2006 annual report

the ability to foresee innovation

www.aubay.com

Contents

Chairman's message

Dear Shareholder,

2006 marked a new stage in the growth of Aubay Group. The acquisition and successful integration of Projipe was a decisive step towards a major change in scope. Today, Aubay Group employs over 2,000 members of staff and our proforma revenues of € 148.7 million at December 31, 2006, place us in the exclusive bracket of IT services companies with revenues of over € 150 million.

A benchmark player, Aubay is systematically consulted by leading market corporations in finding the best solutions to their technological requirements. Moreover, the Group has significantly extended its offering, meaning that is now also a reference name for business and companies within the finance sector in France where it ranks amongst the top ten suppliers to the industry's largest institutions.

Alongside the successful integration of Projipe, Aubay enjoyed sustained growth of 14% in 2006, namely twice the sector average.

We have improved profitability in each of our subsidiaries, both in France and abroad, and our operating margin of 8.5% is one of the highest in the sector.

As a result of this stunning performance, with group net income up 108% to € 7.2 million - an all-time high for the Group - Aubay will be paying out dividends of € 0.09 per share, up 28% on 2005.

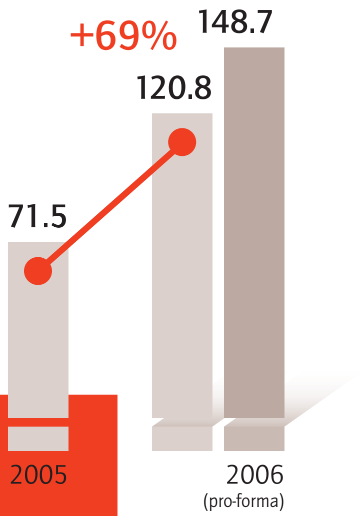
Furthermore, the Group has also revised its medium-term development plan once again. Today, our objective is to generate revenues of € 200 million by 2008, i.e. two years ahead of schedule, for an operating margin of 10% by combining organic growth of 10 to 15% with targeted acquisitions.

I am confident of our ability to continue to generate strong, profitable and lasting growth and to continue to justify your faith in our future.

Christian Aubert
Chairman

Key figures

Very strong growth in revenues: +69%



Revenues
(in € millions)

Growth in France and within the Finance sector following the acquisition of Projipe

Breakdown of revenues by geographical region

(in € millions)	2005	2006	
France	21.2	61.6	+190%
Belux [1]	28.9	29.8	+3%
Italy	15.0	20.4	+36%
Spain	6.4	9.0	+40%

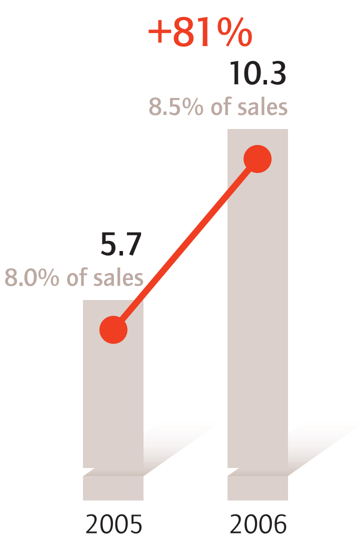
(1) Belgium & Luxembourg

Success of the change in Group scope

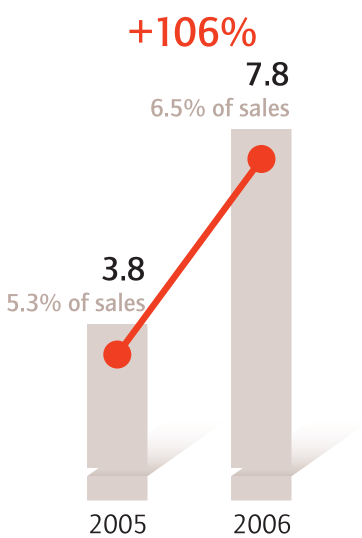
Breakdown of revenues by market segment

	2005	2006
Finance	31%	45%
Public sector	29%	16%
Services	15%	13%
Industry	10%	10%
Telecoms	13%	15%
Retail & Distribution	2%	1%

An operating margin of 8.5% that is one of the best in the business

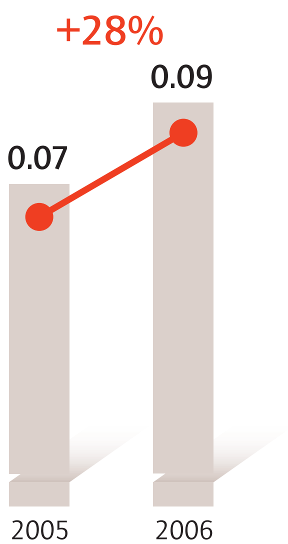


Current operating income
(in € millions)

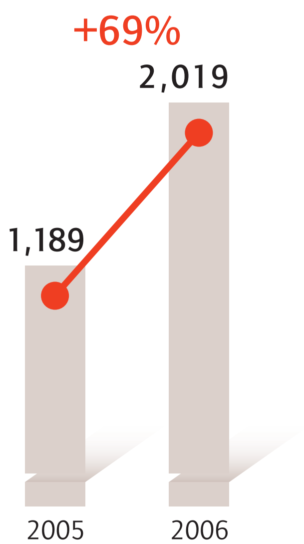


Net income
(in € millions)

A payroll that exceeds the 2,000 mark



Dividends
(in €)



Payroll
(as at December 31)

Business

From the very outset, Aubay has set itself apart from the competition by focusing on two core priorities: its **new technologies consulting business** and its geographical reach across **Europe**

Our major strength: two core priorities

Technological services and consulting

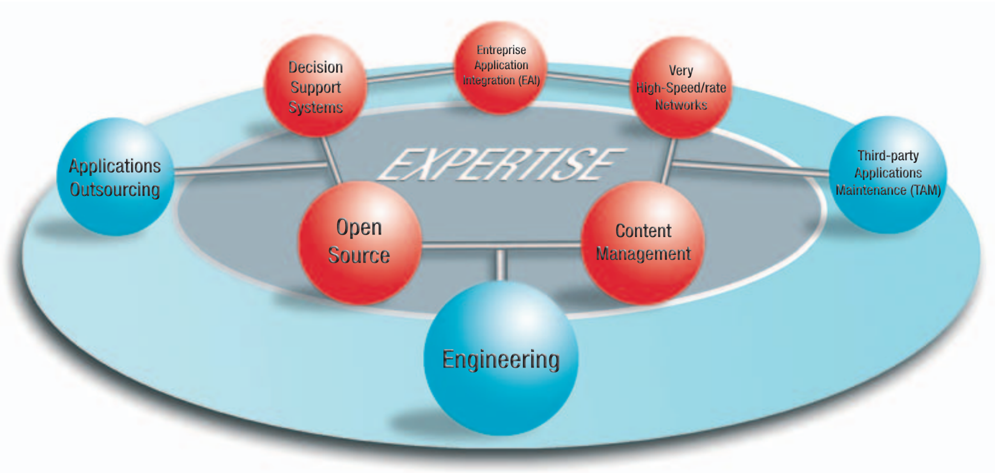
Aubay's activities revolve around the 5 areas of expertise that it has developed to accompany today's technological change and the needs of its major corporate clients.

Building on its two historical business lines of **complex environment technical architectures** and **very high-speed networks**, Aubay subsequently extended its offer to cover **decision support systems, open source** and **content management.**

Today, Aubay aims to draw upon these various areas of expertise in targeting a broader market spectrum via its applications outsourcing, engineering and third-party applications maintenance offers.

A strong positioning through a broad potential offering

As it intervenes well upstream of most processes, Aubay is ideally placed to offer an extensive range of services that are **minutely tailored to the specific needs** of each customer:



An impressive client portfolio

Thanks to the loyalty of its customers and quality of its services, Aubay enjoys a high contract renewal rate, making it a **key market player**.

The Group boasts an impressive portfolio of **major customers across Europe** and constantly seeks to attract new customers.

Aubay's ten largest customers

Société Générale, BNP, the Belgian government, Crédit Agricole Group, France Télécom, Natixis, EU Institutions, AXA, Grupo Telefónica and HSBC represent 49% of Aubay's total revenues.

A presence in five European countries

Mission statement: Aubay's mission is to meet the needs of its major customers in **adapting to new technologies, Europe-wide.**

Our strength: our customers and staff

Aubay's workforce at the end of 2006

2,019 employees, 92% of which are first-rate engineers and an increase in the Group's productivity rate from 91 to 93%.

Management team

Christian Aubert
Chairman

Corporate Center

Philippe Rabasse
Chief Executive Officer

Davis Fuks
Deputy Chief Executive Officer in charge of Finance

Vincent Gauthier
Deputy Chief Executive Officer in charge of Legal Affaires

Christophe Andrieux
Deputy Chief Executive Officer, France

Philippe Cornette
Deputy Chief Executive Officer, France

Paolo Riccardi
Chief Executive Officer, Italy

Operational Management

Gérard Lucente
Chief Executive Officer, Spain

Luc Toorens
Chief Executive Officer, Belgium & Luxembourg

Joël Sanzot
General Manager, Luxembourg

Market data

Calendar

June 5, 2007
Dividend payment

July 31, 2007
Revenues for H1 2007

September 18, 2007
Results for H1 2007

November 6, 2007
Revenues for Q3 2007

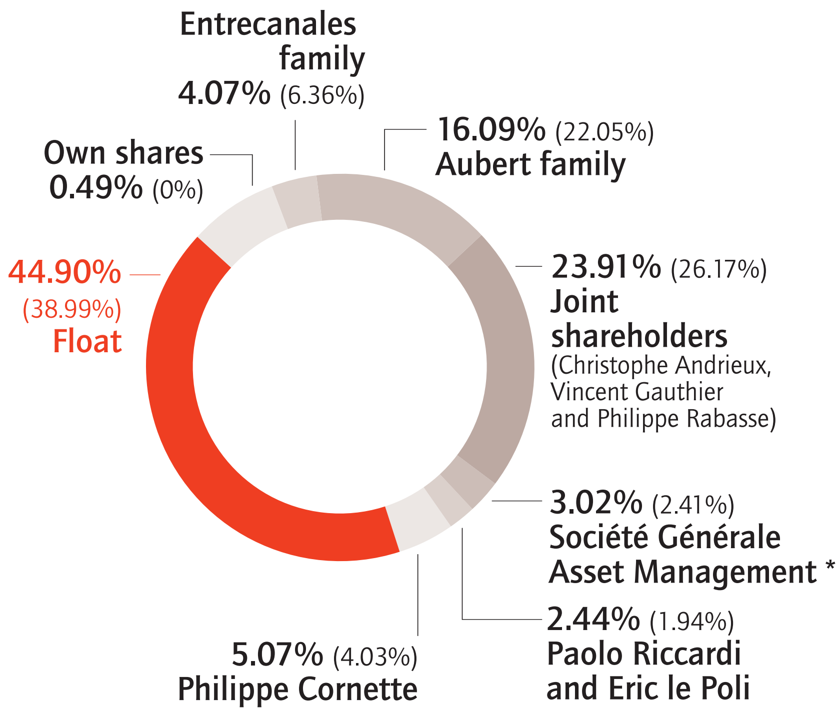
February 12, 2008
Yearly revenues for 2007

March 2008
Yearly results for 2007

Euronext

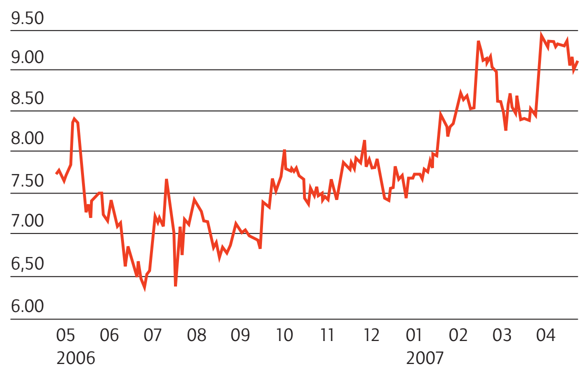
Eurolist Compartment C
Segment: NextEconomy
ISIN Code: FR0000063737-AUB
Reuters: AUBT.PA
Bloomberg: AUB
13,266,247 shares
with a par value of € 0.5

Shareholder base



Breakdown of capital *(and voting rights)*
(as at December 31, 2006) and *(as at January 10, 2007)

Share data



Share performance
(in € from May 2006 to April 2007)

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Consolidated management report

History, objectives and strategy of the Group

Aubay was created at the end of 1997 by Christian Aubert, and in just nine years has established itself as a major European player specialized in key technologies.

Created by engineers, Aubay has always aimed to rise above its competitors thanks to its technological added value. The development of specialized business lines offering a genuine competitive edge and significant market potential has been the springboard for the Group's expansion.

This multi-division structure has two major advantages:

■ It makes the Group less vulnerable to market changes and fluctuations;

■ Its areas of expertise set the Group apart from its non-specialized competitors, increasing its appeal to new clients. As such, the following specialized business lines have been developed and adapted across all Group locations:

■ Complex Environment Architectures (EAI);
■ Very High-Speed/Rate Networks;
■ Decision Support Systems;
■ Content Management;
■ Open Source.

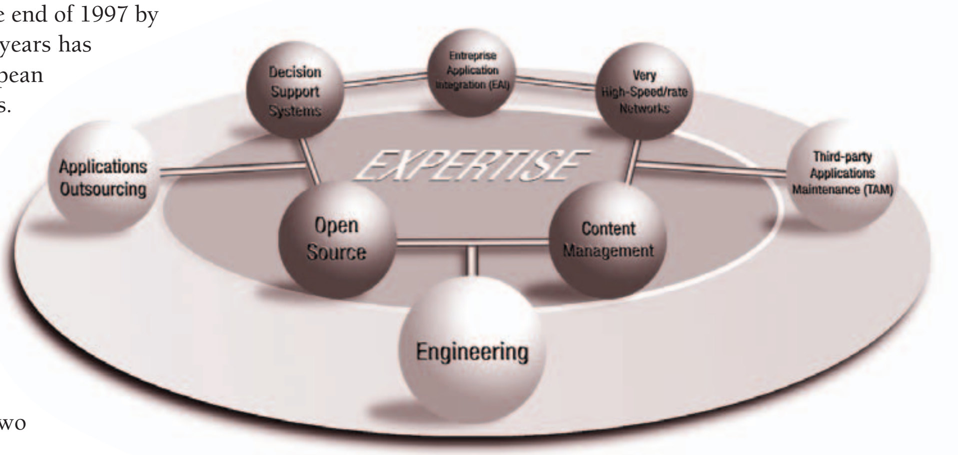
This business platform accounts for approximately 20 % of Aubay's business volumes, allowing for the development of other services with high growth potential and more extensive customer support:

■ Engineering,
■ Third-party Applications Maintenance (TAM),
■ Applications Outsourcing.

By offering its clients consultancy services based on these areas of expertise, Aubay is perfectly placed to implement the recommendations resulting from its upstream solutions and to manage both engineering projects and, more generally, third-party applications maintenance or transformational outsourcing assignments.

Businesses

Aubay's services are summarized as follows:



Complex environment technical architectures

Aubay boasts an extensive knowledge of the tools currently used to design the most efficient architectures that enable the functional 'building blocks' of IT systems to work together as effectively as possible. Today, the large number and diversity of these building blocks, combined with the increase in the volumes and criticality of the information flows between them, require ever more reliable and effective exchange platforms. The technologies which manage these information flows, both within and between companies, are known as "middleware", EAI (Enterprise Application Integration), and ETL (Extract Transform Load). Today, they have become the nervous system of most information systems, essential both internally to interconnect the various blocks of the system (ERP, Legacy system, Supply Chain Management and other customer relationship management tools), and externally to interconnect information systems with partners and customers via the Internet. The exchange standard used is XML.

This field accounts for the largest share of Aubay's activity and, given the ever-increasing complexity of information systems, undoubtedly offers the greatest growth potential.

Very high-speed networks

The giant strides made in the ability to interconnect information system components hinge on specialist knowledge of very high-speed communication services (fiber optic networks for backbones and ADSL, LRL, UMTS and Wi-Fi for access networks). These services pave the way for exponential growth in data transmission capacities and facilitate the development and enhancement of information systems.

Aubay's expertise in the most advanced technologies in this field (Fiber Optics, General Pocket Radio Service (GPRS), Universal Mobile Telecommunication System (UMTS), Asymmetric Digital Subscriber Line (ADSL), Local Radio Loop (LRL) and Wi-Fi), means that it has been frequently called upon to work alongside a number of key players in the telecoms sector - whether long-standing operators or leading manufacturers - in assisting them with the extensive rolling out of their networks seen over the past seven years.

The rollout services that Aubay offers its customers range from consultancy to project management assignments. Consultancy assignments include advice on telecoms strategies, needs analyses and scenarios as to the technical, financial and organizational aspects of network development, the drawing up of specifications, the management of invitations to tender, and network security. Network engineering and consulting assignments involve selecting the appropriate technologies and defining the network protocols, high-speed network architectures (Gigabit, ATM, etc.) and virtual networks (VLAN, VPN), as well as the selection and provisioning of equipment.

Given the extensive investment therein by major operators in recent years, Group activity is likely to remain stable for the next two to three years.

Decision Support Systems

Increasingly, a company's ability to use its data effectively requires that all employees are able to share the information available which also needs to be collated in a way that meets the specific needs of the various types of users. This is precisely the purpose of so-called decision support system tools, which enable each type of user to access the company's resources and then to process the data in order to assist them in their decision-making.

The contribution of new technologies to this field is twofold: first the broader use (or democratization) of these tools by facilitating access to information using the web-type interfaces offered by most market tools available today, such as Business Object WebI, and second, more exhaustive and better quality information thanks to the links that can now be made between databases using the solutions referred to above (e.g. EAI, ETL). Previously the preserve of a highly select group of company employees (i.e. its senior management) for use in strategic decisions, today, all departments have access to tools which provide them with operational indicators.

At the core of any decision support system is its datawarehouse (e.g. EMC, Oracle, IBM, Sybase, etc.), which consolidates all company data needed to produce strategic or operational indicators. This datawarehouse is fed by an ETL system (Informatice, Ascential, Sunopsis, etc.) which extracts, transforms and streamlines the data stored in the company's various applications. The stock of information built up is then exploited via tools which provide each department with a view tailored to their business line and in a format designed to highlight its relevance (multidimensional databases, and reporting tools such as SAS, Business Object, Brio, Hyperion, Cognos, Actuate, etc.).

Aubay is unique in being able to deal with front-end (the visible part of interfaces available to users) and back-end (technical architecture for the provision and storage of very large volumes of data) decision-making problems alike unlike most of its competitors which specialize in only one of these two areas of expertise.

Enterprise Content Management

The development of new technologies has also made it possible to digitalize entire reams of documentation. By facilitating data storage, new technologies have above all enabled the optimization of documentation management. It is now possible, for example, to obtain high-quality information through web portals, all the more so because this information is relevant for the users in question and always up-to-date thanks to the careful management of its life cycle. As such, different companies position their products along all or part of the documentary management process, from portal to archives, collaborative work or management of technical content. The main resources used here include Documentum (acquired by EMC), Vignette, Interwoven, Everteam, Panagon, Open Text, etc.

Open source

The costly solutions offered by the oligopolies that have shaped the IT industry since its emergence a few decades ago have triggered the birth of a new phenomenon, which was originally non-commercial in nature, namely the creation of free software and tools by a technical and relatively disinterested community.

Overturning the highly-profitable model which made the fortunes of the main players in the IT sector, this community has developed solutions which now offer entirely credible alternatives to software and packages sold under license.

Long ignored by major IT consumers who failed to see how they could profit from free solutions and therefore did nothing to promote them in any significant way, today, open source solutions are extensively used by all those keen to escape the clutches of software companies.

Rather than be criticized - albeit justifiably - for a lack of objectivity in the advice they gave to their customers, service providers inevitably jumped on the bandwagon. The scale of open source development finally drove the industry's giants to integrate it into their strategies and offer global, "paid for" solutions made up of open source building blocks. In fact, in some cases, they even went as far as financing developments, like SUN did with OpenOffice or IBM for Eclipse.

Open source now extends to all fields of IT. Solutions for operating systems such as Linux offer an alternative to the all-dominant Windows, while solutions also exist for security, content management and even business applications and office suites (Open Office).

Aubay was therefore quick to respond to the phenomenon of open source with investment aimed at mastering the technologies involved for the benefit of its clients.

Engineering services

Given the privileged position afforded by its upstream expertise, Aubay's decision to extend its scope to engineering projects for the different offers described above was the next natural step in its development. A move further vindicated by the fact that Aubay enjoys a distinct edge over its competitors in that its customers call on it first to carry out technological audits, validate prototypes or pilot projects, i.e. whenever they contemplate changing their information systems.

IT engineering is a vast and buoyant market made up of a large number of heterogeneous players coupled with a wide range of hardware and software products. The expertise of a Group like Aubay is absolutely essential for any client wishing to build on their information systems without necessarily invalidating the heavy investment made over the past years or even decades in creating this system. Aubay's particularly thorough knowledge of information systems means it is often perfectly placed to initiate and maintain long-term working relations with its clients.

Third-party Applications Maintenance (TAM)

The increasing complexity of IT systems and the applications they comprise demand constant updating, correction and development. For many reasons, notably to reduce their dependence on the developer of a given application, customers may wish to entrust this maintenance phase to service providers even though they did not develop the application in question. Aubay undertakes assignments of this type, which are highly recurrent and therefore afford the Group a great deal of visibility.

Transformational outsourcing

"Traditional" transformational outsourcing responds to customers' needs to entrust all or part of their information systems to a third party who takes on responsibility for their operation. This solution has the advantage of entrusting any operational problems to a service provider in exchange for remuneration which is generally fixed and payable over several years.

That said, this type of outsourcing does have the disadvantage of making a customer extremely dependent on its chosen service provider and is often likened to an "investment tunnel" which provides short-term satisfaction but hinders the long-term development of the system.

Aubay has therefore opted to offer its customers intelligent outsourcing solutions, whereby it takes charge of all or part of their information systems, not so much in a bid to manage its operation, but primarily to ensure its constant development and updating. Entrusting this development to a single service provider frees the customer from the tedious and costly tasks of developing and updating the various components of their information systems.

The market

The market in 2006

According to the Syntec report for 2006, the IT market (software and services) recorded growth of 6.5%, buoyed not by a price effect but rather by volumes.

Technological consulting/R&D outsourcing enjoyed the strongest growth, up 8% across all sectors. In second place came the Group's purely consulting activities which recorded growth of 7%, followed by transformational outsourcing (6%) and lastly engineering (5.5 %).

Growth in the IT services sector continued to outperform GDP growth in France by around three to four times.

The market in 2007 and outlook for 2007-2010

Over 2007, the IT services market should enjoy comparative growth of between 6 and 8%.

