

2009

Reference document including the annual financial report



AUTORITÉ
DES MARCHÉS FINANCIERS



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Reference document correspondence table

In order to facilitate the reading of this reference document, the following thematic table makes it possible to identify the key information required by regulation (CE) No. 809/2004 of the Commission dated 29 April 2004 implementing Directive 2003/71/CE of the European Parliament and of the Council.

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1 Activity

1.1. Overview of the company

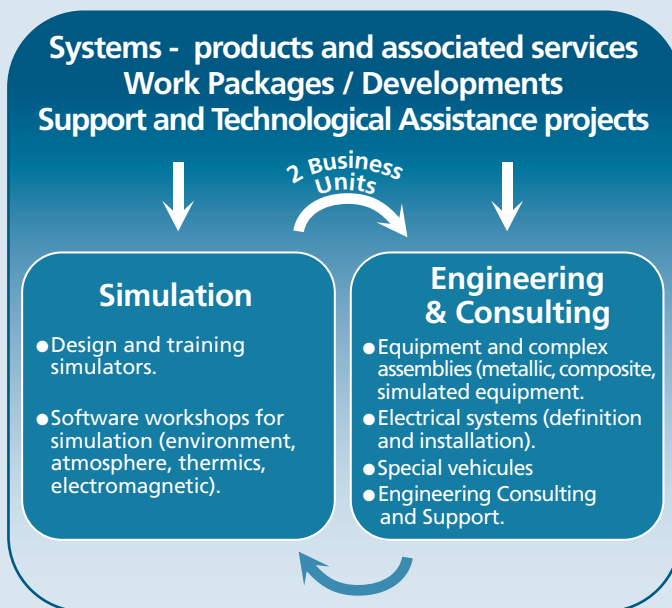
SOGECLAIR executes large-scale design and co-development contracts for major industrial accounts and develops innovative simulation and virtual reality solutions.

Acknowledged know-how in the areas of:

- design going from the pre-project stage through to product support,
- special vehicles engineering (from light vehicles through to industrial and military vehicles),
- simulation of industrial products (development of innovative simulation and virtual reality solutions for design and training purposes).

SOGECLAIR is present in the following three segments of the engineering consulting market:

- consulting and support activities
- fixed-price development contracts
- systems, products and the associated services



The SOGECLAIR offer is organised around three types of intervention in order to tackle the problems faced by its customers:

Consulting and support

This type of intervention consists of calling on specialists who join the customers' teams for projects that take the form of a commitment of resources.

Fixed-price development contracts

This speciality allows our customers to outsource the design of all or part of their products. SOGECLAIR provides its knowledge of its customers' processes, methods and tools. These contracts provide medium-term visibility (3 to 5 years). For this type of development, SOGECLAIR is the project director and provides its know-how in the area of project management, means and methods, quality and management of subcontracting in general. This concerns contracts that take the form of a commitment to achieve a given result.

Systems, products and associated services

This consists of taking charge of a complete subassembly or product, in its design and production phases and series support. SOGECLAIR combines its own skills with the industrial skills of its partners.

This activity relies on R&D and project management skills and on programme management. This is based on a performance commitment.

Engineering & Consulting Business Unit: 82% of group activity

In this business unit, SOGECLAIR deploys its expertise in the areas of architecture and integration (process, methods, structures, installation of systems), design (primary and secondary structure, metallic and composite materials, mechanical and electrical systems, fittings), simulation and stress (finite element modelling, static, fatigue, damage tolerance, etc.), tests and qualifications and lastly production (industrial project management, subassemblies, prototypes, electrical racks).

Furthermore, throughout the life of the industrial product SOGECLAIR develops configuration management, operational quality and process and tools consulting and support activities.

Some examples of developments:

- **design and stress calculation:** Airbus A350 centre section, special light and industrial vehicles, aeronautical and rail equipment wiring, payloads, antennas and test equipment for satellites,
- **design and production:** Airbus A400M nose landing gear compartment, corporate jet electrical racks, composite subassemblies for Airbus A350, special military vehicles,
- **supply:** replicas of real equipment for simulation purposes,
- **engineering support:** aquality assurance, configuration management, consulting, methods.

Simulation Business Unit: 18% of group activity

SOGECLAIR provides and develops solutions in the area of research, design and training simulators and of simulation workshops and software. The purpose of these resources is to design, train and communicate better.

The development of simulation technologies concerns the design of new systems, validation of these systems' suitability for their environment, the training of users and studying in a risk-free and economical way, the impact of accidents or aggressions.

These technologies are commercialised in the aeronautical, automobile, rail and defence sectors.

Some examples of developments:

- **design, production and putting into service of simulators:**
 - automobiles for studying human factors, driving and eco-driving (car, truck, bus, tramway, etc.),
 - railways for instruction and training purposes (train, metro, etc.),
 - civil and military aeronautics for study and training purposes (planes, helicopters, air traffic, etc.),
- **synthetic environment software:**
 - military for designing weapons systems and mission training purposes,
 - civil for studying physical phenomena in the telecoms, vision and radio-navigation sectors.

1.2. Markets

SOGELAIR is present on markets with a high technological content such as Engineering and Simulation.

There is not much data available concerning these sectors. Although we can refer in a general way to the technologies consulting market which represents around €20 billion in Europe, this covers a very wide range of activities going from product engineering to documentation, passing through processes, technical and/or embedded IT. The markets addressed are also highly varied: going from aerospace to chemicals/ pharmaceuticals, taking in telecommunications and energy...

Through its specialist positioning, SOGELAIR has made the strategic choice to focus on product engineering and simulation for the "Aeronautics and Air Traffic", "Automobile & Rail", "Defence & Industry" markets, which break down as follows:

Markets	2009	2008	2007
Aeronautics and Air Traffic	76 %	73 %	74 %
Automobile & Rail	11 %	16 %	15 %
Defence & Industry	13 %	11 %	11 %

Its market is above all driven by its customers' need to differentiate themselves through a constantly renewed product offer, an ever-more demanding regulatory environment (atmospheric and sound pollution, safety, increased traffic, operator qualification, security, etc.) and ever-lower costs (tests, product optimisation and training, etc.).

For many years, SOGELAIR has been building up a real experience of fixed-price contracts which represent an increasingly large part of its customers' demand. They expect their suppliers to be responsible for their results which can go as far as the supply of complex subassemblies and/or complete systems.

In 2009, these projects involving a commitment to achieve a given result represented nearly two thirds of SOGELAIR's turnover thanks to an appropriate policy and a long culture of technological and industrial cooperation (research and teaching centres, laboratories, manufacturers, industrial companies and operators).

For some years we have been seeing the emergence of new customer demands in two directions

- offshore or low-cost production to reduce costs, partially meet the compensation targets and make it possible to reduce the impact of strong currency variations. In this perspective, SOGELAIR has been developing cooperation programmes for several years in Rumania, India and Turkey, and set up a subsidiary in Tunisia in 2009.
- accomplishing comprehensive and homogeneous services on the European, or even international levels. Thanks to 10 years' international experience with more than 30% of its workforce and 41% of turnover, SOGELAIR has based its international development model on the sharing of experience beginning either with start-ups or small acquisitions.

Its knowledge of its market and its position as specialist have for many years enabled SOGELAIR to anticipate on the major changes in its market. The risk of customer dependency is indicated in section 1.6 of the Board of Directors' Report to the AGM.

SOGELAIR's activity in 2009, down moderately by 3.6% like for like, shows its strong capacity to resist thanks to its strategy of specialisation. Indeed, compared with the rest of the sector, SOGELAIR's turnover for the year confirms its ability to maintain its position despite stiff competition on all its markets.

1.3. Company history

1986 : Creation of SOGELAIR to lead the development of companies.

1989 : Diversification in the directions of engineering and consultancy in the areas of multimedia.

From 1992 : Strengthening of its skills and refocusing on high-tech professions; broadening of the customer base (Defence, Electronics, Telecommunications)..

1998 : Listing of SOGELAIR on the Paris Stock Exchange (Alternative Investment Market)..

2000 : 57% stake acquired in OKTAL SA, an engineering company specialising in simulation and virtual reality.
70% majority stake acquired in THARSYS, an electronics engineering company.

2001 : Creation of the SOGEMASA joint-venture in Spain with Grupo MASA.

2002 : 51% stake acquired in HIGH-END ENGINEERING (HEE) in Germany, a mechanical engineering company.
Creation of the SOGEMASA INGENIERIA company, in Spain, with Grupo MASA and ICSA with a 45% stake.
Creation of a subsidiary in Japan, OKTAL Japon, 50/50 with the local representative.
Creation of the ADM company, with a 35% holding, with GROUPE MECACHROME.

2004 : Buyout of the minority holdings in THARSYS; SOGELAIR owns 100% of the shares.

2005 : Buyout of minority holdings in SOGEMASA INGENIERIA; SOGELAIR owns 75% of the shares.
Reorganisation of its holdings in OKTAL SA and OKTAL SE; sale of its holding in OKTAL Japon.
Creation in the UK of CLAIRIS TECHNOLOGIES Limited, a 100% subsidiary of SOGELAIR

2006 : Creation, with IGE+XAO, of S2E Consulting, a consulting company specialised in systems and electrical engineering.
Buyout of minority holdings in OKTAL SA; SOGELAIR owns 98% of the shares.,
Buyout of minority holdings in HIGH-END ENGINEERING (HEE); SOGELAIR owns more than 78% of the shares.

2007 : Creation of SERA INGENIERIE, specialised in special vehicle engineering. SOGELAIR owns 80% of the shares.
Increase in the capital of S2E Consulting, SOGELAIR owns nearly 47% of the shares.
Joint venture with VECTRA group in India.

2008 : Creation, with MECAHERS of AVIACOMP, a company specialised in the design, manufacture and assembly of complex composite subassemblies; SOGELAIR owns 55% of the shares.
Sale of the THARSYS subsidiary.

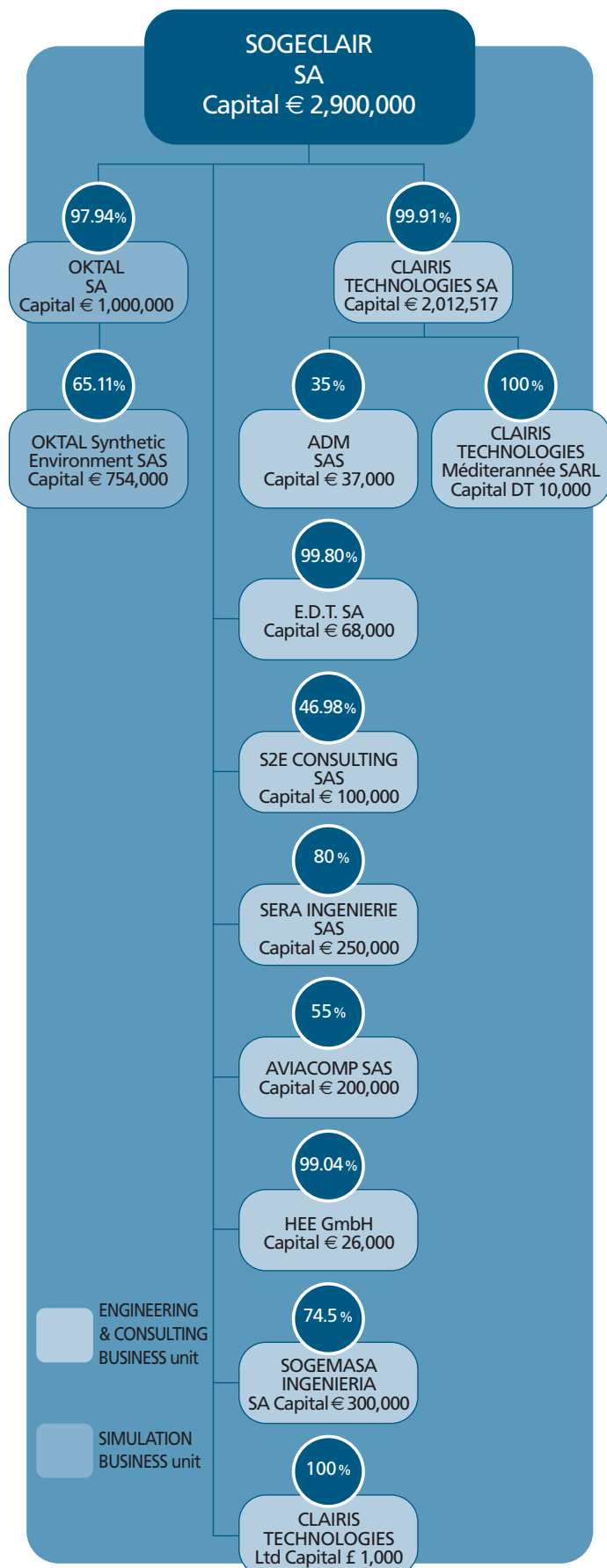
2009 : Creation of CLAIRIS TECHNOLOGIES Méditerranée in Tunisia; SOGELAIR owns nearly 100% of the shares.
Buyout of minority holdings in HIGH END ENGINEERING (HEE); SOGELAIR owns more than 99% of the shares.

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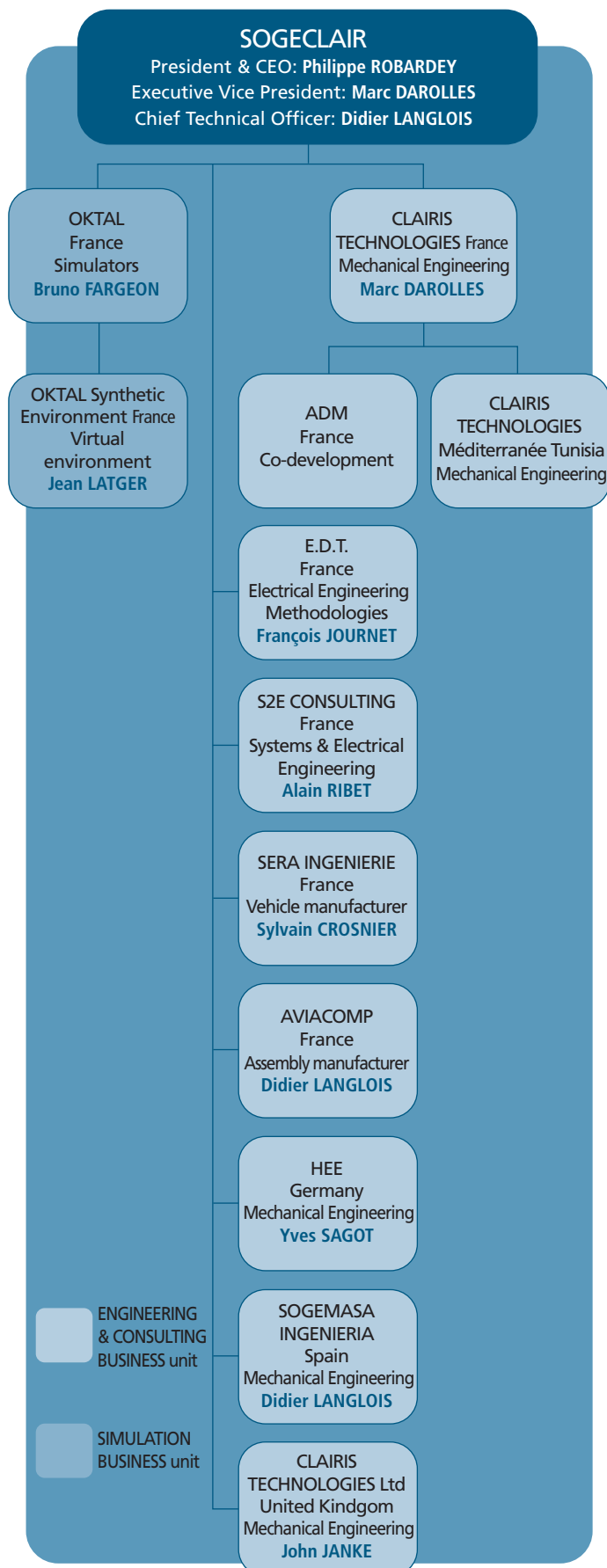
Activity

1.4. Parent company-subsidary relations

Legal organisation chart on 31 December 2009



Functional organisation chart on 2009



SOGECLAIR's subsidiaries outside the parent company are as follows:

Engineering & Consulting Business Unit	Location	Activities	Head-count ⁽¹⁾
CLAIRIS TECHNOLOGIES	France	Mechanical engineering	343.4
E.D.T.	France	Methodologies Electrical engineering	81.2
S2E Consulting	France	Systems and electrical engineering	8.9
SERA INGENIERIE	France	Vehicle manufacturer	12.7
AVIACOMP	France	Assembler or Co-development	3.5
SOGECLAS INGENIERIA	Spain	Mechanical engineering	29.0
HEE	Germany	Mechanical engineering	202
CLAIRIS TECHNOLOGIES LTD	UK	Mechanical engineering	22.5
CLAIRIS TECHNOLOGIES MÉDITERRANÉE	Tunisia	Mechanical engineering	4.8
Simulation Business Unit	Location	Activities	Head-count ⁽¹⁾
OKTAL	France	Simulators	101.4
OKTAL Synthetic Environment	France	Virtual environments	26.4

(1) mean head count in 2009, full-time equivalence

Role of SOGECLAIR with respect to its subsidiaries:

SOGECLAIR's General Management assumes responsibility for the following functions throughout the group:

- management and steering of strategic planning,
- growth by acquisition and resource allocation priorities,
- internal control and risk management, control of the group's commitments,
- coordination of operational reporting, control of corporate accounts, establishing the consolidated accounts, interface with the auditors,
- long-term financing policy, optimisation of the financial structure, insurance,
- coherence, efficiency and reliability of the management information system,
- institutional & financial communication.

In parallel SOGECLAIR assumes responsibility, on behalf of its consolidated French subsidiaries, for their requirements in the areas of:

- cashflow management and third-party accounts follow-up,
- corporate accounts and regulatory declarations,
- financing of the working capital and investment requirements,
- pay and regulatory declarations,
- legal secretariat.

SOGECLAIR's subsidiaries have general and/or operational directors who have operational responsibility for their business and staff; these directors report to SOGECLAIR's Senior Management.

In order to achieve these goals, different types of meetings and committees are put in place according to the specific needs of each organization:

- "Strategy & Budget" meetings with the group's directors: at year-end to prepare the budgets and at the beginning of each quarter to note any drift and provide solutions where necessary,
- Since 2009, monthly meetings with each Director to analyse each entity's indicators, economic performance and commercial activity,
- Twice-yearly Management Reviews linked to Quality management,
- Management Committees, held monthly depending on the subsidiaries, with the managers to examine workloads, sales and quality actions,

- Sales Directors meetings with sales managers and sales engineers to examine quotes, order books and specific sales actions to be undertaken,
- Monthly production meetings with the managers to analyse production,
- Monthly Quality meetings,
- "People Reviews" where we examine changes in the distribution of skills and competences.

1.5. Consolidated figures to 31 December 2009

1.5.1. Activity

Sales trends

(in € million)	2009	2008	2007
Turnover	69.27	73.89 ⁽¹⁾	75.0 ⁽²⁾

(1) €71.87 million like for like - (2) €72.2 million like for like

Distribution per country

(in € million)	2009	2008	2007
France	41.2	46.8	45.3
Germany	20.2	20.2	22.3
United Kingdom	2.0	2.2	2.2
Spain	0.5	0.7	1.7
Other countries	5.4	4.0	3.5

Distribution by markets

Markets	2009	2008	2007
Aeronautics and Air Traffic	76%	73%	74%
Automobile & Rail	11%	16%	15%
Defence & Industry	13%	11%	11%

1 Activity

Contribution of the subsidiaries to consolidated turnover⁽¹⁾

	2009		2008		2007	
	Turnover in € million	%	Turnover in € million	%	Turnover in € million	%
CLAIRIS TECHNOLOGIES	27.49	39.68	28.62	38.73	28.59	38.12
E.D.T.	7.67	11.08	8.00	10.83	6.23	8.31
THARSYS			2.02	2.74	2.79	3.72
AVIACOMP	0.03	0.04				
S2E Consulting	0.10	0.14	0.07	0.09	ns	ns
HEE	16.67	24.07	18.59	25.15	21.52	28.69
SOGEMASA INGENIERIA	1.09	1.57	1.79	2.42	1.91	2.55
CLAIRIS TECHNOLOGIES Ltd	0.69	1.00	0.64	0.87	0.46	0.61
CLAIRIS TECHNOLOGIES Méditerranée	0.00 ⁽²⁾	n/a				
SERA INGENIERIE	3.31	4.77	1.92	2.60	0.77	1.03
OKTAL SA	9.70	14.00	9.71	13.14	9.99	13.32
OKTAL SE	2.51	3.62	2.49	3.37	2.74	3.65

(1) Excluding Sogclair SA - (2) Taking into account the elimination of intra-group operations

1.5.2. Main items on the income statement

(in € million)	2009	2008	2007
Turnover	69.27	73.89 ⁽¹⁾	75.0 ⁽²⁾
EBITDA ⁽³⁾	5.13	6.32	7.33
Operating result	1.97	2.94	2.98
Operating Profit Before Tax	1.73	2.42	2.39
Net profit	1.67	2.18	1.76
Net profit, group share	1.50	2.16	1.49

(1) € 71.87 million like for like - (2) € 72.2 million like for like

(3) Current operating result + operating provisions

1.5.3. Financial structure

(in € million)	2009	2008	2007
Equity capital	15.01	14.30	12.52
Qualified pre-payments (QPP)	1.51	1.92	2.14
Net debt (excl. QPP)	0.09	1.00	3.00
Net gearing (excl. QPP)	0.01	0.07	0.24

1.5.4. Human resources

(full-time equivalence)	2009	2008	2007
Engineers and managers and senior technicians	760	750*	754
Technicians and employees	92	94*	93
TOTAL	852	844	847

*erratum

Refer below to section 1.1 of Appendix 1 of the Board of Directors' report to the AGM.

Working hours

Refer below to section 1.3 of Appendix 1 of the Board of Directors' report to the AGM.

Training policy (French subsidiaries)

Refer below to section 1.7 of Appendix 1 of the Board of Directors' report to the AGM.

Recruitment policy

The company deploys a large number of means to satisfy its recruitment needs in the most advanced areas (head-hunters, taking part in specialist trade shows, etc.).

1.5.5. Profit-sharing and participation

Historically, there is one profit-sharing contract concerning the employees of OKTAL SA and OKTAL SE. For the French subsidiaries there are three participation agreements, but none of them generated any special participation reserve for 2009.

In all, for 2009 these contracts amounted to €43,169.

1.5.6. The SOGECLAIR customer base

The major French and international industrial accounts addressed by SOGECLAIR are essentially the following: ACTIA GROUP, ADENEO, AERNOVA (ICSA), AIR FRANCE INDUSTRIES, AEROLIA, AIRBUS (CENTRAL ENTITY, CORPORATE JET CENTER, FRANCE, DEUTSCHLAND, ESPANA, UK), AIXAM, ALSTOM, ALSIM, ANTYCIP, ARIANESPACE, ASF, ASTRIUM, ATR, BEHR, BEIJING SUNHEART SIMULATION TECHNOLOGY LTD, BOMBARDIER, BOMBELA, CAE, CERGI, CITE DE L'ESPACE, CNES, CNRS, COLAS, CORYS, CTAG, DAHER, DAIMLER, DASSAULT, DEUTCHES ZENTRUM FUR LUFTUN-DRAUHT, DCN, DGA, EADS (CASA MTAD, CASA ESPACIO, SOGERMA, DSS, SPACE), EUROCOPTER (FRANCE, DEUTSCHLAND, ESPANA), EDF, EDM LTD, EGIS, ENAC, EUROSTAR, FAURECIA, FERCHAU ENGINEERING, GAVAP, GFI, IGE-XAO, INDRA, INTERMEC, INNOSIMULATION, ISRAEL RAILWAYS, IVECO, KAEFER AEROSPACE, KOREA AEROSPACE INDUSTRIES (KAI), LATECOERE (LATECIS, LATELEC), MACIF, MATRA, MBDA (FRANCE, UK), MECACHROME (FRANCE, CANADA), MECAHERS, MECHTRONIX, MICHELIN, MOD (BWB, FOIFGAN, SOUTH KOREA, SINGAPOUR), NEOPOST, ONERA, ORIS, P3, PSA (PEUGEOT, CITROEN), RATP, RENAULT (IDVU, NORDIC, SAS, SPORT), RENAULT TRUCKS, ROTEM, SABENA, SAFT, SAFRAN (AIRCELLE, HISPANO, LABINAL, SAGEM, SNECMA), SCHNEIDER ELECTRIC, SEXTANT AVIONIQUE, SIEMENS, SNCB, SNCF, SN CENTRAIR, SOFREAVIA, SUKHOI (SCAC), THALÈS (AIR DEFENCE, AIR SYSTEMS, AEROSPACE, ALENIA SPACE, TRAINING & SIMULATION), RAYTHEON SERVICES, TECHNIP, T-SYSTEMS, UNIVERSITY OF TONGJI (CHINA), UNIVERSITY OF QUEENSLAND (AUSTRALIA), VALEO, VEOLIA, VOLKSWAGEN (AUDI, SEAT, VW), WEHRTECHN DIEST,...

All sectors taken into account, over the financial year SOGECLAIR totalled:

- 209 active customers, including,
- 98 on international markets,
- 71 for the Aeronautics & Air Traffic sector, including 5 multi-sector customers,
- 72 for the Automobile & Rail sector, including 4 multi-sector customers,
- 77 for the Defence & Industry sector, including 8 multi-sector customers,

SOGECLAIR intervenes in its national and export markets from all its installations in France, Germany, Spain, the UK and Tunisia. Sales outside France represented 41% of consolidated turnover in 2009.

In terms of work recurrence, analysis of the customer portfolio in 2009 once again shows that our customers are very loyal: 83% of our top 30 customers and 85% of our top 20 customers were already our customers in 2008 and for the very great majority, they are customers of long standing.

