows our clients to be confident in the stability of their IT services partner.

We employ best practices in managing your investment and are committed to growing profitably and expanding shareholder value over time. Our fiscal 2008 results demonstrate that our business model is built to withstand tough times.

At CGI, we believe we have the duty to balance the requirements of our three key stakeholders...

- To help *clients* win and grow, employing the most flexible technologies and best solutions needed to operate their business in both good and challenging times;
- To offer CGI *members* an opportunity to be owners and intrapreneurs, creating stimulating career opportunities; and
- To provide *shareholders* with superior returns over time.

We regularly confer with our stakeholders so that their views help shape our strategies and, ultimately, our shared destiny. During these consultations, each group confirms that in challenging times such as these, they look for companies like CGI that demonstrate commitment to fundamentals and, as a result, have a long track record of quality and strong performance.

Focused on helping our clients win and grow

Today's economic pressures require clients to improve the effectiveness of their operations. There is little that can be done in most corporations and governments without information technology. Improving efficiency most often requires an investment in IT and fuels the demand for systems integration and consulting services.

Moreover, the desire to find increased value will lead more companies and governments to consider shared services. CGI's outsourced services offerings, which are shared services to multiple clients, are therefore even more enticing when clients are focused on improving their bottom lines.

Over the years, we have invested hundreds of millions of dollars building industry-specific business solutions and technology architectures that are among the most advanced in each of our selected industry sectors. From our enterprise resource planning systems for government such as AMS Advantage® and Momentum®, to our credit and collections offerings such as CACS®, our solutions are designed to help clients manage through tough times—and all are experiencing considerable pick-up in demand. In addition, our governance model is renowned for helping clients maximize value through a lower and more focused IT spend. These resources along with the business transformation capabilities and the commitment of CGI's 25,500 professionals are at the disposal of our clients to help them achieve their goals.

Our clients can rely on our technology independence and have ready access to CGI's flexible network of delivery centers. Rather than dictate a one-size-fits-all approach, we prescribe the best mix of solutions and sourcing for clients' unique requirements. Spread across onshore,

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nearshore and offshore centers, our delivery model offers clients less dependence on any single geography. Gaining traction, this model is responsible for a growing number of client successes.

At CGI, we believe what gets measured gets done. In 2008, as part of our very structured program aimed at evaluating our clients' degree of satisfaction, we achieved an average rating of 9 out of 10 from more than 2,000 interviews. We would like to take this opportunity to thank our clients for their trust in our ability to help them.

Sharing a common dream as owners

At CGI, our professionals share in a common dream: "To create an environment in which we enjoy working together and, as owners, contribute to building a company we can be proud of."

Our members are committed to achieving client success and their greatest satisfaction is being acknowledged for a job well done. This stems from the fact that an astounding 83 percent of our members are shareholders. Closely connected is the fact that CGI has assembled an outstanding team of

professionals and has one of the lowest attrition rates in the industry. These two factors result in consistent and high-quality outcomes for our clients and profitable growth for our shareholders.

Since CGI members represent the single largest ownership block of CGI, it goes without saying that our interests are closely aligned with yours. Our performance-based compensation system, including our stock options program, clearly reflects this, as it is directly linked to value creation.

Our professionals are in daily contact with our clients and in the best position to understand their needs today and into the future. Therefore, the input of all CGI members is an essential part of our strategic planning process.

Our members continue to reinforce a set of long-term goals aimed at the interest of each stakeholder:

- We want to be recognized as a world-class leader in our field;
- We want to be recognized by our clients as their partner and expert of choice;
- We want to be recognized as a world-class employer; and

- We want to be recognized as a well-managed company, creating value for shareholders.

Driving superior value to shareholders as a long-term growth investment

The stability of our management team is second to none and our team has successfully operated in all types of economic environments—good and bad. While this seems important all the time, it is critical in times like these.

Our day-to-day financial management is focused on ensuring maximum shareholder returns while balancing risk. We continue to use our strong cash flow to invest in what we know best: our own company, either buying CGI stock or reducing debt. We manage our cash tightly and conservatively, and we have not invested in asset-backed securities. We also do not take on any long-term liabilities that could limit our future operating flexibility such as pension obligations.

Despite current economic challenges, CGI's strategy is unchanged. It was built to withstand all economic cycles.

During fiscal 2008, our performance remained one of the best in the global IT services industry.

- Revenue increased by 5.3% at constant currency to \$3.71 billion.
- New contract bookings were up 29.9% to \$4.15 billion, or 112% of revenue.
- Adjusted EBIT was up 6.1%, to \$430.0 million or 11.6% of revenue.
- Earnings were up 26.9%, to \$297.9 million or 8.0% of revenue.
- Earnings per share were up 31.4%, to 92 cents.
- We generated \$1.10 in cash per share from operating activities, or \$355.9 million.
- We invested \$333.8 million in share buybacks and debt reduction.
- Return on invested capital was 13.9%.

Despite current economic challenges, CGI's strategy is unchanged. It was built to withstand all economic cycles. In fact, we have opted to aggressively accelerate our marketing, business development and sales efforts on both pillars of growth—the “build” and the “buy.”

On the build side, we continue to focus on our full-offering strategy, which

entails reintroducing our broad portfolio of capabilities to targeted clients and prospects. This has generated a steady stream of new contracts, renewals and extensions, representing growth among current and new client accounts.

On the buy side, we continue to patiently monitor many opportunities, critically screening all investments for strategic alignment and accretion to earnings per share in the first year following any investment. While our sound financial position puts us in an excellent position to shape and target transformational deals, we will only move forward if we find the right target at the right time and for the right price. We need all three of these elements to be in place. Not one or two, but all three.

We continue to have the flexibility, liquidity and financial capacity to fully execute this strategy. Our debt levels are low and our mostly undrawn \$1.5 billion credit line expires only in 2012 — another example of taking a long-term view.

In short, we have not changed our course to suit the times. Rather, we have operated under the same consistent and sound financial practices for more than 30 years.

Out of challenges come great opportunities and we are positioned, not only to take advantage of these opportunities, but to create them for our clients, our members and our shareholders.

We thank our clients and shareholders for their continuing trust in us. To our fellow members and the Board of Directors, we thank you for your dedication; it is a pleasure and an honor to work with you each day.



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