Moreover, the clearly ever-increasing needs of its clients and the Group's order books and stable conversion rates constitute excellent indicators for the future.

Growth for the French market is in line with European averages, with an increase in client-generated revenues (which represent approximately 50% of revenues booked).

The sectors that continue to generate the strongest growth are the Banking and Insurance sectors (8%), with industry remaining the lowest contributor but still generating growth that is twice that of GDP growth at 4%.

While industrialization currently concerns 80% of the market with the remainder tied to innovation, this should be reversed by 2015 with industrialization affecting 40% and innovation 60%.

The Offshore market grew by almost 40% in 2006, but nonetheless remains limited in that it only represents around 3% of the overall revenues of IT services companies.

As regards the European market, revenues stem in more or less equal proportions from India (41%), Eastern Europe (21%) and the Southern Mediterranean region including Spain (34%) respectively. This therefore differs considerably from the US market whose revenues stem almost exclusively from India (90% of its off-shore market). Not all IT services sectors break down in the same way, with only around 34% of the world market deemed to be outsourcable. Here, figures apply solely to realization processes and integration tests, Back Office TMA, applications maintenance or transformational outsourcing assignments, and, to a lesser extent, infrastructure transformational outsourcing.

Report on business activity in 2006

The Board of Directors met on March 27, 2007 under Chairman Christian Aubert to approve the consolidated financial statements for the year ending December 31, 2006 in accordance with IFRS standards adopted by the Group for the first time in its consolidated financial statements for the year ending December 31, 2005.

Group activity in 2006

Aubay Group enjoyed buoyant client demand in each of the countries in which it is present throughout 2006.

The excellent trends seen in the IT services sector since 2005 continued in 2006. Aubay's large corporate clients all performed extremely well, prompting them to carry out a number of innovative projects linked to their information systems.

In terms of its size, Aubay's acquisition of Projipe was a decisive step in the Group's development, with staff numbers exceeding the 2,000 mark. Moreover, given its new size, Aubay now ranks amongst the exclusive bracket of IT services companies that generate over € 150 million in revenues.

While the acquisitions of Kedros and Why Not already significantly reinforced the Group's scope in 2005, Aubay's merger with Projipe and its some 650 members of staff at the end of July 2006 has given the company the strong operational footing and commercial resources needed to rank amongst the key players used by its large corporate clients. Today, the Group's French teams employ more than 1,100 members of staff.

The benefits of Aubay's new critical mass have been particularly marked within its banking and insurance client segments which now constitute the Group's largest markets. Today, the company almost systematically ranks amongst the top ten to fifteen IT services suppliers in France and soon, overseas.

Aubay's new scope naturally bolsters the Group's positioning with its corporate clients who continue to reduce the number of their suppliers, and enables it to accommodate for the ever-increasing scope and geographical reach of their respective needs.

Overseas, sector activity also remained buoyant throughout 2006, with each of the Group's European entities reporting positive earnings.

Aubay's Belgian/Luxembourg activities once again enjoyed sound growth, posting one of the Group's highest profitability rates. Recruitment within these entities is selective, thereby slightly curtailing the growth potential of a market which continues to boast a very high level of demand.

After posting what was already very strong growth in 2005, Aubay's activities in Spain once again significantly improved their growth over the year, taking it from over 20% in 2005 to almost 40% in 2006. Furthermore, this growth was purely organic in nature despite the high revenue levels which characterize the Spanish market. Over the year,

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Consolidated management report

Aubay was able to implement a concrete if timid increase in its sales prices in what remains a highly competitive market.

Given this well-established and extremely sound base in Southern Europe, Aubay Group took the strategic decision to develop its low cost offering in order to counter the price positioning of competitors in countries such as Morocco, certain Eastern European countries and even India. As a result, the Group set up in Portugal in 2006 in order to accompany the development projects of a major French bank which is one of its clients.

This presence across Europe naturally affords Aubay a number of opportunities to develop alongside its clients that operate at a global level and who tend to call upon the same suppliers from one country to the next according to their strategic needs. Moreover, this tendency should continue and grow at a time when, especially within the banking and insurance sectors, concentration trends imply the continual adaptation of information systems. As they do, suppliers that are present in several countries will enjoy a significant advantage over those players that operate at a national level "only".

Highlights of the financial year and major events after year end

2006 marked a new stage in Aubay Group's development whose headcount increased to over 2,000 by the end of the year. With around half of the Group's employees (1,100) employed in France alone, the country naturally constitutes the Group's pivotal base. The major growth enjoyed by the Group in the space of just 18 months means that it now ranks as a major European player which is more than capable of meeting the increasingly global needs of its major corporate clients. This is particularly important within the banking and insurance sectors and amongst telecoms operators that now call upon the IT services of an increasingly limited database of suppliers.

Highlights of the year

- **January:** Aubay signs a major transformational outsourcing contract (€ 10 million) in Italy. Aubay sells 16% of the capital of its subsidiary Octo Technology to its founding director, reducing its stake from 84 to 68%.
- **February:** Aubay publishes its revenues for 2005, up 25% to € 71.4 million (€ 87 million proforma).
- **March:** Aubay publishes its definitive results for 2005 showing a further improvement in its operating margin from 7.3% to 8%. Net income increases 125%.
- **May:** Aubay secures a € 5.3 million contract in Luxembourg and publishes its revenues for the first quarter of 2006 showing strong growth of over 50% to € 24.6 million).
- **June:** The AGM of May 10, 2006 approves a new increase in net dividends to € 0.07 per share.
- **July:** Aubay announces the strategic acquisition of Projipe. With its payroll of some 650 employees located essentially in the Paris region, the acquisition of Projipe ranks Aubay amongst the top 15 multi-specialist services companies in terms of global revenues.
- **August:** Aubay publishes its revenues for the first half of 2006, up 13.7% to € 49.5 million (like-for-like and not including Projipe).
- **September:** Aubay publishes its half-yearly results with a current operating margin of 8.8% and an operating margin of 9.7%. Net income is doubled to € 2,761 million.
- **October:** Aubay issues an OCEANE bond of € 30 million and announces its plans for the IPO of its French subsidiary, Octo Technology.
- **November:** Aubay publishes its third quarter revenues, up 97% to € 31 million and strong organic growth of 13.6%. These figures are the first consolidated figures to include Projipe. At the same time, Aubay sets up an entity in Portugal to meet the needs of a major international bank that is part of its client base.
- **December:** Aubay subsidiary, Octo Technology, is successfully listed on the Alternext index in Paris.

Significant events since the end of the year

There have been no significant events since the close of the 2006 financial year.

Mergers and acquisitions policy

As on a number of occasions in the past, Aubay seized various external growth opportunities as they arose in 2006. The acquisition of Projipe in July was of course the largest strategic operation carried out by the Group since it was founded.

Perfectly in line with the acquisitions of Kedros and Why Not in France in 2005 aimed at reinforcing the Group's activities in France with various strategic clients, the acquisition of Projipe constitutes a new stage in Aubay's development process, ranking it amongst those players to be systematically consulted by leading market players in finding the best solutions to their technological requirements.

While potential acquisitions abroad are still under review, notably in Spain, for the time being, the companies targeted do not conform to the expectations of the Group's management, particularly in terms of price.

Consolidated data

Income statement

In 2006, Aubay generated revenues of € 120.8 million, up 69% on the figure published for 2005. All countries contributed therein, with growth rates ranging from 190% in France, 3% in Belgium/Luxembourg, 36% in Italy and 40% in Spain. This growth was underpinned by the timely combination of four levers:

- A marked increase in employee numbers to 2,019 at the end of 2006 from 1,189 at the end of 2005;
- A productivity rate of 93% in 2006 (vs. 91% in 2005) that reflects the Group's strong commercial and operational performance;
- A sound pricing policy;
- The acquisition and consolidation of Projipe as of August 1, 2006.

Revenues for France stood at 61.6 million, accounting for 51% of the Group's total activity. This percentage has increased sharply, reflecting the acceleration in the Group's activities in France which now constitute Aubay's key growth driver. Moreover, the Group's activities in France are expected to increase to 60% of revenues in 2007.

Current operating income came in at € 10.3 million, compared with the € 5.7 million posted on December 31, 2005, thus affording the Group an operating margin of 8.5% for the year. 2006 proved another strong year for Aubay, with the Group's results ranking it amongst the highest performers in its sector.

Margin per country breaks down as follows: 11.2% in Belgium/Luxembourg, 8.3% in Italy, 7.5% in France and 6.3% in Spain. All of the countries in which Aubay operates recorded positive growth, with the exception of Italy which performed better in the second half of the year, generating a margin of 8.9% compared to a margin of 7.7% in the first six months of the year.

The Group's other operating income and expenses of over € 1.1 million essentially include the capital gains made on the disposal of its subsidiary, Octo.

Net financial income stood at € - 1.1 million versus € - 0.2 million one year earlier and includes the interest linked to the financing of the acquisition of Projipe and the issue of the OCEANE.

Aubay Group's income tax bill was € 2.5 million, with net income from consolidated companies coming out at € 7.8 million, i.e. more than twice the previous year's € 3.8 million.

Group net income totaled € 7.2 million, up by over 108% on the € 3.5 million recorded in 2005.

Balance sheet

Aubay's balance sheet total for 2006 stood at € 142.9 million versus € 79.0 million in 2005. The main changes therein include:

- The € 31.8 million increase in non-current assets which stems essentially from the € 26.4 million increase in goodwill following the acquisition of Projipe and the € 3.8 million increase in intangible assets, including € 2.7 million in business assets booked in Projipe's financial statements;
- The € 22.4 million increase in receivables primarily linked to the heightened activity, with collection periods remaining stable from one year to the next at 110 days (compared with 113 at the end of 2005);
- The € 6.6 million increase in cash and cash equivalents;
- The increase in shareholders' equity from € 40.9 million to € 60.0 million as a result of the company's net income of € 7.2 million, the € 5.8 million capital increase linked to the acquisition of Projipe and the € 3 million booked for the restatement of the OCEANE issue;
- The increase in the company's cash flow from € 5.1 million to € 11.7 million and in its debt which went from € 5.7 million to € 28.8 million excluding the valuation of minority buyouts in the amount of € 2.5 million. As a result, the Group's net debt amounted to € 19.7 million, resulting in a gearing of 33%.

Payroll

Aubay's staff numbers have increased from 46 to 2,019 employees between 1997 and December 31, 2006, and this year, the company reached the 2,000 employee mark earlier than expected in its development plan.

All of the Group's consultants are highly qualified and are recruited from Europe's leading academic institutions (generally Masters degree equivalents).

Employee motivation stems primarily from the quality of the assignments undertaken. Moreover, financial incentives ranging from the targeted allocation of stock options and the company savings plan to bonuses guarantee a high level of employee commitment within the Group.

The productivity rate, for its part, rose again from 91% to 93%, while inter-contract downtime fell from 6.1% to 5.4%.

Minority buyouts, investments, divestments and mergers

Buyouts/Acquisitions

In July 2006 Aubay Group acquired 100% of the capital and voting rights of Projipe Participation, Projipe Group's parent company. This operation was carried out via the cash purchase of 81.41% of Projipe's capital, with the remainder, i.e. 18.59% of the capital, remunerated via the allocation of new shares issued by Aubay. It therefore implied the payment of a total € 25.7 million and the attribution of 834,604 new shares representing a total value of € 5.8 million.

In July, in application of a purchase agreement with the executive director of Promotic Group acquired in 2004, Aubay purchased an additional 10% stake in the company, increasing its capital shareholding from 70% to 90%.

Disposals

AIn January 2006, Aubay sold 16% of the capital of its subsidiary Octo Technology to its founding director, François Hisquin. As a result, Aubay's stake in Octo was reduced from 84.5% to 68.5%. Moreover, the subsidiary also carried out a capital increase upon its listing on Alternext in December 2006 in which Aubay did not take part, resulting in the dilution of the company's shares and taking Aubay's stake to 56%.

Mergers

Financière Why Not proceeded with the merger-absorption of Aubay Ingénierie & Maintenance (formerly Why Not Engineering) on July 1, 2006 through the complete transfer of assets and liabilities and was renamed Aubay Ingénierie & Maintenance.

Furthermore, on December 31, 2006, Aubay benefited from the complete transfer of the assets and liabilities of its wholly-owned subsidiary, Aubay Infrastructures & Production, which was dissolved without undergoing liquidation.

European customers and major accounts: Aubay, a multi division Group

Today, all Aubay Group customers, be they banks, telecoms operators or other institutions, have strategies which have a resolutely European focus, and which are reliant upon them finding technological service providers capable of accompanying them in their development beyond their national borders. Given its presence across Europe, Aubay is now able to accompany its clients in their global expansion. In fact, the Group's recent opening of a subsidiary in Portugal in response to the needs of a major French bank as well as its even more recent inroads into the Italian market following a number of cross-border mergers are concrete examples of its strategy therein.

The fact that Aubay also prides itself in a perfect understanding of the local cultures of the countries in which it is present offers the Group a decisive edge when it comes to satisfying the requirements and meeting the needs of its clients in their own development across Europe.

It is thanks to the quality of the relations the Group has built up with its clients that Aubay boasts a database of longstanding business partners and high renewal rates, thereby enabling it to further develop its different areas of expertise.

Aubay is currently present in France (Paris, Toulouse, Grenoble and Nantes), Spain (Madrid and Valladolid), Belgium and Luxembourg (Brussels and Luxembourg), Italy (Milan and Rome) and Portugal (Lisbon).

Breakdown of sales by subsidiary

	31/12/06	31/12/05	31/12/04
Groupe	120.8	71.5	57.1
France	61.6	21.2	16.4
Belgium/Luxembourg	29.8	28.9	23.2
Italy	20.4	15.0	12.2
Spain	9.0	6.4	5.3
Corporate	-	-	-

Aubay's customer base is made up exclusively of major European corporates whose needs in terms of new technologies are as extensive as they are strategic. These customers are unique in that they are both willing and able to invest massively in new technologies and thus repeatedly call upon the expertise of companies like Aubay.

At the end of 2006, Aubay had 233 active customers (customers invoiced at least once during the financial year for at least 50,000), accounting for over 98% of its annual revenues. This is testimony to the Group's ability to persuade customers to make use of its expertise to manage their most complex IT problems.

No single client of Aubay represents a significant share of its revenues. Together, the Group's top ten customers account for 49% of total revenues.

List of the Group's ten largest customers

Aubay Group's ten largest customers are: Société Générale, BNP, French Federal Police, Crédit Agricole / Crédit Lyonnais, France Télécom, Natixis, European institutions, AXA, Grupo Telefonica and HSBC.

Competitors

Aubay's most direct competitors are IT services companies such as CapGemini, Atos Unilog, Devoteam, Indra in Spain, etc.

Key figures

Consolidated data for the year ending December 31 (in € thousands)	2006	2005	2004
Revenues	120,834	71,485	57,131
Current operating income	10,290	5,686	4,160
Current operating margin	*8.5%*	*8.0%*	*7.3%*
Net income	7,798	3,784	1 683
Group net income	7,229	3,480	1,430
Net earnings per share	0,58	0,29	0,13
Shareholders' equity including minority interests	60,012	40,960	35,186
Cash flow before financing costs and taxes	12,674	5,761	4,198
Non-current assets	68,885	37,084	26,672
Financial debt	(19,695)	(3,760)	4,879
Net cash	9,874	3,615	8,215
Balance sheet total	142,961	79,043	58,713

Strategic partners

Aubay has forged a number of strategic technological partnerships that help keep the company at the cutting edge of the consultancy business. These partners include:

3com, Adobe, Aonix, Asysco, Actuate, Attunity, Adobe, Business Objects, BMC Cisco, Colt, Delia, EMC Documentum, Mercury, Prosodie, Hewlett Packard, Hyperware, IBM, Intel, Microsoft, Netscape, Nortel, Oracle, Polyspot, Rational, Sun, Sunopsis, Swift, Symantec, Tibco, Webmethods, W4, etc.

Partnerships are non-exclusive to preserve the Group's complete autonomy and objectivity and to ensure the best possible advice for Aubay's clients. Some are governed by formal agreement (generally with an annual and renewable term), but most are informal and have an indefinite term.

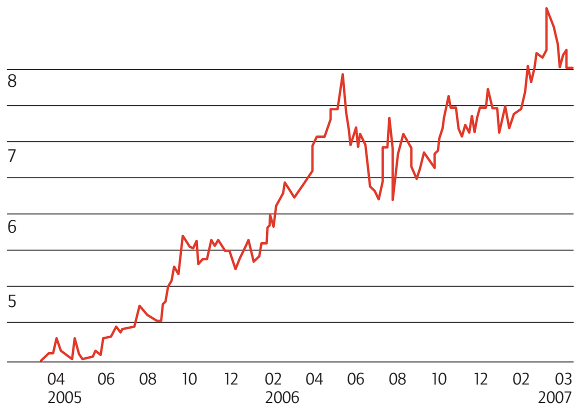
The termination of any of these partnerships would not have any significant impact on the company's finances.

Aubay share trends

(ISIN FR0000063737-AUB,
Reuters: AUBT.PA, Bloomberg: AUB)

2006 proved another buoyant year for the equity markets in general and for technology sector companies in particular. Aubay shares climbed almost 28%, going from € 5.80 to € 7.40 and reflecting the Group's outstanding performance within its sector.

Aubay share price from March 21, 2005 to March 21, 2007 Eurolist Paris segment C



Source: Fininfo.

Aubay shares are listed on Eurolist, segment C.

(In €)	[(1)] High/Low		Monthly trading volumes	
	High	Low	In number of shares	In thousands of euros
2004				
January	3.89	3.55	193,305	715
February	3.96	3.72	180,716	697
March	3.19	3.80	289,042	1,018
April	3.73	3.57	179,792	661
May	3.73	3.50	321,801	1,175
June	3.69	3.53	124,781	452
July	3.62	3.25	84,170	289
August	3.60	3.20	98,589	339
September	3.58	3.25	119,833	405
October	3.68	3.43	230,771	836
November	4.05	3.56	340,602	1,325
December	3.97	3.70	182,383	695
2005				
January	4.32	3.77	371,905	1,531
February	4.71	4.28	523,137	2,347
March	4.39	4.16	448,524	1,924
April	4.55	4.29	222,500	984
May	4.55	4.24	206,215	894
June	4.64	4.30	477,742	2,170
July	4.84	4.60	244,008	1,148
August	4.98	4.75	332,205	1,631
September	5.87	4.94	640,932	3,383
October	5.80	5.42	518,320	2,962
November	5.86	5.51	232,496	1,337
December	5.80	5.43	347,420	1,944
2006				
January	6.20	5.47	440,595	2,564
February	6.85	5.92	372,723	2,378
March	7.29	6.35	710,578	4,832
April	7.64	7.01	292,847	2,133
May	8.10	6.85	382,785	2,837
June	7.19	6.30	192,329	1,293
July	7.44	6.25	273,991	1,897
August	7.30	6.51	113,038	777
September	7.69	6.53	342,105	2,481
October	7.60	7.09	148,831	1,081
November	7.79	7.15	446,812	3,359
December	7.60	7.13	201,474	1,489

[(1)] High/low at closing up to 2005 and during trading in 2006.

Source: Fininfo.

Risk factors

General legal risks

Aubay is not currently aware of any government, economic, budgetary, monetary or political strategy or element that has had or could have a significant impact, whether directly or indirectly, on the operations of the issuer.

Aubay's activity does not expose it to any particular legal risk in any of the countries in which it operates.

Industrial and environmental risks

As Aubay's core activity is the provision of consultancy services, it has no significant industrial or environmental impact. However, the Group is committed to upholding its social responsibility and is involved in a number of projects outlined below.

Liquidity risk

Aubay's gross financial debt totaled € 31.4 million at December 31, 2006 and consisted almost entirely of the OCEANE bond issued in October 2006 in the amount of € 30 million which will mature in January 2012. Furthermore, through its main subsidiaries grouped by geographical region, the Group has negotiated credit facilities and factoring agreements with major banks in line with its requirements and under its exclusive control.

No other credit lines are currently being examined.

The Group Finance Division centralizes all information regarding the company's cash position and the maturities on Aubay's different commitments.

Aubay had two unused overdraft facilities on December 31, 2006, the characteristics of which are set out below.

Type of securities issued or loans contracted	Fixed or variable rate	Total credit lines at 31/12/06	Maturity	Hedging
Loan contract (1)	Variable rate	1,500,000	21/07/07	Shares in Why Not
Loan contract (2)	Variable rate	1,681,000	19/07/07	Shares in Kedros

The aforementioned loans are subject to a number of standard covenants applicable to this type of financing agreement and which entitle the lender to demand early repayment if certain ratios are breached. These ratios include:

Concerning loan contract 1:

- Ratio of stable debt (future financial debt, blocked Group current and other accounts, bonds including convertible bonds) to consolidated net worth (consolidated shareholders' equity plus minority interests and less goodwill) must remain equal to or less than 1.
- Ratio of stable debt to cash flow must remain equal to or less than 4.

No covenants apply to loan contract 2.

All ratios applied to Aubay Group were respected.

Exchange rate risk

As Aubay does most of its business within the eurozone and its growth strategy is limited thereto, it has not been exposed to any exchange rate risk since January 1, 1999.

Interest rate risk

Interest rate risk stems primarily from variable rate loans. Aubay is therefore theoretically exposed to an increase in interest rates.

However, virtually all of the debt contracted by Aubay is linked to the OCEANE bond issued in October 2006 in the amount of € 30 million which will mature in January 2012. The gross actuarial interest rate applicable to the OCEANE bond is set at 4.50%.

The impact of a 1% change in interest rates on Aubay's variable-rate net debt at December 31, 2006, would incur an expense of approximately € 200,000.

The Group Finance Division centralizes all information regarding the company's cash position and the maturities on Aubay's different commitments.

Consolidated data for the year ending December 31 (in € thousands)	Day 1 to 1 year	1 to 5 years	Over 5 years
Financial liabilities	3,948	27,484	-
Financial assets	11,737	-	-
Net position before management	7,789	(27,484)	-
Off-balance sheet	-	-	-
Net position after management	7,789	(27,484)	-

Equity risk

Most of the company's cash flow is invested in money market mutual funds (SICAV) which are low risk. Treasury stock classed as debt securities and discounted from equity has no impact on Group profitability in the event of a change in share price.

Client risk

All of Aubay's clients are large corporates, which present little risk of default. Also, no one client generates a significant proportion of total revenues. Indeed, Aubay's largest client accounts for around 8% of revenues, thereby eliminating any risk of dependence on a single corporate customer.

Aubay has also adopted prudent provisioning rules: unpaid receivables are provisioned at 50% after 90 days, and 100% after 180 days unless the Group's Finance Division decides otherwise after detailed examination. As large corporates tend to have long payment periods for administrative reasons, the rules tend not to be applied strictly to receivables owed by such companies except in the case of a known dispute.

At December 31, 2006, Aubay's ten largest clients accounted for 49% of its total revenues which is comparable with the figure recorded on December 31, 2005.