The projects accomplished for our customers may last between a few days of expertise work (that is to say some €k) and several years (and several € million). The specific nature of our contracts is not covered by our corporate communications in order to preserve SOGECLAIR's interests with respect to the competition.

1.6. Competition

SOGECLAIR is an acknowledged player on the Engineering and Simulation markets where it is involved in the design of new products, providing a partial or overall service for its customers, or even as project manager.

Given the barriers to entry linked to each type of intervention, none of SOGECLAIR's competitors has an offer that is as comprehensive including support and technological assistance projects, work packages and development, systems, products and associated services.

For the Engineering & Consulting business unit, SOGECLAIR's main competitors should be analysed more in terms of geographic area:

- all countries taken into account: ALTEN, ALTRAN, ASSYSTEM, LABINAL, AEROCONSEIL,
- in France: AKKA, CIMPA, ECM, GECI, SEGULA, SOGETI HIGH TECH,
- in Germany: ASKON, ELAN, FERCHAU, INDUSTRIE HANSA, RÜCKER, TECCON,
- in Spain: CT INGENIEROS, INHISSET, ITD, GRUPO TAM,
- in the UK: HYDE GROUP ENGINEERING, MAGELLAN, SITEC,
- in Tunisia: ALTRAN, SEGULA

The main competitors in the Vehicle manufacturing activity are: GTS/SOLUTION F, MATRA PININFARINA,

For the Simulation business unit, SOGECLAIR's main competitors are present worldwide and should be analysed more in terms of product type:

simulator manufacturers: ADACEL, CORYS-TESS, CS, CRUDEN, DRIVE-SAFETY, ECA-FAROS, EADS-DCS, FORUM 8, GAVAP, INDRA, LANDER, KRAUSS-MAFFEL, OPERANTIS, REALFUSION, RUAG, SII, SYDAC, SOGITEC, THALES TRAINING SIMULATION, VIRES, VSM, XPRIMARY IMAGE,

synthetic environments:

- comparable international software publishers: CAE/PRESAGIS, SAIS, LM-INSYS, EMSS-SA, JRM, ST/MAK,
- service companies in France: CRIL, CS, TEAMLOG, IPSIS.

SOGECLAIR actively monitors its markets and competitors by collecting and analysing every type of available information.

SOGECLAIR's strengths

SOGECLAIR benefits from key advantages that set it apart on its markets:

- specialisation in R&D and outsourced engineering,
- referencing with major accounts,
- positioning on strong programmes and long-term contracts,
- co-development (product, equipment and subassembly project management),
- successful technological and industrial cooperation,
- acknowledged, stable, reliable and responsive teams,
- 19 countries addressed and presence in 5 countries,
- robust low-cost and partially integrated offer,

Strengthened and sound financial fundamentals,

High responsiveness and good resistance in the face of a tough economic environment in 2009.

1.7. Recent changes and future perspectives

Refer below to section 1.2 and 1.3 of the Board of Director's report to the AGM.

1.8. Investment and development work policy

Investment trends (*)

(€ K)	2009	2008	2007
	1,012	1,124	1,836

(*) *acquisition of tangible assets + licenses*

The investments concerned the renewal of our pool of software applications, servers, IT workstations, office hardware (PC, printers, etc.), and networks or our industrial equipment. The main type of financing consists of financial leasing, purchase-leasing contracts, own funds and exceptionally medium-term loans.

At present, the future investments will concern the same types of equipment.

Development works

The vast majority of the work carried out at SOGECLAIR concerns development activities relative to the execution of contracts for its customers.

Furthermore, SOGECLAIR carries out certain self-financed development works on its own behalf, in which the group accepts to invest insofar as it has:

- clear commercial perspectives: confirmed market, existing direct and indirect distribution channels,
- sufficient forecast profitability: including the cost of financing and taking into account a degraded scenario,
- sufficient financing: partners, institutions or banks.

1 Activity

By default, the expenses are included on the balance sheet gradually as they are incurred. As an exception and in application of the international accounting standards (IAS38), the expenses relative to certain long-duration development works are immobilised as an asset provided they satisfy the assetisation criteria set by those standards.

On 31 December 2009, the immobilisations of Development Expenses concerned:

- the Engineering & Consulting business unit for a total net amount of €3,578 k concerning 2 projects to be amortised:
 - through until 2012, amounting to €3,523 k ,
 - from 1st January 2014 through until the end of 2023, amounting to €55 k (start of assetisation of the expenses at the end of 2009),
- the Simulation business unit for a total net amount of €724 k to be amortised through to 2014, spread over two projects.

See Note 1.2.2 of the consolidated appendix.

1.9. Risk factors specific to the issuer and its sector of activity

Refer to section 1.6 of the Board of Directors' report to the AGM.

1.10. Insurance policies

The main risks run by the companies in the group are covered by insurance policies such as described below:

- the risks linked to equipment and trading losses (industrial comprehensive and machinery breakdown),
- the risks linked to the activities of the companies in the group (general civil and aeronautical product liability).

The civil liability policies, all types of damage taken into account, cover the maximum contractual commitment stipulated in our commercial contracts. The overall amount of the premiums for 2009 totalled €349 k compared with €381 k in 2008.

1.11. Leases and rentals for operating sites

The company rents the premises required for its activities from various real estate companies.

One of these companies, SCI SOLAIR, has a link with the directors of SOGECLAIR and one of its shareholders who has voting rights greater than 10% (see special report of the Auditors). The amount of the rentals relative to the premises rented from SCI SOLAIR is lower than the market rate.

On 31 December 2009, SOGECLAIR had 17 operating sites: in the Toulouse region (5), Paris region (2), in Aix en Provence, Hamburg, Stuttgart, Wolfsburg, Munich, Bremen, Getafe (Madrid), Seville, Bristol, Tunis representing a total surface area of 12,153 sq.m (that is more than 14 sq.m per employee) for a total annual cost of €1,460 k ex. VAT.

1.12. Brands – domain names – copyright – licences or patents

The brands and domain names were subject to renewal in 2007 and 2008.

Initiated in 2006, the steps taken to create an Industrial Property asset base have continued in 2008, with the publication of one patent.

The year 2009 was marked by the registration of that patent in several countries, in particular Brazil, United States, Russia, etc.

2 Information concerning the issuer and its capital

2.1. General information

Corporate name: SOGECLAIR

Corporate headquarters: 7, avenue Albert Durand - BP 20069
31703 BLAGNAC CEDEX (France)

Phone : 33 (0)5.61.71.71.71 - Fax : 33 (0)5.61.71.71.00
Website : www.sogeclair.fr

Date of creation: 1st february 1986

Legal form: Société Anonyme (Joint Stock Company) with a Board of Directors, governed by the law on commercial companies.

Duration : 60 years to run from the date of registration on the corporate and trade register, that is until 2046.

Corporate and Trade Register: 335 218 269 RCS Toulouse

APE code (business activity code): 6420Z

Corporate object (article 3 of the articles of association):
The object of the company is directly or indirectly to:

- create a group by acquiring stakes in any companies whose main activity involves technical engineering in the areas of simulation/design, design quality, training multimedia, documentation engineering, configuration management and all related or connected products or services,
- acquire stakes in any companies, acquire any securities and perform all operations related to portfolio management and to exercise all the rights resulting from the ownership of those shares,
- administer, manage, control and develop those shareholdings,
- provide all services, rental of equipment essentially for the benefit of the companies in the group and, in particular, to carry out coordination, direction, management and control functions,
- lastly, the direct or indirect participation of the company in any civil or commercial operations, under any form whatsoever, provided that these operations can be attached directly or indirectly to the management of the assets and cash or the corporate object or any similar connected or complementary objects.

It may carry out any operations that are compatible with this object, that relate to it and contribute to achieving it.

Financial year: 1 January to 31 December.

2.2. Main legal and statutory provisions

2.2.1. Shareholders' meetings

(Article 15 of the articles of association)

Shareholders' meetings are convened and hold their debates under the conditions provided for by the law and regulations. They are held at company headquarters or at any other place in the same département.

Any shareholder has the right to take part in the general meetings or to have him/herself represented, however many shares he/she owns, provided that those shares have been fully paid up.

However, the right to take part in the general meetings is subject to registration of the shares in the name of the shareholder or of the intermediary registered on his/her behalf, on the third working day preceding the meeting at midnight, Paris time, or in the nominative securities account held by the approved intermediary.

Any shareholder who owns shares of a given class may take part in the special shareholders' meetings for that class under the conditions stipulated above.

Shareholders taking part in the meeting by means of videoconference or telecommunications systems within the limits and under the conditions stipulated by the legislation and regulations in force are considered to be present for the calculation of the quorum and of the majority.

Voting shall be by a show of hands or by a nominal call. A secret ballot, whose procedures shall be set by the General Meeting, may only be held at the request of members representing, either themselves or in the capacity of representatives, the majority required to vote the resolution concerned.

2.2.2. Limitation on the voting rights and multiple voting rights

(Article 15 of the articles of association)

Each shareholder at the meeting is entitled to as many votes as the number of votes he/she holds or represents, without limitation, subject to the legal or statutory provisions that could restrict the exercising of this right.

A double voting right is, however, granted to holders of fully paid-up nominal shares, if these shares have been registered for at least two years in the name of the same shareholder. Double voting rights are also granted, as soon as they are issued, to nominal shares allocated free of charge to a shareholder on the basis of former shares for which the shareholder already has double voting rights. The double voting right automatically ceases for any share that has been converted to the bearer or undergone a transfer of ownership, subject to any exceptions provided for by law.

2.2.3. Exceeding of thresholds

There are no provisions in the articles of association concerning the exceeding of thresholds. Consequently, it is the legal provisions that apply.

2.2.4. Identifiable bearer securities in accordance with article L.228-2 of Commercial Law

(Article 9 of the articles of association)

The company is authorised at any moment to ask the organisation responsible for the clearing of securities, for the information provided for by law, relative to the identification of the holders of shares giving, either immediately or in the longer term, voting rights at the shareholders' meeting. (from the moment of listing).

The company has not submitted any such request during the financial year 2009 nor to the date of filing of this document.

2.2.5. Appropriation and distribution of profits

(Article 18 of the articles of association)

The difference between the revenues and expenses for the fiscal year, after deduction of amortisation and provisions, represents the profit or loss for the fiscal year.

2

Information concerning the issuer and its capital

Five percent is taken from the profit, less any earlier losses if applicable, to form the legal reserve. This deduction ceases to be compulsory when the reserve fund reaches a sum equal to one tenth of the company's share capital. It is resumed if, for any reason whatsoever, the legal reserve falls below this amount.

The profit available for distribution is made up of the profit for the fiscal year, less any earlier losses and less the deduction stipulated above, plus any retained earnings. This profit is placed at the disposal of the General Meeting which, upon the recommendation of the Board of Directors, can carry forward all or part of it, allocate it to general or special reserve funds or distribute it to the shareholders as dividends.

Furthermore, the General Meeting may decide to distribute sums taken from the reserves that are at its disposal; in which case, the decision must expressly state the reserve items from which the sums are to be deducted. However, as a priority the dividend must be taken from the distributable profit for the year.

The General Meeting called to approve the annual accounts may, for all or part of the dividend or interim dividend to be distributed, offer each shareholder the option between payment of the dividend or of interim dividends in cash or in shares.

Concerning the liquidation surplus, the net assets after reimbursement of the share par value, are shared out equally between all the shares.

2.2.6. Share registration

(Article 9 of the articles of association)

At the holders' option, all shares are pure nominal shares or bearer shares. They may only take the form of bearer shares after they have been fully paid up (from the moment of listing).

CM CIC Securities provides the securities and pure registered nominal administration service. You may obtain all information at Company Headquarters.

2.3. Share capital

As of 31 December 2009, the capital of SOGECLAIR amounted to € 2,900,000, divided into 725,000 shares with a nominal value of € 4 each.

2.3.1. Changes in SOGECLAIR's share capital since its creation

Dates	Type of operation	Capital increase	Share premium or contribution	Number of shares created	Total number of shares	Capital after operation
01/02/1986	Creation of the Société Anonyme (joint stock company)	F 250,000	0	2,500	2,500	F 250,000
EGM on 01/12/1988	Capitalisation of reserves and creation of 12,500 new shares	F 1,250,000	0	12,500	15,000	F 1,500,000
EGM on 11/12/1989	Investment in kind	F 675,000	F 2,025,000	6,750	21,750	F 2,175,000
EGM on 28/12/1989	Capitalisation of the share premium	F 2,025,000	0	20,250	42,000	F 4,200,000
28/03/1997	Cash contribution made by SOFICLAIR	F 1,200,000	0	12,000	54,000	F 5,400,000
EGM on 30/04/1998	Capital increase by issuing 5,400 new shares	F 540,000	F 5,459,400	5,400	59,400	F 5,940,000
EGM on 30/04/1998	Capital increase by capitalisation of part of the share premium and raising of the share's par value from FRF 100 to 190.	F 5,346,000	-	-	59,400	F 11,286,000
EGM on 30/04/1998	Reduction of the share's par value from FRF 190 to 20 by exchanging 2 old shares valued at FRF 190 for 19 new shares valued at FRF 20	-	-	504,900	564,300	F 11,286,000
Board Meeting on 08/09/1998 delegated by EGM on 22/06/1998	Issue in cash of shares proposed to the public	F 2,000,000	F 11,137,296	100,000	664,300	F 13,286,000
Combined General Meeting on 09/04/2001	Capital increase by capitalisation of the issue premium and revaluation differentials and conversion into euros.	F 4,144,089.40	F 807,978 + revaluation differences F 3,336,111.40	-	664,300	F 17,430,089 that is €2,657,200
Combined General Meeting on 07/06/2004	Capital increase by issue of new shares subsequent to merger by takeover of LPPI	€ 1,641,808	-	410,452	1,074,752	€ 4,299,008

Dates	Type of operation	Capital increase	Share premium or contribution	Number of shares created	Total number of shares	Capital after operation
Combined General Meeting on 07/06/2004	Reduction of the capital by cancellation of 349,752 shares	€ 1,399,008	-	349,752	725,000	€ 2,900,000

2.3.2. Authorised capital

See above Appendix 2 of the report to SOGECLAIR's Board of Directors.

2.3.3. Breakdown of capital and of voting rights over the last 3 years

Shareholders	Situation on 31/12/2009			Situation on 31/12/2008			Situation on 31/12/2007		
	Number of shares	% of capital	% voting rights	Number of shares	% of capital	% voting rights	Number of shares	% of capital	% voting rights
Robardey Philippe	255,858	35.29	42.09	255,858	35.29	42.45	255,858	35.29	42.45
Robardey Jean-Louis	66,175	9.13	10.92	66,175	9.13	11.01	66,175	9.13	11.01
Robardey Huguette	63,357	8.74	10.46	63,357	8.74	10.54	63,357	8.74	10.54
Robardey Anne	59,026	8.14	9.74	59,026	8.14	9.82	59,026	8.14	9.82
Other members of the Robardey family	43,201	5.96	6.35	43,201	5.96	6.41	43,201	5.96	6.41
Robardey family total	487,617	67.26	79.56	487,617	67.26	80.23	487,617	67.26	80.23
Miscellaneous (registered)	15,340	2.12	2.12	14,508	2.00	1.23	10,299	1.42	0.88
Public	159,275	21.97	13.14	173,557	23.94	14.44	182,206	25.13	15.16
Own shares	62,768	8.65	-	49,318	6.80	-	44,878	6.19	-
Total	725,000	100.00		725,000	100.00		725,000	100.00	

The voting right percentages are calculated on the basis of all the shares, including those that do not have voting rights, that is to say 1,211,991 in 2009, 1,201,991 in 2008, 1,201,981 in 2007.

The difference between the number of shares and the voting rights can be explained by the provisions of article 15 of the articles of association (see above section 2.2.2).

To the company's knowledge, there are no other shareholders who own directly, indirectly or together in agreement 5 % or more of the capital or voting rights.

Philippe ROBARDEY is the President of the group and ensures its general management.

The functions of Jean-Louis ROBARDEY, father of Philippe ROBARDEY, are indicated in the table of directors' functions (refer to section 3.2 of the Board of Directors' report to the AGM).

The other members of the ROBARDEY family do not exercise any other functions than those indicated above.

The control of SOGECLAIR by the ROBARDEY family is therefore not exercised in any improper way.

Furthermore, the Board of Directors was in 2009 made up for more than half of independent directors, which goes beyond the recommendations of the Middenext code adopted on 10 March 2010.

2.3.4. Securities providing access to the capital

None.

Type of pledging	Pledging start date	Pledging end date	Amount of pledged assets	Amount still due on 31/12/2009
Pledging of 28% of the HEE shares	25/07/2006	25/06/2011	2,102,764	578,057
Pledging of 21% of the OKTAL SA shares	30/01/2006	05/03/2013	750,848	413,839

2.4. Shareholders' pact and agreements

There are no shareholders' pacts. However, a collective commitment was made at the end of 2004. It concerns the ROBARDEY family and Marc DAROLLES relative to 150,040 shares and voting rights.

2.5. Pledging, guarantees and securities

The CIC granted, on 15 May 2006, a loan for € 1,900,000 to the company SOGECLAIR SA. This loan contract stipulates a pledging of 28% of the shares held by SOGECLAIR in the company HIGH END ENGINEERING GmbH (HEE) to guarantee the reimbursement of the 60 monthly loan repayments, amounting to € 34,949.

The Caisse d'Épargne and the Société Générale granted, on 30 January 2006, loans for € 400,000 and € 430,000 respectively to the company SOGECLAIR SA. This loan contract stipulates a pledging of 21% of the shares held by SOGECLAIR in the company OKTAL SA to guarantee the reimbursement of the 84 monthly loan repayments, amounting to € 5,468, and 27 quarterly loan repayments, amounting to € 17,623.

2

Information concerning the issuer and its capital

2.6. Dividends

2.6.1. Distribution of dividends for the last three financial years

The dividend for 2009 proposed to the General Meeting is € 0.55 per share, giving a total amount of € 398,750.

	2008	2007	2006
Total amount	€ 398,750	€ 398,750	€ 362,500
Overall dividend / share	€ 0.55	€ 0.55	€ 0.50
Percentage of the consolidated overall net profit	18.31 %	22.63 %	15.87 %

2.6.2. Dividend limitation period

The dividend limitation period is five years from the time it becomes payable. After this period, the dividends that have not been claimed will be paid to the State.

2.6.3. Future dividend policy

The company intends to pursue its dividend distribution policy and adapt it, if necessary, to the market requirements and constraints.

2.7. Securities non-representative of the capital

None.

2.8. Control of the company

The company does not belong to a group.

2.9. Key stock market data

2.9.1. Change in stock market price and of the transaction volumes since 1 January 2008

	Highest price in €	Lowest price in €	Transactions in shares	Transactions in thousands of €
January 2008	28.35	22.68	8,953	228.20
February 2008	24.89	23.40	7,752	186.00
March 2008	24.50	23.20	2,023	47.59
April 2008	24.41	22.90	5,398	127.01
May 2008	23.90	22.10	5,856	134.24
June 2008	23.25	21.00	4,745	105.38
July 2008	22.50	19.21	3,269	65.82
August 2008	21.39	19.00	9,603	187.30
September 2008	21.46	19.00	5,083	100.99
October 2008	19.99	13.50	5,376	86.27
November 2008	18.00	13.51	7,330	117.11
December 2008	17.00	15.50	17,913	295.04

Market capitalisation on 31/12/2008: €12.25 million - Average exchanges over the year: 6,492 shares a month

	Highest price in €	Lowest price in €	Transactions in shares	Transactions in thousands of €
January 2009	16.90	15.10	9,159	147.43
February 2009	16.29	14.50	5,501	85.42
March 2009	14.50	13.00	3,362	46.18
April 2009	15.45	13.12	4,359	60.53
May 2009	16.50	13.16	7,981	120.86
June 2009	15.49	13.51	4,297	60.75
July 2009	14.00	12.80	5,107	67.08
August 2009	14.00	12.80	3,405	45.43
September 2009	15.80	13.36	7,771	115.31
October 2009	15.54	14.36	3,939	58.47
November 2009	15.22	13.80	3,987	58.17
December 2009	15.00	13.00	22,487	304.82

Market capitalisation on 31/12/2009: €9.74 million - Average exchanges over the year: 1,022 shares a month

	Highest price in €	Lowest price in €	Transactions in shares	Transactions in thousands of €
January 2010	14.94	13.25	7,531	106.28
February 2010	15.64	14.29	12,229	182.86
March 2010	18.20	14.65	23,478	401.58

Identification sheet

EURONEXT PARIS

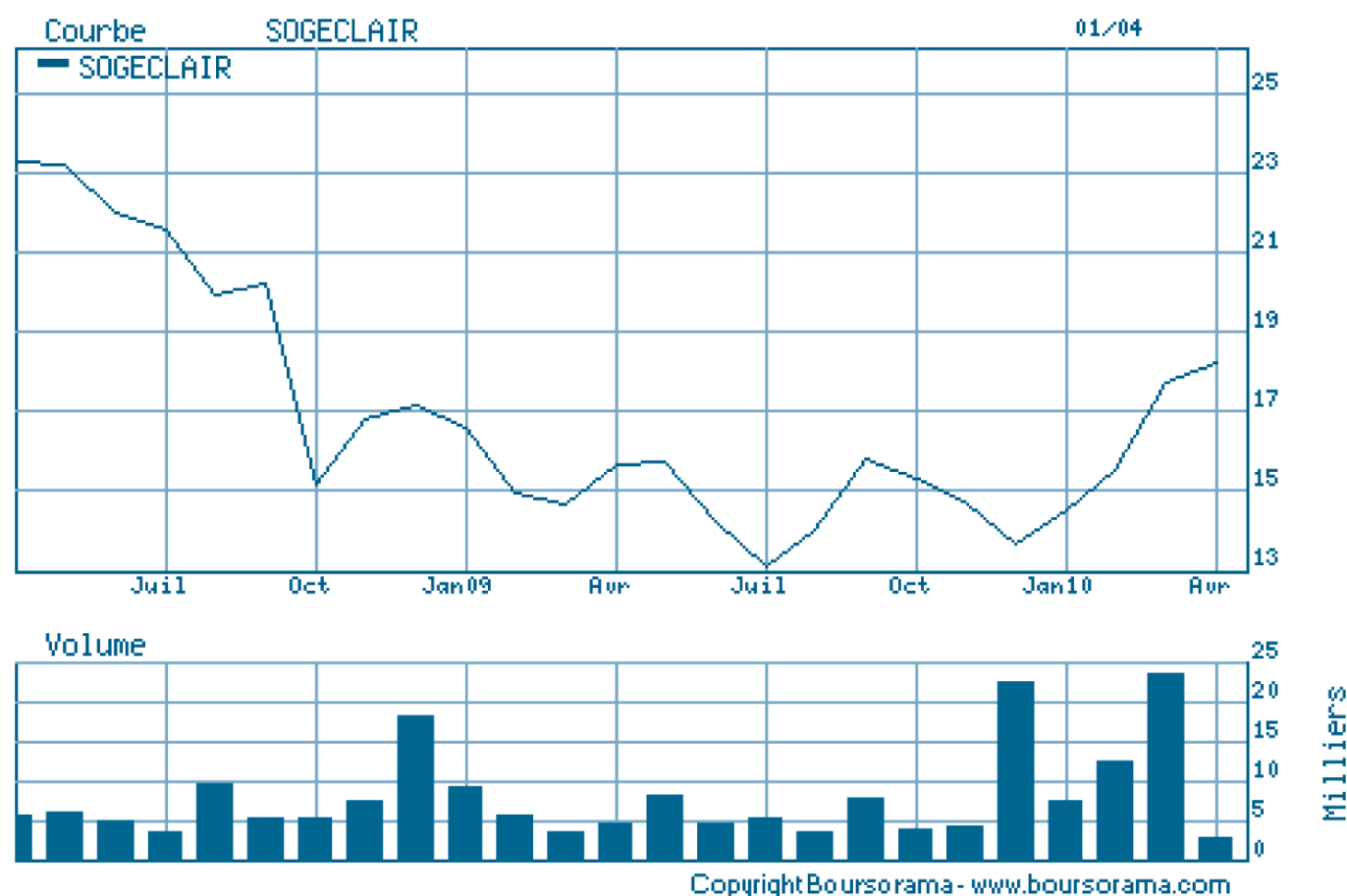
ISIN FR0000065864

Reuters Code SCLR.PA

Bloomberg Code SOG.FP

2.9.2 Stock Exchange graph

SOGECLAIR share price over 2 years



2.10. Documents accessible to the public

The articles of association, minutes of the general meetings and other corporate documents can be consulted at Company Headquarters. This reference document is available on-line on the company's website, www.sogeclair.fr, and on that of the AMF, www.amf-france.org. Copies of this reference document may be obtained free of charge from the company.

2.11. Information for the shareholders and analysts

Since being listed on the stockmarket, SOGECLAIR has maintained a regular communication programme with a view to keeping all of its shareholders, and the financial community informed.

In 2009, these communication actions have been materialised by a reference document including the annual financial report for the 2008 financial year, financial press releases and notifications, one SFAF information meeting: 18 March 2009 for the annual results for 2008 and other information meetings with analysts, journalists and investors.

In order to meet the obligations on the effective and complete distribution of the regulated information, SOGECLAIR transmits the regulated information by electronic means via a professional distributor included on the list published by the AMF. This information is on-line on the www.sogeclair.fr website, url link <http://www.sogeclair.com/communiqués.php>.

2.11.1. Information published or made public over the last 12 months

Dates	Nature of the information and reference of the publications
2009	
01 April 2009	Press release notifying the creation in Tunisia of the subsidiary CLAIRIS TECHNOLOGIES MEDITERRANEE Available on the website www.sogedclair.fr
06 April 2009	Publication of the voting rights as of 31 March 2009. Available on the www.sogedclair.fr website
07 April 2009	Declaration of the own share transactions made between 30/03/2009 and 03/04/2009. Available on the www.sogedclair.fr website
15 April 2009	Declaration of the own share transactions made between 06/04/2009 and 10/04/2009. Available on the www.sogedclair.fr website
20 April 2009	Declaration of the own share transactions made between 13/04/2009 and 17/04/2009. Available on the www.sogedclair.fr website
20 April 2009	Publication in the BALO (Bulletin of Obligatory Legal Announcements) of the agenda and convocation to the AGM on 28 May 2009
24 April 2009	Lodging with the AMF of the reference document 2008. Available on the www.amf-France.org website and on the www.sogedclair.fr website.
27 April 2009	Declaration of the own share transactions made between 20/04/2009 and 24/04/2009. Available on the www.sogedclair.fr website
28 April 2009	Notification of the availability of the reference document 2008 and of the preparatory documents for the AGM on 28 May 2009.
04 May 2009	Declaration of the own share transactions made between 27/04/2009 and 30/04/2009. Available on the website www.sogedclair.fr
07 May 2009	Publication of the voting rights as of 30 April 2009. Available on the www.sogedclair.fr website
11 May 2009	Publication in "La Gazette du Midi" legal announcements journal of the agenda and draft resolutions serving as convocation to the AGM on 28 May 2009
12 May 2009	Declaration of the own share transactions made between 04/05/2009 and 08/05/2009
14 May 2009	Publication of consolidated turnover for the 1st quarter 2009. Available on the www.sogedclair.fr website
15 May 2009	Publication of the quarterly financial information for the 1st quarter 2009. Available on the www.sogedclair.fr website
18 May 2009	Declaration of the own share transactions made between 11/05/2009 and 15/05/2009. Available on the www.sogedclair.fr website
25 May 2009	Declaration of the own share transactions made between 18/05/2009 and 22/05/2009. Available on the www.sogedclair.fr website
28 May 2009	Publication of the description of the share buy-back programme implemented by the AGM held on 28 May 2009. Available on the www.sogedclair.fr website
02 June 2009	Declaration of the own share transactions made between 25/05/2009 and 29/05/2009. Available on the www.sogedclair.fr website
04 June 2009	Publication of the voting rights as of 29 May 2009. Available on the www.sogedclair.fr website
08 June 2009	Declaration of the own share transactions made between 01/06/2009 and 05/06/2009. Available on the www.sogedclair.fr website
08 June 2009	Publication in "La Gazette du Midi" legal announcements journal of the number of shares and voting rights at the end of the AGM on 28 May 2009.
16 June 2009	Declaration of the own share transactions made between 08/06/2009 and 12/06/2009. Available on the www.sogedclair.fr website
19 June 2009	Publication in the BALO (Bulletin of Obligatory Legal Announcements) of the notification of approval by the AGM on 28 May 2009 of the annual and consolidated accounts for the financial year ending on 31 December 2008 and of the profit appropriation decision.
22 June 2009	Declaration of the own share transactions made between 15/06/2009 and 19/06/2009. Available on the www.sogedclair.fr website
30 June 2009	Declaration of the own share transactions made between 22/06/2009 and 26/06/2009. Available on the www.sogedclair.fr website
02 July 2009	Lodging with the Commercial Court of Toulouse of an extract from the minutes of the AGM on 28/05/2009 and of the updated articles of association – modification of article 13bis.
03 July 2009	Half-yearly statement on the market making contract with CM-CIC Securities. Available on the www.sogedclair.fr website
6 July 2009	Publication in "La Gazette du Midi" legal announcements journal of the: appointment of Mr Henri-Paul Brochet as new director of Sogedclair appointment of SARL MOREREAU AUDIT as statutory auditor appointment of cabinet Jean BONNET AUDIT as substitute auditor
06 July 2009	Publication of the voting rights as of 30 June 2009. Available on the www.sogedclair.fr website
20 July 2009	Lodging with the Commercial Court of Toulouse of the annual accounts and of the consolidated accounts for the financial year ending on 31 December 2008.
04 August 2009	Publication of the turnover for the 2nd quarter 2009. Available on the www.sogedclair.fr website
05 August 2009	Publication of the voting rights on 31 July 2009. Available on the www.sogedclair.fr website.
31 August 2009	Publication of the results for the 1st half 2009. Available on the www.sogedclair.fr website
31 August 2009	Press release notifying the availability of the half-yearly financial report. Available on the www.sogedclair.fr website
1 September 2009	Publication of the results for the 1st half 2009 by means of a financial notice in Les Echos newspaper
03 September 2009	Publication of the voting rights on 31 August 2009. Available on the www.sogedclair.fr website
05 October 2009	Publication of the voting rights on 30 September 2009. Available on the www.sogedclair.fr website
03 November 2009	Publication of the voting rights on 31 October 2009. Available on the www.sogedclair.fr website
12 November 2009	Publication of the consolidated turnover for the 3rd quarter 2009. Available on the www.sogedclair.fr website
13 November 2009	Publication of the quarterly financial information for the 3rd quarter 2009. Available on the www.sogedclair.fr website
13 November 2009	Press release notifying the availability of the quarterly financial information
03 December 2009	Publication of the voting rights on 30 November 2009. Available on the www.sogedclair.fr website
23 December 2009	Declaration of the own share transactions made on 22/12/2009 Available on the www.sogedclair.fr website

Dates	Nature of the information and reference of the publications
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2010

04 January /2010	Declaration of the own share transactions made between 23/12/2009 and 24/12/2009. Available on the www.sogclair.fr website
05 January 2010	Declaration of the own share transactions made between 28/12/2009 and 01/01/2010. Available on the www.sogclair.fr website
05 January 2010	Publication of the voting rights on 31/12/2009. Available on the www.sogclair.fr website
06 January /2010	Publication of the yearly statement on the market making contract with CM-CIC Securities. Available on the www.sogclair.fr website
12 January 2010	Declaration of the own share transactions made between 04/01/2010 and 08/01/2010. Available on the www.sogclair.fr website
18 January 2010	Declaration of the own share transactions made between 11/01/2010 and 15/01/2010. Available on the www.sogclair.fr website
25 January 2010	Declaration of the own share transactions made between 18/01/2010 and 22/01/2010. Available on the www.sogclair.fr website
01 February 2010	Declaration of the own share transactions made between 25/01/2010 and 29/01/2010. Available on the www.sogclair.fr website
04 February 2010	Publication of the voting rights on 31 January 2010. Available on the www.sogclair.fr website
11 February 2010	Publication of the consolidated turnover for the 4th quarter 2009. Available on the www.sogclair.fr website
22 February 2010	Publication of the quarterly financial information for the 4th quarter 2009. Available on the www.sogclair.fr website
22 February 2010	Press release notifying the availability of the quarterly financial information
04 March 2010	Publication of the voting rights on 28 February 2010. Available on the www.sogclair.fr website
16 mars2010 website	Publication of the results for 2009. Press release and slide show presenting the results. Available on the www.sogclair.fr website
17 March 2010	Financial notification of publication of the annual result for 2009 in the Les Echos newspaper
02 April 2010	Publication of the voting rights on 31 March 2010. Available on the www.sogclair.fr website
19 April 2010	Publication in the BALO (Bulletin of Obligatory Legal Announcements) of the agenda and draft resolutions serving as convocation to the AGM on 28 May 2010

2.11.2. Forecast publications relative to 2010

Turnover for 2009	Week 06
Annual results for 2009	Week 11
Turnover for the first quarter 2010	Week 19
Turnover for the second quarter 2010	Week 32
Results for the first half 2010	Week 35
Turnover for the third quarter 2010	Week 45

This timetable is given as an indication; the dates given may be subject to change.

3 Corporate governance

3.1. Role and functioning of the Board of Directors

The company is managed by a Board of Directors with three members at least and eighteen at the most; however, in the case of a merger, this number of eighteen may be exceeded under the conditions and within the limits set by the provisions of Commercial Law.

Except where Commercial Law releases him/her from this obligation, each director must own a number of shares set at one.

The directors' term of office is six years. The number of directors who have reached the age of seventy-two may not exceed one third of the members of the Board of Directors. When the age limit is reached, the oldest Director is deemed automatically to have resigned.

The Board of Directors is convened by the President on his own initiative and, if he does not serve as Chief Executive Officer, at the request of the Chief Executive Officer or, if the board has not met for more than two months, at the request of at least one third of the Directors. Except in those cases where the agenda is set by the person(s) who requested the meeting, the agenda is set by the President. The meetings must be held at headquarters or on any other premises or in any other place indicated in the convocation but that is agreed to by at least half of the Directors in office.

The Board deliberates and takes its decisions under the conditions stipulated by Commercial Law.

The Board only validly deliberates if at least half its members are present. The internal regulations may stipulate that people are deemed to be present for the calculation of the quorum and of the majority of the Directors who take part in the meeting using videoconferencing or telecommunication means within the limits and under the conditions set by law and the regulations in force.

The Board of Directors determines the orientations of the company's activity and ensures they are implemented. Subject to the powers expressly granted to the shareholders' meetings and within the limit of the corporate object, it may examine any question relative to the correct functioning of the company and, through its deliberations, it settles the affairs concerning it. It carries out the controls and verifications it considers timely.

The company's President or Chief Executive Officer is obliged to submit to each Director all the documents and information required for the accomplishment of their mission.

The Board of Directors elects its President from amongst its members. It determines his/her remuneration. The age limit for exercising the office of President is set at seventy-two years.

The President of the Board of Directors organises and directs the latter's work. He/she ensures the satisfactory functioning of the company's bodies. He/she submits a report indicating the conditions under which the work of the Board of Directors is prepared and organised as well as the internal control procedures put in place in the company.

Internal regulations have been drawn up for the Board of Directors as of 16 March 2007, available on the company's website (www.sogeclair.fr).

3.2. Members of the Board of Directors on 31 December 2009

Refer to section 5.2 of the Board of Directors' report to the AGM.

3.3. Expertise and experience of the members of the board of directors in the area of management

Philippe ROBARDEY

Managerial training. Chief Executive Officer of SOGECLAIR for 9 years before becoming President in 2003. Led SOGECLAIR's flotation and international development.

Jean-Louis ROBARDEY

Entrepreneur. Founding President of SOGECLAIR. In all, more than 40 years' experience as a Company Director.

Alain RIBET

More the 40 years' experience in the aeronautical sector. In the framework of his activities in the Airbus France Design Office, responsible for the management and associated budget control for aircraft sections.

Bernard ZIEGLER

X – SUPAERO. Former test pilot and Vice President / technical director of Airbus. Worldwide reference in the area of aeronautical technologies for more than 30 years.

Michel GRINDES

Former President of Airbus North America. Has ensured management control, assistant financial director and procurement manager functions.

Jacques RIBA

Entrepreneur. Founder of the Chipie Junior company, then President of Chipie. Has exercised the functions of director in several listed companies.

Alberto FERNANDEZ

Former President of EADS Casa and Airbus Military Company. Former President of Afarmade (Spanish armament, defence and security equipment association).

Gérard BLANC

Former Executive Vice President of Operations at Airbus and member of the Airbus Executive Committee.

Director of Valéo

President of Marignac Gestion SAS

Henri-Paul BROCHET

Thalès Alenia Space: Director of integration at the time of the merger between Alcatel Space and Alenia Spazio,

Deputy Director General France: Advisor to the President and Director of the Toulouse Site,

Representative of Thalès Alenia Space on the Board of Directors of Intespace,

Director of Thalès Alenia Space Belgium & España,

Member of the supervisory board of Groupe Actia.

3.4. Specific information relative to the directors

Mr. Jean-Louis ROBARDEY, director, is the father of Mr. Philippe ROBARDEY, President & CEO.

The company has six independent directors, all of whom were appointed, in particular, due to their skills and the mastery they have of the strategic challenges of the markets in which the company operates.

They are Messrs: Gérard Blanc, Henri-Paul Brochet, Alberto Fernandez, Michel Grindes, Jacques Riba, Bernard Ziegler.

The criteria adopted are those recommended by the Middledenext Code on corporate governance for medium and small listed companies in December 2009. The Board of Directors does not include any directors elected by the employees.

The Annual General Meeting on 28 May 2009, in its fifteenth resolution decided to grant the Board of Directors the possibility of setting up a Board of Censors and therefore to complete the company's articles of association with Article 13 bis, termed as follows:

« Article 13 bis – Censors

The Board of Directors may appoint one or more censors, physical people or legal entities chosen amongst the shareholders or elsewhere. There may not be more than three censors.

Their term of office is six years. The censors' functions come to an end at the end of the Annual General Meeting that voted on the accounts for the past financial year held during the year in which their term of office expires.

The censors may be re-appointed indefinitely, they may be removed from office at any moment by a decision of the Board of Directors.

The censors take part in the sessions of the Board of Directors and serve in an advisory capacity. Their right to information and communication is identical to that of the members of the Board of Directors.

They may receive a remuneration taken from the amount of the directors' fees allocated to the members of the Board of Directors.

The censors are responsible for ensuring the articles of association are applied. They may give an opinion on any point on the agenda of the board and ask its President to bring their remarks to the knowledge of the Annual General Meeting when they consider that appropriate. »

Pour les besoins de leurs mandats sociaux, les membres du Conseil d'Administration sont domiciliés au siège social de la société.

For the needs of their directorships, the members of Board of Directors are domiciled at the company headquarters.

To the knowledge of the company and on the day that this document was established, none of the members of the board of directors has over the last five years been:

- convicted for fraud,
- associated with a bankruptcy, or a receiving order,
- the subject of an indictment or official public sanction pronounced by a statutory or regulatory authority,
- banned by a court from acting in their capacity as member of a managerial, directorial or supervisory board or from being involved in the management or conducting the business of an issuer.

3.5. Conflicts of interest at the level of general management's administrative, directorial and supervisory bodies

To the knowledge of the company and on the day that this document was established, no conflict of interest has been identified between the duties of each of the members of the Board of Directors with respect to the company in their capacity as director and their private interests and other duties.

To the knowledge of the company and on the day that this document was established, no arrangements or agreements have been reached with the main shareholders, customers or suppliers under the terms of which one of the members of the Board of Directors has been selected in that capacity.

To the knowledge of the company and on the day that this document was established, there are no restrictions accepted by the members of the Board of Directors concerning the transfer of their holding in the company's capital.

3.6. Assessment of the Board of Directors

Refer to section 1.1 of the report of the President of the Board of Directors to the AGM.

3.7. Committees

There is a Remunerations Committee, which includes all the directors with the exception of Mr Philippe ROBARDEY. Once a year, the Committee analyses the remuneration of the members of the Management Committee.

The following method has been put in place to fix the remunerations and their revision for each of the members of the Management Committee.

Person concerned	Proposition of the President & CEO	Directors consulted	Frequency
President & CEO	NO	All except President & CEO	Once a year
Other Board Members	YES	All	Once a year

In the framework of the AFEF-MEDEF recommendations made in December 2008, the Board decided at its meeting held on 12 March 2009, to extend the mission of the Remunerations Committee to the examination of the appointment of the directors and board members. This decision has been upheld after adhesion to the Middlednext Code on 10 March 2010.

An audit committee was set up by the Board at the time of its meeting held on 18 December 2008. It is made up of three board members: Mr Jean-Louis Robardey, Mr Gérard Blanc and Mr Michel Grindes, two of whom are independent board members. Its mission, under the exclusive and collective responsibility of the members of the Board of Directors, is to ensure the follow-up of questions relative to the drawing up and verification of the accounting and financial information. The existence of this committee is not obligatory under the terms of the Middlednext Code, adopted by SOGECLAIR at the meeting of the Board of Directors held on 10 March 2010.

3.8. Remuneration and non-cash benefits, direct and indirect, paid to each member of the board in 2009

Refer to section 5.3 of the Board of Directors' report to the AGM.

3.8.1. Holdings of the directors in the capital of the issuer, in that of a company that has control of the issuer, in that of a subsidiary of the issuer or in that of a customer or supplier of the issuer

Mr Alberto FERNANDEZ: agreement with SOGECLAIR (invoicing: €20,000 in 2009)

3.8.2. Loans and sureties granted or made in favour of the members of the administrative, management or supervisory boards

None.

3.8.3. Assets belonging directly or indirectly to the directors or to the members of the family

Life annuity for the benefit of Mr and Mrs Jean-Louis ROBARDEY as payment for a fully amortised business (E.D.T.).

Refer to section 5.5 of the reference document's report.

3.8.4. Stocks-options

None.

3.9. Composition of the management Committee on 31/12/2009

Philippe ROBARDEY, President & CEO of SOGECLAIR

Marc DAROLLES, Senior Vice President of SOGECLAIR, CEO of CLAIRIS TECHNOLOGIES, co-director of CLAIRIS TECHNOLOGIES Méditerranée

Didier LANGLOIS, Technical Director of SOGECLAIR, President of AVIACOMP SAS and CEO of SOGEMASA INGENIERIA

Bruno FARGEON, CEO of OKTAL SA

John JANKE, Director of CLAIRIS TECHNOLOGIES Limited

Jean LATGER, President & CEO of OKTAL SYNTHETIC ENVIRONMENT

Yves SAGOT, CEO of HIGH END ENGINEERING

Sylvain CROSNIER, CEO of SERA INGENIERIE

As of 31 December 2009, the gross annual remuneration paid to the members of the Management Committee represented a total amount of €916,495 breaking down as follows:

- Gross basic salary: €836,679
- 2008 variable pay: €66,240
- Non-cash benefits: € 13,576

3.10. Internal control

See report of the President to the AGM.

(financial year ending on 31 December 2009)

Dear Shareholders,

We have called this General Meeting pursuant to the law and the provisions of our articles of association with a view, in particular, to submitting the accounts (individual and consolidated) for the financial year ending 31 December 2009 to you for your approval.

The invitations to this Meeting have been regularly issued.

The documents stipulated by the regulations in force have been sent to you or have been held at your disposal within the stipulated deadlines.

The purpose of this report is, in particular, to present to you the situation of our company and of our group.

The individual and consolidated accounts for the financial year ending 31 December 2009 have been drawn up according to the same presentation standards and evaluation methods as for the previous financial year.

1. Group situation

The group whose activity is described here was comprised, at the end of the past year, of the following companies AVIACOMP SAS, CLAIRIS TECHNOLOGIES LTD, CLAIRIS TECHNOLOGIES MEDITERRANEE set up in April 2009, CLAIRIS TECHNOLOGIES SA, EDT SA, HEE GmbH, SOGEMASA INGENIERIA, S2E CONSULTING SAS, SERA INGENIERIE SAS, OKTAL SA and OKTAL SYNTHETIC ENVIRONMENT SAS.

1.1. Activity statement

Our group's consolidated accounts show sales of € 69,264 k down by 6.3% (3.6% like for like). The profit stood at €1,672 k compared with € 2,178 k for the previous year. The international activity represents 41% of turnover.

The moderate fall-back in Q4 of -0.8% like for like, against -5.2% to the end of June 2009, is proof of a good ability to resist thanks to its specialist market strategy. Indeed, compared with the rest of the sector, turnover for the year confirms SOGECLAIR's resilience despite stiff competition on all fronts.

Like for like, France fell back by nearly 8.8%, the rest of the world progressed by 49%, particularly in South Africa, Australia, China, Korea and Russia. Europe (excluding France) was stable, under the combined effect of the slowdown in Spain, a slight fall in the UK, the positive trend in Germany (taking into account the sales made from France) and the increase in sales to the other European countries.

The year 2009 was marked by the access gained by SOGECLAIR to two new qualifications of major importance, multiplying the number of consultations and the opportunities for being selected:

- "EADS E2S preferred supplier for engineering services",
- THALES Group, referencing of our mechanical engineering activities.

Cooperation with DASSAULT is strengthening with a level of activity progressing significantly.

These successes are the result of the technical know-how and the commercial policy that has been implemented for several quarters and will be the vectors of growth in the future for all of SOGECLAIR's sites.

Activity per business unit:

Like for like, the downturn in the group's activity has been focused on the **Engineering & Consulting** business unit (82%) with a fall-back of 4.4%, severely affected by the crisis in the car sector which has led to delays in customer investments. The "Aeronautics & Air Traffic" market,

down by 3.2%, has reduced its shortfalls all year long after a difficult Q1. Lastly, the "Defence & Industry" market closed with a 37% increase, carried by the activities in the area of special vehicles and electrical installations. The increasing interest of French and foreign armies confirms the strategic orientations adopted over the last two years.

Overall, this business unit's activities were marked by:

- the creation of the Clairis Technologies Méditerranée subsidiary in Tunisia, which completes the group's offer and enables it to resolve the problem of cost reductions imposed by our customers,
- the winning in Q4, by the AVIACOMP subsidiary, of a major contract for the design, manufacture and assembly of composite parts for the Airbus A350 programme. This contract strengthens our position as a top tier "risk-sharing partner". Over time, it will provide SOGECLAIR with revenues of several millions of Euros, starting from 2013.
- a buoyant commercial activity,
- delays in the customer decision-making process.

The activity of the **Simulation** business unit (18%) was stable with respect to 2008 (+0.05%) under the combined effect of a fall in Turnover on the "Automobile & Rail" (-23%) and "Defence & Industry" (-8%) markets and an increase of activity on the "Aeronautics & Air Traffic" market (+80%).

Overall, this business unit's activities were marked by:

- an increase in consultations and tenders,
- offsets in the customer decision-making process.

Furthermore, the 2009 financial year enabled a further reduction in the group's debt.

The average workforce (full-time equivalence) was 852 people, up by 0.9% over the year 2009.

1.2. Foreseeable changes – Future perspectives

During a year 2009 where the sector was affected by the consequences of the economic crisis, SOGECLAIR has resisted well and highlighted its technical capacities as a project manager for complex projects allowing it to win strategic contracts and reference listings.

Thanks to its unique strategic offer on the market (systems supplier, Tier one and engineering service-provider), SOGECLAIR, a specialist player in the world of R&D, will strengthen the actions engaged (recourse to subcontracting, adapting the workforce, stability of overheads, low-cost development) in order to accompany the increase of activity in 2010. The positioning on promising programmes and reference listings with major accounts will contribute to restoring growth while maintaining the level of profitability.

In a context of tough competition and great pressure on prices, SOGECLAIR is aiming to strengthen its brands to benefit from its distinguishing factors.

1.3. Outstanding events since year-end

The beginning of the year 2010 has been marked by the continued commercial actions further to the reference listings won in 2009. Competition remains stiff on all markets.

Some of the companies in the group are the subject of a tax and social affairs inspection. To date, no major problems have been observed.

The legal proceedings in progress are continuing and do not lead us to expect any risks other than those already recorded in the accounts for 2009.

1.4. Research & development activities

As in the past, the vast majority of contracts that we have accomplished for our customers in 2009 have consisted of development works.

We would like to draw your attention to the fact that we have immobilised on the balance sheet assets (Development expenditure) the development expenses and related financial expenses for a certain number of projects, in compliance with and according to the principles fixed by the applicable accounting standards (IAS 38 and 23, national directives).

The development works that gave rise to new immobilisations in 2009 concern the following projects:

In the Engineering & Consulting for €55 k:

- composite parts for Airbus A350,

In the Simulation business unit for € 452 k:

- simulation motors for the "Automobile & Rail" and "Aeronautics & Air Traffic" markets (ScanNer, OkSimRail, ScanAds),
- terrain modellers for the "Defence & Industry" market» (Agetim, Ray, Fast).

The development works that gave rise to amortisation in 2009 concern:

- for the Engineering & Consulting business unit: the A380 Floor project,
- for the Simulation business unit: the above-mentioned projects.

The development relative to the Airbus A350 composite parts will only be subject to amortisation starting from 1st January 2014 to the end of 2023, probable initial date on which the accumulated volume of deliveries will be reached corresponding to the baseline on which the A350 contract was signed according to the Airbus schedule.

See consolidated appendix Note 1.2.2.

Furthermore, the non-immobilised Development activities were accomplished in the areas of simulated equipment, software, aircraft and electric vehicle environments.

1.5. Analysis of the consolidated accounts

The group's consolidated accounts have been notified to you in IFRS format, and are commented on below.

We request that you approve these accounts.

Income statement

Analysis of the consolidated balance sheet shows:

- sales of €69,264 k, compared with €73,890 k for the previous financial year and €71,870 k like for like,
- other income from the activity amounting to €4,418 k,

- other operating charges excluding appropriations amounting to €68,548 k,
- cost of goods sold €21,209 k,
- personnel charges totalling 45,951 k,
- appropriations for amortisation amounting to €3,436 k,
- other operating income and charges totalling €276 k,
- an operating result of €1,974 k,
- a net cost of financial debt of €(179) k,
- a consolidated net profit of €1,672 k and a group share of €1,502 k, compared respectively with €2,178 k and € 2,163 k for the previous year.

Balance sheet

Analysis of the consolidated balance sheet shows:

Assets:

- Goodwill stable,
- Intangible assets down significantly under the combined effect of new assetisations in both Business Units and of amortisations, particularly in the Engineering & Consulting business unit (A380 floor structures),
- Tangible assets down very slightly further to a slow-down in investments,
- Inventory & Work-in-Process up very slightly,
- Customer Debts and Available-for-sale financial assets up slightly under the combined effect of the shortening of customer terms of payment in France and the UK and of their lengthening in Germany, increased work in process in the area of special vehicles and the increase in tax claims receivable relative to the research tax credit.

Liabilities:

- Equity Capital very significantly up given the group's results for 2009 and after distribution of dividends to SOGECLAIR SA's shareholders and to the minority shareholders of the subsidiaries of €505 k,
- Provisions for risks and charges down,
- Qualified prepayments down under the combined effect of reimbursements,
- Financial debts down under the effect of loans being taken out and reimbursements,
- Supplier debts up, under the combined effect of the decrease in purchases and more particularly of subcontracting and the increase in advances and pre-payments received from customers in the area of special vehicles,
- Tax and Social debts down given the fall-back in activity,
- Other current liabilities up slightly.