In addition, average payment times are stable from one year to the next, standing at 110 days on December 31, 2006 compared with 113 days on December 31, 2005.

Supplier risk

As a provider of IT services, Aubay has no particular supplier risks, nor does it incur any significant expenses therein as procurement and associated costs tend to be relatively low.

Key personnel risk

Christian Aubert, founding Chairman of Aubay Group, is backed by a dynamic, experienced team in the parent company and subsidiaries alike.

Aubay's operations are highly decentralized and the remuneration of all key managers of Group companies is linked to the results of their entities, either via purchase agreements on the minority stakes they hold or via stock option plans.

Payroll risk

Aubay is a cutting-edge company in a fast-developing technological sector. To remain competitive, it needs quality staff to drive performance.

That said, the company's human resources policy goes beyond remuneration. In fact, major efforts are devoted to maintaining the technical expertise of the Group's employees. This allows Aubay to be active in the most technologically advanced markets where its teams can generate the highest returns on their skills.

Risk linked to commitments to repurchase minority interests

At December 31, 2006, total financial commitments linked to the repurchase of minority shares amounted to € 2,513,000. This amount is not significant in light of the company's market capitalization on December 31, 2006 nor in light of its financial position.

No commitment imposes the payment in new company shares, thereby limiting the risk of dilution for shareholders.

Risk of dilution for shareholders

On October 4, 2006 Aubay issued an OCEANE bond (see p 54). Its conversion, which can only be carried out at certain times and under certain conditions, is liable to result in the creation of a maximum of 3,061,226 new shares.

Moreover, the company issued a total 1,095,832 stock options and limited number of free shares that would, if all exercised, result in dilution of approximately 8.26% (note, however, that of the total number of shares available for subscription, only 762,834 are in-the-money and therefore likely to result in a dilution in terms of the market price).

Combined with the potential dilution resulting from the conversion of all of the OCEANE bond, the maximum dilution would be 24.9 %.

At December 31, 2006, Aubay had made no commitment to issue new shares in payment of any obligations of any sort, notably the repurchase of minority interests or any similar commitments.

Competitive risks

Aubay has met with rapid success, thanks to its specific expertise and cutting-edge technologies deployed through an innovative business structure. Its ability to recruit the best engineers and keep their training up to date, should allow Aubay to consolidate its position as a key player in the new technologies sector.

Legal risk

The company and its subsidiaries are involved in a number of lawsuits and disputes in the normal course of their business (see "Exceptional events and disputes" below).

With the exception of the lawsuits and disputes outlined hereafter, to the best of the company's knowledge, there are no potential or pending governmental, legal or arbitrage procedures that are likely to have, or have had over the past twelve months, a significant impact on the financial position or profitability of the company and/or Group.

The Group adheres to the requirements of IAS 37. This regulation defines a liability as an asset with a negative value for the company, i.e. an obligation owed by the company to a third party which is probable or certain to result in an outflow of resources to said third party with no equivalent counter-payment from said third party.

Intellectual property

All brands inherent to the company's business have been registered with the appropriate international bodies. Similarly, domain names have been registered for all Group entities.

Insurance

General and professional third-party liability

Aubay Group has a global professional indemnity policy with a major insurance company covering the financial consequences of any professional and general third-party liability arising out of its activities. The terms and conditions of this policy, including cover limits, are periodically reviewed and adjusted to take account of company revenues, activities and risks. In 2006, the limits and excesses for this global agreement were as follows:

General third-party liability (per claim and in euros)	
All damages, including:	**10,000,000**
1) Personal injury and resulting moral prejudice caused directly by:	
Company restaurants - food poisoning:	
work-related illnesses, gross negligence, work-related accidents	1,525,000
Per insured period	1,000,000
2) Material damage and resulting moral prejudice	5,000,000
Excess	*15,000*
Including material damage and/or moral prejudice to property entrusted and/or loaned: per claim	800,000
Excess	*15,000*
Including material and immaterial damage and moral prejudice directly caused to employees per claim	800,000
Excess	*15,000*
Including damage arising from theft, breach of confidence, fraud, and/or misappropriation by employees or as a result of negligence by the company resulting in theft	800,000
Excess	*15,000*
3) Moral prejudice not resulting from personal injury or material damage and moral prejudice resulting from uninsured personal injury or material damage per claim	800,000
Excess	*15,000*
4) Accidental environmental damage causing personal injury and moral prejudice	
Per insured period	305,000
Excess	*15,000*
Third-party liability after delivery	
All damages (including professional third-party liability)	
Per claim	1,500,000
Per insured period	3,000,000

The total premium for this insurance policy in 2006 amounted to approximately € 108,000.

Direct damage and interruption in activity

Insurance against damage to property is arranged locally. Limits on the amounts insured are fixed in each country depending on the value of the property concerned and updated regularly.

As the Group realizes most of its revenues by seconding consultants to its clients, insurance against the risk of an interruption in activity was not deemed necessary.

Exceptional events and disputes

The company and its subsidiaries are involved in a number of lawsuits and disputes in the normal course of their business.

Amongst said lawsuits and disputes, there are some that could incur considerable gains or losses for the Group. None of the cases presently before the courts, however, is sufficient in scale to threaten the Group's development prospects.

France

Combined commercial and industrial relations proceedings oppose the company against a former shareholder and manager of the Aubay Consulting Télécom (formerly Iksen) subsidiary and another company in which he held a stake, U-Télécoms. Aubay is claiming more than € 3 million in damage, while the defendant is counter-claiming around € 300,000 and U-Télécoms € 5,485,000. The dispute that opposes the company against U-Télécoms is linked to the dispute that opposes the company against a former shareholder and manager of the Aubay Consulting Télécoms (formerly Iksen) subsidiary. In any event, the death of the defendant in August 2005 has suspended all of the procedures linking him to the company. Their continuation is therefore subject to the decision of the defendant's heirs and successors. The Group's management expects no significant negative impact on its financial position as a result of these disputes. Accordingly, no provisions have been booked to this effect.

Belgium

Aubay Belgique is being sued by a former client for € 1,047,000 but is countersuing claiming that it is owed more than € 769,000. The Group's management expects no significant negative impact on its financial position as a result of this dispute.

To the best of the company's knowledge, there are no other exceptional facts or litigation likely to have or having recently had a significant impact on the financial position, earnings or outlook of the company or its subsidiaries.

Significant events since the end of the year

There have been no significant events since the close of the 2006 financial year.

Outlook

The market is expected to remain buoyant over 2007, enabling Aubay to maintain its current high level of organic growth of between 10 and 15% whilst continuing to improve on its margins.

This strong performance comes on the back of the extremely successful integration of the teams that joined the Group over 2005 and 2006, thereby affording Aubay the scope needed to rank as a multi-specialist European player that is able to meet all of the IT requirements of its major corporate clients.

The Group continues to target revenues of € 200 million in 2008 for an operating margin of 10% in order to maintain the positioning it has built up over the last 10 years as a benchmark reference within its sector.

For the Board of Directors,

Christian Aubert
Chairman

Consolidated financial statements

1. Consolidated balance sheet at December 31, 2006 under IAS/IFRS

Assets (in € thousands)	Notes	31/12/06	31/12/05	31/12/04
Goodwill	5.3.8	57,510	31,149	22,518
Intangible fixed assets	5.3.9	5,583	1,164	274
Tangible fixed assets	5.3.9	1,722	1,377	962
Financial assets	5.3.9	807	810	496
Deferred tax assets	5.3.4	3,263	2,136	1,974
Other non-current assets	5.3.10	0	448	448
Non-current assets		68,885	37,084	26,672
Inventories		63	53	6
Accounts receivable	5.3.11	55,914	33,470	22,448
Other receivables and accruals	5.3.12	6,362	3,321	1,372
Investment securities		5,135	37	1,450
Cash		6,602	5,078	6,765
Current assets		74,076	41,959	32,041
Total assets		142,961	79,043	58,713

Liabilities (in € thousands)	Notes	31/12/06	31/12/05	31/12/04
Capital		6,633	6,128	5,883
Additional paid-in capital and consolidated reserves		43,857	31,016	27,341
Group net income		7,229	3,480	1,430
Group shareholders' equity		57,719	40,624	34,654
Minority interests		2,293	336	532
Shareholders' equity	4	60,012	40,960	35,186
Borrowings and financial debt: part due in over one year	5.3.15	27,484	5,641	2,293
Deferred tax liabilities	5.3.4	293	5	89
Provisions for risks and expenses	5.3.16	2,094	349	386
Other non-current liabilities				
Non-current liabilities		29,871	5,995	2,768
Borrowings and financial debt: part due in under one year	5.3.15	3,948	3,234	1,043
Accounts payable	5.3.17	9,707	5,389	3,397
Other payables and accruals	5.3.18	39,423	23,465	16,319
Current liabilities		53,078	32,088	20,759
Total liabilities		142,961	79,043	58,713

2. Consolidated income statement at December 31, 2006 under IAS/IFRS

(In € thousands)	Notes	31/12/06	%	31/12/05	%	31/12/04	%
Revenues	5.3.20	120,834	100%	71,485	100%	57,131	100%
Other operating revenues							
Purchases		(30,103)		(19,091)		(14,974)	
Payroll expenses	5.3.1	(78,265)		(45,839)		(37,128)	
Taxes		(1,805)		(601)		(472)	
Amortization/depreciation allowances and provisions		(463)		(343)		(460)	
Change in inventories of work in progress and finished goods							
Other operating income and expenses		92		75		63	
Current operating income		10,290	8.5%	5,686	8,0%	4,160	7.3%
Other operating income and expenses		1,092		133		(416)	
Operating income		11,382	9.4%	5,819	8,1%	3,744	6.6%
Cash and cash equivalents							
Cost of net debt		(771)		(66)		(40)	
Other financial income and expenses		(337)		(136)		(128)	
Financial income	5.3.3	(1,108)		(202)		(168)	
Tax expenses	5.3.4	(2,476)	24%	(1,833)	33%	(1,893)	53%
Share in net income of companies accounted for by the equity method							
Net income before income from divestments or disposals in progress		7,798		3,784		1,683	
Net income from divestments or disposals in progress							
Net income		7,798	6.5%	3,784	5.3%	1,683	2.9%
Group share		7,229		3,480		1,430	
Minority interests	5.3.5	569		304		253	
Earnings per share		0.58		0.29		0.13	
Diluted earnings per share [1]	5.3.6	0.47		0.27		0.12	

(1) As of 2006, diluted earnings per share only include share options and free shares that are in-the-money.

3. Cash flow statement under IAS/IFRS

(In € thousands)	31/12/06	31/12/05	31/12/04
Consolidated net income (including minority interests)	**7,798**	**3,784**	**1,683**
Net depreciation and amortization expense	(59)	208	478
Income and expenses linked to stock options and equivalent	141	101	62
Other income and expenses	76	105	42
Capital gains or losses on disposals	1,471	(336)	-
Cash flow after cost of net financial debt and taxes	**9,427**	**3,862**	**2,265**
Cost of net financial debt	771	66	40
Tax expense (including deferred taxes)	2,476	1,833	1,893
Cash flow before cost of net financial debt and taxes (A)	**12,674**	**5,761**	**4,198**
Taxes paid (B)	(2,527)	(2,001)	(1,842)
Change in Working Capital Requirement linked to operations (including debt linked to employee expenses) (C)	(5,134)	(4,028)	2,283
Net cash flow from operations (D) = (A+B+C)	**5,013**	**(268)**	**4,639**
Disbursements linked to the acquisition of tangible and intangible fixed assets	(1,114)	(850)	(551)
Proceeds linked to the disposal of tangible and intangible fixed assets	30	-	90
Disbursements linked to the acquisition of financial fixed assets (non-consolidated shares)	(157)	(320)	-
Proceeds linked to the acquisition of financial fixed assets (non-consolidated shares)	27	352	-
Effect of changes in consolidation scope	(25,627)	(6,387)	(1,799)
Net cash flow from investments (E)	**(26,841)**	**(7,205)**	**(2,260)**
Sums paid by shareholders upon capital increases	1,557	-	4
Sums paid upon the exercise of stock options	293	-	-
Treasury stock repurchase and resale	894	681	-
Dividends paid over the course of the year:	-	-	-
Dividends paid to parent company shareholders	(203)	(162)	(154)
Dividends paid to minority shareholders of consolidated companies	(210)	(210)	-
Cash receipts on new loans	28,992	3,181	-
Repayment of borrowings	(3,698)	(551)	(553)
Net financial interest paid	462	(66)	(40)
Net cash flow from financing activities (F)	**28,087**	**2,873**	**(743)**
Effect of changes in foreign exchange rates (G)	-	-	
Change in net cash flow (D+E+F+G)	6,259	(4,600)	1,636
Cash at beginning of year	**3,615**	**8,215**	**6,579**
Cash at year end	**9,874**	**3,615**	**8,215**

4. Changes in Group shareholders' equity under IAS/IFRS

	Share capital	Additional paid-in capital and consolidated reserves	Group net income	Total Group share	Minority interests	Total
Shareholders' equity at December 31, 2006 under IAS/IFRS	**5,883**	**27,341**	**1,430**	**34,654**	**532**	**35,186**
Capital increase	245	1,700	-	1,945	-	1,945
Share-based payments	-	101	-	101	-	101
Dividends	-	(162)	-	(162)	(146)	(308)
Appropriation of earnings		1,430	(1,430)	0	-	0
Net income for the financial year	-	-	3,480	3,480	304	3,784
Change in treasury shares	-	606	-	606	-	606
Change in consolidation scope	-	-	-	0	(213)	(213)
Other movements	-	-	-	0	(141)	(141)
Shareholders' equity at December 31, 2005 under IAS/IFRS	**6,128**	**31,016**	**3,480**	**40,624**	**336**	**40,960**
Capital increase	505	5,635	-	6,140	-	6,140
Share-based payments	-	141	-	141	-	141
Dividends	-	(282)	-	(282)	(131)	(413)
Appropriation of earnings	-	3,480	(3,480)	0	-	0
Net income for the financial year	-	-	7,229	7,229	569	7,798
Change in treasury shares	-	866	-	866	-	866
Change in consolidation scope	-	-	-	0	1,519	1,519
OCEANE	-	3,001	-	3,001	-	3,001
Other movements	-	-	-	0	-	0
Shareholders' equity at December 31, 2006 under IAS/IFRS	**6,633**	**43,857**	**7,229**	**57,719**	**2,293**	**60,012**

5. Notes to the consolidated financial statements

5.1 Accounting principles and methods

Accounting principles and valuation methods

The consolidated financial statements at December 31, 2006, have been drawn up in accordance with the IFRS accounting principles and valuation methods adopted by the European Union. The financial statements were approved by the Board of Directors on March 27, 2007.

Consolidation methods

Companies over which Aubay exercises exclusive control, whether directly or indirectly, are fully consolidated. Exclusive control is defined as all instances where Aubay holds the majority of a company's voting rights, where it exercises contractual control or where it manages a company's operations.

Accounting date

All companies are consolidated based on their annual financial statements as at December 31, 2006 restated, where applicable, in accordance with the Group's accounting principles. Companies entering the Group's scope are consolidated from the moment the legal transfer of the securities acquired takes effect. The same applies for companies leaving the Group's scope, hence the reason that accounts are drawn up for all acquired companies.

Conversion of financial statements of foreign subsidiaries

As all consolidated companies are based in the eurozone (UK companies are not consolidated), Aubay's statements are not subject to any translation differences.

Goodwill

Goodwill on acquisitions is booked when there is a difference between the acquisition cost of securities and the Group's share in the net restated assets of the company acquired. This difference in value is divided between:

(1) goodwill attributable to specific balance sheet items which are restated under the appropriate headings in accordance with accounting rules,

(2) goodwill on the non-allocated balance.

Negative goodwill is booked as a liability on the balance sheet under provisions for risks and expenses.

Goodwill is subject to an annual value test based on the discounted future cash flow (DCF) method as well as a test against market values. This test consists in evaluating the recoverable value of each Cash Generating Unit (CGU). The evaluation of the recoverable value of each CGU factors in their budget and forecasts over a period of five years, including their growth and profitability rates deemed to be reasonable. The discount rate applied is 9% for an infinite growth rate of 2.5%.

When a loss in value is booked, the difference between the book value of the asset and its calculated value is booked under "Other operating income and expenses". However, except in exceptional circumstances, this loss in value may not be greater than 0.8 times the subsidiary's revenues.

R&D expenses

Research and development expenses for the Group's applications and products are expensed in the year that they are incurred, except when they meet the following criteria in accordance with IAS 38:

- The company has the technical capacity to complete the intangible fixed assets with a view to their operational implementation or sale;
- The company intends to complete the intangible fixed assets to allow for their operational implementation or sale;
- The company has the capacity to implement or sell the intangible fixed assets;
- The intangible fixed assets will generate future economic benefits for the Group;
- The company has the technical, financial and other resources needed to complete and implement or sale the intangible assets;
- The company's is able to accurately estimate the expenses incurred by the intangible fixed assets over the course of their development.

Licenses and software

Licenses and software are depreciated over a maximum of five years using the straight-line method except for inexpensive standard software packages which are depreciated prorata temporis in the year they are acquired.

Tangible fixed assets

(1) Tangible fixed assets are booked at acquisition cost and depreciated over their expected useful life.

(2) Barring exceptions, the depreciation periods are the same as those applied by the parent company (excluding any tax waivers).

- Depreciation is essentially carried out using the straight-line method:

Buildings	20 years
Fixtures and fittings	5 to 10 years
IT equipment	3 to 5 years
Office equipment	3 to 5 years

Trade receivables

(1) Receivables are recorded at their nominal value. They are individually assessed and, where necessary, a provision for doubtful receivables is booked.

(2) Receivables unpaid after their due date are written down in the consolidated financial statements as follows:

a. receivables more than 90 days overdue: 50%.

b. receivables more than 180 days overdue: 100%.

When receivables become overdue, the Finance Division may opt not to book a provision where it is aware of information or factors that will ensure the future recovery of the debt.

Moreover, as large corporates tend to have long payment periods for administrative reasons, receivables owed by these companies are not classed as overdue except in the case of a known dispute.

Cash and cash equivalents

Cash includes cash assets which are immediately available for sale and that represent no significant short-term depreciation risk. Investment securities are booked to the balance sheet at their acquisition cost. A provision for depreciation is booked if the book value is less than the acquisition cost.

Treasury stock

Aubay shares held by the parent company are deducted from consolidated shareholders' equity. In the case of disposals, income is offset by the change in shareholders' equity.

Provisions

The Group adheres to the requirements of IAS 37. This regulation defines a liability as an asset with a negative value for the company, namely an obligation owed by the company to a third party which is probable or certain to result in an outflow of resources to said third party with no equivalent counter-payment from said third party.

Following the booking of acquisitions, the Group shall then book any provisions (for risks, disputes etc.) on the opening balance sheet. These provisions constitute liabilities which either create or increase the level of goodwill. Beyond the 12-month appropriation deadline from the date of the opening balance sheet, reversals of unused provisions following a change in estimated values as defined under IAS 8 are booked to the income statement under "Other operating income and expenses".

Provisions for pensions and similar commitments

In accordance with IAS 19, the Group books long-term benefits due after retirement or earned through accumulating service time within the Group such as pension commitments, etc. These benefits can take several different forms:

- Defined contribution plans: by virtue of which the Group pays a fixed amount to external bodies. Expenses are booked as they are paid.
- Defined benefit plans: under which the Group has an obligation towards its employees. The conditions of these schemes vary according to the legislation and regulations which apply in each country.

The actuarial hypotheses used to value commitments linked to defined benefit plans are as follows:

- Retirement age: 60 years;
- Average salary taken into account: 1/12th of annual remuneration;
- Increases in wages: 2%;
- Payroll expenses: 45%;
- Discount rate: 2%;
- Turnover rate: table specific to the company;
- Life expectancy according to INED (French National Institute of Demographic Studies) tables.

Recording and valuation of financial liabilities

Long-term financial debt essentially includes loans from credit institutions, bonds and commitments to repurchase minority interests.

Bonds are valued on their date of subscription at their fair value, then booked until they mature according to the amortized cost method. On the date of subscription for the bond, fair value is deemed to be the value of future disbursements discounted at market rates. Moreover, any expenses and additional paid-in capital are deducted from the fair value of the bond. The difference between the nominal value of the bond and its fair value as calculated above is booked to shareholders' equity. For each subsequent period, the interest expense booked to the income statement corresponds to the theoretical interest calculated by applying the real interest rate to the accounting value of the bond. The real interest rate is calculated upon the subscription to the bond and corresponds to the rate used to bring future disbursements in line with the initial fair value of the bond. The difference between the interest expense such as it is calculated above and the nominal interest is booked under debt in the balance sheet liabilities.

Binding or conditional commitments to buy minority interests are assimilated to share buybacks and are recorded under financial debt and offset by a reduction in minority interests during the year in which they are booked. When the buyback value exceeds the value of the minority interests, the balance is booked as goodwill. The amounts booked are calculated according to commitments made, essentially on multiples of the income of the subsidiaries concerned. Any changes in debt from one year to the next are offset against goodwill. The treatment applied here is liable to change according to the interpretations of IFRIC (International Financial Reporting Interpretations Committee).

Revenues

Revenues correspond to the value of the services provided and the sale of equipment as part of the current business of the Group's fully consolidated companies.

Billings are based on the time consultants spend on a contract. Earnings on flat-rate contracts over several years are booked according to the percentage completion method.

Where the costs of a project are forecast to exceed the contractual revenues, a provision for loss on completion is booked at year end.

Other operating income and expenses

This includes significant unusual or irregular income or expenses. It includes the annual expenses incurred through share warrants, restructuring expenses, depreciation of goodwill and capital gains or losses on disposals, etc.

Share warrants

IFRS 2 advocates the booking of stock options at their fair value from the date on which they are granted to employees or managers. This applies to all plans taken out since November 7, 2002. The options are valued using the Black & Scholes model, the parameters of which notably include the exercise price of share options, their lifespan, the share price on the date of allocation, the implicit volatility of the share price, the employee turnover assumptions and the risk-free interest rate. The exact value of these options is fixed at their date of allocation and is amortized using the straight-line method.

Corporate income tax

Tax expenses are equal to the sum of current taxes and deferred taxes. Deferred taxes are calculated according to the expiration periods for tax liabilities under the different local tax regimes and the likelihood of the companies concerned generating sufficient profits over the period to offset against their tax losses.

Estimations

The drawing up of the financial statements under IFRS requires the use of estimations and assumptions which impact on the amounts booked in these financial statements, in particular with regard to the following:

- The valuation of provisions and pension commitments;
- The hypotheses used in any value tests;
- The valuation of payments in shares;
- The recording and valuation of financial liabilities.

These estimations are based on assumptions which are drawn up using the information to hand. They may be revised if there is a change in the circumstances on which they were based or if new information comes to light. Accordingly, the actual results may differ from estimations.