Sector-by-sector analysis

Analysis of the results per sector, after intra-group disposals and the holding company's operating expenses:

INCOME STATEMENT PER ACTIVITY (in thousands of Euros)	Engineering & Consulting Business Unit	Simulation Business Unit	Holding	Total
Turnover	57,046	12,207	12	69,264
Other income from the activity	2,114	2,273	31	4,418
Cost of goods sold	-15,785	-3,861	-1,563	-21,209
Personnel charges	-36,110	-8,281	-1,560	-45,951
Taxes and duties	-749	-297	-166	-1,211
Amortisation and provisions	-2,681	-670	-84	-3,436
Other charges	-109	-4	-64	-177
Intra-Group operations	-3,489	-197	3,686	
Current operating profit	236	1,170	292	1,699
Result of the sale of consolidated shareholdings				
Other operating income and charges	231	45		276
Operating profit	467	1,215	292	1,974
Income from cash flow and cash flow equivalents	10		5	15
Gross finance costs	-102	-3	-89	-194
Net finance costs	-93	-3	-84	-179
Other financial income and charges	-85	21		-63
Intra-Group financial operations	-70	17	52	
Profit before tax	220	1,251	261	1,732
Income tax expense	-110	-120	171	-59
Profit after tax	110	1,132	431	1,672
Total net profit	110	1,132	431	1,672
Group share	161	909	431	1,502
Minority interest	-52	222		171

Analysis of the sales by sector gives the following breakdown:

- Aeronautics and Air Traffic: 76 %
- Automobile and Rail: 11 %
- Defence and Industry: 13 %

1.6. Risk factors and uncertainties

The company has reviewed the risks that could have a significant unfavourable effect on its activity, financial situation or results, and considers that there are no significant risks other than those presented below, except in cases of Force Majeure.

Execution risks

SOGECCLAIR intervenes with its customers according to three different types of contract:

- Support and technological assistance projects account for 32% of the activity: this concerns virtually all of the contracts with an obligation regarding the means. They have a length situated within a time bracket of 3 months to 1 year.
- Work packages / Development account for 41% of the activity: this concerns contracts with an obligation to achieve a given result. They have a term of between 1 month and 5 years.

Systems, products and associated services account for 27% of the activity: this concerns contracts:

- comprising an offer associated with that of SOGECCLAIR (for example manufacturing on a partner's site). These are long-term contracts with obligations to achieve a given result for periods that may be as long as 15 years,
- development and supply of equipment under the responsibility of SOGECCLAIR as the only source. Their length depends on the type of equipment.

The support and technological assistance project contracts and the supply of equipment do not comprise any great execution risk, as SOGECCLAIR only has an obligation regarding the means or is alone responsible for the definition of the product to be made.

The work package and development or co-development contracts inherently include execution risks whose root causes are, in chronological order:

- initial underestimate in the offer,
- unclear technical specifications and very extensive contractual clauses,
- requests for additional works during the development phase without any prior formal commercial agreement,

- particular technical difficulties,
- final acceptance conditions subject to interpretation.

The control of these risks, especially those of origin b) and c) require a very particular type of organisation, both in commercial and programme management terms, that represents the difficulty of this type of contract but, in return, creates a great barrier to entry with respect to the traditional players in the area of outsourced R&D.

Dependence risks

Customers

In 2009 all sectors taken into account, the company counted 209 active customers, that is to say customers who were invoiced during the financial year distributed over every sector of activity. This represents a sufficient degree of diversity, both in terms of customer base and of the number of contracts, to ensure we do not suffer from any unhealthy dependence.

Reciprocally, the quality and loyalty of the group's customers limit the risk of volatility and solvability with respect to debts, and the size and quality of these customers represents a source of markets to be developed for SOGECCLAIR.

In terms of figures:

- the first 50 account for 94% of consolidated sales and are evenly spread between the Aeronautics & Air Traffic, Defence & Industry, Automobile & Rail segments; amongst which, 7 are new customers in 2009,
- the first 20 account for 87% of consolidated sales; amongst which 3 are new customers in 2009,
- the first 10 account for 76% of consolidated sales compared with 72% in 2008; amongst which 100% were already customers in 2008,
- the first 5 customers account for 66% of consolidated sales, compared with 64% in 2008, and are divided up between the Aeronautics & Air Traffic and Defence & Industry segments,
- the group's No. 1 customer, AIRBUS France, represents 34% of consolidated sales, compared with 36% in 2008. The European company Airbus represents 55% of consolidated sales compared with 56% in 2008, with around one hundred distinct contracts spread between the five entities it is made up of: France, Deutschland, España, UK and Central Entity.

Partners

In 2009, the Engineering & Consulting business unit developed in Tunisia by creating CLAIRIS TECHNOLOGIES MEDITERRANEE, a mechanical engineering company that completes the group's offer and allows it to answer the problem of cost reductions imposed by our customers.

The longstanding partnerships with MASA, MECAHERS and MECHTRONIX continued satisfactorily and do not lead us to anticipate any significant risk with respect to the group's business.

It should be noted that the safeguard procedure put in place on 12 December 2008 concerning the Mecachrome company, with which we are partners in the ADM subsidiary, was lifted on 11 December 2009. The provision for debts amounting to €100,683 ex VAT recorded in 2008 has been maintained awaiting the effective partial settlement of the debts.

The simulation business unit has strengthened its international network of existing partners and integrators. Its historical partnerships continued satisfactorily and do not lead us to anticipate any significant risk with respect to the group's business.

Suppliers and subcontractors

Independence from our suppliers and subcontractors is ensured by the application of the following guidelines:

- retaining control over the customer relationship and project management (specification, preliminary design and validation, production of the critical elements, quality), making it possible to keep the essential distinguishing factors,
- selection of companies that have neither the capacity or the possibility to handle SOGECLAIR's contracts,
- sufficient number so as not to suffer from any dominant position and to make it possible to spread the industrial and financial risk,
- small number to make it possible to weigh sufficiently on the commercial and technical conditions.

The group as a whole works with several tens of suppliers and subcontractors who provide it with their support in the areas of mechanics, electronics and simulation.

Commercial risks

Customer programmes

At the end of 2001, SOGECLAIR signed a "risk-sharing" contract in the framework of the A380 programme. At the end of 2009, SOGECLAIR signed a second "risk-sharing" contract relative to the A350 programme. To date, these are the only contracts involving financing by SOGECLAIR and a commercial risk for it shared with its customer.

The contract relative to the A380 concerns the design and manufacture of floor structures for the aircraft nose section, in co-development with the ADM company and the parties have agreed to spread the reimbursement of the expenses over the first 300 aircraft produced.

At the end of December 2009, the order book for the A380 announced by Airbus amounted to 202 firm orders and had suffered from the announcement of the delays in the programme and the cancellation of the orders for the Freighter version in 2006. But this does not in our view put into question the commercial viability of the programme for which Airbus has set itself a target of 800 deliveries and remembering that more than 1,500 Boeing B747s have been ordered.

Our total deliveries at the end of 2009 stood at 61 (including 14 for the year), but our assumptions for the upcoming financial years have been revised to take into account the very significant effect on 2010 and 2011 of the delays which have weighed for about €1,300k on our accounts in 2007, €1,200k in 2008 and €1,200k in 2009 and should impact our 2010 accounts for around €1,200k.

This programme has been the subject of an immobilisation of the R&D expenses engaged through to the end of 2006 and are being straight-line amortised over eight years as from the beginning of 2005.

The contract relative to the A350 concerns the design and production of composite parts for the aircraft via the AVIACOMP subsidiary created in 2008 with the MECAHERS group. The reimbursement of the expenses will be spread over the first 600 aircraft produced.

Moreover, the risks of losses on completion have been identified and have been provisioned for a total of €289 k.

Proprietary sales

Concerning the development of equipment for static flight simulators (Trainers), the direct sales have fallen significantly.

Those resulting from the partnership put in place with MECHTRONIX have also fallen. It should be noted that the year 2008 was absolutely exceptional and that we have already booked orders for 2010.

Concerning the development of the simulation motors (ScanER, ScanADS and OKSimRail), the outlets and sales volumes observed for the existing versions of these products strengthen the return on investment for these new versions, particularly in the automobile sector.

Concerning the development of the terrain modeller (Agetim), already profitably used in customer programmes, we have noted an increase in the demand from our customers located in Asia in the area of maintenance. Product diversification should contribute to maintaining SOGECLAIR positioning in this sector.

Market risks

To allow it to monitor the interest and exchange rate and liquidity risks, SOGECLAIR's Management is organised with:

- cashflow follow-up,
- monitoring of medium/long-term debt,
- frequent exchanges with the financial partners to discuss rate changes in the short or medium term,
- participation in various forums, discussion groups, presentations.

Share risk

As SOGECLAIR has not made any guarantees linked directly or indirectly to the share price trends, its share risk is limited to the impact of a change of the share price on its self-owned shares.

On the one hand, SOGECLAIR owned 6,366 of its own shares on 31 December 2009, in respect of its share in the market-making contract. A variation of 10% in the share price would therefore have an impact of about € 8,556 on the consolidated result.

At the present time, SOGECLAIR also owns 59,174 shares as detailed below:

Reasons / Events outside the market making contract	Number of shares concerned
Merger/takeover of the LPPI company	43,097
Share buy-back programme between December 2008 and February 2009	4,798
Share buy-back programme between March and June 2009	4,382
Share buy-back programme between December 2009 and January 2010	6,897
Total	59,174

The variation in the price of these shares does not have any impact on the group's consolidated accounts because they have been cancelled in the equity capital, in accordance with the accounting rules.

The variation in the price of these shares has had an impact on the SOGECLAIR SA corporate accounts as they have fallen below their contribution value.

A provision of €167,615 was entered in the accounts on 31 December 2009 in addition to the €180,451 provisioned for 2008.

Financial risks

Interest rates

Our variable rate exposure at the end of December 2009 was limited to current short-term loans; indeed, at the end of November 2005 we took the decision to cover, by means of a fixed-rate swap, the medium-term variable rate "bell-shape" loan that we had put in place at the beginning of 2002 to finance the A380 floor contract.

This operation, carried out under very satisfactory market conditions, is still being found to be effective and shelters us from any continued rise in the key interest rates.

See consolidated appendix note 1.2.3.

Given the structure of the financial debt, we do not think it is necessary to present an analysis of our sensitivity to interest rate risks

Exchange rates

During the 2009 financial year, the group's exposure to this risk was limited and its impact, which represents €9 k net compared with €(140) k in 2008, mainly concerns sales in USD impacting the accounts for €8 k.

The contract for the design of the A350 centre section that we won in 2008 includes partial payment in USD, which does not at the current time require any particular coverage.

We must inform you, however, that certain contracts won in 2008 and 2009 in the aeronautical sector include clauses with payment in USD, which is leading us to put in place a policy of subcontracting in dollars. The positive variation in the conversion rate adjustment observed in consolidation stands at nearly €10 k in 2009, compared with nearly €22 k in 2008.

Given the slight exposure to exchange rate risks, no coverage instruments have been put in place to date.

Liquidity / Cashflow

The 2009 financial year did not see any worsening of the liquidity risk; and the utilisation of our bank lending facilities remains far lower than the maximum credit authorised by our banking partners.

The company has reviewed its liquidity risk and it considers it is in a position to face up to its future commitments.

The careful management of the company has made it possible to reduce net debt significantly from € 1 million to € 0.09 million excluding qualified pre-payments.

The sources of financing used by the company are spread between several financial establishments and are not the subject of any covenants.

Legal risks

SOGECLAIR is not subject to any particular regulations and the exercising of its activity is not subject to any legal, regulatory or administrative authorisation.

The general and aeronautical product-related professional civil liability risks are covered by insurance policies whose scope was extended in 2007.

To the knowledge of SOGECLAIR, there are no governmental, legal or arbitration procedures, including any procedure that the company is aware of, that is in abeyance or that it is threatened with, that would be liable to have or have had during the last 12 months any significant impact on the financial situation or profitability of the company and group, over and above the amounts provisioned.

However, in the event of disputes arising, they are subject to analysis as soon as the fact has been ascertained. The priority is to reach a quick and amicable solution. In the event of litigation and after having failed to reach an amicable settlement, a provision may be made according to the technical and contractual analysis and, if applicable, to the legal analysis. These elements make up the basis for creating the provision.

It is stated that the amount provisioned for current disputes stands at €374 k.

Operational risks

Refer to the President's report to the AGM.

Industrial and environmental risks

Not applicable.

Insurance policies

The insurance contracts were executed normally in 2009.

The actions taken to optimise the guarantees and reduce costs led to a lowering of charges amounting to €32 k in 2008 and in 2009.

1.7. Commitments

The presentation, made according to the accounting standards in force, does not omit any significant off-balance sheet commitment.

Debts and other commitments to be paid

Contractual obligations	€ K	Less than one	1 to 2 years	3 to 5 years	More than 5 years
Long-term financial debts	3,614	1,534	1,254	826	
Leasing - financing	716	352	214	150	
Total	4,330	1,886	1,468	976	

Medium- and long-term financial structure and specific features on 31 December 2009

Characteristics of the loans contracted	Overall amount*	Conditions	Maturity dates	Coverage	Covenants
Fixed rate depreciation	€1,569 k	3.3 to 5.5%	2004-2013	N/A	None
Variable rate depreciation**	€1,820 k	E6M + 1.1%	2006-2013	Swap (cf. infra)	None

* total amount to be paid back on 31/12/2009 - ** initial loan for € 3.5 million taken out to finance the A380 Floor contract, initially repayable in half-yearly instalments from 1 January 2006 to 31 December 2009 and re-scheduled through to 2013.

There are no early maturity clauses, except the usual clause included in loan contracts in the case of a transfer of financial assets.

Hedging instruments

There are no commitments at the present time involving complex financial instruments in SOGECLAIR SA or the group.

However we must draw your attention to the decision taken at the end of November 2005 in view of the rising interest rates, to cover the € 3.5 million variable rate loan taken out for the A380 floor contract.

The coverage put in place consists of a simple Swap contract at 2.975% set on the same due dates and the same reference rate as the A380 loan, thus leading to effective coverage (in the IAS39 sense), even taking into account the rescheduling of the loan (see above) and allowing the posting of a fair value variance on the Balance Sheet in application of IFRS coverage accounting.

At year-end and given the fall in the E6M (Euribor 6-month) rate in 2008 and 2009, now lower than 2.975%, this contract has generated a latent loss close to zero entered in the consolidated reserves.

Guarantees and securities (Description of off-balance sheet commitments relative to current activity)

See consolidated appendix Note 4.23.

Commitments received

See consolidated appendix Note 4.23.

2. Situation of the Companies in the Group

2.1. Activities and results of SOGECLAIR SA

Activity

The financial year was marked by:

- lower operating profitability due to the strong pressure exercised by our customers on prices and stiffer competition on all our markets,
- a slight fallback in the group's activity compared with other companies in the sector,
- continued improvement in the entities' financial structure,
- reduction in the investments in and support to the recently created subsidiaries.

In this context, SOGECLAIR SA has exercised all of its missions to steer and coordinate the group's activities.

In parallel, SOGECLAIR SA has continued to meet the requirements of AVIACOMP, CLAIRIS TECHNOLOGIES SA, E.D.T. SA, OKTAL SA, OKTAL SYNTHETIC ENVIRONMENT, and SERA INGENIERIE in the areas of administration, management, pay, accounting and legal secretariat.

Forecast trends

The 2010 financial year will, once again, be devoted to pursuing the improvement of performance, strengthening internal control and the information system and, more generally, developing the group's capacities, and all this in an economic climate that continues to be disturbed.

Figures

For the year ending 31 December 2009, SOGECLAIR SA achieved:

- turnover of €3,755 k (compared with €3,894 k for the previous financial year),

- net profit of €747 k (compared with €1,505 k for the previous financial year).

We will request that you approve these individual accounts.

In compliance with article R225-102 of Commercial Law, a table is appended to this report showing the company's financial results for the last five financial years.

Information on the terms of payment

On 31 December 2009, the balance of debts with respect to French suppliers outside the group amounted to €238,021 and broke down as follows:

- 6 % of invoices payable at 30 days as from the date the invoice was issued,
- 13 % of invoices payable at 45 days as from the date the invoice was issued,
- 9 % of invoices payable at 60 days as from the date the invoice was issued,
- 9 % of invoices payable at 80 days as from the date the invoice was issued,
- 11 % of invoices payable at 90 days as from the date the invoice was issued.

It should be noted that the share of debts with a due date of more than 60 days corresponds to the due dates indicated by the suppliers.

At the same date, the balance included 52 % of debt that had matured and which was paid on 6 January 2010.

On 31 December 2009, the balance owed by customers amounted to €382,136.

Acquisition of shareholdings and takeovers

Lastly, we must inform you that during the financial year ending 31 December 2009, we have acquired 0.1% of the capital of the company CLAIRIS TECHNOLOGIES MEDITERRANEE, jointly with our subsidiary CLAIRIS TECHNOLOGIES which holds the remaining 99.9%.

Self-owned shares and cross shareholdings

Between December 2009 and February 2010, SOGECLAIR purchased shares in the framework of its buyback programme.

Refer to section 1.6 of the Board of Directors' report to the AGM.

Sanctions for anti-competitive practices

None.

Social and environmental consequences of the activity

This information is presented in appendix 1 to this report.

2.2. Activity and results of the Engineering & Consulting business unit

2.2.1 FRENCH SUBSIDIARIES

AVIACOMP SAS

Set up in mid-2008, this subsidiary did not have any activity during the previous financial year. In Q4 2009 this company won a major contract for the design, manufacture and assembly of composite parts for the Airbus A350 programme. Over time, this will generate several tens of millions of Euros of revenue, starting from 2013. During the financial year the company has engaged operating expenses relative to its startup and has immobilised development expenses. The company will be recapitalised in 2010. The key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 55.00 %	2009 (€k)	2008 (€k)	Change
Sales	30	0	NS
Operating result	-206	-2	NS
Net result	-205	-2	NS
Equity capital	-7	198	NS
Net debt	-65	-98	-33.7%
Avg. workforce (Full-Time Equivalence)	3.5	0	NS

CLAIRIS TECHNOLOGIES SA

The fall in profitability is due to a fall-back of activity in a highly disturbed economic context and stiffer competition on all markets. The net result is up significantly due to an improvement in the financial result and an increase in the research tax credit. An acceleration in debt reduction amounting to more than €1.5 million should also be noted. The key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 99.91 %	2009 (€k)	2008 (€k)	Change
Sales	28,295	29,570	-4.3%
Operating result	-177	209	NS
Net result	366	3	NS
Equity capital	2,513	2,147	+17%
Net debt	2,527	4,055	-37.7%
Avg. workforce (Full-Time Equivalence)	343	327	+4.9%

EDT SA

The fall in profitability is due to a fall-back of activity in a highly disturbed economic context and stiffer competition on all markets and the fact that a customer has gone into receivership has led to debts of nearly €80 k being provisioned. Debt has been reduced by more than €0.9million. The key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 99.80 %	2009 (€k)	2008 (€k)	Change
Sales	8,437	9,535	-11.5%
Operating result	96	813	-88.2%
Net result	93	482	-80.7%
Equity capital	761	668	+13.9%
Net debt	-365	596	NS
Avg. workforce (Full-Time Equivalence)	81	91	+11%

SERA INGENIERIE SAS

A third year's activity in line with expectations. An activity and operating profitability up due to the effect of a major contract won for military vehicles. Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 80.00 %	2009 (€k)	2008 (€k)	Change
Sales	3,587	1,923	+86.5%
Operating result	266	43	NS
Net result	222	64	NS
Equity capital	615	393	+56.5%
Net debt	-1,442	-1,681	-15.8%
Avg. workforce (Full-Time Equivalence)	13	10	+30%

S2E CONSULTING SAS

The fall in profitability is due to a fall-back of activity in a highly disturbed economic context and stiffer competition on all markets. Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 46.98 %	2009 (€k)	2008 (€k)	Change
Sales	834	1,135	-26.5%
Operating result	-30	224	NS
Net result	-33	143	NS
Equity capital	153	238	-35.7%
Net debt	-20	-	NS
Avg. workforce (Full-Time Equivalence)	9	11	-18.2%

2.2.2 FOREIGN SUBSIDIARIES

CLAIRIS TECHNOLOGIES LIMITED

Created in mid-2005, the company is pursuing its development. Its net result in 2008 took into account the writing off by SOGELAIR of a debt amounting to £514 k. Its key indicators, such as they appear in the corporate financial statements, restated to the French standards, are presented below in the local currency:

SOGELAIR holding on 31/12/2009 100.00 %	2009 (€k)	2008 (€k)	Change
Sales	1,318	1,018	+29.4%
Operating result	163	93	+75.3%
Net result	171	472	-63.8%
Equity capital	129	-42	NS
Net debt	122	308	-60.4%
Avg. workforce (Full-Time Equivalence)	23	23	NS

(1) Conversion rate used for establishing the consolidated accounts: closing rate 0.8881, average rate 0.8910

(2) Conversion rate used for establishing the consolidated accounts: closing rate 0.9525, average rate 0.7965

CLAIRIS TECHNOLOGIES MEDITERRANEE

The company, created in April 2009, began its activity during the third quarter. Its key indicators, such as they appear in the corporate financial statements, restated to the French standards, are presented below in the local currency:

SOGELAIR holding on 31/12/2009 99.91 %	2009 (€k)	2008 (€k)	Change
Sales	172		N/A
Operating result	-51		N/A
Net result	-55		N/A
Equity capital	-45		N/A
Net debt	157		N/A
Avg. workforce (Full-Time Equivalence)	5		N/A

(1) Conversion rate used for establishing the consolidated accounts: closing rate 1.8985, average rate 1.8805

HEE GMBH

The company's activity fell back during the year, with a slight improvement in profitability. The adaptation plan put in place in 2008 should make it possible to restore the company to equilibrium in 2010.

Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 99.04 %	2009 (€k)	2008 (€k)	Change
Sales	18,291	19,842	-7.8%
Operating result	-441	-511	-13.7%
Net result	-476	-623	-23.6%
Equity capital	2,331	2,807	-16.9%
Net debt	289	-759	NS
Avg. workforce (Full-Time Equivalence)	202	200*	+1%

*Erratum

SOGEMASA INGENIERIA SA

The activity improved very slightly during the year and profitability improved significantly. The adaptation plan put in place in 2008 should make it possible to restore the company to equilibrium in 2010.

Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 74.50 %	2009 (€k)	2008 (€k)	Change
Sales	2,055	1,955	+5.1%
Operating result	-126	-526	+76.0%
Net result	-108	-379	+71.5%
Equity capital	178	286	-37.8%
Net debt	328	-85	NS
Avg. workforce (Full-Time Equivalence)	29	20	+45%

2.3. Activity and results of the Simulation business unit

OKTAL SA

The company's activity was relatively stable whereas profitability was seriously affected by additional costs on certain contracts particularly during the first half. Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 97.94 %	2009 (€k)	2008 (€k)	Change
Sales	9,830	9,912	-0.8%
Operating result	-239	266	NS
Net result	696	856	-18.7%
Equity capital	2,931	2,715	+7.9%
Net debt	-907	-1,330	-31.8%
Avg. workforce (Full-Time Equivalence)	101	101	

3.2. Prior distributions of dividends

Pursuant to the provisions of article 243 bis of General Tax Law, we remind you that for the last three financial years the dividends paid out per share were as follows:

For the financial year	Revenue eligible for the rebate		Revenue not eligible for rebate
	Dividends	Other revenues distributed	
2006	€362,500 that is €0.50 per share	None	None
2007	€398,750 that is €0.55 per share	None	None
2008	€398,750 that is €0.55 per share	None	None

OKTAL SYNTHETIC ENVIRONMENT SAS

The company's activity was relatively stable whereas profitability improved. Its key indicators, such as they appear in the corporate financial statements, are presented below:

SOGELAIR holding on 31/12/2009 65.11 %	2009 (€k)	2008 (€k)	Change
Sales	2,639	2,654	+0.6%
Operating result	602	580	+3.8%
Net result	605	610	-0.8%
Equity capital	2,421	2,193	+10.4%
Net debt	-1,969	-796	NS
Avg. workforce (Full-Time Equivalence)	26	27	-3.7%

3. Appropriation of the result

3.1. Proposed appropriation

The appropriation of our company's results that we are proposing conforms to law and our articles of association.

We propose to assign the profit for the financial year, which amounts to € 746,591.29, plus a balance carried forward totalling € 4,201,960.78 as follows:

Origin

- Balance carried forward : € 4,201,960.78
- Profit for the financial year : € 746,591.29

Appropriation

- Balance carried forward
thus raised from €4,201,960.78 to € 4,549,802.07
- To the shareholders, as dividend
Giving a dividend of €0.55 per share € 398,750.00

The dividend payable to each share is therefore set at € 0.55. The distribution is eligible, for physical people fiscally domiciled in France, for the 40% rebate provided for in article 158-3 2° of General Tax Law.

This dividend will be payable as from 14 June 2010.

In the case where, at the time these dividends are paid out, the company holds certain of its own shares, the sums corresponding to the unpaid dividends relative to those shares shall be carried forward.

3.3. Non tax-deductible charges

We note that the non-tax deductible expenses and charges mentioned by articles 39-4 of General Tax Law engaged during the past financial year amounted to € 4,292.

We request that you approve them, along with the corresponding tax.

4. Company capital

4.1. Composition of the company capital

We remind you below of the identity of the people who, on 31 December 2009, held more than 5%, 10%, 15%, 20%, 25%, 33,33 %, 50%, 66,66 % or 95% of the company's capital or voting rights at the General Meeting:

Shareholders	In capital	In voting rights
With more than 5%	Anne ROBARDEY Huguette ROBARDEY Jean-Louis ROBARDEY Philippe ROBARDEY	Anne ROBARDEY Huguette ROBARDEY Jean-Louis ROBARDEY Philippe ROBARDEY
With more than 10%	Philippe ROBARDEY	Huguette ROBARDEY Jean-Louis ROBARDEY Philippe ROBARDEY
With more than 15%	Philippe ROBARDEY	Philippe ROBARDEY
With more than 20%	Philippe ROBARDEY	Philippe ROBARDEY
With more than 25%	Philippe ROBARDEY	Philippe ROBARDEY
With more than one third	Philippe ROBARDEY	Philippe ROBARDEY
With more than 50%	None	None
With more than 2/3	None	None
With more than 90%	None	None
With more than 95%	None	None

No changes were made to this list during the 2009 financial year.

4.2. Employee shareholding

Capital held

At year-end there was no employee holding in the company's equity capital as defined in article 225-102 of Commercial Law.

4.3. Own shares holding

Operations carried out in the framework of the buyback programme

In the framework of a share buyback programme, the Company proceeded between the beginning and end of the financial year, with the following own share purchasing and selling operations:

Liquidity contract

- Number of shares purchased: 20,665
Average purchase price: € 14.45

- Number of shares sold: 18,601
Average sale price: € 14.90
- Total amount of the negotiation fees: € 19,000

Outside the liquidity contract

- Number of shares purchased: 11,386
Average purchase price: € 14.50 €
- Number of shares sold: none
- Total amount of the negotiation fees: ns

Reasons for the acquisitions	%
Market making	64%
Employee shareholding	/
Securities giving the right to the allocation of shares	/
External growth operations	36%
Cancellation	/

Other operations

Besides the share buyback programme, no other operation was accomplished during the financial year.

Year-end situation

The own-shares situation was therefore as follows at year-end:

Year-end situation	Outside of market making contract	Market making contract	Total
Number of shares held	56,402	6,366	62,768
Book value	€1,105,722	€85,559	€1,191,281
Nominal value			€251,072

At year-end, the number of shares registered in the company's name represented 8.65 % of capital.

No use was made of the own-shares during the financial year outside the liquidity contract and the company did not proceed with any reallocation of shares to any other purpose during the financial year.

4.4. Share buyback programme

We propose that you should grant the Board of Directors for a period of eighteen months the powers required, pursuant to articles L. 225-209 et seq. of Commercial Law, to buy back in one or more transactions at times that it shall decide, shares in the company within the limit of 10 % of the number of shares making up the company's equity capital adjusted, where applicable, to take into account any increases or reductions of capital that may be made during the term of the programme.

This authorisation puts an end to the authorisation given to the Board of Directors by the Ordinary General Meeting held on 28 May 2009 in its eighth ordinary resolution.

The acquisitions may be made with a view to:

- ensuring market making or the liquidity of the Sogeclear shares through the intermediary of an investment service provider by means of a liquidity contract that is conform to an AMAFI code of ethics recognised by the AMF,

- keeping the purchased shares and putting them at a later time up for exchange or in payment in the framework of external growth operations, it being stated that the shares purchased for this purpose may not exceed 5 % of the company's capital,

- ensuring the coverage of share option purchase plans and other forms of share allocation to the group's employees and/or directors under the conditions and according to the procedures stipulated by law, in particular in respect of participation in the company's results, of the company savings plan or the free allocation of shares,

- ensuring the coverage of the securities giving the right to the allocation of the company's shares in the framework of the regulations in force,

- proceeding with the possible cancellation of the shares purchased, subject to the authorisation granted by the General Meeting of the shareholders on 28 May 2009 in its ninth, extraordinary, resolution.

These purchases of shares may be carried out by any means, including by the purchase of blocks of shares, and at any time that may be decided upon by the Board of Directors.

These operations may in particular be carried out at the times of public offerings in accordance with article 232-15 of the AMF general regulations if, on the one hand, the offering is fully settled in cash and, on the other hand, the buyback operations are accomplished in the framework of pursued execution of the current programme and are not of a nature to make the offering fail.

The company reserves the right to use option-based mechanisms or derivative instruments in the framework of the applicable regulations.

We propose that the maximum purchase price should be set at € 35 per share. In the event of transactions on the capital, in particular of a split or reverse split of stock or of a free allocation of shares, the amounts indicated above shall be adjusted in the same proportions (multiplication coefficient equal to the ratio between the number of shares making up the capital before the operation and the number of shares after the operation).

The maximum amount of the transaction is therefore set at € 2,537,500.

The Board of Directors shall therefore have all powers to do the necessary in this matter.

5. Administration and control of the company

5.1. General management

We hereby inform you that at its session held on 23 May 2003, the Board decided to entrust general management to the President of the Board of Directors.

5.2. Board of Directors

List of mandates and functions exercised by the directors over the last five year

First name and surname or corporate designation of the appointees	Position in the company	Date of appointment	Appointment end date	Other function(s) in the company	Mandates and/or functions in other companies (in the group or not) currently or expired during the last 5 years
Philippe Robardey	President Chief Executive Officer and Director	25/05/2007 (renewal)	2013	None	- Director of Clairis Technologies SA - Director of EDT - Permanent representative of SOGECLAIR on the Board of Directors of Oktal SA - Director of Sogemasa Ingenieria - Manager of Tharsys (until 12/09/2008) - President of Clairis Technologies Limited (UK) - President of Sera Ingénierie - AVIACOMP SAS board member - Co-director of Clairis-Technologies Méditerranée - IRDI board member
Jean-Louis Robardey	Director	28/05/2007 (renewal)	2015	None	- Director and President of EDT - Director of Clairis Technologies SA - Manager of the Solair property investment Co.
Michel Grindes	Director	17/05/2008 (renewal)	2014	None	- Manager of MBZ Consultants
Bernard Ziegler	Director	17/05/2008 (renewal)	2014	None	- Director of Sogemasa Ingenieria (until 09/10/2008)
Jacques Riba	Director	10/06/2005 (renewal)	2011	None	- President of the Board of Directors of Sunn and of RHB Investissements (until 31/12/2005) - Director of Courtois SA (until 31/12/2007) - Manager of PAGESTRI
Gérard Blanc	Director	25/05/2007	2013	None	- Director of Valéo - President of MARIIGNAC Gestion SAS
Alain Ribet	Director	25/05/2007 (renewal)	2013	None	- Director of Clairis Technologies - Director-Expert of Clairis Technologies SA - Director of EDT - President of S2E Consulting
Alberto Fernandez	Director	17/05/2006	2012	None	- President and CEO of Jefe Jeronimo SL - Member of the Board of Directors of Aresa, - Member of the Strategy Committee of Asco
Henri-Paul Brochet	Director	28/05/2009	2015	None	- Thalès Alenia Space : - Director of integration at the time of the Alcatel Space merger with Alenia Spazio - Assistant General Manager France: Advisor to the President and Director of the Toulouse Site - Thalès Alenia Space representative on the Intespace board of directors - Director of Thalès Alenia Space Belgium & Espana - Member of the Supervisory Board of the Actia Group

5.3. Directors' remunerations

Below, we indicate the total remuneration and all the benefits of any nature whatsoever paid by the company or by the company under its control to each Director during the financial year ending 31 December 2009.

Table 1

Table summarising the remuneration, options and shares granted to each Director (in €)

Mr. Philippe Robardey (President & CEO)	2008 financial year	2009 financial year
Remuneration due in respect of the financial year (detailed in table 2)	250,474.00	275,374.36
Valuation of the options granted during the financial year (detailed in table 4)	-	-
Valuation of performance-related shares granted during the financial year (detailed in table 6)	-	-
Total	250,474.00	275,364.36

Table 2

Table summarising the remuneration paid to each Director (in €)

Mr. Philippe Robardey	2008 financial year		2009 financial year	
	Amount due	Amount paid	Amount due	Amount paid
- Fixed remuneration	198,170.60	198,170.60	198,475.50	198,475.50
- Variable remuneration	35,980.00	51,890.00	60,770.36	35,980.00
- Extraordinary remuneration	-	-	-	-
- Director's fees	14,494.00	15,000.00	14,594.00	14,594.00
- Non-cash benefits (company car)	1,829.40	1,829.40	1,524.50	1,525.50
Total	250,474.00	266,890.00	275,364.36	250,574.00

The variable part of the remuneration paid to Mr Philippe Robardey in 2008 corresponds to the 2007 financial year; that paid in 2009 corresponds to 2008. This variable part of the remuneration is calculated on the basis of 2% of the consolidated pre-tax profit until 2008. As from 2009, as decided by the Board of Directors on 10 March 2010, this remuneration is set at 4% of the consolidated pre-tax profit.

Table 3

Table of director's fees and other remuneration received by the non-executive Board Members (in €)

Non-executive Board Members	Amount paid in 2008	Amount paid in 2009
Mr. Gérard Blanc		
Director's fees	6,150	5,897
Other remuneration	-	-
Mr. Henri-Paul Brochet		
Director's fees	-	-
Other remuneration	-	-
Mr. Alberto Fernandez		
Director's fees	6,150	5,897
Other remuneration	-	-
Mr. Michel Grindes		
Director's fees	6,150	5,897
Other remuneration	-	-
Mr. Jacques Riba		
Director's fees	6,150	5,897
Other remuneration	-	-
Mr. Alain Ribet		
Director's fees	15,550	15,297
Other remuneration	48,000	48,000
Mr. Jean-Louis Robardey		
Director's fees	12,050	11,797
Other remuneration	-	-
Mr. Bernard Ziegler		
Director's fees	6,150	5,897
Other remuneration	-	-
Total	106,350	104,579

Rule for the distribution of Directors' Fees

The calculation and distribution method for the directors' fees were set for SOGECLAIR SA by the Board of Directors on 5 March 1998 as follows:

"The directors' fees allocated in respect of a financial year to the members of the board of directors are set in application of the rules concerning tax deductibility and each year represent in all 5% of the average remuneration assigned to the 5 highest paid employees in the company multiplied by the number of members on the board of directors rounded off to the nearest hundred Euros. For the forthcoming financial years, the allocation of directors' fees within the board of directors will be determined as follows: double share for the President and for the CEO directors, single share for the other directors."

There are no allocation criteria such as the rate of attendance at the Board Meetings.

The directors' fees will be maintained for the forthcoming financial years, until notice to the contrary is given.

Table 4**Subscription or purchase options for shares granted during the financial year to each Director by the issuer and by any company in the group**

Name of the Director	Plan No. and date	Nature of the options (purchase or subscription)	Valuation of the options according to the method adopted for the consolidated accounts	Number of options granted during the financial year	Exercise price	Exercise period
				None		

Table 5**Subscription or purchase options for shares taken up during the financial year by each Director**

Name of the Director	Plan No. and date	Number of options taken up during the financial year	Exercise price
		None	

Table 6**Performance-related shares granted to each Director**

Performance-related shares granted by the General Meeting of Shareholders during the financial year to each Director by the Issuer and by any company in the group (nominative list)	Plan No. and date	Number of shares granted during the financial year	Valuation of the shares according to the method adopted for the consolidated accounts	Acquisition date	Date of availability	Performance-related conditions
						None

Table 7

Performance-related shares that have become available for each Director	Plan No. and date	Number of shares that have become available during the financial year	Acquisition conditions
		None	

Table 8**HISTORY OF SHARE SUBSCRIPTION OR PURCHASE ALLOCATIONS****INFORMATION ON THE SUBSCRIPTION OR PURCHASE OPTIONS**

Date of the General Meeting	Plan 1	Plan 2
	None	None

Table 9

Share subscription or purchase options granted to the top ten non-director employees and options taken up by the latter	Total number of options granted / of shares subscribed to or purchased	Weighted average price	Plan n°1	Plan n°2
				None

Table 10

Directors	Contract of employment		Supplementary pension scheme		Indemnities or benefits owed or liable to be owed due to a termination or change of functions		Indemnities relative to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
M. Philippe Robardey President & CEO Date of entry into office: May 2007 Expiry date: 2013 AGM		No		No	Yes			No

Commitments of any nature corresponding to elements of remuneration, indemnities or benefits owing or liable to be owed because of the taking up, termination or change of the director's functions or subsequent to it:

At the time of its session held on 18 December 2008, the Board of Directors authorised an undertaking for the benefit of Mr Philippe Robardey, pursuant to the provisions of article L.225-42-1 of Commercial Law, under the terms of which Mr Philippe Robardey shall receive, in the event of termination of his mandate as the company's Chief Executive Officer, except in the case of termination due to failure such as defined in paragraph 2 below or of voluntary departure, an indemnity corresponding to 24 months' remuneration (fixed and proportional calculated on the basis of the last annual period preceding termination of his mandate).

The payment of said indemnity shall be subject to the condition that the group has achieved, in respect of the last five financial years whose consolidated accounts have been closed by the Board before said termination, an average Operating Profit, increased by the amortization expenses and provisions, at least equal to € 5 million.

Remunerations and non-cash benefits paid in the form of the allocation of capital securities, debt securities or securities giving access to the capital or giving the right to the allocation of debt securities of the company or of the controlled or controlling companies:

None

6. Auditors

The mandates of the company EXCO FIDUCIAIRE DU SUD OUEST and of Mr. Christian DUBOSC, titular and substitute auditors, come to an end at the end of this General Meeting. At the end of these mandates, Mr. Jean-Marie FERRANDO, signatory representative of the company EXCO FIDUCIAIRE DU SUD OUEST, will have certified the company's (and consolidated) accounts for six consecutive financial years.

We propose that you should renew their mandates, for a period of six financial years, that is through to the end of the Ordinary Annual General Meeting to be held in the year 2016, called to approve the accounts for the financial year ending 31 December 2015.

7. Regulated conventions

We inform you that no new conventions covered by article L 225-38 and article L.225-42-1 of Commercial Law have been concluded during the past financial year.

We have provided your auditors with the useful indications to allow them to present to you their special report which will be read to you in a few moments.

8. Information that has an impact in terms of public offerings

The capital structure is defined in paragraph 4.1.

There are no shareholders' pacts. However, a commitment was made on 3 December 2004 to keep Company shares in the framework of the preferential tax provisions put in place by the so-called "Dutreil

Law" dated 1 August 2003. This commitment concerns the Robardey family and Mr. Marc Darolles and concerns 150,040 shares and the related voting rights.

The voting rights are exercised in accordance with article 15 of our articles of association.

The rules for appointing and removing members of the Board are the statutory legal rules, except for the age limit of 72 provided for in article 13 of the articles of association.

Concerning the powers of the Board of Directors, the current delegations are described in the delegation table given in Appendix 2 of this report.

The modification of our company's articles of association are made in compliance with the legal and regulatory provisions.

The agreements providing for the indemnities in the case of a director relinquishing his/her functions are described in paragraph 5.3 of this report.

9. Authorisations in the area of individual employee shareholdings

To make it possible to implement an employee shareholding policy to serve as an incentive and strengthen the company's development, we propose that you authorise the Board to proceed with the allocation of stock options and free shares as follows:

- Authorisation to allocate options to subscribe to and/or purchase shares

We propose that you authorise the Board of Directors, for a period of 38 months, to grant options to subscribe to and/or purchase shares for the benefit of employees, some of them, or certain categories of employees, and/or the directors defined by law, whether of the company or of consortiums that are linked to it under the conditions of article L. 225-180 of Commercial Law.

The total number of options that may be granted by the Board of Directors in respect of this delegation of powers may not give the right to subscribe to or purchase a number of shares exceeding 2 % of the share capital that exists on the day of the first allocation, it being stated that from this ceiling shall be deducted the total number of shares that may be allocated free of charge by the Board of Directors in respect of the authorisation that follows.

The share subscription and/or purchase price payable by the beneficiaries shall be set on the day the options are granted by the Board of Directors and may not be lower than the minimum prices determined by the legal provisions in force.

The length of the options fixed by the Board may not exceed a period of 5 years, as from the date they are granted.

Thus, the Board shall have, within the limits set above, all powers to fix other conditions and procedures for granting and exercising options and in particular for fixing the conditions under which the options shall be granted and determine the list or categories of beneficiaries such as provided for above, fix the period(s) for exercising the options thus granted, accomplish or have accomplished all acts and formalities with a view to rendering definitive the capital increase(s) that may, where applicable, be made, modify the articles of association in accordance and, generally, do everything necessary.

- Authorisation to allocate shares free of charge to salaried members of staff (and/or certain directors) (article L. 225-197-1 of Commercial Law)

We propose that you delegate to the Board of Directors, for a period of 38 months, the powers to proceed, within the framework of article L. 225-197-1 of Commercial Law, the free granting of new shares resulting from an increase of capital by incorporation of reserves, premiums or profits, or existing shares.

The following people may benefit from these allocations:

- salaried members of staff of the company or of companies directly or indirectly linked to it in the sense of article L. 225-197-2 of Commercial Law,
- and/or the directors who meet the conditions of article L. 225-197-1 of Commercial Law.

The number of shares that may be granted free of charge by the Board of Directors in respect of this delegation of powers may not exceed 3 % of the share capital that exists on the day of granting, it being stated that from this ceiling shall be deducted the total number of shares to which the options that may be granted by the Board of Directors will give the right in respect of the above authorisation.

The granting of shares to the beneficiaries shall be definitive after an acquisition period whose time shall be set by the Board of Directors, with a minimum of two years, the beneficiaries being obliged to keep said shares for a length of time set by the Board of Directors, it being stated that this conservation time may not be less than two years as from the definitive allocation of said shares.

However, the General Meeting authorises the Board of Directors, insofar as the acquisition period for all or part of one or more allocations is at least four years, not to impose any conservation time for the shares concerned.

As an exception, the definitive allocation shall be made before the end of the acquisition period in the event of the invalidity of the beneficiary corresponding to the classification in the second and third categories provided for by article L. 341-4 of Social Security Law.

This authorisation shall entail by right renunciation of your preferential right to subscribe to new shares issued by incorporation of reserves, premiums and profits.

Thus, the Board shall have, within the limits set above, all powers for fixing the conditions and, where applicable, the share allocation criteria, determining the identity of the beneficiaries of the free allocations amongst the people who meet the conditions fixed above and the number of shares being granted to each one of them, determining the impact on the rights of the beneficiaries of the operations modifying the capital or liable to have an influence on the value of the shares to be granted and performed during the acquisition and conservation periods, where applicable ascertaining the existence of sufficient reserves and proceeding at the time of each allocation with the transfer to a non-distributable reserves account of the sums required for paying up the new shares to be granted, deciding on the capital increase(s) by incorporation of reserves, premiums or profits, correlative to the issuing of the new shares granted free of charge, proceeding with the acquisition of the necessary shares within the framework of the share buy-back programme and assigning them to the allocation plan and generally doing, within the regulatory framework in force, everything made necessary by the implementation of this authorisation.

10. Delegation with a view to increasing the capital for the benefit of members of a PEE (Plan d'Epargne d'Entreprise – Company Savings Scheme) (articles L. 225-129-6, L. 225-138-1 of Commercial Law and L. 3332-18 et seq. of Labour Law)

In the framework of a legal obligation to promote employee shareholdings, we are also proposing that you should vote on a project to delegate powers to the Board of Directors making it

possible to carry out an increase of capital, reserved for the members of a Plan d'Epargne d'Entreprise (Company Savings Scheme) and implemented under the conditions of articles L. 3332-18 et seq. of Labour Law, by issuing ordinary shares for cash and, where applicable, by the free allocation of ordinary shares or other securities providing access to the capital. By law it is obligatory to remove the preferential right to subscription.

It is stated that, pursuant to the provisions of article L. 3332-19 of Labour Law, the price of the shares to be issued may not be more than 20 % (or 30 % when the length of unavailability provided for in the plan, in application of articles L. 3332-25 and L. 3332-26 of Labour Law, is longer than or equal to ten years) lower than the average of the first quotations of the share during the 20 stockmarket sessions preceding the decision made by the Board of Directors relative to the capital increase and the issue of the corresponding shares, or higher than said average.

The maximum nominal amount of the increase(s) that may be made through the utilisation of this delegation shall be 3 % of the amount of the share capital reached at the time of the Board of Directors' decision to make this increase,

For this purpose, we propose that you entrust all powers to the Board of Directors with a view to exercising this delegation for a period of 26 months.

The Board shall, within the limits set above, have the powers required in particular for fixing the conditions of the issue(s), ascertaining the accomplishment of the resulting capital increases, proceeding with the related modification of the articles of association, charging, on its sole initiative, the capital increase expenses to the amount of the related premiums and taking from that amount the sums required to bring the legal reserve to one tenth of the new capital after each increase and, more generally, doing the necessary in this matter.

11. Delegations relative to capital increases

Refer to Appendix 2 of this report.

12. Operations on the securities of the directors, top management and their next of kin carried out during the last financial year

Refer to Appendix 3 of this report.

13. Conclusion

We request that you give your full and definitive approval to your Board of Directors for its management for the financial year ending on 31 December 2009, and to the Auditors for the accomplishment of their mission such as they detail it in their general report.

Your Board invites you to approve through your vote, the text of the resolutions that it is submitting to you.

The Board of Directors

APPENDIX 1

Social and environmental consequences of the activity

1. Social Impact

1.1. Employment

The group's total consolidated workforce, as an average over the year expressed as a full-time equivalence, breaks down as follows:

	2009	2008	2007
Engineers, managers and senior technicians	760	750*	754
Technicians and employees	92	94*	93
TOTAL	852	844	847

*Erratum

543 people are employed in Midi-Pyrénées and PACA regions, with 51 in the Paris region.

The average age is 36.4 and the turnover rate was 8.72 %.

The fixed-term contracts represent approximately 2% of the workforce. The proportion of temporary staff with respect to the total workforce is not significant.

Fewer than ten new positions were created, mainly concerning engineers and experts in the group's various specialities.

The activity perspectives and the need to strengthen our skills in our new professions allow us to hope to maintain a good level of employment at SOGECLAIR in 2010.

1.2. Subcontracting

SOGECLAIR regularly calls on the services of external companies (subcontracting).

The flexibility rate represents 13% and this level results from the group's on-going efforts to adapt in order to meet the requirements in terms of:

- capacities in its professions, to make it possible to absorb any short-term additional workloads or that are too sudden to be coped with immediately through the allocation of company resources, and to preserve a sufficient degree of flexibility to make it possible to confront changes in the economic factors, in specialities to make it possible to meet our customers' requirements and quickly obtain know-how before we have capitalised this internally.

To achieve this, SOGECLAIR maintains a network of relations with loyal, specialist companies:

- principally in the euro zone, recognised for their skills, experience and competitiveness,
- and some from outside the euro zone with tried and tested skills, that provide greater competitiveness and satisfy our quality criteria.

It is reasonable to think that whilst SOGECLAIR could continue to create jobs in the company and jobs subcontracted in the euro zone, subcontracting outside the euro zone should also grow in order to allow us to meet our customers' ever-stronger demands in the area of costs and geographical compensation (offshore).

1.3. Working hours / Absenteeism

The French-law companies are subject to compliance with the legal working hours. The 35 working hour agreements were negotiated between 2000 and 2002. Full-time employees work 35 hours a week, or on the basis of 218 days a year. The part-time staff work between 14 and 31 hours a week.

The rate of absenteeism stands at 2.92%. The main reasons for absence are (in increasing order) paternity, maternity and sick leave.

1.4. Remuneration policy

For the French subsidiaries, the pay rises are subject to annual negotiations within each structure. In 2009, the remunerations increased by between 2% and 3%, all staff categories taken into account.

1.5. Professional relations / Result of the collective bargaining agreements

Each French subsidiary has its own staff representation bodies (staff council, single delegation, staff representatives). Meetings are held regularly with them by the directors of the subsidiaries, or by the human resources managers in compliance with the provisions of law. The collective and/or branch bargaining agreements are followed up in the framework of these meetings.

1.6. Health & Safety conditions

Given the company's activities, which are carried out in "office" areas, the health and safety conditions do not require any particular remarks. The working areas are subject to continual maintenance and upkeep.

1.7. Training (French subsidiaries)

In 2009, a total of € 657,390 was devoted to training expenses, representing 3.34% of the payroll. The training expenses, mainly technical, are intended to maintain a high technical level and multiple skills for all the staff. The legal provisions in the DIF (individual right to training) framework were implemented on 1 January 2005.

1.8. Equal opportunities

In the area of equal opportunities, the company takes care to ensure the legal provisions are applied and does not make any difference based on criteria other than skills and working conditions.

In particular no distinction is made between men and women, and the company seeks to promote the employment and rehabilitation of disabled workers through internships and hiring or by calling on the services of specialist service providers (Sheltered Workshops, etc.).

1.9. Social works (French subsidiaries)

Social works come within the scope of the staff councils and concern the benefits granted to the staff: company restaurant, organisation of travel and sports outings, cut-rate plane/cinema/theatre tickets, holiday rentals.

2. Environnemental Impact

None of the companies in the SOGECLAIR group has any activity that could negatively impact the environment. Furthermore, instructions are given in the area of power and paper consumption and for the selective sorting of waste, so as to minimise the wasting of environmental resources.

APPENDIX 2

Table summarising the currently valid delegations relative to capital increases

	Date of the E.G.M.	Delegation expiry date	Authorised amount	Increases made in the previous years	Increases made during the financial year	Residual amount on the day this table was established
Authorisation to increase the capital by incorporating reserves, profits or premiums	28/05/2009	27/07/2011	€1,450,000	-	-	€1,450,000
Authorisation to increase the capital with upholding of PSR	28/05/2009	27/07/2011	€1,450,000 ⁽¹⁾	-	-	€1,450,000
Authorisation to increase the capital with cancellation of PSR by public offer and/or private placement	28/05/2009	27/07/2011	€1,450,000 ⁽¹⁾	-	-	€1,450,000
Authorisation to increase the capital as remuneration for a contribution of shares or securities	28/05/2009	27/07/2011	10 % of capital ⁽¹⁾	-	-	10 % of capital
Authorisation to increase the capital with cancellation of PSR for the benefit of members of a Company Savings Scheme (PEE)	28/05/2009	27/07/2011	3 % of capital	-	-	3 % of capital
Authorisation to allocate free shares to be issued	25/05/2007	24/07/2010	3 % of capital	-	-	3 % of capital
Authorisation to issue share subscription and/or purchase options	25/05/2007	24/07/2010	2 % of capital	-	-	2 % of capital

(1) : Delegations to be charged one to the other.