5.2 Changes in consolidation scope

Impact of new entries into the scope of the 2006 consolidated financial statements

Impact on the 2006 consolidated financial statements (in € thousands)	
Revenues	21,437
Current operating income	1,312
Operating margin	6.1%
Group net income	**2,493**

5.3 Additional notes

Explanatory notes on the Income statement

5.3.1 Payroll expenses

(In € thousands)	31/12/06	31/12/05	31/12/04
Employee compensation	57,113	33,069	26,859
Social charges	21,076	12,665	10,149
Net provisions for pensions	76	105	120
Total	**78,265**	**45,839**	**37,128**

The employee benefits expense accounted for 64.8% of revenues in 2006 versus 64.1% in 2005.

Headcount at year end	31/12/06	31/12/05	31/12/04
France	1,146	388	183
Belgium and Luxembourg	360	348	352
Italy	307	288	190
Spain	206	165	110
Total	**2,019**	**1,189**	**835**
Consultants	1,862	1,089	753
% consultants	92%	92%	90%
Administration and sales	157	100	82
Total	**2,019**	**1,189**	**835**

The Group's headcount increased from 1,189 employees at year end 2005 to 2,019 at year end 2006, in line with the Group's strong performance. The number of consultants proved stable from one year to the next, coming in at 92%. These figures include subcontractor consultants.

Aubay's productivity rate increased once again, growing from 91 to 93%.

The productivity rate is measured as follows: number of days charged versus total chargeable days. The number of days charged are calculated according to the number of consultants present at the end of the period multiplied by the number of working days in the month, less any days off for holidays (paid leave and time off in lieu of France's 35-hour working week) and illness. The number of chargeable days is equal to the number of days charged less any training and technology watch days and any time spent on other non-chargeable assignments (pre-sales, downtimes between contracts, in-house projects, etc.).

Aubay's monthly inter-contract downtime is measured according to the following ratio: the number of consultants (production staff) on chargeable assignments for less than 50% of the working days of a given month versus the number of consultants present at the end of the month. The inter-contract downtime rate corresponds to the average number of production staff between contracts over the calendar year as defined above versus the average number of production staff overall. Consultants that are on holiday, on sick leave or not available are not considered to be between contracts.

No other calculation methods are used other than those outlined above.

5.3.2 Other operating income and expenses

(In € thousands)	31/12/06	31/12/05	31/12/04
Share warrants	(142)	(101)	(62)
Restructuring expenses	(242)	(102)	(303)
Capital gains and losses on the disposal of assets	1,476	336	-
Miscellaneous		-	(51)
Total	**1,092**	**133**	**(416)**

Capital gains and losses on disposals essentially include a gain of € 1,217,000 on the disposal of Octo.

Following the listing of Octo and subsequent reduction in Aubay's stake in its capital, this gain was booked according to the same accounting principles that apply to parent companies. As a result, minority interest transactions are booked as non-Group transactions: earnings on the disposal (€ 969,000) were booked to income and not to shareholders' equity in the same way as the accounting treatment of disposals.

5.3.3 Other financial income and expenses

(In € thousands)	31/12/06	31/12/05
Interest expenses on convertible bonds	(433)	-
Other interest expenses	(338)	(66)
Cost of net financial debt	**(771)**	**(66)**

Financial expenses were largely made up of interest paid to factoring companies, interest on loans and interest linked to the OCEANE bond.

Financial income came from interest on cash investments and capital gains on the sale of securities (mutual funds).

5.3.4 Tax expense

Effective tax rate

The difference between the current tax rate in France and the effective tax rate is as follows:

(In € thousands)	31/12/06	31/12/05	31/12/04
Current taxes	(2,527)	(2,001)	(1,842)
Deferred taxes	51	168	(51)
Total	**(2,476)**	**(1,833)**	**(1,893)**

(In € thousands)	31/12/06	31/12/05	31/12/04
Accounting income before tax	10,274	5,617	3,667
Theoretical tax expense in France	3,425	1,900	1,259
Current tax rate in France	33.33%	33.83%	34.3%
Impact of different tax rates	767	436	447
Impact of permanent/temporary differences	(850)	76	50
Deduction of prior years' losses carried forward	(125)		37
Recourse to losses carried forward		(407)	
Unbooked deferred tax assets			100
Other	(741)	(172)	
Total	**2,476**	**1,833**	**1,893**

Breakdown of deferred taxes:

(In € thousands)	Opening	Increase	Reduction	Closing
Deferred tax assets				
Tax loss carry-forwards	2,137	516	544	2,109
Temporary differences		1,154		1,154
Total deferred tax assets	**2,137**	**1,670**	**544**	**3,263**
Deferred tax liabilities				
Temporary differences	5	290	2	293
Total deferred tax liabilities	**5**	**290**	**2**	**293**

5.3.5 *Minority interests*

Minority interests stood at € 599,000 in 2006 and were essentially linked to Belgian and Luxembourg subsidiary Promotic (€ 86,000), French subsidiaries Octo (€ 278,000) and AIM (€ 110,000) and to Italian subsidiary Codd & Date International (€ 95,000).

5.3.6 *Diluted earnings per shareDiluted earnings per share*

Diluted earnings per share takes account of the maximum possible dilution of ordinary shares. As a result, the weighted average number of shares is adjusted for the following dilutive financial instruments:

- Warrants offered under stock option plans and free shares in-the-money at December 31, 2006, namely 762,834 shares,
- Convertible bonds (OCEANE) for 3,061,226 shares; the Group net income taken into account when calculating diluted earnings per share has been restated for the € 0.4 million interest expense on the OCEANE.

5.3.7 *Audit and consultancy fees*

(In € thousands)			Bernard Lelarge				Constantin	
excluding VAT	31/12/06		31/12/05		31/12/06		31/12/05	
Statutory Auditors, certification of annual and consolidated accounts, etc.	141	100%	99	100%	168	88%	115	80%
Ancillary services	-	-	-	-	8	4%		-
Sub-total	**141**	**100%**	**99**	**100%**	**176**	**92%**	**115**	**80%**
Other services	-	-	-	-	15	8%	30	20%
Legal, tax, social	-	-	-	-	-	-	-	-
Sub-total	**-**	**-**	**-**	**-**	**15**	**-**	**30**	**20%**
Total	**141**	**100%**	**99**	**100%**	**191**	**100%**	**145**	**100%**

Explanatory notes to the balance sheet

5.3.8 *Change in goodwill*

(In € thousands)	Beginning of period	Acquisition/ Increase	Disposal/ Reversal	End of period
Gross value	48,926	27,963	1,602	75,287
Amortization	(17,777)	-	-	(17,777)
Net value	31,149	27,963	1,602	57,510

The main change here stems from the acquisition of the Projipe Group.

5.3.9 Fixed assets

Breakdown by type of asset:

(In € thousands) gross	**01/01/06**	**First consolid.**	**Acquisitions**	**Disposals**	**Other movements**	**Con. scope removals**	**31/12/06**
Unpaid capital	-	-	-	-	-	-	-
R&D expenses	-	-	-	-	-	-	-
Licenses and software	454	703	313	(403)	-	-	1,067
Business assets	1,034	3,950	318	-	-	-	5,302
Other intangible assets	204	-	50	(51)	-	-	203
Goodwill on securities	48,926	26,369	1,594	(1,583)	(19)	-	75,287
Tangible fixed assets	3,982	1,275	756	(1,129)	-	-	4,884
Investments	484	2	-	(265)	-	-	221
Deposits and guarantees	381	152	157	(53)	-	-	637
Total	55,465	32,451	3,188	(3,484)	(19)	-	87,601

Breakdown by geographical region:

	31/12/06		**31/12/05**		**31/12/04**	
Geographical region (In € thousands)	Net intangible fixed assets incl. goodwill	Net tangible assets	Net intangible fixed assets incl. goodwill	Net tangible assets	Net intangible fixed assets incl. goodwill	Net tangible assets
France	39,669	800	9,858	456	4,796	328
Belgium and Luxembourg	11,105	202	10,887	223	10,648	206
Spain	3,826	159	3,824	115	3,828	57
Italy	8,493	561	7,744	583	3,520	371
Total	63,093	1,722	32,313	1,377	22,792	962

Depreciation and amortization:

(In € thousands)	**01/01/06**	**First consolid.**	**Allowances**	**Reversals**	**Other movements**	**Con. scope removals**	**31/12/06**
Start-up costs	-	-	-	-	-	-	-
R&D expenses	-	-	-	-	-	-	-
Licenses and software	(372)	(681)	(68)	404		-	(717)
Other intangible assets	(158)	-	(26)	51	-	-	(133)
Business assets	-	(141)	-	-	-	-	(141)
Goodwill on securities	(17,777)	-	-	-	-	-	(17,777)
Tangible fixed assets	(2,605)	(966)	(689)	1,098	-	-	(3,162)
Financial fixed assets	(54)	-	-	4	-	-	(50)
Total	(20,966)	(1,788)	(783)	1,557	-	-	(21,980)

5.3.10 Other non-current assets

None.

5.3.11 Accounts receivable

(In € thousands)	31/12/06	31/12/05	31/12/04
Gross value	56,651	33,870	22,837
Depreciation	(737)	(400)	(389)
Net value	**55,914**	**33,470**	**22,448**
Advances and prepayments received	(365)	(64)	(47)
Unearned income and customer loans	(1,451)	(415)	(257)
Net trade receivables	**54,098**	**32,991**	**22,144**
Customer ratio in days of revenues	**110**	**113**	**109**

5.3.12 Other receivables and related accounts

(In € thousands)	31/12/06	31/12/05	31/12/04
Advances and prepayments on orders	171	121	71
Social security receivables	287	301	191
Tax receivables	4,250	1,138	729
Other receivables	502	1,108	128
Prepaid expenses	1,208	707	307
Provision for other operating receivables	(56)	(54)	(54)
Total	**6,362**	**3,321**	**1,372**

5.3.13 Share capital

At December 31, 2006, Aubay's share capital stood at € 6,633,123.50 divided into 13,266,247 shares with a par value of € 0.50, all fully paid up and all of the same class.

(1) Including the valuation of the repurchase of minority interests in the amount of € 2,513,000. This amount may increase or decrease according to the forthcoming results of the subsidiaries concerned.

The cash balance stands at € 9,874,000, i.e. the difference between cash and cash equivalents (€ 11,737) and creditor banks (€ 1,863).

5.3.14 Transactions involving treasury stock in 2006

See Repurchase by the company of its own stock.

5.3.15 Borrowings and financial debt

(In € thousands)	2006			2005
	Amount	Due in under one year	Due in over one year	Amount
OCEANE	26,428	300	26,128	-
Bank loan	469	469	-	3,598
Creditor banks	1,863	1,863	-	1,500
Other financial debt (1)	2,672	1,316	1,356	3,777
Debt	**31,432**	**3,948**	**27,484**	**8,875**
Investment securities	5,135	5,135	-	37
Cash	6,602	6,602	-	5,078
Cash	**11,737**	**11,737**	**0**	**5,115**
Net debt	**(19,695)**	**7,789**	**(27,484)**	**(3,760)**

(1) Including the valuation of the repurchase of minority interests in the amount of € 2,513,000. This amount may increase or decrease according to the forthcoming results of the subsidiaries concerned.

The cash balance stands at € 9,874,000, i.e. the difference between cash and cash equivalents (€ 11,737) and creditor banks (€ 1,863,000).

Breakdown of borrowings and loans with credit institutions by type and rate:

(In € thousands)	31/12/06
Fixed rate	26,428
Variable rate	2,332
Total	28,760

Characteristics of the bond that may be converted or exchanged for new or existing Aubay shares (OCEANE)

On October 4, 2006 Aubay SA issued 3,061,226 OCEANEs with a nominal unitary amount of € 9.80, namely a nominal borrowing of € 30,000,014.80.

In accordance with French accounting standards, the bond is booked in its nominal amount (€ 30 million) under long-term financial debt. The annual interest expense is the same as the coupon which is paid on a yearly basis at a fixed interest rate of 4.5%.

According to IAS 32 "Financial instruments: disclosure and presentation" and IAS 39 "Financial instruments: recognition and measurement", the accounting treatment of the convertible bond implies the following discrepancies:

On the date the bond was set up, the debt was booked to liabilities at its fair value. This was calculated by discounting future cash flows at the market interest rate applying to the Group on the date of subscription. The issuance fees were also deducted from the fair value of the bond.

At the close of the subsequent financial years, the debt will be revalued using the amortized cost method. The tax expense booked to the income statement does not correspond to the coupon actually paid but to the theoretical interest expense arising out of the application of the effective interest rate to the book value of the bond. The effective rate is the rate used to bring future disbursements in line with the fair value of the bond (after deducting the issue fees).

The difference between the nominal value of the bond and its fair value as calculated above is booked to shareholders' equity.

The OCEANE was issued at an interest rate of 4.5%, i.e. below the market rate of 6.92%. The fair value of the debt was then calculated at € 26.4 million after deducting the issue fees of € 1 million and € 3 million booked to shareholders' equity.

5.3.16 Provisions for risks and expenses

(In € thousands)	31/12/06	31/12/05	31/12/04
Provisions for litigation	1,691	124	266
Provisions for pensions	403	225	120
Total	2,094	349	386

5.3.17 Trade and other accounts payable

(In € thousands)	31/12/06	31/12/05	31/12/04
Supplier debt	9,707	5,389	3,347
Total	9,707	5,389	3,347

5.3.18 Other payables and accruals

(In € thousands)	31/12/06	31/12/05	31/12/04
Prepayments received from clients	365	64	47
Social security liabilities	18,067	10,161	7,154
Tax	13,034	6,048	4,168
Other operating debts	6,493	6,761	4,673
Unearned income	1,451	415	257
Other accruals and deferrals	13	16	20
Total	39,423	23,465	16,319

5.3.19 *Off-balance sheet commitments*

(In € thousands)	2006	2005	2004
Counter-guarantees on projects	-	-	126
Receivables not yet due	-	-	4,281
Mortgage pledges and real sureties	-	-	
Sureties and guarantees given	912	2,166	1,614
Other commitments given	-	24	24
Total	912	2,190	6,045

Contractual obligations	Total	Payments due by period		
		Less than a year	One to five years	Over five years
Long-term financial debt	26,888	760	26,128	0
Lease financing commitments (vehicles + photocopiers)	3,518	1,791	1,727	0
Standard leases (offices)	5,143	1,777	2,998	368
Irrevocable purchasing commitments	2,513	1,316	1,197	0
Other long-term commitments	0	0	0	0
Total	38,062	5,644	32,050	368

Other commitments given	Total	Amount of commitments by period		
		Less than a year	One to five years	Over five years
Credit lines	0	0	0	0
Letters of credit	0	0	0	0
Guarantees	800	800	0	0
Repurchase commitments	0	0	0	0
Other commitments	0	0	0	0
Total	800	800	0	0

5.3.20 *Sector information*

In € millions	Revenues	31/12/06 Current operating income (1) % margin	Revenues	31/12/05 Current operating income (1) % margin	Revenues	31/12/04 Current operating income (1) % margin
Group	120.8	8.5%	71.5	8.0%	57.1	7.3%
France	61.6	7.5%	21.2	5.6%	16.4	4.8%
Belgium/Luxembourg	29.8	11.2%	28.9	10.6%	23.2	8.9%
Italy	20.4	8.3%	15.0	8.8%	12.2	11.5%
Spain	9.0	6.3%	6.4	5.5%	5.3	4.8%
Corporate		0.1%	-	(0.3%)	-	(0.6%)

(1) Current operating income.

Assets (in € thousands)	France	Belux	Italy	Spain	31/12/06
Goodwill	35,589	11,094	7,133	3,694	57,510
Intangible fixed assets	4,080	11	1,360	132	5,583
Tangible fixed assets	398	202	561	159	1,722
Financial fixed assets	208	142	64	393	807
Deferred tax assets	2,156		1,107		3,263
Other non-current assets					
Non-current assets	**42,431**	**11,449**	**10,225**	**4,378**	**68,885**
Inventories				63	63
Accounts receivable	31,090	9,121	11,049	4,654	55,914
Other receivables and accruals					6,362
Investment securities	5,135				5,135
Cash	4,222	1,019	1,237	124	6,602
Current assets	**40,447**	**10,140**	**12,286**	**4,841**	**74,076**
Total assets	82,878	21,589	22,511	9,219	142,961

Liabilities (in € thousands)	France	Belgium and Luxembourg	Italy	Spain	31/12/06
Capital	6,633				6,633
Additional paid-in capital and consolidated reserves	55,444	(2,550)	504	(9,541)	43,857
Group net income	4,748	2,027	70	383	7,229
Shareholders' equity	**68,962**	**(754)**	**961**	**(9,158)**	**60,012**
Borrowings and financial debt: part due in over one year	27,484				27,484
Deferred tax liabilities	293				293
Provisions for risks and expenses	2,010	84			2,094
Other non-current liabilities					
Non-current liabilities	**29,787**	**84**	**0**	**0**	**29,871**
Borrowings and financial debt: part due in under one year	2,156	1,000		792	3,948
Accounts payable	4,718	2,692	1,784	513	9,707
Other payables and accruals	24,079	3,413	10,987	944	39,423
Current liabilities	**30,953**	**7,105**	**12,771**	**2,249**	**53,078**
Total liabilities	129,702	6,435	13,732	(6,909)	142,961

	2006	2005	2004
Finance	45%	31%	30%
Public sector	15%	29%	25%
Services/Utilities	13%	15%	19%
Industry	10%	10%	14%
Telecoms	16%	13%	10%
Retail & Distribution	1%	2%	2%
Total	100%	100%	100%

5.3.21 *Proforma financial information for 2006*

Consolidation scope

Aubay has drawn up the relevant combined financial information for the financial year ended December 31, 2006. This information is intended to provide an economic overview of Aubay's consolidation scope over 12 months of activity as of January 1, 2006.

Based on this information, proforma financial data pertaining to the Group's position as at December 31, 2006 has been drawn up in line with IFRS reporting standards and is based on:

- Aubay's consolidated accounts as at December 31, 2006;
- The consolidated accounts of Projipe Group as at December 31, 2006;
- The proforma consolidated accounts of Aubay Projipe as at June 30, 2006.

This proforma financial information is published for illustrative purposes alone and is intended to reflect the financial position, assets and earnings of Aubay Group for the period beginning January 1, 2006 and ending December 31, 2006 as if the activities of Projipe Group had been consolidated in Aubay's accounts from the outset. They are not, however, necessarily representative of the financial position or performances which would have been booked had the operation taken place at an earlier date. Moreover, said information is not intended for use in forecasting the financial position or performance of Aubay in future years.

Lastly, by their very nature, this information is based on a hypothetical situation and, as a result, is not representative of Aubay's real financial position or earnings.

Principles used in drawing up the proforma financial statements

The accounting rules and principles used here do not bear any significant differences in relation to the standard rules and principles applied. Only the following restatements have been made to the income statement:

- Elimination of intra-group operations;
- Elimination of financial interest linked to Projipe's bond debt prior to the acquisition;
- Booking of the financial interest linked to the OCEANE recalculated over 12 months;
- Restated income and expenses are net of tax;
- Booking of the price allocation as from January 1, 2006, but on the basis of the value applicable on August 1, 2006, i.e. the date of integration within the Group's consolidation scope;
- Booking of residual goodwill as from January 1, 2006 on the basis of the amount determined on August 1, 2006.

The acquisition of Projipe Group was effectively integrated within Aubay's statutory balance sheet as at December 31, 2006. The only restatements booked on the proforma balance sheet are linked to the proforma Group net income, the restatement of the financial interest on the bond debt over 12 months and the tax impact of the different restatements.

Proforma income statement at December 31, 2006 under IAS/IFRS

(In € thousands)	Pro forma 31/12/06
Revenues	**148,734**
Other operating revenues	
Purchases	(34,604)
Payroll expenses	(100,689)
Taxes	(2,618)
Amortization/depreciation allowances and provisions	(1,193)
Change in inventories of finished goods and work in progress	0
Other operating income and expenses	92
Current operating income	**9,722**
Other operating income and expenses	(806)
Operating income	**8,916**
Cash and cash equivalents	
Cost of net debt	(2,060)
Other financial income and expenses	(348)
Financial income	**(2,408)**
Tax expenses	**(1,851)**
Share in net income of companies accounted for by the equity method	**0**
Net income before income from divestments or disposals in progress	**4,657**
Net income from divestments or disposals in progress	
Net income	**4,657**
Group share	4,088
Minority interests	569

Proforma balance sheet at December 31, 2006 under IAS/IFRS

Assets (in € thousands)	**Pro forma 31/12/06**
Goodwill	57,510
Intangible fixed assets	5,583
Tangible fixed assets	1,722
Financial fixed assets	807
Deferred tax assets	3,263
Other non-current assets	0
Non-current assets	**68,885**
Inventories	63
Accounts receivable	55,914
Other receivables and accruals	6,362
Investment securities	5,135
Cash	6,602
Current assets	**74,076**
Total assets	**142,961**

Liabilities (in € thousands)	**31/12/06**
Capital	6,633
Additional paid-in capital and consolidated reserves	43,857
Group net income	4,088
Group shareholders' equity	**54,578**
Minority interests	2,293
Shareholders' equity	**56,871**
Borrowings and financial debt: part due in over one year	29,034
Deferred tax liabilities	293
Other non-current liabilities	2,094
Non-current liabilities	**31,421**
Borrowings and financial debt: part due in under one year	3,948
Accounts payable	9,707
Other payables and accruals	41,014
Current liabilities	**54,669**
Total liabilities	**142,961**

5.3.22 *Consolidation scope at December 31, 2006*

All Group subsidiaries are consolidated.

Company	% holding	Method of consolidation	Head offices
Aubay	Parent company		13, rue Louis Pasteur F-92100 Boulogne Billancourt
France			
Aubay Conseil en Organisation	100%	Full	17, avenue Didier Daurat BP 21 - F-31701 Blagnac Cedex
Octo Technology	56%	Full	50, Avenue des Champs Elysées F-75008 Paris
AIM (ex Why Not)	75%	Full	13, rue Louis Pasteur F-92100 Boulogne Billancourt
G.P.P.	100%	Full	13, rue Louis Pasteur F-92100 Boulogne Billancourt
Aubay Projipe	100%	Full	13, rue Louis Pasteur F-92100 Boulogne Billancourt
Spain			
Aubay Isalia	100%	Full	Calle Albacete 5 Sp-28027 Madrid
Benelux			
Aubay Luxembourg	100%	Full	Immeuble de Beauvoir Rue de Strasbourg, 51 L-2561 Luxembourg
Offis	100%	Full	Rue Gatti de Gamondstraat, 145 B-1180 Bruxelles
Promotic Belgique	90%	Full	Rue Chaude Voie, 39 B-5100 Naninne
Promotic Luxembourg	90%	Full	Immeuble de Beauvoir Rue de Strasbourg, 51 L-2561
Promotic Strasbourg	100%	Full	3, rue de Molsheim F-67000 Strasbourg
Italy			
Aubay Italy	100%	Full	Largo la Foppa 2, It-20121 Milan
ART	88%	Full	Largo la Foppa 2, It-20121 Milan
Aubay Consulting	100%	Full	Largo la Foppa 2, It-20121 Milan
Codd & Date International	45.76%	Full	Via LEONE XIII n°14, It-20145 Milan

Investments not included in the consolidation scope:
Aubay NV, Aubay BS and Aubay Telecom UK are no longer active (negligible importance) and are therefore not consolidated.