APPENDIX 3

Table summarising the share operations accomplished by the directors and their next of kin during the last financial year

Surname and first name	ROBARDEY Philippe
Capacity	President & CEO
Operations performed by a person related to the above person	/
Description of the financial instrument	shares
Total number of financial instruments transferred	
Weighted average price	
Total amount of the transfers	
Total number of financial instruments purchased	
Weighted average price	
Total amount of the purchases	
Total amount of the financial instruments subscribed to/ exchanged	Purchased / Sold 1,538
Weighted average price	€ 13.25
Total amount of the operation	€ 20,378.50

APPENDIX 4

Table summarising the results over the last five financial years (in €)

NATURE OF THE INDICATIONS	2005 FINANCIAL YEAR	2006 FINANCIAL YEAR	2007 FINANCIAL YEAR	2008 FINANCIAL YEAR	2009 FINANCIAL YEAR
Capital at year-end					
Equity capital	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Number of existing ordinary shares	725,000	725,000	725,000	725,000	725,000
Number of existing shares with priority dividend (without voting rights)					
Maximum number of future shares to be created: . by conversion of obligations . by exercising subscription rights					
Operations and earnings for the financial year					
Sales ex VAT	2,574,345	3,219,407	3,307,059	3,894,934	3,754,758
Earnings before taxes, employee shareholding, amortisation and provisions	782,959	1,525,933	1,061,348	1,999,103	807,018
Income tax	5,982	309,867	-13,302	25,758	-184,851
Employee participation for the financial year	0	0	0	0	0
Earnings after taxes, employee shareholding, amortisation and provisions	1,162,452	1,162,050	1,034,014	1,505,077	746,591
Distributed earnings	290,000	362,500	398,750	398,750	398,750(*)
Earnings per share					
Earnings after taxes, employee shareholding but before amortisation and provisions	1.07	1.68	1.48	2.72	1.14
Earnings after taxes, employee shareholding, amortisation and provisions	1.60	1.60	1.42	2.07	1.03
Dividend distributed per share (a)	0.40	0.50	0.55	0.55	0.55(*)
Personnel					
Average headcount for the year	11	13	15	16	17
Payroll for the year	773,915	946,741	1,058,532	1,072,385	1,047,686
Sum paid in respect of social benefits for the year (social security, social works, etc.)	363,009	411,956	498,573	506,739	511,940

(*) project

Special report on the operations accomplished in the framework of the share buyback programme (article L225-209 para. 2 of commercial law)

Dear Shareholders,

Pursuant to the second paragraph of article L.225-209 of Commercial Law, we are informing you of the operations accomplished in the framework of the authorisation you gave the Board of Directors in the framework of the eighth resolution of the General Meeting of the shareholders held on 28 May 2009, according to the conditions described in the information note registered by the AMF on 21 March 2000, under the number 00.362. The authorisation to proceed with an own shares buyback programme was given by the General Meeting held on 12 April 2000 and renewed by the General Meetings held on 9 April 2001, 19 April 2002, 23 May 2003, 7 June 2004, 10 June 2005, 17 May 2006, 25 May 2007, 14 May 2008 and 28 May 2009.

Percentage of the capital self-held directly and indirectly ⁽¹⁾	8.76%
Number of shares cancelled during the last 24 months ⁽²⁾	none
Number of shares held in the portfolio ⁽¹⁾	63,487
Book value of the portfolio ⁽¹⁾	€1,210,348
Market value of the portfolio ⁽¹⁾	€ 969,446

(1) As of 28 February 2010

(2) This concerns the last 24 months preceding 28 February 2010

Operations accomplished in respect of the last authorisation (period from 29/05/2009 to 28/02/2010)

	Market making	Employee share-holding	Growth through acquisition operations	Coverage of securities	Cancellation	Total
Purchase						
Number of shares	13,794	/	8,345	/	/	22,139
Price	€ 14.04	/	€ 13.72	/	/	
Amount	€ 193,624	/	€ 114,514	/	/	€ 308,138
Amount of shares used ⁽¹⁾	100%	/		/	/	
Sale / transfer						
Number of shares	15,349	/	/	/		15,349
Price	€ 14.32	/	/	/		
Amount	€ 219,828.89	/	/	/		€ 219,828.89

(1) market making

The company has not used any derivatives in the framework of this share buyback programme.

The shares held by the company have not been subject to any reallocation to any other end since the last authorisation granted by the Board of Directors.

The Board of Directors

(Financial year ending 31 December 2009)

The audit procedures on the consolidated accounts have been performed. The certification report will be issued after finalisation of the procedures required for the registration of the annual reference document.

1. CONSOLIDATED ACCOUNTS

ASSETS (in thousands of Euros)	Notes	2009	2008	2007
Goodwill	1.2.1 & 4.1	3,908	3,908	4,045
Intangible assets	1.2.2 & 4.2	4,769	6,156	7,534
Property, plant and equipment	4.3	2,121	2,135	2,502
Investments in associates	4.4	596	829	703
Other long-term assets	4.5	100	100	
Non-current assets		11,493	13,128	14,784
Inventories		80	66	155
Trade and other receivables	4.6	28,102	27,766	25,575
Available-for-sale financial assets		3,661	2,714	1,939
Current tax asset	4.7	879	801	477
Cash and cash equivalents	4.8	4,253	4,159	5,977
Current assets		36,974	35,506	34,123
TOTAL ASSETS		48,467	48,634	48,908

LIABILITIES (in thousands of Euros)	Notes	2009	2008	2007
Share capital	4.9	2,900	2,900	2,900
Share premium account		2,630	2,630	2,630
Own shares	4.9	-1,095	-933	-909
Other reserves and accumulated results		9,661	8,324	6,482
Equity capital, group share		14,096	12,921	11,103
Minority interest	4.10	910	1,375	1,420
Total equity		15,006	14,296	12,523
Provisions for other liabilities and charges	4.11	1,114	1,705	698
Payables and other financial liabilities		1,344	1,763	1,831
Borrowings	4.12	2,444	3,264	5,268
Provisions for other liabilities and charges		4,903	6,732	7,798
Borrowings		162	162	314
Obligations under finance leases	4.12	1,886	1,873	1,970
Other non-current debts	4.12	13	21	1,740
Short-term provisions	4.13			176
Trade and other payables		9,724	8,253	6,865
Tax and social liabilities		13,482	14,289	13,897
Deferred tax liabilities	4.14	3	4	13
Other liabilities		3,288	3,003	3,610
Current liabilities		28,558	27,605	28,587
TOTAL LIABILITIES		48,467	48,634	48,908

2. CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in thousands of Euros)	Notes	2009	2008	2007
Sales	4.15	69,264	73,890	75,004
Other income from the activity	4.16	4,418	1,850	2,113
Cost of goods sold		-21,209	-23,712	-25,524
Personnel charges		-45,951	-44,310	-42,479
Taxes and duties		-1,211	-1,183	-1,451
Amortisation and provisions		-3,436	-4,005	-4,123
Other charges		-177	-210	-333
Current operating profit		1,699	2,320	3,206
Result of the sale of consolidated holdings	4.17		920	
Other operating income and charges	4.18	276	-301	-230
Operating profit		1,974	2,939	2,976
Income from cash flow and cash flow equivalents		15	-131	-88
Gross finance costs		-194	-390	-529
Net finance costs	4.19	-179	-521	-616
Other financial income and charges	4.20	-63	1	35
Pre-tax profit		1,732	2,418	2,395
Income tax expenses	4.21	-59	-241	-633
Profit after tax		1,672	2,178	1,762
Net profit		1,672	2,178	1,762
Group share		1,502	2,163	1,486
Minority share		171	15	276

(In euros)	Notes	2009	2008	2007
Profit per share		2.07	2.98	2.05
Diluted profit per share		2.07	2.98	2.05

NET INCOME AND GAINS AND LOSSES RE- CORDED DIRECTLY IN EQUITY CAPITAL (in thousands of Euros)	Notes	2009	2008	2007
Net profit		1,672	2,178	1,762
Conversion rate adjustment		10	22	54
Re-statement of derivative coverage instruments		193	-23	-15
Total gains and losses recorded directly in equity capital		203	-1	40
Share of the owners of the parent company		1,707	2,162	1,525
Holdings not giving control		168	15	276

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3. CASHFLOW

3.1. CONSOLIDATED CASHFLOW STATEMENT

CONSOLIDATED CASHFLOW (in thousands of Euros)	2009	2008	2007
Net result of integrated companies	1,672	2,178	1,762
+/- Amortisation and provisions (excluding those linked to current assets)	2,244	4,019	3,873
-/+ Latent gains and losses linked to fair value variations	91		
-/+ Qualified pre-payment transformed into subsidy	-238		-338
-/+ Transfer capital gains	-1	-900	-92
- Dividends (non consolidated shares)	-11		
Self-financing capacity after net finance costs and tax	3,758	5,297	5,205
+ Net finance costs	179	521	616
+/- Tax charge (including deferred tax)	-59	-241	-633
Self-financing capacity before net finance costs and tax (A)	3,878	5,577	5,188
- Tax paid (B)	-1,427	-795	-1,108
+/- variation in working capital requirement linked to the activity (including debt related to personnel advantages) (C)	1,087	-1,561	5,015
= CASHFLOWS FROM OPERATING ACTIVITIES (D) = (A + B + C)	3,538	3,221	9,096
- Acquisition of fixed assets	-1,411	-1,460	-2,217
+ Sale of fixed assets	624	126	266
+ Sale of financial assets (non consolidated shares)		1	
+/- Impact of variations in scope	-264	1,654	
+ Dividends received (equity method affiliates, non consolidated shares) * see alternative treatment 7.2	11		
+/- Variations in loans and advances granted	5	-146	
= CASHFLOWS FROM INVESTMENT ACTIVITIES (E)	-1,035	175	-1,950
+ Sums received from shareholders at time of capital increases			
- Variations in other equity capital		45	29
-/+ Buyback and sale of own shares	-162	-24	
- Dividends allocated for payment during the year			
- Dividends paid to the parent company shareholders	-369	-373	-341
- Dividends paid to the minority interests	-136	-137	-177
+ Loan issues	632	122	1,117
- Loan reimbursements	-2,128	-2,573	-2,751
- Net finance costs	-246	-521	-616
= CASHFLOWS FROM FINANCING ACTIVITIES (F)	-2,409	-3,462	-2,739
+/- Impact of changes in currency exchange rates (G)	9	-33	51
= CASH VARIATION (D + E + F + G)	103	-99	4,457

3.2. NET FINANCE COSTS

NET FINANCE COSTS (in thousands of Euros)		OPENING	VARIATION	VARIATIONS IN SCOPE PERIMETRE	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	CLOSING
Gross cashflow (a)		4,159	85			9	4,253
Debit balance and cash credit (b)		21	-9				13
Net cashflow (c) = (a) - (b)		4,138	93			9	4,241
Gross finance tests (d)		7,062	-874		-373	1	5,837
Net finance costs (d) - ©		2,925	-967		-353	-8	1,596

4. CONSOLIDATED EQUITY CAPITAL

(in thousands of Euros)	Capital	Premiums	Self-owned shares	Consolidated reserves and profits	Gains and losses recorded directly in capital	Equity capital - group share	Minority interests	Consolidated equity capital
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Closing equity capital N-2 (31 December 2007)	2,900	2,630	-909	6,482		11,103	1,420	12,523
Change of accounting methods								
Corrected closing equity capital N-2 (31 December 2007)	2,900	2,630	-909	6,482		11,103	1,420	12,523
Capital operations								
Share-based payments								
Operations on self-owned shares			-24			-24		-24
Distribution of dividends				-350		-350	-137	-487
Result for the period				2,163		2,163	15	2,178
Gains and losses recorded directly in equity capital					-1	-1		-1
Net result and gains and losses recorded directly in equity capital				2,163	-1	2,162	15	2,177
Variation of scope				55		55	90	145
Other movements				-25		-25	-12	-37
Closing equity capital N-1 (31 December 2008)	2,900	2,630	-933	8,325	-1	12,921	1,375	14,296
Change of accounting methods								
Corrected closing equity capital (31 december 2008)	2,900	2,630	-933	8,325		12,921	1,375	14,296
Capital operations								
Share-based payments								
Operations on self-owned shares			-162			-162		162
Distribution of dividends				-369		-369	-136	-505
Result for the period				1,502		1,502	171	1,672
Gains and losses recorded directly in equity capital					194	194	-3	191
Net result and gains and losses recorded directly in equity capital				1,502	194	1,696	168	1,864
Variation of scope							-497	-497
Other movements				10		10		10
Closing equity capital N (31 December 2009)	2,900	2,630	-1,095	9,468	194	14,096	910	15,006

NOTES APPENDED TO THE FINANCIAL STATEMENTS

1 - INFORMATION RELATIVE TO THE ACCOUNTING BASELINE, THE CONSOLIDATION PROCEDURES AND THE VALUATION METHODS AND RULES

Pursuant to regulation N°1606/2002 adopted on 19 July 2002 by the European Parliament and Council, the accounts of the SOGECLAIR group have been established in accordance with the IFRS baseline such as adopted in the European Union and presented in accordance with recommendation N°2009-R-03 dated 2 July 2009 issued by the Conseil National de la Comptabilité (National Accounting Council).

The standards and interpretations not yet adopted by the European Union are not applied by SOGECLAIR.

On 31 December 2009, a statement of the net result and of the gains and losses entered directly in the equity capital is presented in section 2 of this appendix, the variation in the net finance costs is presented in section 3.2.

SOGECLAIR has chosen to keep the presentation of the income statement by nature as permitted by the IAS standard.

The standards applicable to SOGECLAIR came into force on 1st January 2009 such as the revised IAS 1, IFRS 8 and revised IAS 23, have not led to any changes of method.

It should be noted that SOGECLAIR proceeded during the 2009 financial year in respect of IAS39 with the updating of construction loans, qualified pre-payments and long-term loans, the impact of which is shown in the appended tables.

The possibility offered by the IAS12 standard of entering the CVAE component (company added value contribution) in the accounts has not been adopted by SOGECLAIR..

1.1. Consolidation procedures

The companies of significant size, controlled exclusively and in which the group exercises a direct or indirect control over more than 50% of their capital have been consolidated by overall integration.

The companies in which the group holds less than 50% and which are controlled jointly have been consolidated by proportional integration.

On 31 December 2009, SOGECLAIR did not have any equity method affiliates.

The shares in non-consolidated shareholdings are posted in the "Investments in associates" item for their cost of acquisition.

Furthermore, companies are excluded from the scope of consolidation when they only represent a negligible interest and their exclusion cannot negatively impact the faithful image principle.

Here, this concerns:

- ADM (35% subsidiary of CLAIRIS TECHNOLOGIES SA)

1.2. Valuation methods and rules

1.2.1. Goodwill and assimilated

In compliance with the IFRS standards, goodwill has been frozen in 2004 and is no longer be amortised, but depreciation tests are performed annually at year end, however tests may be performed half-yearly.

The Cash Generating Units in the IFRS sense have been defined as each of the group's subsidiaries on the basis of the following criteria:

- strong independence of the subsidiaries as groups of cash generating assets,
- strong coherence of each of the subsidiaries as assets implemented and markets addressed,
- one-to-one attachment of each subsidiary to the primary analysis sector.

The depreciation tests therefore consist of verifying that the fair value of each subsidiary's future cashflow is higher than its net book value, that is:

- for the consolidated accounts, the value of the goodwill of each shareholding;
- for the holding's accounts, the book value of the shareholding.

The fair value of the subsidiary's cashflow is estimated in the following way:

- a prospective business plan is drawn up on the basis of past performance and the foreseeable trends for its markets and of the influence of the action plans implemented on its positioning; this plan is established for an eight-year period and reflects the subsidiary's operational plan and its directors' objectives in the medium term;
- the value of the company is calculated by actualising the free cash flows over the horizon of the business plan, increased by the terminal value by application of a fixed growth rate to infinity; the hypotheses adopted for establishing these accounts are:
 - the actualisation rate for the cash-flows has been calculated at 6.02% by adding a risk-free long-term investment rate and a market premium for listed companies of 8% modified by a risk factor Beta specific to the group of 0.3 obtained from the CIC bank (Bloomberg) and cross-checked with other sources (Thomson, Infiniti),
 - the growth rate to infinity has been limited to 2.0%;
- this company value is then brought to a multiple of the EBIT so that it can be compared with comparable units on the market, making it possible to cross-check the method with an overall dissimilar method;

- lastly a "shock" called "mathematical shock" is applied to the most sensitive underlying parameters (growth of the activity, level of the operating margin) to test the sensitivity of the estimation to an unfavourable change in the subsidiary's economic environment; the hypotheses adopted for the mathematical shock consist of halving the activity's growth rate and reducing the level of the operating margin (EBITDA) by 30%, with respect to the values of the basic business plan.

Furthermore, at the end of 2008, the subsidiaries' business plans were established with a so-called "market shock" version taking into account the current economic context and corresponding to an aggravated crisis scenario. This version is more analytical than the one resulting from a simple "mathematical shock". This shock was not carried over at the end of 2009, as it was considered that this scenario had been realised during the financial year, due to the current economic crisis.

On 31 December 2009, the valuations thus calculated exceeded the book values for each subsidiary and are comparable with the multiples observed for the type of companies concerned. Consequently, the tests performed have been found to be conclusive for all the Cash Generating Units and lead us to maintain the value of the goodwill.

1.2.2. Intangible assets

Concerning the work immobilised as development expenses, the amounts posted as assets include all of the development expenses through to completion of the work in accordance with IAS 38 along with the related financial costs in accordance with IAS 23.

The amounts immobilised are straight-line amortised over a period of 3 to 10 years depending on the programmes, according to the most probable perspectives of the economic return on the results of the work.

Four programmes have led to development expenses being posted as assets:

- A380 nose section floor structures (for an amount still to be amortised of € 3,523 on 31 December 2009):
 - gross amount: € 9,546 k,
 - assetisation date: the expenses are assetised from the date the development work started at the beginning of 2002 and runs to the end of 2006, date on which the A380 entered commercial service and which has been chosen as the date of development finalisation,
 - amortisation period: 8 years to run from 1 January 2005, delivery date for the first series floor panels, through to the end of 2012, probable date on which the accumulated number of deliveries will be reached corresponding to the baseline on which the A380 contract was signed;
 - exceptional depreciation of the development costs for the A380 Cargo programme in December 2006 for € 759 k.
- terrain modeller (Agetim, Ray and Fast products) for simulators (for an amount still to be amortised of € 325 k on 31 December 2009):
 - gross amount: € 1,109 k,
 - assetisation date: € 156 k assetised in December 2003, € 233 k in December 2004, € 163 k in December 2005, € 125 k in December 2006, € 26 k in December 2007, € 206 k in 2008, € 200 k in 2009,
 - amortisation period: 3 years to run from the assetisation of the expenses;
- simulation motors for the automobile (ScanNer product), rail (OkSimRail product) and air traffic (ScanAds product) sectors, (for an amount still to be amortised of € 398 k on 31 December 2009)
 - gross amount: € 1,117 k
 - assetisation date: € 126 k in 2005, € 379 k in 2006, € 204 k in 2007, € 204 k in 2008, € 204 k in 2009,

- amortisation period: 3 to 4 years to run from 01/01/2006.
- A350 composite parts, (for an amount still to be amortised of € 55 k on 31 December 2009)
 - gross amount: € 55 k,
 - assetisation date: the expenses are assetised from the date the development work started at the end of 2009 and runs to the end of 2015,
 - amortisation period: 10 years to run from 1 January 2014 to the end of 2023, probable initial date on which the accumulated number of deliveries will be reached corresponding to the baseline on which the A350 contract was signed, according to the Airbus schedule,

1.2.3. Financial instruments

In order to finance its development, SOGECLAIR took out a loan in October 2002 repayable over 7 years for the amount of € 3,500,000. This is a variable rate loan based on EURIBOR 6 months. This financial liability is eligible for hedge accounting.

In order to hedge its interest rate risk, SOGECLAIR has put in place a borrower fixed rate / lender EURIBOR 6 month swap, with a rate fixed at 2.9750%.

The characteristics of the swap are identical to those of the element covered in terms of the amount, due date and variable rate.

Consequently, it is possible to establish a hedging relationship between the derived instrument and the liability covered and this cash flow hedge type operation is eligible for hedge accounting provided its effectiveness can be demonstrated.

The value variations with respect to the origin (the fair value of a swap is originally null) are then entered in the balance sheet (as equity capital as a contra to debt on the asset side).

Effectiveness, prospective and retrospective tests have been performed:

- The prospective test consists of calculating the underlying financial flows and those corresponding to the variable leg of the derivative at the date the hedge was put in place, then of simulating the respective underlying and derivative financial flows in the case of an unfavourable market trend. To do this, a shock of +250bp (base points) is applied uniformly over the curve of the original zero rate coupon. The ratio of the variations in the underlying and derivative financial flows determines the effectiveness of the coverage.
- The retrospective test follows the same method but replacing the simulated curve with the real-rate curve in force on the closing date.

The tests performed showed that the hedging put in place was 100% effective.

In 2007, SOGECLAIR renegotiated the repayment schedule for this loan. The coverage rate, put in place previously, remains effective.

The fair value of the swap was calculated by FOREX FINANCES, an international cash flow consulting firm, at the closing date on the basis of the curve of the zero rate coupon in force at closure on 31 December 2009.

To evaluate the latent part of a swap, we project the forward rates obtained from the curve of the zero-rated note and we discount the flows of each of the two branches of the swap.

The fair value of the swap (Full Mark-to-market) is equal to the valuation of the latent part of the swap to which we add the discounted cum coupon. In this case, the valuation of the latent part is negative because of the fall in the interest rates observed between 28 November 2005, the date of product processing, and 31 December 2008 and the coupon to be received over the period from 1 July 2008 to 2 January 2009 which is very largely positive, because of the EURIBOR 6M which is set at 1.3030%.

As this swap is 100% effective, 100% of the variation in the value of the swap impacts the balance sheet (OCI impact).

The OCI impact is equal to the valuation of the latent part to which we add the discounted cum coupon and from which we deduct the accrued interest. On 31 December 2009, the OCI impact was close to zero.

In respect of IFRS 7, it should be noted that the other loans contracted by the group are fixed-rate loans and that there are no off-balance sheet financial instruments.

1.2.4. Current assets

In accordance with the IAS 1 standard (Presentation of financial statements), an asset is classified current if you are intending to realise or sell it in the framework of the normal operating cycle, or realise it within the twelve months following the balance sheet date, or lastly if it is a cash asset.

The following assets are therefore classified as being current:

- inventory
- available-for-sale financial assets
- trade and other receivables
- current tax assets
- cash and cash equivalents
- prepaid expenses
- other receivables

1.2.5. Current and non-current liabilities

In accordance with the IAS 1 standard (Presentation of financial statements) liabilities are classified current and non-current.

A liability is classified current if it must be settled in the framework of its normal operating cycle, or settled within the twelve months following the balance sheet date.

The following contingent liabilities are therefore classified current:

- the part of finance costs and qualified prepayments that are reimbursable within less than one year following the balance sheet date
- trade and other payables
- tax and social liabilities
- short-term provisions
- deferred tax liabilities
- other liabilities

The other contingent liabilities are classified non-current.

1.2.6. Dividends paid

The distribution of dividends paid out to the parent company's shareholders is as follows:

- single voting right €106 k
- double voting right €263 k

1.2.7. Events after the balance sheet date

Nothing significant to report.

1.2.8. Other information

The beginning of the 2010 has been marked by the continued commercial actions further to the reference listings won in 2009. Competition remains stiff on all our markets.

Certain companies in the group are the subject of tax and social affairs inspections. To date, no major item has been observed.

Current legal proceedings are following their course and do not lead us to anticipate any risks other than those already posted in the accounts for 2009.

2 - SCOPE OF CONSOLIDATION**List of consolidated companies**

NAME	COUNTRY	CONSOLIDATION METHOD	% OF CONTROL IN 2009	% OF CONTROL IN 2008	% OF CONTROL IN 2007
French companies					
Sogclair	France	FC	Parent	Parent	Parent
Aviacomp	France	FC	55.00%	55.00%	Néant
Clairis Technologies	France	FC	99.91%	99.91%	99.91%
EDT	France	FC	99.80%	99.80%	99.80%
Oktal SA	France	FC	97.94%	97.94%	97.92%
Oktal Synthetic Environment	France	FC	65.11%	65.11%	65.10%
S2E Consulting	France	PC	46.98%	46.98%	46.98%
Séra Ingénierie	France	FC	80.00%	80.00%	80.00%
Foreign companies					
Clairis Technologies Limited	United Kingdom	FC	100.00%	100.00%	100.00%
Clairis Technologies Méditerranée	Tunisia	FC	99.91%		
H.E.E	Germany	FC	99.04%	79.16%	79.16%
Sogemasa Ingenieria	Spain	FC	74.50%	74.50%	74.50%

The scope changed in the 2009 financial year as follows:

- creation of the Clairis Technologies Méditerranée company, which began its activity in H2,
- buyout of minority holdings in the Germany subsidiary HEE amounting to 19.88%.

3 - INFORMATION MAKING IT POSSIBLE TO COMPARE THE ACCOUNTS**Accounting methods**

No changes in accounting methods or means of valuation relative to the treatment of the financial information, that could affect the comparability of the accounts, have been made over the financial year.