02

Summary parent company financial statements

The financial statements of Aubay SA only partly reflect the financial position of Aubay Group. A complete overview is provided by the consolidated financial statements and management report as well as by the different information contained in the present report.

As a result, the present section, which is based on the financial statements of the parent company Aubay SA, is unlikely to contain the most useful information for the reader.

Operating income for Aubay SA totaled € 21,120,000 in 2006 versus a figure of € 12,342,000 the year before. Revenues for 2006 came in at € 20,973,000 for the year, up 73% on the 2005 figure of € 12,122,000.

Revenues primarily stem from the consulting and engineering activities provided by the company, from the management fees paid by the various Group entities and from the re-invoicing of certain operating expenses to the Group subsidiaries. The company's strong growth stems in part from the organic growth of these activities as well as from the widening of the Group's scope of companies and the heightened "corporate" activity that that generates.

With operating expenses of € 20,595,000 for the year, operating income for 2006 totaled € 524,000 compared with a figure of € 254,000 in 2005.

Financial income stood at € 4,978,000 in 2006 and essentially consisted of dividends paid by the Group's subsidiaries and of the interest earned on prepayments awarded to subsidiaries. In 2005, this figure amounted to € 2,645,000.

Financial expenses came to € 612,000 for the period, versus a total € 66,000 in 2005. The increase therein is principally due to the financial expenses generated by the loan taken out to finance the acquisition of Projipe Group.

Current operating income amounted to € 4,891,000 compared with € 2,833,000 one year earlier. Non-current income recorded a loss of € 32,000, an improvement on the loss of € 125,000 booked in 2005.

The company reported a tax profit of € 316,000 as a result of its tax consolidation on the one hand and the tax credit on its research activities on the other.

Net income for the year amounted to € 5,175,000 for 2006 compared with a figure of € 2,880,000 in 2005.

Income statement

Income statement (in € thousand's)	2006	2005	2004
Operating income	**21,120**	**12,342**	**9,157**
Net revenues	20,973	12,122	9,146
Other income and expense transfers	147	220	11
Operating expenses	**20,596**	**12,088**	**8,929**
Other outside purchases and expenses	12,132	4,202	2,686
Taxes and similar	380	324	253
Salaries and wages	5,400	5,106	4,026
Social charges	2,517	2,308	1,799
Amortization/depreciation allowances and provisions	101	92	78
Other expenses	66	55	87
Net operating income	**524**	**254**	**228**
Financial income	**4,978**	**2,645**	**1,831**
Financial income from investments	2,416	1,354	1,270
Interest and related expenses	-	-	2
Net income on the disposal of marketable securities	44	58	43
Reversal of provisions for depreciation	2,518	1,233	516
Exchange rate gains	-	-	-
Financial expenses	**612**	**66**	**35**
Loan interest	612	-	-
Net financial income	**4,367**	**2,579**	**1,796**
Current income before tax	**4,891**	**2,833**	**2,024**
Non-current income	**1,983**	**712**	**80**
on management operations	6	31	79
on capital transactions	1,929	681	1
Reversal of provisions for risks and expenses	48	-	-
Non-current expenses	**2,015**	**837**	**1,063**
on management operations	718	260	861
on capital transactions	1,269	577	-
Other non-current expenses	28	-	202
Net non-current income	**(32)**	**(125)**	**(983)**
Income tax	**(316)**	**(172)**	**(26)**
Net income	**5,175**	**2,880**	**1,067**

Balance sheet

Balance sheet assets (in € thousand's)	2006 Net	2005 Net	2004 Net
Intangible fixed assets	**2,681**	**1,314**	**38**
Concessions, patents and similar	109	10	14
Business assets	2,564	1,300	24
Other intangible fixed assets	8	4	-
Tangible fixed assets	**289**	**109**	**78**
Buildings	-	11	16
Technical fixtures and fittings, equipment	-	1	1
Other tangible assets	258	97	61
Property under development	31	-	-
Financial fixed assets	**68,127**	**36,136**	**29,801**
Equity investments	67,677	35,186	28,539
Advances to non-consolidated companies	-	-	-
Shares held by the company	278	896	1,209
Other LT financial investments	172	54	53
Fixed assets	**71,097**	**37,559**	**29,917**
Accounts receivable	**17,920**	**10,544**	**7,622**
Trade and other accounts receivable	9,072	3,564	1,636
Due from the state	1,591	910	611
Other receivables	7,257	6,070	5,375
Cash and cash equivalents	**2,733**	**553**	**2,562**
Investment securities	959	112	1,450
Cash	1,774	441	1,112
Current assets	**20,653**	**11,097**	**10,184**
Accruals and Deferrals	**272**	**152**	**114**
Prepayments	272	152	114
Total assets	**92,022**	**48,808**	**40,215**

Balance sheet liabilities (in € thousand's)	2006	2005	2004
Shareholders' equity	**51,110**	**39,970**	**35,307**
Share capital	6,633	6,128	5,883
Additional paid-in capital	36,258	29,970	27,746
Legal reserves	613	588	571
Statutory reserves	28	-	21
Retained earnings	2,403	404	19
Net income for the year	5,175	2,880	1,067
Provisions for risks and expenses	**-**	**48**	**154**
Provisions for risks	-	48	154
Debt	**40,834**	**8,682**	**4,718**
Convertible bonds	30,000	-	-
Bank loans and debt	364	3,598	967
Other borrowings and financial liabilities	-	-	-
Financial loans and borrowings	1,662	1,002	681
Trade and other accounts payable	4,725	1,731	969
Taxes and social security liabilities	3,900	2,128	1,856
Debt on fixed assets and related debt	-	111	139
Other debt	183	112	106
Accruals and Deferrals	**78**	**108**	**36**
Total Liabilities	**92,022**	**48,808**	**40,215**

Subsidiaries and holdings

Company	Capital	Shareholders' equity prior to allocation	Share (%)	Book value of securities (net)	Loans and advances granted by the company	Collateral and sureties given	Revenues exc. tax over the past year	Profit (loss) last year	Dividends received during the financial year
A. Conseil en Organisation (F)	40	21	100	824	2,538	1,237	1 882	1	-
Octo (F)	306	2,538	56	2,397	-	-	8,714	634	-
Aubay Luxembourg (L)	721	2,677	100	6,250	(153)	-	19,962	1,086	-
Offis (B)	288	966	100	6,485	(633)	-	3,860	451	298
A Isalia (E)	78	891	100	7,609	1,976	1,550	9,041	444	-
Aubay Italie(I)	10	50	100	3,000	38	-	-	NS	-
Art (I)	100	2,220	28	3,474	2,048	-	12,402	(22)	-
Promotic Belgique (B)	100	1,061	90	1,904	-	-	6,108	680	-
Promotic Luxembourg (L)	53	478	90	1,160	-	-	2,482	183	-
Promotic Strasbourg (F)	70	89	100	128	-	-	466	12	-
AIM (F)	40	945	75	2,368	(778)	-	16,163	448	-
GPP	11,599	20,931	100	32,063	281	-	1,474	553	-

Five-year financial summary

Type of information	2002	2003	2004	2005	2006
1. Capital at year-end					
Common stock (in €)	5,729,239	5,820,112.50	5,882,917.50	6,128,008.00	6,633,123.50
Existing number of ordinary shares	11,458,478	11,640,225	11,765,835	12,256,016	13,266,247
Existing number of preferred shares	-	-	-	-	-
Maximum number of shares to be created:	-	-	-	-	-
* through the conversion of warrants	-	-	-	-	-
* through the exercise of stock options (or free shares)	839,233	982,499	1,045,408	1,115,546	1,096,931
2. Operations and results for the year (in €)					
Revenues before tax	10,518,109	8,706,767	9,146,204	12,122,333	20,973,603
Earnings before tax, profit-sharing, depreciation, amortization and provisions	(2,958,559)	46,134	733,652	1,461,796	2,420,676
Income tax	(8,947)	-	(25,718)	(171,546)	(316,335)
Earnings after tax, profit-sharing, depreciation, amortization and provisions	(15,301,902)	(859,483)	1,067,499	2,879,828	5,175,183
Dividends paid	-	97,715	154,653.40	160,105.00	208,999.19
3. Earnings per share (in €)					
Earnings before tax, profit-sharing, amortization and provisions	(0.26)	0.004	0.062	0.119	0.182
Earnings after tax, profit-sharing, amortization and provisions	(1.34)	(0.07)	0.091	0.235	0.390
Dividends per share	-	0.04	0.05	0,06	0.07
4. Personnel					
Average head count during the year	101	90	85	105	110
Total payroll for the year (in €)	4,482,878	3,956,116	4,025,612	5,105,816	5,399,767
Employee benefits paid (in €)	2,003,266	1,795,540	1,799,076	2,308,443	2,517,040

03

Person responsible for the Reference Document and Names of the persons responsible for the audit of the financial statements

03

Person responsible for
the Reference Document

Person responsible for the Reference Document

Mr. Christian Aubert,
Chairman of the Board of Directors of Aubay (hereinafter "Aubay" or "the Company").

Certification of the person responsible for the Reference Document

"I have obtained a letter from the Statutory Auditors for the completion of work, in which they state they have verified the information concerning the financial situation and financial statements included in this Reference Document, and have read the entire Reference Document".

The Statutory Auditors have unreservedly certified the 2006 financial statements, with the following observation:

"Without undermining the opinion expressed above, we would draw your attention to the note "Proforma Financial Information" included in the notes to the consolidated financial statements. This specifies the manner in which proforma information relating to the consolidated balance sheet and income statement for 2006 has been drawn up and indicates that this information is not necessarily representative of the financial situation or performance that would have been observed if the merger of Aubay and Projipe had occurred prior to the actual merger date."

Chairman of the Board of Directors
Mr. Christian Aubert

Names of the persons responsible for the audit of the financial statements

Named Statutory Auditors

Mr. Bernard Lelarge
1, rue de courcelles - 75008 Paris

Date of first appointment: Extraordinary General Meeting of December 17, 1997 and renewed by the Extraordinary General Meeting of May 23, 2003.

End of current mandate: Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2008.

Cabinet Constantin Associés
Mr. Jean-Claude Saucé
26, rue Marignan - 75008 Paris

Date of first appointment: Extraordinary General Meeting of June 8, 2004.

End of current mandate: Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2009.

Substitute Statutory Auditors

Mr. Jean-François Plantin
1, rue de courcelles - 75008 Paris

Date of first appointment: Extraordinary General Meeting of December 17, 1997 and renewed by the Extraordinary General Meeting of May 23, 2003.

End of current mandate: Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2008.

Mr. Jean-François serval
C/o cabinet Constantin Associés
114 rue Marius Aufan - 92532 Levallois Perret Cedex, France

Date of first appointment: Extraordinary General Meeting of June 9, 2004.

End of current mandate: Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2009.

Persons responsible for the information given in the present Reference Document

Mr. Philippe Rabasse, Chief Executive Officer
13, rue Louis Pasteur
92100 Boulogne-Billancourt
Tel.: 01 46 10 67 50 Fax: 01 46 10 67 51
Mr. David Fuks, Head of Finance
13, rue Louis Pasteur
92100 Boulogne-Billancourt
Tel.: 01 46 10 67 50 Fax: 01 46 10 67 51

Selected financial information

In accordance with Article 28 of the European Commission regulation (CE) No. 809/2004 of April 29, 2004, the following information is included in this Reference Document:

- The 2004 consolidated and corporate financial statements together with the Statutory Auditors' reports can be found on pages 24-37 and 45-57 respectively of the Reference Document filed with the AMF (French Financial Markets Authority) on April 28, 2005 under number D.05.0574;
- The 2005 consolidated and corporate financial statements together with the Statutory Auditors' reports can be found on pages 24-39 and 41-45 respectively of the Reference Document filed with the AMF (French Financial Markets Authority) on April 28, 2006 under number D.06.0340.

04

General information on the Company and capital

General information

Corporate name (Article 3 of the Articles of Association)

Aubay

Registered head office

13 rue Louis Pasteur
92100 Boulogne-Billancourt.

Date of incorporation and duration of the Company

The Company was incorporated on November 10, 1944, for a duration of 90 years as of the date of its registration in the Trade and Companies Register, except in the event of liquidation or extension.

Legal form

Société anonyme, a limited company under French law, with a Board of Directors and governed by the French Commercial Code and Decree No. 67-236 of March 23, 1967.

Trade and Companies Register

391,504,693 RCS Nanterre.

APE Code and sector

721Z - IT Systems Consultancy.

Consultation of documents and information concerning the Company

The Articles of Association, financial statements, reports and minutes of General Meetings can be consulted at the head offices.

Corporate purpose (Article 2 of the Articles of Association)

Aubay's direct or indirect corporate purpose in all countries: IT and particularly research, creation, development, distribution, information, initiation, application, use and marketing in relation to any method or software. Its purpose also extends to any operations of an industrial, commercial or financial nature, involving securities or property, which may be directly or indirectly linked to its corporate purpose or any similar or related purpose, or which may facilitate its expansion and development.

The Company may acquire interests in any existing or future businesses or companies in France or abroad that are directly or indirectly linked to its corporate purpose, or to any similar or related purpose. These may notably be businesses or companies whose purpose may contribute to the achievement of Aubay's corporate purpose, by any means including the contribution, subscription or purchase of shares or share capital or via mergers, joint ventures, alliances or limited partnerships.

To this end, the Company may, in particular: create, acquire, manage, outsource the management of and operate any establishments, even for third parties, in accordance with the legal provisions for all operations relating directly or indirectly to its corporate purpose.

Annual accounting period (Article 14 of the Articles of Association)

From January 1 to December 31 of each year.

Breach of thresholds

The provisions which apply to breaches of thresholds are those provided for by French law.

General Meetings (Article 12 of the Articles of Association)

General Meetings are convened and deliberate in accordance with legal requirements. They may be held at the head offices or in any other location specified in the notice of meeting.

Dividend payments (Article 13 of the Articles of Association)

Dividends are paid at the date and place decided by the General Meeting, or failing that, by the Board of Directors. The Board of Directors may make one or more interim dividend payments prior to the approval of the financial statements.
In accordance with the law and the Articles of Association, the General Meeting called to approve the financial statements may offer each shareholder the option of payment in cash or payment in shares for all or part of the proposed dividend and interim dividend payments.

Statutory profits breakdown

The Articles of Association contain no specific provisions in this respect.

Identification of holders of bearer securities: Identifiable bearer securities (Article 8 of the Articles of Association)

In accordance with Article L. 228-2 of the French Commercial Code, the Company may at any time request bearer securities identification from Euroclear.

Double voting rights (Article 8 of the Articles of Association)

As a result of a resolution approved at the Extraordinary General Meeting of December 17, 1997, Aubay's Articles of Association stipulate that all shares that have been fully paid up and registered for at least two years with the same shareholder shall benefit from double voting rights.

Any free shares allocated to shareholders in exchange for existing shares conferring double voting rights shall also bear double voting rights.

Double voting rights shall cease to apply to any share that has been converted to a bearer share or transferred, other than transfers from registered to bearer shares as a result of an inheritance or a gift.

Double voting rights may be canceled by resolution at an Extraordinary General Meeting after approval by the General Meeting of Beneficiaries.

Real estate/intellectual property

Since Aubay does not own any office space (except for a building at Naninne), it has entered into lease contracts with the owners of premises occupied by the Group.

Aubay owns all brands that are useful and that it uses. No company executive or family of a company executive owns a major asset used by the Company.

Investment policy

The main investments concern IT equipment. They amounted to € 1,069K during the year and were financed using shareholders' equity.

Organization chart at 31/12/06

Benelux	Italy	France	Spain	Others
67.91% Aubay SI (3I) 32,09 %	100% CS Srl 60 %	56.05% Octo	100% Aubay Isalia	75% Aubay NV
100% Offis	28% Art	100% GPP		100% Aubay UK (Aubuk)
90%(1) Promotic Luxembourg	52% NCI	100% Aubay Projipe		Companies with no activity and non-consolidated
90%(1) Promotic Belgium	100% ACI (Aubay Consulting Italia)	100% Aubay Conseil en Organisation (Scopase)		
100% Promotic Strasbourg		75%(2) AIM (FWN et WN)		

(1) Commitment to buy out minorities at 10% (2) at 25%

Information on the capital

Share capital

At December 31, 2006, Aubay's share capital stood at € 6,633,123.50, divided into 13,266,247 shares with a nominal value of € 0.50, all fully paid up and all of the same class.

Breakdown of capital and voting rights at December 31, 2006 and to the best of the Company's knowledge

To the best of the Company's knowledge, its shareholder structure breaks down as follows:

	Situation at 31/12/06			Situation at 31/12/05			Situation at 31/12/04		
Shareholders	No actions	% capital	% voting rights	No actions	% capital	% voting rights	No actions	% capital	% voting rights
Concerted action of Rabasse/Andrieux/Gauthier[1]	3,172,604	23.91	26.17	3,139,435	25.62	27.71	3,048,302	25.91	29.03
Capitalinvest	*1,219,452*	*9.19*	*14.45*	*1,206,537*	*9.84*	*15.21*	*1,188,256*	*10.10*	*16.01*
Philippe Rabasse	*1,226,994*	*9.25*	*7.36*	*1,214,000*	*9.91*	*7.85*	*1,167,314*	*9.92*	*8.00*
Christophe Andrieux	*685,542*	*5.17*	*4.11*	*678,282*	*5.53*	*4.39*	*653,232*	*5.55*	*4.48*
Vincent Gauthier	*40,616*	*0.31*	*0.24*	*40,616*	*0.33*	*0.26*	*39,500*	*0.34*	*0.54*
Aubert family	2,134,265	16.09	22.05	2,109,688	17.21	22.88	2,079,698	17.68	24.06
Christian Aubert	*1,716,967*	*12.94*	*17.17*	*1,214,000*	*9.91*	*7.85*	*1,167,314*	*9.92*	*8.00*
Stéphanie Aubert	*208,649*	*1.57*	*2.44*						
Vanessa Aubert	*208,649*	*1.57*	*2.44*						
Entrecanales family	540,548	4.07	6.35	542,574	4.43	6.81	534,353	4.54	7.16
Philippe Cornette	672,238	5.07	4.03						
Société Générale Asset Management[2]	401,000	3.02	2.41	754,694	6.16	4.88			
Paolo Riccardi	175,771	1.32	1.05						
Pericle Poli	148,206	1.12	0.89						
Treasury shares	64,915	0.49	0.00	81,170	0.66	0.00	360,806	3.07	0.00
Float	5,956,700	44.90	38.99	5,628,455	45.92	42.60	5,742,676	48.81	39.74
Total	**13,266,247**	**100.00**	**100.00**	**12,256,016**	**100.00**	**100.00**	**11,765,835**	**100.00**	**100.00**

(1) Capitalinvest, owned equally by Messrs. Rabasse, Andrieux and Gauthier, is a SNC (société en nom collectif or general partnership) whose head office is at 54 avenue Hoche - Paris 8è - Registered in the Paris Trade and Companies Register under number 429 485 667. Its business is holding a securities portfolio.
(2) At January 10, 2007.

To the best of the Company's knowledge, no outside shareholder holds more than 5% of the capital or voting rights.
To the best of the Company's knowledge, no other shareholders hold directly, indirectly or in concert (except for the declared action in concert of Messrs. Rabasse, Andrieux and Gauthier) 5% or more of the capital or voting rights.
To the best of the Company's knowledge, there is no agreement between any of the shareholders requiring a declaration in accordance with the provisions of the "Dutreil" law.
To the best of the Company's knowledge, no other partnership exists except that declared by Messrs. Andrieux, Gauthier and Rabasse.
There are currently no preference shares and there are no plans at present to introduce them.
The Company is aware of no agreement, which if implemented, could lead to a change in the control of the company.

Individuals and legal entities having a significant stake in the Company as at December 31, 2006, to the best of the Company's knowledge

At December 31, 2006, the Company's share capital was held primarily by Messrs. Rabasse, Andrieux, Gauthier (23.91%), Mr. Aubert and his family (16.09% of the capital), Mr. Philippe Cornette (5.07%) Mr. Entrecanales and his family (4.07% of the capital).

Transactions carried out on Aubay's shares by its senior management

To the best of the Company's knowledge, the following movements took place during 2006: Patrick Grumelart, Director, bought 5,102 OCEANE convertible bonds for € 49,999.60.

Changes in share capital since the Company was formed

Date	Transaction	Number of shares created	Nominal value	Premium [1]	Cumulative nominal value	Cumulative number of shares
02/04/97	Capital increase through incorporation of reserves	0	1,500,000 FRF	-	1,500,000 FRF	15,000
17/12/97	Drop in nominal value	-	1,500,000 FRF	-	1,500,000 FRF	1,500,000
05/03/98	Capital increase by offsetting debt and raising the nominal value	-	1,500,000 FRF	-	3,000,000 FRF	1,500,000
05/03/98	Capital increase through cash contributions	30,000	60,000 FRF	-	3,060,000 FRF	1,530,000
31/03/98	Capital increase through cash contributions	530,000	1,060,000 FRF	100,700 FRF	4,120,000 FRF	2,060,000
23/06/98	Capital increase through cash contributions	33,523	67,046 FRF	2,279,564 FRF	4,187,046 FRF	2,093,523
04/12/98	Capital increase through cash contributions	41,477	82,954 FRF	2,820,436 FRF	4,270,000 FRF	2,135,000
31/03/99	Capital increase through securities' contributions	66,500	133,000 FRF	9,842,000 FRF	4,403,000 FRF	2,201,500
25/05/99	Capital increase through securities' contributions	231,667	463,334 FRF	34,286,716 FRF	4,866,334 FRF	2,433,167
12/07/99	Transfer to the *second marché* and capital increase through cash contributions	200,000	400,000 FRF	35,022,000 FRF	5,266,334 FRF	2,633,167
07/02/00	Capital increase through cash contributions	200,000	400,000 FRF	220,001,552 FRF	5,666,334 FRF	2,833,167
09/06/00	Capital increase through free share allocation through incorporation of reserves and conversion of capital into euros	2,833,167	4,802,507 €	-	5,666,334 €	5,666,334
09/06/00	2-for-1 stock split	5,666,334	-	-	5,666,334 €	11,332,668
31/12/00	Subscription to 14 share purchase warrants	28	14 €	1,526 €	5,666,348 €	11,332,696
13/04/01	Capital increase by offsetting debt	85,782	42,891 €	1,348 493.04 €	5,709,239 €	11,418,478
31/12/01	Subscription to 40,000 shares under the share purchase or stock options plan	40,000	20,000 €	250,000 €	5,729,239 €	11,458,478
25/06/03	Dividend distribution with option of payment in shares	181,747	90,873.50 €	252,628.33 €	5,820,112,50 €	11,640,225
06/07/04	Dividend distribution with option of payment in shares	125,610	62,805 €	345,427.50 €	5,882,917,50 €	11,765,835
07/06/05	Dividend distribution with option of payment in shares	135,636	67,818 €	461,162.40 €	5,950,735,50 €	11,901,471
21/12/05	Remuneration for contribution 13,000 Aubay RT shares	354,545	177,272.50 €	1,772,725 €	6,128,008 €	12,256,016
07/06/06	Dividend distribution with option of payment in shares	100,627	50,313.50 €	607,787.08 €	6,178,321,50 €	12,356,643
07/06/06	Subscription to 50,000 shares under the share purchase or stock options plan	50,000	25,000 €	170,500	6,203,321,50 €	12,406,643
25/08/06	Remuneration for contribution of 20,578 Groupe Projipe Participation shares	834,604	417,302 €	5,424,926 €	6,620,623,50 €	13,241,247
13/09/06	Subscription to 15,000 shares under the stock options plan	15,000	7,500 €	51,150 €	6,628,123,50 €	13,256,247
30/11/06	Subscription to 10,000 shares under the stock options plan	10,000	5,000 €	34,100 €	6,633,123,50 €	13,266,247

[1] Before issuance expenses

Unissued authorized capital

Single investment securities

The company's Board of Directors was authorized by the Joint General Meeting of May 10, 2005, for a maximum of 26 months, to increase the capital in one or more stages, whilst either retaining or canceling all pre-emptive rights, via the issue of all securities, including any independent warrants, giving immediate or future access to a proportion of the share capital, with the exception of priority shares, priority dividend shares with no voting rights and investment certificates with a maximum nominal value of € 6 million and/or the incorporation into the capital of any reserves, earnings, additional paid-in capital or other element with a maximum nominal value of € 6 million.

Marketable securities in lieu of receivables and giving access to the Company's capital

The Board of Directors was also authorized by the Joint General Meeting of May 10, 2005, for a maximum of 26 months, to issue a maximum nominal amount of € 150 million in marketable securities in the form of receivables and giving access to the Company's capital.

These authorizations canceled and replaced the authorizations granted by the previous Extraordinary General Meeting having the same purpose.

Use of Authorizations in 2006

OCEANE convertible bond issue on October 4, 2006

The Board of Directors used the authorization that it had received from the General Meeting to issue marketable securities in the form of receivables and giving access to the Company's capital by authorizing its Chief Executive Officer, through a resolution dated September 25, 2006, to issue bonds with an option to convert and/or exchange them for new or existing shares (OCEANE). The transaction was intended to refinance the Company's debt.

The transaction resulted in the issue on October 4, 2006 of 3,061,226 OCEANE convertible bonds with a unit nominal value of € 9.80 or a borrowed nominal value of € 30,000,014.80.

Details of the characteristics of these OCEANE convertible bonds can be found in the transaction note (hereinafter the "Transaction Note") issued by Aubay and given the visa number 06-338 by the AMF on October 4, 2006. This note can be viewed on the Company's website (www.aubay.com) and the AMF's site (www.amf-france.org) or can be sent by post, free of charge, if a request is made to the Company's head office. The main characteristics are summarized below.

Unit Nominal Value of Bonds
Bond issue prices

The unit nominal value of the bonds was set at € 9.80. This therefore included an issue premium of around 29.98% on the benchmark price of € 7.5398 for Company shares taken as the weighted average by volumes of Company share prices observed on the Paris Euronext Eurolist market from the opening of the trading session on October 4, 2006 until the setting of the definitive terms and conditions of the issue.

Bonds were issued at par, or € 9.80 per bond, payable in one instalment at the bond payment date.

Annual interest

4.50% per year or € 0.4410 per bond, payable in arrears on January 1 each year and for the first time on January 1, 2007. Exceptionally, for the period running from October 12, 2006, the bond payment date, to December 31, 2006, interest amounting to around € 0.0978 per bond calculated on a pro rata basis was paid on January 1, 2007.

Gross yield to maturity of bonds

4.50% at the bond payment date (in the absence of conversion and/or exchange for shares and in the absence of early redemption).

Normal bond redemption

The bonds shall be redeemed in full on January 1, 2012 (or the following first business day if this date is not a business day) through redemption at par.

Early redemption of bonds at the Company's discretion

Possible, at the Company's sole discretion:

- For all or some of the bonds, at any time and with no price limitation, through repurchases in the stock market or over-the-counter or public offerings;
- As from January 1, 2010, for all bonds, at par augmented by interest accrued since the last interest payment date preceding the early redemption date until the actual redemption date, subject to 30 calendar days' notice if the product (i) of the ratio for the allocation of existing shares and (ii) the arithmetic mean of the initial quoted prices of Aubay shares for 20 consecutive trading days during the 40 consecutive trading days preceding the publication of the early redemption notice exceeds 125% of the nominal value of the bonds;
- At any time, for all the bonds remaining in circulation, if less than 10% of the bonds issued remain in circulation, at par augmented by interest accrued since the last interest payment date preceding the early redemption date until the actual redemption date.

Payable before due date

The bonds become due and payable in the cases and according to the procedures specified in paragraph 4.9.4 ("Payable before due date") of the Transaction Note.

Conversion of bonds and/or exchange of bonds for shares

The holders of bonds ("Bondholders") may exercise their right to an allocation of Company shares, at any time from their issue date until the seventh business day preceding the normal or early redemption date, on the basis of one share per bond, subject to any adjustments.

The Company may, at its discretion, issue new shares and/or existing shares.

Rights attached to new shares resulting from conversion

New shares issued following the conversion of bonds shall bear interest from the first day of the Company's fiscal year during which the bonds were converted.

Rights attached to existing shares resulting from exchange

Existing shares issued in exchange for bonds shall bear current interest.

Debt ranking

Bonds and their interest constitute unsecured commitments (direct, general, unconditional, unsubordinated and unaccompanied by Company guarantees). They are ranked equally and have the same ranking as all the Company's other current or future unsecured debts and guarantees (subject to those benefiting from preferential legal treatment).

Marketable securities remunerating a contribution in kind

Use of Authorization by the Board of Directors

The Joint General Meeting of May 10, 2006 authorized the Board of Directors, under its eighth resolution and for a period of 26 months, to issue shares, capital securities, or various securities or marketable securities providing or potentially providing access to the Company's capital, subject to a maximum of 10% of the capital at the time of the issue, in order to remunerate contributions in kind made to the Company and comprising capital securities or marketable securities providing access to the capital.

The Board of Directors' meeting held on August 24, 2006 made partial use of this authorization when it decided to issue 834,604 new shares at the unit price of € 7 (including a nominal value of € 0.5), in remuneration of the contribution of 20,578 shares from Groupe Projipe Participation (hereinafter "GPP"), representing 18.59% of this company's capital and voting rights.

This share contribution enabled Aubay to increase its stake in GPP to 100%, having taken control of the company on July 11, 2006 through the cash acquisition of 81.41% of the company's capital. GPP is the parent company of the Projipe group.

The share contribution therefore represented the final stage of the acquisition of Projipe, a French company with more than 600 employees at the time of its acquisition, running a virtually identical business to Aubay and with a predominant presence among strategic accounts for the Aubay Group, notably in banking and insurance.

Whereas the acquisition involved the cash purchase of shareholdings held by shareholders who were non-employees or leaving the company, employee shareholders, and principally the Chief Executive Officer of the Projipe group, Mr. Philippe Cornette, wished to continue with Projipe's corporate venture and take a significant stake in Aubay through the contribution in kind of shares they held in GPP.

The terms and conditions of the contribution in kind were the subject of a report, in accordance with the provisions of Article 236-10 of the French Commercial Code, prepared by a Contribution Auditor who concluded that "the value of contributions amounting to € 5,842,228 (five million eight hundred and forty-two thousand two hundred and twenty-eight euros) is not overvalued and, therefore, the total of the contributions thus constituted is at least equal to the creation of capital by the beneficiary company". The full text of this report can be consulted on the Company's website (www.aubay.com) and on the AMF site (www.amf-france.org). The report is also available free of charge to any shareholder requesting a copy from the Company.

This issue was conducted without a prospectus in accordance with Article 212-5 (paragraph 1) of the AMF's general regulation.

This transaction is indissociable from the acquisition of control of the Projipe group. The contribution in kind enables Aubay to take full control of this entity and allows the Group to become a reference in the French market by boosting the workforce to more than 1,100 employees in France. The acquisition offers an increased presence among banking/finance and insurance customers, which is a strategic sector for the Group. It was therefore considered the transaction was unlikely to have a negative effect on the share price. This has since been corroborated by events.

The impact of this transaction on Aubay's shareholders and notably on their share of shareholders' equity is outlined in the table below:

Based on financial statements 30/06/06	Before capital increase			Capital increase		After capital increase		
	No. of shares	Shareholders' equit	Shareholders' equit per share	No. of shares	Additional fully paid-in capital	No. of shares	Shareholders' equit	Shareholders' equit per share
Aubay RT shares 21/12/06	12,421,643	44,627,000 €	3.59 €	834,604	5,424,926 €	13,256,247	50,469,000 €	3.81 €

Financial authorizations given to the Board of Directors (summary table)

Current financial authorizations	By type of securities	Maximum amount	Authorization date	Expiry date	Utilization date	Purpose	Amount used
Ordinary shares and/or marketable securities providing access to the capital or an allocation of debt securities with pre-emptive rights	Single investment securities	€ 6,000,000 nominal value					
	Debt securities	€ 150,000,000 nominal value	10/05/05	10/07/07			
Ordinary shares and/or marketable securities providing access to the capital or an allocation of debt securities with pre-emptive rights	Single investment securities	€ 6,000,000 nominal value	10/05/05	10/07/07			
	Debt securities	150,000,000 nominal value	10/05/05	10/07/07	04/10/06	OCEANE convertible bond issue	€ 30,000,014
		10% of the share capital	10/05/06	10/07/08	24/08/06	Contribution of GPP securities	€ 5,842,228
Ordinary shares without pre-emptive rights (employee savings law)		1% of the share capital	10/05/05	10/07/07			

In the case of a marketable securities issue where the pre-emptive right is canceled, the Board of Directors has the power to institute a non-negotiable priority right in favour of shareholders.

It should be remembered that since edict 2004-604 of June 24, 2004, the Board of Directors alone has the capacity to decide or authorize the issue of simple bonds.

Buyback by the Company of its own shares

Current programme

The Joint General Meeting of May 10, 2006, having taken note of the Board of Directors' report, authorized the Board of Directors, in accordance with Articles 241-1 to 241-8 of the AMF's general regulation, to purchase the Company's shares. The main characteristics of this programme are as follows.

Objectives:

- To underpin the liquidity and the secondary market activity of Aubay shares via a liquidity contract signed with an investment services provider in accordance with the AMF-approved compliance charter;
- To cancel shares;
- To uphold, in accordance with the law, its obligations in terms of the issue of shares in the case of:

- the different programmes affording the Group's employees and executive officers the option to purchase the Company's shares;

- the free allocation of shares to the Group's employees and executive officers;

- the purchase by Aubay of its own shares to hold and re-issue at a later date in exchange or as payment should it proceed with any new acquisitions;

■ Maximum authorized share of the capital: the maximum share of the Company's capital that may be bought back is theoretically fixed at 10% of the capital, which at the beginning of the programme represented a maximum of 1,225,601 shares.

■ Maximum targeted share of the capital: given the number of shares that the Company held at March 31, 2006, 81,170 treasury shares or 0.66% of its capital, the company can only buy back 9.34% of the capital, or 1,144,431 shares, under the present programme.

■ Maximum amount payable by the Company: € 13,733,172.

- Maximum purchase price: € 12.
- Financing methods: financing of share buybacks through cash or debt.
- Transaction calendar: from the Joint General Meeting of May 10, 2006 for a maximum period of 18 months, i.e. until November 10, 2007.

No shares were canceled in 2006.

Summary of treasury share transactions during 2006 and until March 16, 2007

	Shares purchased	Weighted average price	Shares sold	Weighted average price
2006				
May (after 10/5)	11,593	7.26	31,794	7.39
June	25,466	6.68	1,000	6.50
July	12,628	6.94	29,651	6.98
August	4,954	6.82	9,274	7.00
September	19,461	7.01	25,689	7.10
October	8,358	7.31	0	0.00
November	17,697	7.47	15,438	7.52
December	5,198	7.36	2,849	7.40
Total	105,355	7.06	115,695	7.20
2007				
January	10,572	7.69	17,650	7.75
February	17,409	8.33	8,809	8.39
March (16/03 incl)	8,132	8.07	1,550	8.05
Total	36,113	8.08	28,009	7.97

Treasury share position at March 16, 2007

Shares allocated to liquidity contracts	16,532
Shares kept and subsequently re-issued in exchange or as payment in the event of acquisitions	56,667
Total	73,019

New programme, description

A new share buyback program will be presented to the General Meeting on May 10, 2007. This program will allow the Company to repurchase its own shares under the following conditions:

Objectives:

■ To underpin the liquidity and the secondary market activity of Aubay shares via a liquidity contract signed with an investment services provider in accordance with the AMF-approved compliance charter;

■ To cancel shares (subject to the General Meeting of May 10, 2007 adopting extraordinary resolution No. 11 relating to the cancellation of shares);

■ To uphold, in accordance with the law, its obligations in terms of the issue of shares in the case of:

- the different programmes affording the Group's employees and executive officers the option to purchase the Company's shares;
- the conversion of debt securities providing access to the capital;
- the free allocation of shares to employees and executive officers of the Group,

■ The purchase by Aubay of its own shares to hold and re-issue at a later date in exchange or as payment should it proceed with any new acquisitions;

- **Maximum authorized share of the capital:** the maximum share of the Company's capital that can be bought back is theoretically fixed at 10% of the capital, which on the day of the General Meeting represents 1,331,724 shares.
- **Maximum targeted share of the capital:** given the number of shares that the Company held at March 16, 2007, 73,019 treasury shares or 0.55% of its capital, the Company will only be able to buy back 9.45% of the capital in the future, or 1,258,705 shares.
- **Maximum amount payable by the Company:** € 19,975,860 (given the shares already held at March 16, 2007).
- **Maximum purchase price:** € 15.
- **Financing methods:** financing of share buybacks through cash or debt.
- **Transaction calendar:** from the Joint General Meeting of May 10, 2007 for a maximum period of 18 months, i.e. until November 10, 2008.

Potential capital: stock options plan

Following the authorizations granted by the General Meetings of May 25, 1999, June 9, 2000, April 13, 2001, April 23, 2002 and May 10, 2005, the Board of Directors has granted stock options to the Group's managers and "key" employees. These allocations are detailed below:

Stock options

Plans	1999	1999	1999	1999	1999	2000	2000	2001	2002	2002	2005	2005	2005
Date of General Meeting	25/05/99	25/05/99	25/05/99	25/05/99	25/05/99	09/06/00	09/06/00	13/04/01	23/04/02	23/04/02	10/05/05	10/05/05	10/05/05
Date of Board Meeting	12/07/99	26/08/99	14/09/99	09/11/99	18/05/00	24/08/00	19/01/01	06/02/02	14/03/03	30/04/04	12/07/05	20/07/06	30/11/06
Total number of shares that can be subscribed [1]	202,800	20,000	50,000	23,376	48,400	1,400	333,423	336,554	143,000	105,000	75,000	43,000	13,000
Number of persons concerned [1]	79	1	2	12	2	8	246	27	11	9	7	5	2
Executive officers Aubay SA [1]	0	0	0	0	0	0	20,000	60,000	0	0	0	0	0
Top 10 employees Aubay SA [1]	40,000	20,000	0	1	48,400	0	82,800	85,000	40,000	30,000	25,000	23,000	0
Start date for exercise of options	12/07/04	26/08/04	14/09/04	09/11/04	18/05/05	24/08/05	19/01/06	06/02/06	14/03/07	30/04/08	12/07/09	20/07/10	30/11/10
Expiry date	12/07/07	26/08/07	14/09/07	09/11/07	18/05/08	24/08/08	19/01/09	06/02/10	14/03/11	30/04/12	12/07/13	20/07/14	30/11/14
Subscription price	6.75 €	6.82 €	7.24 €	10.56 €	31.75 €	23.52 €	16.06 €	3.91 €	1.33 €	3.66 €	4.56 €	6.73 €	7.48 €
Terms (tranches)	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	4 years	4 years	4 years	4 years	4 years
Number of shares subscribed at closing date	40,000	0	0	0	0	0	0	0	0	0	0	0	0
Canceled stock options [2]	113,650	0	10,000	11,008	0	1,150	65,729	16,870	5,000	0	0	0	0
Remaining stock options	89,150	20,000	40,000	12,368	48,400	250	267,694	319,684	138,000	105,000	75,000	43,000	13,000

[1] At the allocation date - [2] Since allocation

Share purchase or stock options granted to and exercised by each executive officer	Number of options allocated/ shares subscribed or purchased	Price	Expiry date	Plan number
Options granted:	-	-	-	-
Options exercised: Mr. Vincent Gauthier	20,000	€ 3.91	-	-

Share purchase or stock options granted to the Group's top ten employees, non-executive officers of Aubay SA , beneficiaries, and options exercised by the latter	Number of options allocated/shares subscribed or purchased	Weighted average price	Plan number
Options granted during the year by the issuer and any company included in the option allocation scope to the ten employees of the issuer and any company included in said scope, of which the number of options thus granted is the highest (overall information)	56,000	€ 6.90	12 and 13
Options held on shares in the issuer and the companies referred to above and exercised during the year by the ten employees of the issuer and these companies, of which the number of options thus purchased or subscribed is the highest (overall information)	55,000	€ 3.91	-

In addition, the Board of Directors meeting on June 7, 2006 allocated a beneficiary 4,286 free shares.

The subscription of all the allocated options would result in the issue of 1,095,832 new shares (total of options + free shares) generating a potential dilution of 8.26%.

There is no other form of potential capital, except for OCEANE convertible bonds (see p 54).

Shareholder pacts

The Company knows of no shareholder pact relating to its own shares. Moreover, the Company knows of no shareholder agreement relating to the Group's assets and liable to reduce the usage or assignability thereof.

To the best of the Company's knowledge, no shareholder owns any significant assets used by the Group.

Dividends

The distribution of a net dividend of € 0.04 per share was decided by the General Meeting held on May 23, 2003. The distribution of a net dividend of € 0.05 per share was decided by the General Meeting held on June 8, 2004. Tax credits equal to respectively € 0.02 and € 0.025 were attached to these two dividends for individuals resident for tax purposes in France. The payment of a dividend of € 0.06 per share was decided by the General Meeting held on May 10, 2005. This dividend gave beneficiaries the right, under the terms and conditions of the French General Tax Code, to a tax credit of 50% of this amount. The distribution of a dividend of € 0.07 per share was decided by the General Meeting held on May 10, 2006. This dividend entitled beneficiaries to the 40% tax credit granted to individuals domiciled for tax purposes in France, as provided for in Article 158-3 of the French General Tax Code.

The payment of a dividend of € 0.09 per share will be proposed at the General Meeting due to be held on May 10, 2007.

These dividends are valid for five years, in accordance with applicable legislation.

05

Executive and management bodies

Composition of the Board of Directors

At December 31, 2006, Aubay's Board of Directors was composed of:

Member's surname and Christian name or company name	Date of first appointment (or origin of mandate)	Mandate expiry date	Main position in the Company
Mr. Christian Aubert	23/05/03	Year-end 2008	Chairman of the Board of Directors
Mr. Philippe Rabasse	08/06/04	Year-end 2009	Chief Executive Officer
Mr. Christophe Andrieux	23/05/03	Year-end 2008	Deputy Chief Executive Officer
Mr. Modeste Entrecanales	08/06/04	Year-end 2009	Director
Mr. Patrick Grumelart	23/05/03	Year-end 2008	Director
Mrs. Rosemary Aubert	08/06/04	Year-end 2009	Director
Mr. Philippe Cornette	23/05/03	Year-end 2008	Director
Capitalinvest S.N.C represented by Mr. Vincent Gauthier	24/10/01	Year-end 2006	Mr. Gauthier Deputy Chief Executive Officer

Mandates and positions held by executive officers during the year

Mr. Christian Aubert, in addition to his mandate as Chairman of the Board of Directors of Aubay, held the following positions or mandates:

a) Within the Group:

- Permanent representative of Aubay SA on the Supervisory Board of Aubay Conseil en Organisation
- Permanent representative of Aubay SA on the Supervisory Board of Octo Technology
- Representative of Aubay on the Board of Directors of Aubay Isalia (Spain).

b) Outside the Group:

- Chairman of Auplata SAS
- Director of GCCCM SA.

Mr. Philippe Rabasse, in addition to his roles as Chief Executive Officer and Director of Aubay, held the following positions or mandates:

a) Within the Group:

- Chairman of the Supervisory Board of Aubay Conseil en Organisation
- Chairman of the Supervisory Board of Octo Technology
- Member of the Board of Directors of Aubay Isalia (Spain).

b) Outside the Group:

- Manager of Capitalinvest
- Director of Adex SA.

Mr. Christophe Andrieux, in addition to his roles as Deputy Chief Executive Officer and Director of Aubay, held the following positions or mandates:

a) Within the Group:

- Chairman of Aubay Ingénierie & Maintenance
- Chairman of the Management Board of Groupe Projipe Participation.

b) Outside the Group:

- Manager of Capitalinvest
- Director of Adex SA.

Mr. Vincent Gauthier, in addition to his roles as Deputy Chief Executive Officer and permanent representative of Capitalinvest, Director of Aubay, held the following positions or mandates:

a) Within the Group:

- Vice-Chairman of Aubay Conseil en Organisation
- Member of the Supervisory Board of Octo Technology
- Member of the Board of Directors of Aubay Projipe.

b) Outside the Group:

- Manager of Capitalinvest
- Director of YCIMN SA, Mandelieu la Napoule.

Mr. Philippe Cornette, in addition to his role as Director of Aubay, held the following positions or mandates:

a) Within the Group:

- Chairman of the Board of Directors of Aubay-Projipe
- Member of the Management Board of Groupe Projipe Participation.

b) Outside the Group:

- Manager of the civil company SCP Peignot/Cornette
- Manager of Etablissements Cornette SARL.

Mr. Modeste Entrecanales, in addition to his mandate as Director of Aubay SA, is Chief Executive Officer and member of the Board of Directors of Steria Ibérica.

Mr. Patrick Grumelart, , in addition to his role as Director of Aubay, held the following mandate at December 31, 2006:

- Chairman of the Management Board of SOPROMEC
- Manager of Charpath SARL.