4 - EXPLANATIONS ON THE ITEMS ON THE CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT**4.1. Goodwill**

(in thousands of Euros)	AT BEGINNING OF YEAR	DECREASES	VARIATIONS OF SCOPE	OTHER VARIATIONS	AT YEAR-END
Clairis Technologies	107				107
Oktal SA	1,694				1,694
HEE	2,106				2,106
Total	3,908				3,908

4.2. Intangible assets

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Research expenses	13,958	458					14,416
Software	4,154	145		-200			4,099
Current assets		60		-73		19	6
Total	18,112	664		-274		19	18,521

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Research expenses	-8,574	-1,540					-10,114
Software	-3,382	-457		200			-3,638
Total	-11,956	-1,997		200			-13,753

Detail of the immobilised development expenses:

NET VALUES (in thousands of Euros)	2009	2008	2007
A380 floors	3,523	4,698	5,872
Terrain modellers	325	200	82
Simulation motors	398	487	539
A350 composite parts	55		
Total	4,302	5,384	6,493

4.3. Tangible assets

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Technical installations, plant & equipment	235	159				14	409
Installations & fittings	948	173		-18		29	1,131
IT & office hardware	3,441	350		-860	4		2,935
Current assets	299	330		-531		-63	36
Other	947	365		-73			1,239
Total	5,870	1,376		-1,483	5	-19	5,749

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Technical installations, plant & equipment	-90	-38					-128
Installations & fittings	-473	-97		18			-551
IT & office hardware	-2,561	-407		858	-3		-2,114
Other	-612	-279		55			-835
Total	-3,735	-821		931	-4		-3,628

The exchange rate differences concern the British and Tunisian subsidiaries: Clairis Technologies Limited and Méditerranée.

Additional information concerning the financial leasing contracts (IAS 17):

Net book value of the current financial leasing contracts:

(in thousands of Euros)	GROSS AMOUNT	AMORTISATION	NET BOOK VALUE
Intangible assets	716	-568	148
Tangible assets	1,243	-675	569
Total	1,959	-1,243	716

Term for outstanding payments:

(in thousands of Euros)	< 1 YEAR	1 TO 2 YEARS	3 TO 5 YEARS
Total	352	215	150

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4.4. Investments in associates

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	ENTRIES	VARIATIONS OF SCOPE	SALES	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Shareholdings	43						43
Fixed investments							
Other investments	839	110		-115	-253	2	583
Total	883	110		-115	-253	2	626

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	VARIATIONS OF SCOPE	SALES	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Shareholdings	-30						-30
Fixed investments							
Loans	-23			23			
Total	-54			23			-30

The exchange rate differences concern the British and Tunisian subsidiaries: Clairis Technologies Limited and Méditerranée.

4.5. Other long-term assets

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	ENTRIES	VARIATIONS OF SCOPE	SALES	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Allotted uncalled share capital	100						100
Total	100						100

4.6. Trade and other receivables

The customers' terms of payment have shortened for most of the entities.

4.7. Deferred tax asset

DEFERRED TAX ASSET (in thousands of Euros)	2009	2008	2007
Temporary differences	197	284	225
Tax deficits	552	389	120
Restatement	130	128	132
Total	879	801	477

A deferred tax asset is constituted on the tax losses and temporary differences if it is probable that the company will dispose of future tax profits to which they may be charged.

4.8. Cash and cash equivalents

(in thousands of Euros)	2009	2008	2007
Cash	4,009	4,058	3,181
Cash equivalents	245	101	2,796
Total	4,253	4,159	5,977

On 31 December 2009, the cash equivalents concerned risk-free investments.

4.9. Equity capital, group share

The company equity consists of 725,000 shares. The nominal value of the share is € 4, giving an equity capital on 31 December 2009 of € 2,900 k. It must be remembered that in accordance with notification 2002-D of the Emergency Committee of the CNC on 18 December 2002 and according to the deliberation of the Board of Directors of SOGECLAIR held on 23 December 2002, the self-owned shares are deducted from the consolidated shareholders' equity.

In 2009 SOGECLAIR purchased, in the framework of its buy-back programme, shares for a value of € 162 k.

On 31 December 2009, this restatement led to an accumulated reduction of €1.095 k in the consolidated shareholders' equity.

4.10. Minority interests

(in thousands of Euros)	2009	2008	2007
At beginning of year	1,375	1,420	1,274
Variation of reserves	-636	-59	-130
Total income and expenditure entered during the period	171	15	276
At year-end	910	1,375	1,420

4.11. Long-term provisions

A LONG-TERM PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	VARIATIONS OF SCOPE	WRITE-BACKS	EXCHANGE RATE DIFFERENCES	AT YEAR END	AT BEGINNING OF YEAR
Retirement benefit obligations	379	26		-1			404
Other provisions for charges	137			-90			46
Provisions for losses on contracts	393	289		-393			289
Other provisions for risks	796	161		-543		-40	374
Total	1,705	476		-1,026		-40	1,114

The other provisions for charges concern provisions for customer guarantees.

The other provisions for risks concern social risks for €50 k, tax risks for €14 k and other risks for €311 k.

There is no event later than 31 December 2009 liable to put into question the notion of going concern, nor any non-measurable risk and loss.

The book treatment of retirement benefit obligations has taken into account the provisions of the law n°2003-725 dated 21 August 2003 concerning pension reforms.

4.12. Current and non-current financial debts

FINANCIAL DEBTS (in thousands of Euros)	TOTAL	ONE YEAR AT MOST	1 TO 2 YEARS	3 TO 5 YEARS
Qualified prepayments:				
- one year at most initially				
- more than one year initially	1,506	162	108	1,236
Borrowings and debts with credit institutions:				
- one year at most initially	13	13		
- more than one year initially	4,071	1,862	1,468	741
Sundry loans and financial liabilities	259	24		235
Total	5,849	2,007	1,842	2,001

(in thousands of Euros)

Medium/long term loans contracted during the year (excluding leases)	541
Medium/long term loans repaid during the year (excluding leases)	1,418

4.13. Short-term provisions

None

4.14. Deferred tax credit

DEFERRED TAX CREDIT (in thousands of Euros)	2009	2008	2007
Temporary differences	3	4	13
Restatement			
Total	3	4	13

4.15. Income

In accordance with IFRS 8, income is presented by business unit at the level of the sector-based information. Refer to note 5 of this appendix.

4.16. Other operating income

OTHER OPERATING INCOME (in thousands of Euros)	2009	2008	2007
Production in stock	14	-8	1
Production immobilised	455	392	242
Operating subsidies	1,250	216	453
Write-back of provisions, transfers of charges	782	263	610
Other income	1,917	987	806
Total	4,418	1,850	2,113

The operating subsidies mainly concern innovation projects. They have been posted at their allocation date and are attached to the financial according to the programmes' degree of advancement.

In application of the IFRS standards, the research tax credit is reclassified in other income. In 2009 it stands at €1.275 k compared with €787 k in 2008 and €292 k in 2007.

4.17. Result on sale of consolidated shareholdings

None

4.18. Other operating income and charges

The other operating income and charges correspond to the result of other non-current operations during the year.

OTHER OPERATING INCOME AND CHARGES (in thousands of Euros)	2009	2008	2007
Tax risks (provisions, write-backs, charges and income for the year)	54	-246	-176
Reimbursement on write-offs		170	
Losses on sale of property, plant and equipment	1	-20	13
Gains and losses on goodwill	238		-67
Other income and charges	-17	-205	
Total	276	-301	-230

In respect of the buyback of the minority holding in the German subsidiary, SOGECLAIR is posting goodwill down by €238 k posted in the result.

4.19. Cost of net financial debt – Other financial charges and income

The cost of net financial debt includes:

- the income from cash and cash equivalents, that is to say:
 - the interest generated by the cash and cash equivalents
 - the result of the transfer of cash equivalents
- the cost of the gross financial debt, which essentially corresponds to the interest charges on financing operations.

The exchange rate variations amount to €9 k over the year.

4.20. Other financial charges and income

The other financial income and charges include the income and charges linked to the other financial assets such as income from shareholdings, provisions and write-backs on financial provisions and conversion rate adjustments.

4.21. Income tax

The Sogclair company has opted for the tax consolidation scheme. The scope of this consolidation includes the following companies: SOGECLAIR, CLAIRIS TECHNOLOGIES and EDT.

Over the financial year, in respect of the deduction of the deficits of foreign subsidiaries and branches, the German subsidiary's deficit has been deducted from Sogclair SA's tax result.

TAX CHARGE FOR THE YEAR (in thousands of Euros)	2009	2008	2007
Deferred tax	56	335	47
Tax payable	-378	-650	-690
Income or charge linked to tax consolidation	262	-45	10
Carry-back		120	
Total	-59	-241	-633

TAX PROOF (in thousands of Euros)	2009
Theoretical taxable revenue	1,732
Consolidated tax rate	33.33%
Theoretical tax charge	577
Real tax charge	59
Theoretical tax / Real tax difference	518
Justification for the differences:	
Permanent differences	227
Impact of entries without deferred tax	-85
Impact of rate differences	-102
Impact of deferred tax deficits and amortisations	
Tax credit	497
Others	-19

4.22. Average workforce for the year

WORKFORCE full-time equivalence	2009	2008	2007
Engineers, managers and senior technicians	760	750	754
Technicians and other non-managerial	92	94	93
Total	852	844	847

4.23. Financial commitments

OFF-BALANCE SHEET COMMITMENTS (in thousands of Euros)	2009	2008	2007
Commitments made:			
Counter-guarantee securities on markets ⁽¹⁾	1,662	740	1,589
Debt guarantees already entered on the consolidated balance sheet			
- endorsements, securities and guarantees given	1,820	2,908	4,165
- non-due assigned debts			1,063
- pledges	992	1 734	2,470
Sub-total	4,474	5,382	9,287
Commitments received:			
Counter-guarantee securities on markets		66	66
from customers ⁽²⁾	52,103	11,241	11,525
Sub-total	52,103	11,307	11,591

(1) including €725 k of guarantees on calls for offers.

(2) we draw your attention to the fact that SOGECLAIR has received commitments from its customers on its long-term contracts dependent on their sales and on the basis of firm orders received by those customers. The 2008-2009 variation for the most part concerns the major composite parts design, manufacture and assembly contract for the Airbus A350 programme, won in Q4 2009 by the AVIACOMP subsidiary (see press release dated 10 February 2010 available on www.sogclair.fr)

4.24. Remuneration of the parent company's management bodies

- General management €356 k
 - Directors €53 k
- (including remunerations, variables, directors fees, non-cash benefits)

Refer to section 5.3 of the Board of Directors' report to the AGM.

4.25. Individual right to training

The individual right to training has not been the subject of any provision in the accounts.

To date, this right amounts to 44,481 hours for the nine French subsidiaries.

5 - SECTOR-BASED INFORMATION

In accordance with IFRS 8, the group's activity is spread between two sectors of activity:

- the Engineering & Consulting business unit, at 82%, corresponding to the activities of the Aviacomp, Clairis Technologies Ltd, Clairis Technologies Méditerranée, Clairis Technologies, EDT, HEE, S2E Consulting, Sera Ingénierie, Sogemasa Ingenieria,
- the Simulation business unit, at 18%, corresponding to the activities of the Oktal S.A. and Oktal Synthetic Environment companies.

SOGECLAIR has facilities in France, Germany, Spain, the UK and Tunisia.

SOGECLAIR main customers are listed in section 1.5.8 of the 2009 reference document, available on the company's website (www.sogclair.fr).

Besides the countries where it has facilities, the following countries are addressed by SOGECLAIR: South Africa, Australia, Belgium, Canada, China, South Korea, Colombia, Finland, Israel, Italy, Japan, Luxembourg, Norway, the Netherlands, Portugal, Russia, Singapore, Sweden, Taiwan, USA.

Consolidated financial situation per activity

ASSETS (in thousands of Euros)	Engineering & Consulting Unit		Simulation unit		Holding	
	2009	2008	2009	2008	2009	2008
	2,213	2,213	1,694	1,694		
Goodwill	3,962	5,396	753	733	54	28
Intangible assets	1,648	1,715	378	281	94	140
Property, plant and equipment						
Equity method investments	390	619	111	114	96	96
Investments in associates	100	100				
Other long-term assets	-8,623	-8,364	-2,823	-2,823	11,446	11,187
Non-current assets	-310	1,679	114	-1	11,689	11,450
Inventory and work in-process	55	46	25	20		
Trade and other receivables	22,845	22,600	5,207	5,162	50	4
Other circulating assets	1,274	1,454	1,306	972	1,080	288
Current tax asset	593	605	135	48	150	148
Cash and cash equivalents	2,709	1,552	182	1,123	1,362	1,484
Current assets	27,476	26,257	6,856	7,325	2,642	1,923
TOTAL ASSETS	27,166	27,935	6,970	7,325	14,331	13,374

Consolidated financial situation per activity

LIABILITIES (in thousands of Euros)	Engineering & Consulting Unit		Simulation unit		Holding	
	2009	2008	2009	2008	2009	2008
Equity capital					2,900	2,900
Capital contribution					2,630	2,630
Own shares					-1,095	-933
Other reserves						
Reserves and consolidated result	343	-27	2,382	1,971	6,936	6,380
Equity capital, group share	343	-27	2,382	1,971	11,371	10,977
Minority interests	288	836	623	539		
Consolidated equity capital	631	809	3,005	2,510	11,371	10,977
Long-term provisions	656	1,280	191	175	267	251
Long-term qualified pre-payments	1,236	1,493	108	270		
Long-term borrowings and financial debts	1,581	2,217	181	4	682	1,043
Other long-term liabilities						
Non current liabilities	3,474	4,990	480	448	949	1,294
Short-term qualified pre-payments			162	162		
Current part of provisions for other liabilities and charges	1,222	1,114	57	23	607	736
Short-term borrowings and financial debts	1	13	12	3		6
Other non-current debts						
Short-term provisions						
Trade and other payables	7,776	6,815	1,444	844	504	594
Tax and social liabilities	9,843	10,193	3,011	3,250	628	847
Deferred tax liabilities	3	4				
Other liabilities	1,466	1,468	1,821	1,535	2	
Contra-entry for intra-group eliminations	2,752	2,530	-3,023	-1,451	271	-1,079
Current liabilities	23,062	22,136	3,485	4,367	2,011	1,103
TOTAL LIABILITIES	27,166	27,935	6,970	7,325	14,331	13,374

Consolidated income statement by activity

INCOME STATEMENT (in thousands of Euros)	Engineering & Consulting Unit		Simulation unit		Holding	
	2009	2008	2009	2008	2009	2008
Sales	57,046	61,643	12,207	12,201	12	45
Other income from the activity	2,114	334	2,273	1,482	31	34
Cost of goods sold	-15,785	-19,104	-3,861	-3,183	-1,563	-1,425
Personnel charges	-36,110	-34,743	-8,281	-8,021	-1,560	-1,546
Taxes and duties	-749	-781	-297	-267	-166	-135
Amortisation and provisions	-2,681	-3,302	-670	-610	-84	-92
Other charges	-109	-71	-4	-82	-64	-56
Intra-Group operations	-3,489	-3,629	-197	-55	3,686	3,683
Current operating income	236	347	1,170	1,465	292	508
Result of the sale of consolidated holdings						920
Other operating income and charges	231	-203	45	-58		-41
Operating income	467	144	1,215	1,407	292	1,388

6 - RELATED COMPANIES

6.1. Commercial lease

SCI SOLAIR, has a link with the directors of SOGECLAIR and there are shareholders who have voting rights greater than 10% (see 2008 reference document, page 61).

The amount of the rentals relative to the premises rented from SCI SOLAIR is lower than the market rate. The contractual terms and conditions were drawn up according to market rules.

To 31 December 2009, the contractual relations with SCI SOLAIR have been exercised correctly and do not lead us to anticipate any risk for SOGECLAIR. The debts with respect to SCI SOLAIR amounted to €138 k on 31 December 2009, payment is scheduled for Q1 2010. The future payments will concern the payments of the rentals and charges relative to the rental contract.

6.2. Board of Directors

Mr Henri-Paul BROCHET, new independent director joined the SOGECLAIR SA Board of Directors on 28 May 2009.

The number of independent directors exceeds the minimum threshold recommended by the Middledex Code adopted on 10 March 2010.

You are reminded that there is an agreement with Mr Alberto FERNANDEZ, director of SOGECLAIR SA. The invoices paid during the financial year amount to €20 k.

You are also reminded that there is a life annuity paid for the benefit of Mr Jean-Louis ROBARDEY, further to the purchase of a business completed on 27 December 1985 (Refer to section 3.8.3 of the reference document).

6.3. Directors

No changes were made during the financial year concerning the short-term and long-term benefits for the main directors, with the exception of the increase in the variable part of Mr Philippe ROBARDEY which has been raised from 2 to 4% of the consolidated Net Profit Before Tax (decision of the Board of Directors made on 10 March 2010).

You are reminded that at the time of its session on 18 December 2008, the Board of Directors has authorised a commitment for the benefit of Mr Philippe ROBARDEY, pursuant to the provisions of article L.225-42-1 of Commercial Law (refer to section 5.3 of the Board of Directors' report to the AGM).

No benefits of any other nature have been granted to the other directors.

5.1. Report of the Auditors on the consolidated financial statements

MOREREAU AUDIT SAS

10, rue Rayer
31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST

2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

FINANCIAL YEAR ENDING 31 DECEMBER 2009

Report of the Auditors on the consolidated financial statements

In performing the duty entrusted to us by your general meeting, we hereby present our report relative to the financial year ending 31 December 2009, on:

- the verification of SOGECLAIR's consolidated accounts, such as they are appended to this report;
- the substantiation of our assessments;
- the specific verifications stipulated by law.

The consolidated financial statements were closed by your Board of Directors. It is our duty to express an opinion on these financial statements.

I. OPINION ON THE CONSOLIDATED ACCOUNTS

We conducted our audit in accordance with the professional auditing standards in France; these standards require that we conduct proceedings with due care to give reasonable assurance that the annual accounts are free from significant irregularities. An audit entails examining, on a test basis, evidence supporting the amounts and disclosures these financial statements contain. An audit also involves assessing the accounting principles used and significant estimates made in preparing the accounts, as well as evaluating the overall presentation.

We believe that our audit provides a reasonable basis for the opinion expressed below.

We certify that the consolidated accounts are, in view of the IFRS standard such as adopted in the European Union, honest and sincere and give a true view of the assets and financial situation, as well as of the results of all the companies included in the consolidation.

II. SUBSTANTIATION OF THE ASSESSMENTS

The accounting estimates contributing to the preparation of the financial statements to 31 December 2009 were made in a context of extreme market volatility, leading to a certain difficulty in grasping the economic perspectives. It is in this context that, in compliance with the provisions of article L.823.9 of Commercial Law, we proceeded with our own assessments which we bring to your knowledge:

- Note 1.2.1 of the appendix concerns the valuation of goodwill and assimilated
- Note 1.2.2 of the appendix concerns the assessment of the development expenses.

It is in this framework that we have verified the appropriateness of the accounting methods applied. We have examined the reasonable nature of the hypotheses adopted, taking into account the special context linked to the crisis and the resulting valuations. Lastly, we have checked that the accounting estimates applied are based on documented methods conform to the information that is given to you in appendix to the consolidated accounts.

- Note 4.16 of the appendix concerns "other operating income".

In the framework of our assessment of the accounting principles applied by your company, we have checked the appropriate nature of the above-mentioned accounting methods and of the information provided in the notes of the financial statements and we have verified that they were correctly applied.

The assessments thus made enter into our approach to auditing the consolidated accounts, taken in their entirety, and have therefore contributed to forming our opinion which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

We have also proceeded, in accordance with the applicable professional standards in France, with the specific verification stipulated by law on the information given in the report on group management.

We have no special comment to make regarding their fairness and conformity with the consolidated financial statements.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
Didier GARRIGUES Jean-Marie FERRANDO

5.2. Annual accounts

I - BALANCE SHEET (in Euros)

ASSETS	31/12/2009	31/12/2008	31/12/2007
Intangible assets	53,525	28,083	41,749
Property, plant and equipment	94,467	132,435	104,847
Investments in associates	13,279,486	12,000,726	12,225,600
IMMOBILISED ASSETS	13,427,477	12,161,244	12,372,196
Trade and other receivables	988,918	1,693,042	889,397
Other debts	4,343,933	3,030,372	1,596,471
Cash and cash equivalents	1,361,948	1,484,234	227,642
Prepayments	14,777	93,061	33,320
CIRCULATING ASSETS	6,709,576	6,300,711	2,746,830
TOTAL ASSETS	20,137,053	18,461,955	15,119,026

LIABILITIES	31/12/2009	31/12/2008	31/12/2007
Share capital	2,900,000	2,900,000	2,900,000
Share premium account	2,629,849	2,629,849	2,629,849
Other reserves	1,442,550	1,442,550	1,442,550
Retained earnings	4,201,961	3,065,965	2,405,267
Profit for the financial year	746,591	1,505,077	1,034,014
EQUITY	11,920,952	11,543,442	10,411,681
PROVISIONS	266,988	250,736	39,231
Borrowings and debts with credit institutions	1,287,440	1,775,509	2,701,106
Sundry loans and financial liabilities	5,511,957	3,263,450	987,991
Payment in advance on orders	4,713		
Trade and other payables	514,738	651,622	367,845
Tax and social liabilities	628,010	846,863	610,402
Other debts	1,608	71,762	770
Unearned income	647	58,571	0
DEBTS	7,949,114	6,667,777	4,668,114
TOTAL LIABILITIES	20,137,053	18,461,955	15,119,026

II - INCOME STATEMENT (in Euros)

	31/12/2009	31/12/2008	31/12/2007
SALES	3,754,758	3,894,934	3,307,059
Operating subsidies			0
Write-back on provisions, transfers of charges		4,715	4,045
Other income	14,832	14,193	85,479
OPERATING INCOME	3,769,590	3,913,841	3,396,584
Purchases and external expenses	1,635,646	1,575,048	1,314,478
Taxes, duties and assimilated	165,568	135,278	134,468
Payroll expenses	1,559,626	1,579,124	1,557,105
Amortisations	60,807	53,312	34,354
Provisions on current assets	603	23,000	
Provisions for risks and charges	16,253	4,052	6,283
Other operating expenses	63,519	55,745	44,765
OPERATING PROFIT	267,569	488,282	305,130
Financial income	773,733	794,549	1,022,437
Financial expenses	479,435	1,144,865	283,849
FINANCIAL EARNINGS	294,298	(350,316)	738,589
CURRENT INCOME BEFORE TAX	561,868	137,966	1,043,719
EXTRAORDINARY INCOME	0	1,769,514	0
EXTRAORDINARY EXPENSES	127	376,645	23,007
EXTRAORDINARY PROFIT	(127)	1,392,869	(23,007)
Income tax	-184,851	25,758	(13,302)
NET PROFIT	746,591	1,505,077	1,034,014

5.3. Appendix to the annual accounts

The Sogecclair Company is a Joint Stock Company with a Board of Directors quoted on Euronext Paris – compartiment C.

The financial year ending on 31 December 2009 shows a total on the balance sheet of €20,137,053, total income, presented in list form, of €4,543,323 and a profit of €746,591.

The financial year runs for 12 months from 1 January 2009 to 31 December 2009.

The notes (or tables) No. 1 to 14 below are an integral part of the annual financial statements.

These annual accounts were closed by the Board of Directors on 10 March 2010.

CONTENT

Item N°	APPENDIX TO THE BALANCE SHEET AND INCOME STATEMENT FROM 01/01/2009 TO 31/12/2009	INFORMATION			
		PRODUCED		NOT PRODUCED	
		note n°	Tax status	not significant	not applicable
	I – FACTS RELEVANT TO THE FINANCIAL YEAR				
1	II – ACCOUNTING RULES AND METHODS				
	Valuation methods	1			
	Calculation of amortisation and provisions	1			
	Dispensations	1			X
	Additional information to provide a true reflection				X
	III – ADDITIONAL INFORMATION RELATIVE TO THE BALANCE SHEET AND INCOME STATEMENT				
2	Immobilised assets statement	2			
3	Amortisation statement	2			
4	Provisions statement	3			
5	Debt and liabilities due dates statement	4			
6	Additional information on:				
	<i>Elements relevant to several items in the balance sheet</i>				X
	<i>Revaluation</i>				X
	<i>Setting up charges</i>				X
	<i>Applied research and development expenses</i>				X
	<i>Goodwill</i>				X
	<i>Immobilised interests</i>				X
	<i>Interest on elements of the circulating assets</i>				X
	<i>Difference of valuation on fungible elements of the circulating assets</i>				X
	<i>Advances to directors</i>				X
	<i>Prepaid charges and income</i>	5			
	<i>Composition of the equity capital</i>	6			
	<i>Rights participating in profits</i>	7			
	<i>Convertible obligations</i>	8			
	<i>Apportionment of net sales</i>			X	
	<i>Apportionment of income tax</i>	9			
	IV – FINANCIAL COMMITMENTS AND OTHER INFORMATION				
7	Lease			X	
8	Financial commitments	10			
9	Debts guaranteed by real sureties		s		X
10	Impact of dispensary tax valuations				X
11	Increasing and lightening of the future tax debt	11			
12	Remuneration of the directors	12			
13	Average workforce	13			
14	Identity of the parent companies consolidating the company's accounts				
15	List of subsidiaries and participations	14			
	V – OTHER SIGNIFICANT INFORMATION				X

Facts relevant to the financial year:

- In partnership with its subsidiary CLAIRIS TECHNOLOGIES, SOGECLAIR created SARL CLAIRIS TECHNOLOGIES MEDITERRANEE in which it holds 1% of the shares. This company, based in Tunis (Tunisia), has a capital of TND 10,000, 100% paid up.
- SOGECLAIR acquired 19.88% of the shares in HEE, bringing its holding up to 99.04%, for the amount of €250,000.
- SOGECLAIR signed an agreement for the centralised management of intra-group cashflow and pre-payments effective as of 1 January 2009 with the following subsidiaries: SA CLAIRIS TECHNOLOGIES, SA EDT, SA OKTAL, SAS OKTAL SYNTHETIC ENVIRONNEMENT, SAS SERA INGENIERIE, CLAIRIS TECHNOLOGIES LIMITED, HEE HIGH-END ENGINEERING GMBH, SOGEMASA INGENIERIA.
- The purpose of this agreement is to optimise the group's cashflow management, decrease the weighted average cost of its financing and, therefore, its financing and banking expenses and a fair remuneration of its cash surpluses.
- SOGECLAIR has become the company that centralises cashflow. So, SOGECLAIR receives, in the form of advances, from its subsidiaries that have cash surpluses, the funds corresponding to said surpluses and places at the disposal of its subsidiaries that have cashflow requirements, the funds allowing them to cover said requirements, in the form of advances.