Mrs. Rosemary Aubert's only mandate is as a Director of Aubay.

None of the members of the Board of Directors has held a significant executive officer role in Aubay over the last five years, other than the mandates held and mentioned above.

Members of the Company's executive and management bodies have not been the subject of any conviction for fraud over the last five years, or any incri¬mination and/or official public sanction.

To the best of the Company's knowledge, none of the executive officers is liable to experience a conflict of interest that may have a harmful effect on the Company. However, Mr. Modesto Entrecanales is the Chief Executive Officer of Steria's only Spanish activities.

No Company Director benefits from a specific additional pension scheme or special advantages, either within the Company or within any of its subsidiaries.

No member of the Company's Management benefits from conditional or deferred remuneration, or an arrival/departure bonus.

There is no internal regulation within the Board of Directors or any evaluation of the Board.

Corporate governance

The Company has not set up any special committees. However, it has invited an independent Director to sit on the Board.

Corporate social responsibility

Since its foundation in 1997, Aubay has always been sensitive to the quality of its services, the satisfaction of its customers and the specialist skills of its employees through its approach to corporate social responsibility.

In recent years, Aubay has worked actively to assert its commitments:

- Since 2004, Projipe and then Aubay have subscribed to the ten principles relating to Human Rights, Labour, Environmental Protection and Combating Corruption, by joining the UN's "Global Compact".
- In 2005, OSEO-ANVAR classified Aubay as an "Innovative Company" for its research work in Fibre Optics and its crucial contribution to the creation of an OpenSource Framework, the only JAVA/J2EE solution recommended by the Direction Générale de la Modernisation de l'État français (DGME or Directorate General for French State Modernisation).
- In 2006, BVQI certified Aubay quality management in accordance with ISO9001-2000 for all the "projects with a commitment to results". The ISO 9001-2000 certification enables Aubay to provide its customers with a defined and enhanced level of quality, in conjunction with rigorous management of its processes and a policy of continuous improvement which has a beneficial impact on its products. This approach to sustainable development is doubly profitable:
  - Ability to adopt continuous improvement policies in areas other than customer quality, by intervening in process management;
  - Measuring a number of "economic" indicators for sustainable development (other indicators: environmental and social) which in terms of quality have been available since 2006 and can be used directly: % of customer satisfaction, number of discrepancies detected with the quality system.

The redistribution of wealth locally (salaries) is another "economic" indicator in which Aubay is well-placed (branch location < 20km customer).

In 2007, Aubay's General Management has decided to step up the Company's initiatives in terms of adopting a sustainable development approach and encouraging all employees to share in the Group's fundamental ethical values.

As a result, Aubay is committed to continuing to improve customer satisfaction through a collaborative approach which enables employees to benefit individually on an ongoing basis, while forming part of the collective expertise of the Group. Hence, in 2007,100 pilot users and shift workers will have been trained through the "Skillsoft" e-learning programme.

To this end, the Management has appointed Serge Boulle, Head of Human Resources, and Lionel Bourceret, Head of Quality, who has been asked to manage the budget that has been allocated and report on the effectiveness of the management system for the objectives that have been set.

The objectives and measures taken to achieve them are summarized below.

N°	Guiding principles	Measures
1	Companies must promote and respect internationally recognized human rights.	Aubay supports staff initiatives to assist people in difficulty and measures to overcome their handicap or loss of autonomy. More generally, Aubay encourages responsible behaviour that respects human rights.
2	Companies must not be party to any violation of fundamental rights.	Aubay mobilises different players (individuals or legal entities) intervene under its influence to prevent the risk of violation of these rights.
3	Companies must respect the right of freedom of association and recognize the right to collective bargaining.	Aubay complies with the law on this issue: existence of Works Councils, staff representatives, establishment and respect of election protocols, practice of collective bargaining.
4	Elimination of all forms of mandatory or forced labour.	Aubay does not currently operate in geographical regions where it is faced with this type of problem.
5	The effective abolition of child labour.	
6	The elimination of professional and job discrimination.	■ The Human Resources Department acts according to the law, in terms of the distribution of a social report that includes indicators on equal opportunity (men/women) and recruitment (diverse origins - Aubay has representatives of all origins to be found in France, i.e. people originating from Sub-Saharan Africa, North Africa, Asia, Eastern Europe, the Near East etc.). ■ A voluntary training programme has been established since 2005, helping staff acquire skills and assisting them with changes in their job. This initiative is a resolution with a 2007 target, in the Global Compact.
7	Companies are asked to adopt a precautionary approach to environmental problems.	Aubay is a consultancy business and therefore consumes few natural resources. Particular attention is paid to saving paper. Ongoing discussions are focused on limiting staff travel by offering them local assignments. Aubay also promotes this approach with a policy to encourage its employees to use public transport.
8	Undertake initiatives that tend to promote greater environmental responsibility	Aubay is extending its policy of setting an example on this issue, by measuring the resources it uses as from 2007.

N°	Guiding principles	Measures
9	Encourage the development and distribution of environment-friendly technologies.	The offerings that Aubay is promoting among its customers respect principle 9 of the Global Compact: encourage the development and distribution of environment-friendly technologies. These offerings are as follows: ■ A-cube, constructed on the basis of the new programming standards (java, ajax, web 2.0), limits the financial outlay (free acquisition of open-source licences) and deployment of costly resources in emerging countries (minimum coding, therefore easy to maintain with limited expertise, only low output telecom connections available); ■ Content management (website construction) promotes collaborative remote working and mobility, while limiting the need to travel; ■ Non-paper invoices, with their impact which goes against the overexploitation of forests.
10	Companies are asked to act against corruption including the extortion of money and bribes.	Aubay relies only on its technological excellence, in all its forms, and its effectiveness to win business from its customers, and only employs legal and fair means and practices for this purpose.

Employee profit sharing

An Employee Savings Fund (FCPE) has been set up for the French companies. Employees acquire units in the FCPE through the Company Savings Plans. At December 31, 2006, it contained 31,131 Aubay shares and had a total value (liquidity included) of € 267,598.82. According to the entities' results, the FCPE may receive a joint additional sum from companies and their employees.

In addition, Aubay SA has signed a profit sharing contract which is based on applicable legislation.

Executive officers' remuneration and benefits in kind

The total remuneration paid by Aubay or any other Group companies during 2004, 2005 and 2006 to each of the executive officers was:

	2006		2005		2004	
(In €)	Gross total remuneration (1)	Attendance fees	Gross total remuneration	Attendance fees	Gross total remuneration	Attendance fees
Mr. Christian Aubert	101,833	15,244	97,500	15,244	97,500	15,244
Mr. Philippe Rabasse	121,333	7,622	117,000	7,622	117,000	7,622
Mr. Christophe Andrieux	121,333	7,622	117,000	7,622	117,000	7,622
Mr. Vincent Gauthier, representative of Capitalinvest SNC	101,562	7,622	97,500	7,622	95,906	7,622
Mrs. Rosemary Aubert	-	-	-	-	-	-
Mr. François Hisquin	109,200	7,622	124,200	7,622	103,500	7,622
Mr. Philippe Cornette	183,513	-	-	-	-	-
Mr. Modeste Entrecanales	-	7,622	-	–	-	7,622
Mr. Patrick Grumelart	-	7,622	-	7,622	-	7,622

(1) Received within the Aubay Group

No member of the Company's Management benefits from conditional or deferred remuneration, or an arrival/departure bonus.

None of them receives any benefits in kind either from the Company or its subsidiaries.

Interests of senior management in Aubay's subsidiaries, customers or major suppliers

None.

Report on the conditions for the preparation and organization of the Board's work and on internal control procedures

In accordance with Article L.225-37 of the French Commercial Code, we present the report on the conditions for the preparation and organization of the Board's work and on the internal control procedures that have been implemented in our Company.

We present the conditions for the preparation and organization of the Board's work, followed by the internal control procedures. By way of reminder, Aubay SA is a société anonyme (limited liability company) with a Board of Directors.

Preparation and organization of the Board's work

Composition of the Board of Directors, separation of management/control functions

The Board of Directors consists of eight members.

Mr. Christian Aubert is the Chairman and, in accordance with the Board decision of April 23, 2002, has no operational role.

Mr. Philippe Rabasse, a Director of the Company, has therefore been entrusted with responsibility for the operational management of the Company.

The other mandates are divided between Mrs. Rosemary Aubert, Mr. Patrick Grumelart, Mr. Modeste Entrecanales, Mr. Philippe Cornette (who succeeded Mr. François Hisquin on September 25, 2006), Mr. Christophe Andrieux and Capitalinvest represented by Mr. Vincent Gauthier.

Messrs. Cornette and Gauthier are both Company employees.

Selection criteria for members

The appointment of Board members is proposed at the Shareholders' General Meeting on the basis of several criteria:

- Percentage of the share capital and voting rights,
- General business management expertise,
- Financial expertise and independent critical viewpoint.

Preparation of work

The decision to convene a Board meeting is usually taken by the Chairman. However, it is common practice within the Company for any member who so wishes to be able to request a Board meeting.

The preparatory work is divided between the Company's different functional departments based on the agenda to be discussed.

Philippe Rabasse is generally responsible, sometimes jointly with Vincent Gauthier (Head of Legal), for preparing the points concerning either the Company's general strategy or any exceptional operations that may affect the Company, such as acquisitions, the management of equity investments or financial operations.

The purely legal points are prepared by Vincent Gauthier, Head of Legal.

David Fuks, Head of Finance and a non-Director, who is present at each of the meetings, is responsible for any financial points.

The setting of the agenda generally falls to the Chairman, often at the proposal of the General Management.

The Directors receive explanatory documents (draft accounts, presentation of target company in the case of an acquisition, forward-looking accounts, etc.) for each of the points on the agenda.

Organization of work

The Chairman presents the agenda at the meeting. The points on the agenda are discussed in succession. Each member is free to express his opinion at the meeting under the terms of the law. Generally, no decision is taken at the meeting without being unanimously voted.

The different subjects are presented in general terms by the Chairman or Chief Executive Officer prior to a more detailed presentation, where applicable, by the representative of the functional department concerned.

The Board's scope of activity

Beyond or in accordance with its legal remit, the following subjects are systematically referred to the Board:

- Management of equity investments,
- Acquisitions,
- Financial operations,
- Guarantees, security, surety where the amounts involved exceed the total budget governed by the General Management,
- Financial or accounting methods.

The General Management ensures, in its everyday operation, that the Board of Directors can express an opinion prior to any decision being taken on said subjects.

Frequency of meetings

The Board of Directors meets either to examine periodic financial or accounting publications (approval of the interim, annual financial statements, etc.) or to discuss one of the issues within its remit as defined in the previous point.

In 2006, the Board of Directors met seven times.

The attendance rate for directors was 85%.

Remuneration of Board members

There are three types of remuneration for Directors:

- An allowance paid to the Chairman and Chief Executive Officer in recompense for their mandate.
- Remuneration paid in the form of attendance fees, where the distribution is determined collectively by the Board of Directors and the amount decided, in accordance with legal provisions, by the shareholders at the General Meeting. In 2006, attendance fees totalled € 60,979.60.
- Wages and salaries where the Director is bound to the Company by an employment contract and this contract predates his term of office as a Board member.

All sums that Directors receive from the Company, except for expenses that are reimbursed on production of receipts, are first approved by the Board of Directors.

No particular commitment binds the Board of Directors to any of its members.

Internal control procedures

The Company has implemented control procedures in order to minimize the risk of errors or fraud. Two areas of control have been established within the Company and its subsidiaries.

The first covers a priori control of potential commitments. The second consists of continuous, rigorous monitoring of the accounts and finances.

A priori control

In accordance with the above paragraph "the Board's scope of activity", no decision liable to have a significant impact on the Company is taken without having first been endorsed by the Board of Directors. In addition, the Company or the General Management is systematically represented on the Board of Directors or Supervisory Board of all the subsidiaries.

A procedure manual on the statutory consolidation process has been drawn up and sent to all users. In particular, it covers the role of the various persons concerned and specifies the accounting rules and methods used by the Aubay Group. For each of the foreign subsidiaries, there are correspondence tables between local chart of accounts and the consolidation packages. These are systematically reviewed by local auditors to ensure they comply with Group accounting rules and methods.

A posteriori control

According to the definition used by the CNCC (French National Institute of Statutory Auditors), resulting from the international standards on auditing, these procedures involve:

- Complying with management policies,
- Protecting assets,
- Preventing and detecting fraud and errors,
- Accurate and exhaustive accounting entries,
- The timely preparation of reliable financial and accounting information.

Internal control objectives

In order to meet these objectives, Aubay has set up the following organizational structure and control procedures:

General organization of internal control

The Finance Department, reporting to the General Management and detached from the operating departments, is responsible for centralizing, controlling and analysing all the Group's financial and accounting information. To do this, it uses information it deems necessary collected from all the subsidiaries.

Implementation of internal control

- All the processes governing the activity of Aubay and its subsidiaries are described in procedure manuals that are available to the persons concerned.

■ Monthly closings are carried out and centralized in the reporting system. This enables analytical reviews (of revenue and expenses) to be conducted for each of the subsidiaries and any discrepancies with budgets to be analysed with the different persons responsible.

■ Quarterly reviews of the accounts are carried out on site by the Finance Department.

■ The findings of the controls are systematically reviewed and discussed with the Group's General Management and Legal Department. All major disputes are monitored by the Legal Department.

Limitations on General Management's powers

No limitations, other than those specified by the law, have been imposed on the Chief Executive Officer in carrying out his functions.

Mr. Christian Aubert
Chairman of the Board of Directors

06

Board of Directors' Report to the General Meeting

We have convened a Joint General Meeting (Ordinary and Extraordinary) firstly, in order to present the corporate and consolidated financial statements for the year ended December 31, 2006 and, secondly, to submit a number of resolutions for your approval. These resolutions are set out below.

With regard to the approval of the consolidated and corporate financial statements for the year ended December 31, 2006, we have pleasure in presenting the annual management report. The annual report has been filed with the AMF as a reference document.

However, the main body of this Board report to the General Meeting is aimed at explaining all the other resolutions submitted for your approval.

A distinction is made between ordinary and extraordinary resolutions.

Ordinary resolutions

Approval of the financial statements
Appropriation of earnings

Resolutions numbers 1 to 3 cconcern the closing of the financial statements. The distribution of a dividend is once again proposed to shareholders given the Company's good performance. With distributable reserves amounting to € 43,537,351, it is proposed to distribute a dividend of € 0.09 per share, representing a total of € 1,193,962 based on the number of shares at December 31, 2006. This entire dividend is eligible for the 40% tax credit benefiting individuals domiciled for tax purposes in France, as provided for in Article 158-3 of the French General Tax Code.

In addition, the Meeting is reminded that the following dividends were distributed in respect of previous years:

- For the year ended 31/12/2005: € 857,921.12 (or € 0.07 per share), fully eligible for the 40% tax credit benefiting individuals domiciled for tax purposes in France, as provided for in Article 158-3 of the French General Tax Code.
- For the year ended 31/12/2004: € 705,950.10 (or € 0.06 per share), fully eligible for the 50% tax credit.
- For the year ended 31/12/2003: € 582,011.25 (€ 0.05 per share), entitling the beneficiary to a tax credit of € 0.025 per share.

Attendance fees

Resolution number 4 fixes the total remuneration to be allocated to members of the Board of Directors at € 80,000 in respect of their mandate. It is for the Board of Directors to freely distribute this remuneration. The amount of this remuneration is fixed until a further decision by the General Meeting on this issue.

Share buyback program

Resolution number 5 must provide us with the necessary authorizations to intervene in the market for our own shares. The reasons for the Company intervening in the market for its own shares are as follows:

- To underpin the liquidity and the secondary market activity of Aubay shares via a liquidity contract signed with an investment services provider in accordance with the AMF-approved compliance charter;
- The cancellation of shares (subject to the General Meeting of May 10, 2007 adopting extraordinary resolution No. 11 on the cancellation of shares);
- To uphold, in accordance with the law, its obligations in terms of the issue of shares following:

1. The different programs affording the Group's employees and executive officers the option to purchase the Company's shares
2. The free allocation of shares to the Group's employees and executive officers
3. The conversion of debt securities providing access to the capital.

- Shares issued in exchange or as payment in the case of acquisitions.

Composition of the Board of Directors

Capitalinvest's mandate as a Director expires at this General Meeting. The company, which is owned by Messrs. Rabasse, Andrieux and Gauthier, has a stake of slightly less than 10% in Aubay. It is proposed, under resolution number 6, to renew this mandate for a further 6 years which would therefore expire at the General Meeting convened to approve the 2012 financial statements. Mr.Vincent Gauthier's mandate as Capitalinvest's permanent representative on the Board of Directors would be renewed.

It is also proposed that this General Meeting appoints new Directors, under **resolutions numbers 7 and 8**.

Mr. David Fuks has been the Group's Head of Finance for more than 8 years now.

Mr. Paolo Riccardi heads up the Group's Italian operations and has a significant stake in the Company.

Mr. François Hisquin tendered his resignation from

Aubay's Board of Directors on September 8, 2006. The Board coopted Mr. Philippe Cornette to fill the vacant post. It is proposed, in resolution number 9, that the General Meeting ratifies the cooptation of Mr. Philippe Cornette.

Ratification of the head office transfer

In **resolution number 10**, it is proposed to ratify the Board of Directors' decision of November 30, 2006 to transfer the head office. As a result of the merger of the Company's activities and those of the Projipe group, which was acquired during the summer of 2006, it has been decided to combine all the activities in one location, at 13 rue Louis Pasteur, Boulogne Billancourt.

Extraordinary resolutions

Authorization for the Board of Directors to cancel all or some of the shares

Resolution number 11 proposes granting the Board of Directors powers to cancel, in one or more stages, subject to a maximum of 10% of the Company's capital per 24-month period, all or some of the "Aubay" shares acquired under the buyback programme authorized by resolution number 5.

General authorizations for capital increases

With the previous authorizations granted by the General Meeting of May 10, 2005 having been partially utilized (see p 57) and due to expire, it is proposed, under resolutions numbers 12 and 13, to once again authorize the Board of Directors to proceed with capital increases under various conditions. It is important for the Board of Directors, if market conditions permit or if any opportunities arise, to be able to take the decision to embark on any capital increases primarily to finance new acquisitions or major internal development projects. The definitive conditions for these potential operations to increase the share capital would be decided in due course by the Board of Directors. In any event, the implementation of the measures in resolution number 13 shall be in accordance with the provisions of Article L.225.136 of the French Commercial Code relating to the conditions in which a decision can be taken to cancel pre-emptive rights.

Delegation of powers to the Board of Directors to issue shares for the purpose of remunerating contributions in kind made to the Company subject to a maximum of 10% of the share capital

With the delegation of powers previously granted having been utilized by the Board of Directors on August 24, 2006, when it decided to issue 834,604 new shares in remuneration of the contribution of 18.59% of the capital of Groupe Projipe Participation (see p 58), it is proposed, under resolution number 14, to renew this authorization for a further 26 months, subject to a maximum, reinitialized, of 10% of the share capital assessed at the time of the operation.

Authorization for the Board of Directors to decide on a capital increase reserved for the Company's employees

Resolution number 17 is intended to authorize the Board of Directors to carry out a capital increase for the benefit of employees, and thus ensure the Company complies with the employee savings law of February 2001. This authorization would be granted for 26 months in order to align the validity period with that of the general authorizations for capital increases included in resolutions numbers 12, 13, and 14 presented above.

Authorization for the Board of Directors to put in place a stock options plan

Under resolution number 15, you are requested to allow the Board of Directors to put in place a new stock options plan in order to motivate the Group's most deserving managers and employees in the most effective manner.

Authorization for the Board of Directors to proceed with free share allocations

Resolution number 16 proposes authorizing the Board of Directors to proceed with free share allocations for the benefit of "key" employees in the Company and its subsidiaries, in order to motivate and encourage staff loyalty. This tool is in addition to the already existing stock options tool, which the Board of Directors is also authorized to implement under resolution number 15 above.

We hope the above will receive your approval.

For the Board of Directors

Mr. Christian Aubert
Chairman of the Board of Directors

Agenda for the Joint General Meeting

Ordinary decisions

- Reading of the Board of Directors' management report on the corporate financial statements for the year ended December 31, 2006 and presentation of the consolidated financial statements;
- Reading of the Statutory Auditors' reports on the corporate and consolidated financial statements for the year ended December 31, 2006;
- Reading of the Statutory Auditors' special report on the regulated conventions and decision in this respect;
- Approval of the corporate financial statements for the year ended December 31, 2006 and the consolidated financial statements for the same year;
- Appropriation of earnings for the year ended December 31, 2006 and fixing of the optional dividend amount;
- Fixing of the amount of remuneration allocated to members of the Board of Directors (attendance fees);
- Authorization given to the Company to intervene in the market for its own shares;
- Renewal of Capitalinvest's Director's mandate;
- Appointment of Mr. David Fuks as a Director;
- Appointment of Mr. Paolo Riccardi as a Director;
- Ratification of the cooptation of Mr. Philippe Cornette as a Director;
- Ratification of the head office transfer.

Extraordinary decisions

- Authorization for the Board of Directors to cancel all or some of the shares repurchased and to proceed with a correlative reduction in the share capital;
- Delegation of powers to the Board of Directors to increase the share capital with pre-emptive rights, within an overall ceiling, through the issue of all marketable securities providing immediate or future access to the capital and/or through the incorporation of reserves, earnings or additional paid-in capital;
- Delegation of powers to the Board of Directors to increase the share capital without any pre-emptive rights, within an overall ceiling, through the issue of marketable securities providing access to the capital;
- Delegation of powers to the Board of Directors for the purpose of issuing shares, subject to a maximum of 10% of the capital, various securities or marketable securities in order to remunerate contributions in kind made to the Company;
- Authorization to be given to the Board of Directors to increase the share capital for the benefit of employees;
- Implementation of a share purchase or stock options plan;
- Authorization for the Board of Directors to proceed with free share allocations;
- Powers.

Draft resolutions

Ordinary decisions

First resolution:

Approval of the financial statements

The General Meeting, having taken note of the corporate financial statements for the year ended December 31, 2006 as approved by the Board of Directors and the consolidated financial statements for the same year as drawn up by the Company at the request of the Board of Directors, and having taken note of the Board of Directors' management report for the year ended December 31, 2006 to which is appended the Chairman's report on the conditions for the preparation and organization of the Board's work and internal control, and the Statutory Auditors' reports for this same year:

- Approves the corporate financial statements for said year as approved by the Board of Directors, as well as all operations reflected in these statements or mentioned in this management report;
- Approves the consolidated financial statements for the year ended December 31, 2006 as presented during this General Meeting.

Second resolution: Appropriation of earnings

Fixing of the optional dividend amount

The General Meeting, after having heard the reading of the Board of Directors' report, noting that all the shares issued by the Company are fully paid up, that distributable reserves amount to € 43,537,351, decides to appropriate profits for the year of € 5,175,183 as follows:

Distribution of a dividend	€ 0.09 per share
share (or € 1,193,962.23 based on the total number of shares at December 31, 2006)	
Allocation to the legal reserve	€ 50,512
Appropriation of the balance to retained earnings	

The General Meeting decides, as a result, to pay a dividend in accordance with the procedures described below:

- The dividend right shall be detached from the share on May 14, 2007 based on account positions at May 11, 2007 in the evening;
- The shareholder may decide to receive the dividend in either cash or shares, on the basis of € 0.09 per share;
- To this end, each shareholder may, for a period commencing on May 14, 2007 and ending on May 25, 2007 inclusive, opt for payment in shares by applying to the paying establishments;
- The cash dividend payment shall be made in euros, on June 5, 2007, after expiry of the option period for reinvestment of the dividend in shares;
- In accordance with the law, the price of the share issued as dividend payment shall be equal to 90% of the average of initial quoted prices on the Euronext Eurolist market during the twenty trading sessions preceding the date of this General Meeting, reduced by the net dividend amount;
- If the dividend amount for which the option is exercised does not correspond to a whole number of shares, the shareholder may receive the number of shares directly above, subject to making the necessary additional cash payment within the prescribed period.

Shares issued in payment of the dividend shall bear interest from January 1, 2007.

Shares resulting from reinvestment of the dividend shall be deemed to have the same rights, as from their issue, as the shares from which they originate.

The General Meeting gives the Board of Directors full powers to take the necessary measures for the application and execution of this resolution, establish the capital increase resulting from this decision and amend the Company's Articles of Association accordingly, and make an allocation to the additional legal reserve through a deduction from retained earnings.

In accordance with the provisions of Article 243bis of the French General Tax Code, the Meeting is reminded that:

- The total dividend proposed is eligible for the 40% tax credit benefiting individuals domiciled for tax purposes in France, as provided for in Article 158-3 of the French General Tax Code;
- The following dividends were distributed for previous years:

- € 870,521, or € 0.07 per share in respect of 2005, eligible for the 40% tax credit benefiting individuals domiciled for tax purposes in France, as provided for in Article 158-3 of the French General Tax Code;
- € 705,950.10, or € 0.06 per share in respect of 2004, entitling individuals domiciled for tax purposes in France to the 50% tax credit provided for in Article 158-3 of the French General Tax Code;
- € 582,011.25, or € 0.05 per share in respect of 2003, to which was attached a tax credit of € 0.025 per share for individuals.

Third resolution: Approval of the Statutory Auditors' special report on the conventions specified in Article L.225-38

The General Meeting, after having heard the reading of the Statutory Auditors' special report on the conventions provided for in Article L. 225-38 of the French Commercial Code, approves the conclusions and conventions contained in said report.

Fourth resolution: Fixing of the amount of remuneration allocated to members of the Board of Directors (attendance fees)

The General Meeting decides to fix the annual remuneration paid to members of the Board of Directors in the form of attendance fees at € 80,000.

This amount shall be freely distributed by the Board of Directors.

This amount is applicable until a further decision by the General Meeting on this issue.

Fifth resolution: Authorizing the Company to intervene in the market for its own shares

The General Meeting, ruling in accordance with the majority and quorum conditions required for ordinary general meetings, having taken note of the Board of Directors' report, authorizes the Board of Directors to arrange for the Company to purchase its own shares in order to:

- Underpin the liquidity and the secondary market activity of Aubay shares via a liquidity contract signed with an investment services provider in accordance with the AMF-approved compliance charter;
- Cancel shares (subject to the General Meeting of May 10, 2007 adopting extraordinary resolution No. 11 relating to the cancellation of shares);
- Uphold, in accordance with the law, its obligations in terms of the issue of shares in the case of:
  - the different programs affording the Group's employees and executive officers the option to purchase the Company's shares;
  - the free allocation of shares to the Group's employees and executive officers;
  - the conversion of debt securities providing access to the capital.

- Issue shares in exchange or as payment in the case of acquisitions.

The General Meeting fixes the maximum purchase price at € 15 per share.

The maximum number of shares to be acquired is fixed at 10% of the total number of shares making up the share capital, or based on the number of shares at December 31, 2006, 1,253,605 shares (1,326,624 - 73,019, this last figure representing the number of shares owned by the Company at March 16, 2007), for a total amount of € 18,804,075.

These shares may be acquired, disposed of or transferred through all means, including the use of derivative financial instruments, except for the sale of put options, and provided this does not increase the share's volatility, as well as, if need be, all block disposal transactions, in accordance with the legal and regulatory requirements applicable in such a situation. Acquisitions and disposals may be carried out at any time, including during an IPO, in accordance with stock market regulatory limits.

Shares acquired under the buyback programme may be kept, disposed of, transferred or canceled subject, in the latter case, to the approval by the Extraordinary General Meeting of May 10, 2006 of resolution number 6 authorizing these cancellations. Disposals may only be made in accordance with the terms of the liquidity contract.

The General Meeting fixes at eighteen (18) months as from this Meeting, i.e. until November 10, 2007, the duration of this authorization which now replaces the authorization granted by the fifth resolution of the General Meeting of May 10, 2005.

The Board of Directors shall notify the shareholders, in its management report, of any acquisitions, disposals or cancellations made in accordance with this authorization.

The General Meeting grants the Board of Directors full powers, with the option of subdelegation under the terms of the law, to place all stock market orders, conclude all agreements with a view, notably, to keeping the register of purchases and sales, make all declarations to the stock market authorities and carry out all other formalities and, generally, do all that is necessary.

Sixth resolution: Renewal of Capitalinvest SNC's Director's Mandate

The General Meeting, having taken note of the Board of Directors' report, decides to renew the Director's mandate of:

- Capitalinvest SNC, whose head office is at 54 avenue Hoche, Paris 8è.

And whose permanent representative remains Mr. Vincent Gauthier, born on October 21, 1974 at Maisons-Laffitte (78), residing at 10 rue du Général de Castelnau, Paris 15è.

For a period of 6 years. His mandate shall therefore expire at the Annual General Meeting convened to approve the 2012 financial statements.

Seventh resolution: Appointment of Mr. David Fuks as a Director

The General Meeting, having taken note of the Board of Directors' report, decides to appoint as a Director:

- Mr. David Fuks, residing at 68 avenue Clarisse, 78170 La Celle Saint Cloud.

For a period of 6 years. His mandate shall therefore expire at the Annual General Meeting convened to approve the 2012 financial statements.

Eighth resolution: Appointment of Mr. Paolo Riccardi as a Director

The General Meeting, having taken note of the Board of Directors' report, decides to appoint as a Director:

- Mr. Paolo Riccardi, residing Via Guardini 10, Monza, Italy.

For a period of 6 years. His mandate shall therefore expire at the Annual General Meeting convened to approve the 2012 financial statements.

Ninth resolution: Ratification of the cooptation of Mr. Philippe Cornette as a Director

The General Meeting, having taken note of the Board of Directors' report, decides to ratify the cooptation of Mr. Philippe Cornette as a Director, decided by the Board of Directors' meeting held on September 25, 2006 following Mr. François Hisquin's resignation from his post as Director.

Mr. Philippe Cornette's mandate as the successor to François Hisquin therefore runs until the General Meeting convened to approve the 2008 financial statements.

Tenth resolution: Ratification of the head office transfer

The General Meeting ratifies the transfer of the head office from 235 Avenue le Jour se Lève to 13 rue Louis Pasteur still in Boulogne Billancourt (92100), decided by the Board of Directors' meeting held on November 30, 2006.

Extraordinary decisions

Eleventh resolution: Authorization for the Board of Directors to cancel all or some of the shares repurchased and to proceed with a correlative reduction in the share capital

The General Meeting, at the proposal of the Board of Directors and after having heard the reading of the Statutory Auditors' special report, authorizes the Board of Directors, in accordance with the provisions of Article L.225-209, to cancel, in one or more stages, subject to a maximum of 10% of the Company's capital per 24-month period, all or some of the "Aubay" shares acquired under the buyback programme authorized by the fifth resolution of this General Meeting, in accordqnce with the provisions of Article L 225-209 of the French Commercial Code.

Any excess on the purchase price of canceled shares compared with their nominal value shall be charged, on the decision of the Board of Directors, to the additional paid-in capital, merger and contributions items or any reserve item including the legal reserve subject to a maximum of 10% of the capital reduction generated.

The General Meeting delegates full powers to the Board of Directors to carry out the capital reduction and cancellation transaction(s), proceed with the correlative amendment of the Articles of Association, and generally do the necessary.

This authorization is given for a period of eighteen (18) months and replaces resolution No.6 having the same purpose and adopted by the General Meeting of May 10, 2006.

Twelfth Resolution: Delegation of powers to the Board of Directors to increase the share capital with pre-emptive rights, within an overall ceiling, through the issue of all marketable securities providing immediate or future access to the capital and/or through the incorporation of reserves, earnings or additional paid-in capital

The General Meeting, ruling in accordance with the majority and quorum conditions required for extraordinary general meetings, having taken note of the Board of Directors' report and the Statutory Auditors' special report:

(1) Delegates powers to the Board of Directors to increase the share capital, with pre-emptive rights, in one or more stages:

a. Through the issue of all marketable securities, including independent warrants, for a consideration or free of charge, providing immediate or future access to a proportion of the share capital;

b. And/or through incorporation in the capital of reserves, earnings, additional paid-in capital or any other element likely to be incorporated in the capital.

(2) Decides on the limits for thus authorized operations as follows:

a. The overall nominal ceiling for the capital increase liable to result in the issue of marketable securities referred to in 1.a) is fixed at six million (6,000,000) euros;

b. The overall nominal ceiling for the capital increase through incorporation referred to in 1.b) is fixed at six million (6,000,000) euros and is in addition to the overall ceiling fixed in the previous paragraph.

The amount of the capital increases related to the adjustment of certain shareholders' rights in the case of new financial operations, shall be in addition, if necessary, to the ceilings defined above.

In addition, the overall nominal amount for issues of marketable securities in the form of receivables providing access to the capital may not exceed one hundred and fifty million (150,000,000) euros.

(3) Decides that:

a. The above marketable securities may be issued either in euros or in a foreign currency, subject to the maximum authorized ceiling in euros or the equivalent value at the issue date;

b. Existing shareholders at the issue date of shares and marketable securities or warrants referred to in 1.a) shall have an indivisible (or where applicable divisible) pre-emptive right in proportion to the number of shares each of them possesses;

c. Marketable securities which, in the case of issues with pre-emptive rights, would not be subscribed by shareholders with indivisible and, where applicable, divisible rights, if the Board of Directors specifies this right for the issue, may be offered to the public.

This decision includes the express relinquishment by shareholders of their pre-emptive right to all other securities providing access to the capital to which the marketable securities issued shall entitle beneficiaries.

(4) Delegates all the powers necessary for the Board of Directors to:

- Carry out these issues within twenty-six months of this General Meeting, establish the amount(s) and all procedures, notably determine the form and characteristics of the marketable securities to be issued, decide on their issue price;
- Fix, even retroactively, the date from which interest is payable on the shares created;

- Decide that fractional shareholders rights, in the case of a share issue through incorporation in the capital of reserves, earnings and additional paid-in capital, shall not be negotiable and that the corresponding shares shall be sold;
- Potentially limit the amount of each capital increase to the amount of subscriptions received, provided that this amounts to at least three-quarters of the increase decided, establish the realization thereof and proceed with the correlative amendment of the Articles of Association, charge, if it deems necessary, issue expenses to the corresponding additional paid-in capital;
- Conclude all agreements necessary for the successful completion of issues as well as the quotation and financial servicing of securities;
- And, generally, take all measures necessary, in accordance with existing legal and regulatory requirements at the time of these issues.

(5) Decides that this authorization replaces the authorization having the same purpose given by the Geneal Meeting of May 10, 2005 under its 11th resolution.

Thirteenth Resolution: Delegation of powers to the Board of Directors to increase the share capital, without any pre-emptive rights, within an overall ceiling, through the issue of marketable securities providing access to the capital

The General Meeting, ruling in accordance with the majority and quorum conditions required for extraordinary general meetings, having taken note of the Board of Directors' report and the Statutory Auditors' special report:

(1) Delegates powers to the Board of Directors to increase the share capital, in one or more stages, through the issue, without shareholders' pre-emptive rights, of all marketable securities, including independent warrants for a consideration or free of charge, providing immediate or future access to a proportion of the share capital, as provided for in 1.a) of the twelfth resolution.

These marketable securities may notably be issued for the remuneration of shares tendered to the Company in response to a share exchange offer.

They may also be issued, in the exercise of rights attached to their securities, in favour of holders of marketable securities providing access to the Company's capital and issued by companies in which the Company has a direct or indirect majority stake.

(2) Fixes at:

a. Six million (6,000,000) euros, the overall nominal ceiling for the capital increase liable to result in the issue of these marketable securities without shareholders' pre-emptive rights;

b. And at one hundred and fifty million (150,000,000) euros, the overall nominal amount for issues of marketable securities in the form of receivables providing access to the capital.

All within the limit of the unused portion of the ceilings respectively fixed in the twelfth resolution.

(3) Decides that:

- The above marketable securities may be issued either in euros or in a foreign currency, subject to the maximum authorized ceiling in euros or the equivalent value at the issue date, given that the amount the Company receives for each of the shares issued without pre-emptive rights must be at least equal to the lower limit defined by the law;
- The amount that the Company immediately or ultimately receives for each share, marketable security or warrant issued under the delegation of powers referred to in paragraph (1) above, may not be lower than the minimum amount established by the applicable regulations, at the implementation date of this authorization. This amount may be corrected to take account of the difference in the date from which interest is payable;
- The Board of Directors may grant shareholders, for a duration and in accordance with procedures that it shall establish, a priority period for all or part of the issue, to subscribe in proportion to their share of the capital, to the marketable securities issued, although without this leading to the creation of transferable or negotiable rights.

This decision includes the express relinquishment by shareholders of their pre-emptive right to all other securities providing access to the capital, to which the marketable securities, themselves issued without shareholders' pre-emptive rights, shall entitle beneficiaries.

(4) Delegates to the Board of Directors the same powers as those defined in the twelfth resolution to carry out these issues within a period of twenty-six months as from this General Meeting.

(5) Decides that this authorization replaces the authorization given by the General Meeting of May 10, 2005 and having the same purpose under its 12th resolution.

Fourteenth resolution: Delegation of powers to the Board of Directors for the purpose of issuing shares, subject to a maximum of 10% of the capital, various securities or marketable securities in order to remunerate contributions in kind made to the Company

The General Meeting, ruling in accordance with the majority and quorum conditions required for extraordinary general meetings, having taken note of the Board of Directors' report and the Statutory Auditors' special report, under Article L. 225 -147 paragraph 6.

Delegates powers to the Board of Directors, for a period of 26 months as from this General Meeting, for the purpose of issuing shares, capital securities, various securities or marketable securities, notably providing or potentially providing access to the Company's capital, subject to a maximum of 10% of the share capital at the time of issue, in order to remunerate contributions in kind made to the Company and consisting of capital securities or marketable securities providing access to the capital, where the provisions of Article L. 225 -148 of the French Commercial Code are not applicable. The General Meeting specifies that, in accordance with the law, the Board of Directors approves the report of the Contribution Auditor(s) mentioned in Article L. 225-147 of said Code.

The General Meeting decides that the sum the Company receives or should receive for each of the shares issued or to be issued under the aforementioned delegation of powers shall be at least equal to the minimum price provided for by applicable legal and/or regulatory requirements on the issue date and this, whether or not the securities to be issued immediately or at later date are comparable to capital securities already issued.

The General Meeting decides that the Board of Directors shall have full powers, notably to approve the evaluation of contributions and concerning said contributions, to establish the realization thereof, charge all fees, expenses and rights to additional paid-in capital, with the balance eligible for any appropriation decided by the Board of Directors or the Ordinary General Meeting, increase the share capital and proceed with the correlative amendments of the Articles of Association.

Fifteenth resolution: Implementation of a share purchase or stock options plan

The Extraordinary General Meeting, having taken note of the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L.225-177 et seq. of the French Commercial Code:

(1) Authorizes the Board of Directors to grant, in one or more stages, for the benefit of employees or certain employees, or certain categories of staff and/or executive officers of the Company or affiliated companies, defined by the law (hereinafter "the Beneficiaries"), options entitling holders either to purchase or to subscribe to Company shares to be issued, this authorization being given to the Board of Directors for a period of 38 months as from this date;

(2) Decides that the total number of stock options to be offered may not, overall, entitle holders to subscribe to a number of shares exceeding 1.5% of the share capital, or a maximum of 200,000 shares based on the number of shares at the date of this General Meeting (i.e. 1,331,724 shares);

(3) Decides in the case of stock options, that the share subscription price for Beneficiaries may not be lesss than 80% of the average of the share's initial quoted prices on the Paris stock market during the twenty trading sessions preceding the date the stock options are granted;

(4) Decides in the case of share purchase options that the share purchase price for Beneficiaries may not be less than 80% of the average of the share's initial quoted prices on the Paris stock market during the twenty trading sessions preceding the date the purchase options are granted. In addition, the purchase price may not be less than 80% of the average purchase price of shares held by the Company under Articles L 225-208 and L 225-209;

(5) Decides that no stock option may be granted during the 10 trading days preceding and following the date on which the corporate and consolidated financial statements are made public, and during the period between the date on which the Company's management bodies are aware of information which, if it were made public, could significantly impact the Company's share price, and the date ten trading days after the date when this information is made public;

(6) Decides that no stock option may be granted within less than twenty trading sessions after detachment from shares of a coupon entitling the holder to a dividend or a pre-emptive right to a capital increase;

(7) Takes note that this authorization includes in favour of beneficiaries of stock options, the express relinquishment by shareholders of their pre-emptive right to the shares that shall be issued as and when options are exercised;

(8) Delegates full powers to the Board of Directors to establish the other conditions and procedures for the allocation and exercise of stock options, and notably to:

- Establish the conditions for granting stock options and decide on the list or categories of beneficiaries;

- Establish the conditions for adjusting the price and number of shares in the cases provided for in Articles 174-8 to 174-16 of the decree of March 23, 1967;
- Establish the period(s) for the exercise of stock options, given that the validity period for stock options may not exceed 8 years as from the allocation date;
- Provide for the possibility of temporarily suspending the exercise of stock options for a maximum period of three months in the case of financial operations involving the exercise of a share right;
- Carry out or have carried out all acts and formalities that may arise from financial operations involving the exercise of a share right.

The Board of Directors shall inform the Ordinary General Meeting, each year, of any operations carried out under this authorization.

The General Meeting decides that this authorization replaces the authorization granted by the General Meeting held on May 10, 2005 in its 15th resolution.

Sixteenth resolution:
Authorization to proceed with free share allocations to employees and executive officers of the Company and affiliated companies

The General Meeting, ruling in accordance with the majority and quorum conditions required for extraordinary general meetings, having taken note of the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L.225-197-1 et seq. of the French Commercial Code:

- Authorizes the Board of Directors to proceed with the allocation, in one or more stages and as it chooses, either of the Company's existing free shares derived from purchases made by the Company, or of free shares to be issued, for the benefit of:
- Salaried staff and executive officers of the Company;
- Salaried staff and executive officers of companies where at least 10% of the capital and voting rights are held, directly or indirectly, by the Company.

Given that it is for the Board of Directors to identify the beneficiaries of the free share allocations as well as the conditions and, where applicable, the criteria for the allocation of shares,

- Taking note that on the date of this General Meeting, 1,096,931 valid options have already been issued and that this General Meeting has authorized a new stock options plan for a maximum of 200,000 options (subject to the adoption of the 15th resolution above), decides that the total number of shares to be issued for free allocation, together with the number of valid stock options issued, may, under no circumstances, represent more than 10% of the Company's share capital after this General Meeting;
- Decides that the total number of shares purchased by the Company and allocated free of charge may not represent more than 10% of the Company's share capital after this General Meeting, i.e. 1,331,724 shares;
- Decides that the allocation of shares to their beneficiaries shall only be definitive after an acquisition period of at least two years and that beneficiaries must keep the shares for a minimum of two years as from the end of the acquisition period, and that the Board of Directors shall have the option of increasing the length of the acquisition period and the mandatory conservation period;
- Takes note that, in the case of the free shares to be issued, this decision shall prevail, after the acquisition period, a capital increase through incorporation of reserves, earnings or additional paid-in capital in favour of the beneficiaries of said shares and correlative relinquishment by shareholders in favour of the beneficiaries of share allocations, of the portion of reserves, earnings or additional paid-in capital thus incoroprated;
- Fixes at 38 (thirty-eight) months, as from this date, the validity period of this authorization.

The General Meeting delegates full powers to the Board of Directors, with a delegation option subject to legal constraints, to implement this authorization, proceed, where applicable, for the purpose of protecting the rights of beneficiaries, with adjustments to the number of shares allocated free of charge on the basis of any operations on the Company's capital, establish, in the case of the allocation of shares to be issued, the amount and nature of the reserves, earnings and additional paid-in capital to be incorporated in the capital, note the capital increase(s) carried out under this authorization, amend the Articles of Association accordingly and, generally, do all that is necessary.

Seventeenth resolution: Authorization to be given to the Board of Directors to increase the share capital for the benefit of employees

The General Meeting, having taken note of the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 443-5 of the French Labour Code, delegates full powers to the Board of Directors to proceed, if it deems necessary, in one or more stages, in proportions and at times that it shall establish, with a capital increase through the issue of new shares reserved for employees belonging to a Group or company savings plan.

The General Meeting:

- Expressly decides to cancel, in favour of the beneficiaries of the capital increases that may be decided under this authorization, the pre-emptive right of shareholders to the shares that shall be issued;
- Decides that the subscription price to be fixed by the Board of Directors may not be higher than the average of the quoted prices during the twenty trading sessions preceding the date of the Board of Directors' decision fixing the subscription opening date, nor more than 20% below this average;
- Fixes the validity period for this authorization at 26 months as from the date of this General Meeting;
- Decides to fix the total number of Company shares that may be issued in this manner at 1%;
- Decides that the Board of Directors shall have full powers to implement this authorization, for the purpose notably of determining issue dates and procedures, fixing the amounts to be issued, the interest payable date for shares to be issued, the method applicable for additional paid-in capital, charging the costs of this capital increase to the related additional paid-in capital and, generally, taking all the measures necessary for the successful completion of the issue and noting the capital increase(s) and amending the Articles of Association accordingly.

This authorization cancels the fourteenth resolution of the Joint General Meeting held on May 10, 2005.

Eighteenth resolution: Powers

The General Meeting gives full powers to the Board of Directors and its chairman to carry out or have carried out, by all persons that it shall substitute, all the formalities necessary for the publication of the preceding resolutions.

Head office: 13 rue Louis Pasteur
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Share capital of € 6,658,623.50
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