APPENDIX NOTE N° 1

ACCOUNTING RULES AND METHODS VALUATION METHODS

GENERAL PRINCIPLES AND CONVENTIONS

The accounting rules have been applied in accordance with the principle of due diligence in compliance with the underlying assumptions of going concern, independence of accounting periods and consistent accounting methods.

The basic method adopted for the valuation of the items posted in the accounts is the historical costs method.

The accounting conventions have been applied in compliance with the provisions of Commercial Law (Art. 123-12 to 123-23), of the decree dated 29 November 1983 and of the general accounting plan (CRC 99.03).

CONSISTENCY OF METHODS

No change of method has been made with respect to the previous financial year.

MAIN ACCOUNTING METHODS USED

Intangible assets

Patents, concessions and other immobilised intangible assets have been valued at their cost of acquisition, but excluding the expenses incurred for their acquisition. These items are amortised over the duration of their utilisation by the company (that is to say between 1 and 10 years).

Property, plant and equipment

The gross value of the property, plant and equipment in the immobilised assets corresponds to the value of the articles' entry in the asset base taking into account the expenses required to put those articles into utilisation condition but excluding the expenses incurred for their acquisition.

Amortisation method

The company applies the CRC 2002-10 regulations.

The amortisations applied, both on the accounting and tax levels, are representative of the economic amortisation; as a consequence, no dispensatory amortisation has been posted to the liabilities on the balance sheet.

The amortisation plans applied in the individual accounts are maintained in consolidation. The group has determined the following amortisation durations:

CATEGORY	MODE	DURATION
Software	Straight-line	3 years
Patents	Straight-line	10 years
Other fixtures, and fittings, installations	Straight-line	10 years
Transport equipment	Straight-line	3 years
Computer hardware	Straight-line	3 to 5 years
Office furniture	Straight-line	5 to 10 years

Fixed investments

The shareholdings and other fixed investments have been valued at their cost of acquisition, but excluding the expenses incurred for their acquisition.

A depreciation test, carried out annually, consists of checking that the fair value of the subsidiary's equity capital is higher than its book value, that is:

- for the consolidated accounts, the value of the goodwill for each holding,
- for the holding's accounts, the book value of its shareholdings.

The fair value of the subsidiary's equity capital is estimated in the following way:

- a prospective business plan is drawn up on the basis of past performance and the foreseeable trends for the markets on which the subsidiary operates, the values for the forthcoming two years reflecting the subsidiary's Operating Plan and the subsidiary's Operational Plan and its directors' objectives
- the value of the company is calculated by actualising the free cash flows over the horizon of the business plan, increased by the terminal value by application of a fixed growth rate to infinity; the assumptions adopted for establishing these accounts are:
 - the actualisation rate for the cash-flows has been calculated at 6.02% by adding a risk-free long-term investment rate of 3.61% and a market premium for listed companies of 8% modified by a risk factor Beta specific to the group of 0.3,
 - the growth rate to infinity has been limited to 2.0%,
- The calculated value is then brought to a multiple of the EBIT so that it can be compared with comparable multiples, making it possible to cross the method with a dissimilar "market value" method,

- lastly a "shock" called "mathematical shock" is applied to the most sensitive underlying parameters (growth of the activity, level of the operating margin) to test the sensitivity of the estimation to an unfavourable change in the subsidiary's economic environment; the hypotheses adopted for the mathematical shock consist of halving the activity's growth rate and reducing the level of the operating margin (EBITDA) by 30%, with respect to the values of the basic business plan.

Furthermore, at the end of 2008, the subsidiaries' business plans were established with a so-called "market shock" version taking into account the current economic context and corresponding to an aggravated crisis scenario. This version is more analytical than the one resulting from a simple "mathematical shock". This shock was not carried over at the end of 2009, as it was considered that this scenario had been realised during the financial year, due to the current economic crisis.

On 31 December 2009, the valuations thus calculated exceeded the book values for each subsidiary and are comparable with the multiples observed for the type of companies concerned. Consequently, the tests performed have been found to be conclusive for all the Cash Generating Units and lead us to maintain the value of the goodwill.

Own-shares

In accordance with notification 2002-D of the Emergency Committee of the CNC on 18 December 2002, the own-shares owned by the company have been posted as other fixed investments. On 31 December 2009, SOGECLAIR owned 55,591 of its own shares for a value of € 1,095,209. The company proceeded with the buy-back of 11,052 of its own shares during the year 2009. Given the shares' latest quoted price (€ 13.44 on 31 December 2009), a depreciation of € 348,066 was recorded.

The date adopted for recording the buy-back of shares is the date of conclusion of the operation and not the date of the operation itself. An offset of three days is therefore observed between the recording in the individual accounts and the declarations made to the AMF (Financial Markets Authority).

With regard to the offset, 811 shares were recorded in 2010 despite the fact the operations were performed between 29 and 31 December 2009.

Valuation of receivables and debts

The receivables and debts have been evaluated at their nominal value.

Depreciation of receivables

The receivables have, where applicable, been depreciated through the creation of provisions to take into account the recovery difficulties that they are liable to give rise to.

Valuation of investments

The investments have been valued at their cost of acquisition excluding the expenses incurred for their acquisition.

In the case of sale of a set of securities of the same nature and providing the same rights, the value of the securities has been estimated using the "First-In First-Out" method.

Depreciation of investments

The investments have, where applicable, been depreciated through the creation of provisions to take into account:

- for listed securities, the average price for the last month of the financial year;
- for unlisted securities, their probable negotiable value at year-end.

No depreciation was carried out for the 2009 financial year.

Tax consolidation accounting method

SOGECLAIR has opted for the tax consolidation scheme. The scope of this consolidation includes the following companies: SOGECLAIR, CLAIRIS TECHNOLOGIES and E.D.T.

The tax charge is recorded in the subsidiaries on the basis of their own tax result. The parent company records the balance with respect to the overall result.

For the financial year 2009, SOGECLAIR recorded a tax "saving" amounting to € 168,548.

APPENDIX NOTE N° 2

STATEMENT OF FIXED ASSETS

The transactions for the financial year were as follows:

GROSS VALUES	At the beginning of the year	Increase	Decrease	At year end
Intangible assets	€453,543	€44,902		€498,445
Property, plant and equipment	€270,247	€3,379		€273,626
Investments in associates	€12,211,667	€1,449,889	€3,515	€13,658,041
Total	€12,935,457	€1,498,170	€3,515	€14,430,112
AMORTISATION AND PROVISIONS	At the beginning of the year	Increase	Decrease	At year end
Intangible assets	€425,459	€19,460		€444,919
Property, plant and equipment	€137,812	€41,347		€179,159
Investments in associates	€210,940	€348,066	€180,451	€378,555
Total	€774,211	€408,873	€180,451	€1,002,633

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Consolidated and annual financial statements and appendixes

APPENDIX NOTE N° 3

STATEMENT OF PROVISIONS

NATURE OF THE PROVISIONS	At the beginning of the year	Contributions for the year	Write-backs for the year ⁽¹⁾	At year-end
Retirement benefit obligations and similar ⁽²⁾	€43,283	€4,999		€48,282
Loan write-downs	€23,000	€603		€23,603
Provisions for risks and charges	€207,453	€11,254		€218,707
Provisions for financial depreciation	€210,940	€348,066	€180,451	€378,555
Total	€484,676	€364,922	€180,451	€669,147

(1) including provisions used: none - (2) the accounting of the retirement benefit obligations has taken into account the provisions of law No. 2003-725 dated 21 August 2003 relative to pension reform.

APPENDIX NOTE N° 4

STATEMENT OF MATURITY OF RECEIVABLES AND DEBTS

ACCOUNTS RECEIVABLE	GROSS AMOUNT	LIQUIDITY OF ASSETS	
		LESS THAN 1 YEAR	MORE THAN 1 YEAR
Fixed asset debts			
• Loans	€1,040,0851	€1,037,836	€2,249
• Others	€1,188,473		€1,188,473
Current asset debts			
• Trade notes and accounts receivable	€1,012,521	€988,800	€23,721
• Others	€1,101,861	€1,101,861	
• Subsidiaries' current accounts	€3,242,072	€3,242,072	
• Prepaid expenses	€14,777	€14,777	
Total	€7,599,789	€6,385,346	€1,214,443

DEBTS	GROSS AMOUNT	TERM OF LIABILITY REALISATION		
		LESS THAN 1 YEAR	MORE THAN 1 YEAR	MORE THAN 5 YEARS
Borrowings and debts with credit institutions				
• One year at most initially	€9,117	€9,117		
• More than one year initially	€1,278,323	€597,690	€680,633	
Sundry loans and financial liabilities	€5,511,957	€5,458,102	€53,855	
Trade notes and accounts payable	€514,738	€514,738		
Social and tax debts	€628,010	€628,010		
Debts on fixed assets	€4,713	€4,713		
Other debts	€1,608	€1,608		
Prepaid income	€647	€647		
Total	€7,949,113	€7,214,625	€734,488	€0

DETAIL OF CHARGES PAYABLE	AMOUNT
Borrowings and debts with credit institutions	
Interest paid on borrowings	€9,117
Trade notes and accounts payable	€258,636
Social and tax debt	
Debt provisions/Paid Leave and Time Savings Account	€64,426
Charges payable on salaries	€98,664
Charges/ Paid Leave and Time Savings Account	€33,031
Social charges payable	€48,922
Tax charges payable	€19,563
Other debts	€0
Total	€532,359

RECEIVABLES AND DEBTS WITH RESPECT TO RELATED COMPANIES (excluding current accounts, detailed in the table of subsidiaries and participations)

	RECEIVABLES	DEBTS
CLAIRIS TECHNOLOGIES	€469,138	€73,340
EDT	€293,739	€4,258
HEE	€24,041	
SOGEMASA INGENIERIA	€100,647	
AVIACOMP	€981	
OKTAL SA	€62,632	
OKTAL SE	€2,169	€170
SERA INGENIERIE	€30,924	€25,439
S2E CONSULTING	€1,145	€7,590
CLAIRIS TECHNOLOGIES LIMITED	€3,383	
Total	€988,800	€110,798

APPENDIX NOTE N° 5

PREPAID CHARGES AND INCOME

	CHARGES	INCOME
Operating charges or income	€14,777	€647
Financial charges or income		
Extraordinary charges or income		
Total	€14,777	€647

APPENDIX NOTE N° 6

BREAKDOWN OF SHARE CAPITAL

	NUMBER	NOMINAL VALUE
Shares or partnership shares comprising the capital at the beginning of the financial year	725,000	€4
Shares or partnership shares issued during the financial year		
Shares or partnership shares cancelled during the financial year		
Shares or partnership shares comprising the capital at year-end	725,000	€4

APPENDIX NOTE N° 7

FINANCIAL CHARGES AND INCOME WITH RESPECT TO RELATED COMPANIES

	CHARGES	INCOME
CLAIRIS TECHNOLOGIES LIMITED		€5,917
CLAIRIS TECHNOLOGIES		€38,739
CLAIRIS TECHNOLOGIES MEDITERRANEE		€465
EDT	€1,489	
S2E CONSULTING		€24,213
SERA INGENIERIE	€14,866	
OKTAL SA	€8,930	€470,100
OKTAL SE	€8,409	€5
HEE		€37,836
SOGECLAIR INGENIERIA		€2,797
Total	€33,694	€580,072

APPENDIX NOTE N° 11

INCREASE AND DECREASE IN THE FUTURE TAX DEBT

VARIATION IN DEFERRED OR LATENT TAXES	BEGINNING OF YEAR		VARIATION		YEAR-END	
	Asset	Liability	Asset	Liability	Asset	Liability
CHARGES TEMPORARILY NON DEDUCTIBLE						
<i>To be deducted next year</i>						
Organic	€5,356		€1,331		€6,687	
Unrealised gains	€1,836		€1,316		€3,152	
<i>To be deducted later</i>						
Provisions for risks	€207,453				€207,453	
Provisions for own shares	€180,451		€167,615		€348,066	
Provisions for pensions	€43,283		€4,999		€48,281	
	€438,379		€175,261		€613,639	

APPENDIX NOTE N° 8

EXTRAORDINARY PROFIT

The extraordinary profit for 2009 is not significant.

APPENDIX NOTE N° 9

BREAKDOWN OF CORPORATE INCOME TAX

	Before tax	Corresponding tax	After tax
OPERATING PROFIT	€561,868	€-16,261	€578,129
EXTRAORDINARY PROFIT	€-127	€-42	€-85
TAX SAVING LINKED TO TAX CONSOLIDATION		€-168,548	€168,548
Total	€561,740	€-184,851	€746,592

There is a tax consolidation agreement between SOGECLAIR and the following subsidiaries:

- CLAIRIS TECHNOLOGIES
- E.D.T.

According to the terms of the agreement, the tax saving that may be made on the companies remains acquired to SOGECLAIR, the parent company. Simultaneously, any tax surcharge is borne by SOGECLAIR.

For the year 2009, there was a tax saving amounting to € 168,548.

APPENDIX NOTE N° 10

FINANCIAL COMMITMENTS

COMMITMENTS MADE	AMOUNT
Notes receivable discounted	
Supplier sureties and backing	€1,820,000
Collateral	€1,230,345
Other commitments made	
● Outstanding financial leasing payments	- €
● Outstanding real estate leasing payments	None
● Individual Right to Training	1,601 Hours

APPENDIX NOTE N° 12

REMUNERATION OF THE DIRECTORS

This includes the remuneration of the President & CEO, Executive Vice-President and the directors (fixed and variable remuneration, directors' fees and non-cash benefits), giving a total amount of € 409,565.

APPENDIX NOTE N° 13

AVERAGE WORKFORCE

Managerial and Senior Technicians	11.7
Technicians and other non-managerial	5.1
TOTAL	16.8

APPENDIX NOTE N° 14

TABLE OF SUBSIDIARIES AND SHAREHOLDINGS (IN €)

Financial information	CAPITAL	EQUITY CAPITAL AFTER RESULT	SHARE OF CAPITAL HELD	BOOK VALUE OF SECURITIES HELD		LOANS AND ADVANCES GRANTED NOT YET PAID BACK	AMOUNT OF SURETIES AND CAUTIONS GRANTED	SALES EXCL. VAT AT LAST YEAR-END	PROFIT/ LOSS AT LAST YEAR-END	DIVIDENDS RECEIVED FOR 2008
				GROSS	NET					
Subsidiaries and shareholdings										
A) Detailed information concerning subsidiaries and shareholdings										
1-Subsidiaries										
Clairis Technologies Limited	1,266	145,580	100.00%	1,458	1,458	274,186		1,495,574	193,120	
Clairis Technologies	2,012,517	2,512,762	99.91%	4,159,916	4,159,916	1,837,078	1,820,000	28,295,172	365,579	
E.D.T.	68,000	761,398	99.80%	9,227	9,227	-104,930		8,436,956	93,156	
Oktal S.A.	1,000,000	2,931,215	97.94%	2,814,375	2,814,375	-954,024		9,830,468	695,919	470,100
S2E consulting	100,000	256,396	46.99%	46,990	46,990	23,625		1,085,260	108,413	23,495
AVIACOMP	200,000	-6,887	55.00%	55,000	55,000	0		30,304	-205,169	
HEE	26,000	2,331,210	99.04%	3,740,264	3,740,264	1,060,568		18,294,043	-476,064	
Sera Ingénierie	250,000	614,779	80.00%	200,000	200,000	-1,594,362		3,587,369	222,022	
Sogemasa Ingenieria	300,000	178,049	74.50%	371,748	371,748	354,248		2,055,123	-107,786	
2-Shareholdings										
B) General information concerning the other subsidiaries and shareholdings				15	15	-2,036,081				

5.4. General report of the Auditors on the annual financial statements

MOREREAU AUDIT SAS
10, rue Rayer
31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST
2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

FINANCIAL YEAR ENDING 31 DECEMBER 2009

REPORT OF THE AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS

In performing the duty entrusted to us by your general meeting, we hereby present our report relative to the financial year ending 31 December 2009, on:

- the verification of SOGECLAIR's consolidated accounts, such as they are appended to this report,
- the substantiation of our assessments,
- the specific verifications and the information stipulated by law.

The annual accounts were prepared by your Board of Directors.

It is our duty to express an opinion on these financial statements based on our audit.

I - OPINION ON THE ANNUAL ACCOUNTS

We conducted our audit in accordance with the professional auditing standards in France; these standards require that we conduct proceedings with due care to give reasonable assurance that the annual accounts are free from significant irregularities. An audit entails examining, on a test basis, evidence supporting the amounts and disclosures these financial statements contain. An audit also involves assessing the accounting principles used and significant estimates made in preparing the accounts, as well as evaluating the overall presentation. We believe that our audit provides a reasonable basis for the opinion expressed below.

We certify that the annual accounts are, in view of the French accounting rules and principles, honest and sincere and give a true view of the result of the operations of the past year and of the company's assets and financial situation at year-end.

II - SUBSTANTIATION OF THE ASSESSMENTS

In application of the provisions of article L. 823-9 of Commercial Law relative to the substantiation of our assessments, we draw your attention to the "main accounting methods used" paragraph in note 1 of the appendix on the valuation of shareholdings.

In this framework, we have verified the appropriate nature of the accounting methods used. We have examined the reasonable nature of the assumptions adopted, the resulting valuations and the information provided in the notes of the appendix to the annual financial statements.

The assessments thus made enter into our approach to auditing the annual accounts, taken in their entirety, and have therefore contributed to forming our opinion without any reservations, as expressed in the first part of this report.

III - SPECIFIC VERIFICATIONS AND INFORMATION

We have also proceeded, in accordance with the applicable professional standards in France, with the specific verifications stipulated by law.

We do not have any remarks to make concerning the sincerity and consistency of the information provided in the Board of Directors' annual report and in the documents sent to the shareholders relative to the financial situation and the annual accounts

Concerning the information provided pursuant to the provisions of article L. 225-102-1 of Commercial Law on the remunerations and non-cash benefits granted to the directors and on the commitments made in their favour, we have checked their consistency with the accounts or with the data that was used to establish those accounts and, where applicable, with the information obtained by your company from the companies controlling or controlled by it. On the basis of these verifications, we certify the exactness and sincerity of this information.

In application of the law, we have verified that the various items of information relative to the shareholdings and control, as well as to the identity of the shareholders have been provided to you in the management report.

MOREREAU AUDIT SAS
Didier GARRIGUES

Toulouse, 16 April 2010
The Auditors,
EXCO FIDUCIAIRE DU SUD-OUEST
Jean-Marie FERRANDO

5.5. Special report of the Auditors on the regulated agreements

MOREREAU AUDIT SAS
10, rue Reyer
31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST
2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

SPECIAL REPORT OF THE AUDITORS ON THE REGULATED AGREEMENTS FINANCIAL YEAR ENDING 31/12/2009

To the shareholders,

In our capacity as Auditors of your company we hereby present you with our report on the regulated agreements and commitments.

It is not our task to determine the existence of agreements and commitments but rather to inform you, on the basis of the information at our disposal, of the characteristics and key terms of those that have been notified to us, without having to express an opinion on their usefulness or merits. It is your duty, pursuant to article 225-31 of Commercial Law, to assess the advantages of concluding these agreements and commitments with a view to approving them.

ABSENCE OF NOTIFICATION OF AGREEMENTS OR COMMITMENTS

We hereby inform you that we have not been notified of any agreement or any commitment concluded during the financial year and subject to the provisions of article L. 225-38 of Commercial Law.

AGREEMENTS APPROVED DURING PREVIOUS FINANCIAL YEARS WHOSE EXECUTION HAS CONTINUED DURING THE PAST FINANCIAL YEAR

Furthermore, pursuant to Commercial Law, we have been informed that the execution of the following agreements, approved during previous fiscal years, has continued during the last financial year.

1. With Jean-Louis ROBARDEY, taken in his capacity as a private individual.

- Nature of the agreement:

● Life annuity:

Under the terms of an act under private writing drawn up in TOULOUSE dated 27 December 1985, Jean-louis ROBARDEY transferred to S.A. "ECLAIR-INTERIM", which has since become "E.D.T.", a temporary employment agency business, run from 39, Rue de Metz in TOULOUSE against payment of the sum of € 304,998, € 45,734 has been paid, the balance of € 259,204 having been converted into a life annuity of € 18,294 to his benefit for the rest of his life, and transferable after his death to his spouse, Huguette ROBARDEY, for the rest of her life.

This annuity being indexed on the cost of living throughout the time that it is due.

In 1994, subsequent to the moth-balling of "ECLAIR INTERIM" your company has continued to assume responsibility for the commitments contracted by its subsidiary.

A probabilistic revaluation of the commitment given on 1 January €186,384

The restated sum paid for the fiscal year to Jean-Louis ROBARDEY amounts to € 29,448

2. With the SOCIETE CIVILE IMMOBILIERE SOLAIR, real estate company with capital of € 1,524.49 headquartered at BLAGNAC -31700 - Avenue Albert Durand.

- Nature of the agreement:

● Commercial lease

Amount covered:€554,374

- Rent€408,121

- Property taxes€84,047

- Occupancy expenses€57,234

- Insurance€4,972

We have exercised all the due diligence that we considered necessary with respect to the professional standards of the "Compagnie nationale des commissaires aux comptes" (National Company of Auditors) relative to this mission. This due diligence consisted of verifying the agreement of the information that we have been given with the basic documents from which it was taken.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS
Didier GARRIGUES

EXCO FIDUCIAIRE DU SUD-OUEST
Jean-Marie FERRANDO

**6.1. Combined general meeting
of 28 May 2010**

Dear Shareholders,

The law obliges the President of the Board of Directors of Joint Stock Companies whose shares are traded on a regulated market (Euronext Paris) to indicate in a report attached to the Board's report:

- references made to a code of corporate governance,
- composition, conditions under which the Board prepares and organises its work,
- special conditions relative to the shareholders' participation in the General Meeting,
- any limitations imposed on the powers of the CEO,
- principles and rules put in place to determine the remuneration and non-cash benefits granted to the directors,
- elements likely to have an impact in the case of a public offering,
- internal control and risk management procedures put in place by the company.

This report was prepared by the President & CEO in cooperation with the company's specialist lawyers and the person in charge of the legal secretariat and of establishing the annual reference document.

This report has been submitted to the approval of the Board of Directors on 10 March 2010 and transmitted to the auditors.

Corporate governance

Concerning the code of corporate governance, our company now refers to the Middlednext Code on corporate governance for medium and small listed companies dated December 2009, available on request from Middlednext (e-mail: o.dufour@middlednext.com), hereinafter the Reference Code.

The Board declares it has familiarised itself with the data presented in the "points of vigilance" section of that Code.

However, the provisions of that Code concerning directors' fees are not applied.

Indeed, given the Board Members' good level of attendance, it was not deemed necessary to modify current practices, recalled below, when distributing the Directors' fees between the Board Members, to base that on attendance and the time devoted to the function.

1. Board of Directors and Committees

1.1 Board of Directors

1.1.1 Composition of the Board

The board has nine members:

- Mr. Philippe Robardey, president of the board of directors, born on 14 October 1959, renewed in 2007 for six years, that is to say until the end of the general meeting held in 2013 to approve the accounts of the previous financial year,
- Mr. Jean-Louis Robardey, director, born on 22 July 1931, renewed in 2007 for six years, that is to say until the end of the general meeting held in 2013 to approve the accounts of the previous financial year,

- Mr. Michel Grindes, director, born on 28 March 1937, appointed in 2008 for six years, that is to say until the end of the general meeting held in 2014 to approve the accounts of the previous financial year,
- Mr. Jacques Riba, director, born on 21 August 1944, renewed in 2005 for six years, that is to say until the end of the general meeting held in 2011 to approve the accounts of the previous financial year,
- Mr. Alain Ribet, director, born on 16 January 1944, renewed in 2007 for six years, that is to say until the end of the general meeting held in 2013 to approve the accounts of the previous financial year,
- Mr. Bernard Ziegler, director, born on 12 March 1933, appointed in 2008 for six years, that is to say until the end of the general meeting held in 2014 to approve the accounts of the previous financial year,
- Mr. Alberto Fernandez, director, born on 1 April 1949, appointed in 2006 for six years, that is to say until the end of the general meeting held in 2012 to approve the accounts of the previous financial year,
- Mr. Gérard Blanc, director, born on 6 March 1943, appointed in 2007 for six years, that is to say until the end of the general meeting held in 2013 to approve the accounts of the previous financial year,
- Mr. Henri-Paul Brochet, director, born on 12 September 1945, appointed in 2009 for six years, that is to say until the end of the general meeting held in 2015 to approve the accounts of the previous financial year.
- Mr. Philippe ROBARDEY, President of the Board of Directors, is the company's chief executive officer.

Besides the members of the Board, Mrs. Huguette Robardey, who is no longer a Director, has been appointed Secretary of the Board.

The number and nature of the other mandates and functions exercised by the directors are given in the Board of Directors' annual report.

Amongst the Board Members, six of them – Messrs Michel Grindes, Jacques Riba, Bernard Ziegler, Alberto Fernandez, Gérard Blanc and Henri-Paul Brochet – are considered to be independent in accordance with the definition given by the Reference Code. Indeed, according to the eighth recommendation of the Middlednext Code on corporate governance for medium and small listed companies, the following criteria are used to qualify a Board Member as being independent:

- Not to be an employee or director of the company or of a company in its group and not to have been so during the preceding three years
- Not to be a significant customer, supplier or banker of the company or of its group or for which the company or its group represents a significant part of its activity,
- Not to be a reference shareholder of the company,
- Not to have close family ties with a director or a reference shareholder,
- Not to have been an auditor of the company during the last three years.

Furthermore, generally speaking and to the knowledge of the company, on the date this report was established, there were no conflicts of interest between the duties of each of the Board Members with respect to the company and their private interests or other duties.

1.1.2 Conditions under which the Board prepares its work

To allow the members of the board to prepare the meetings effectively, the President makes every effort to provide them with all the necessary information or documents beforehand.

Whenever a member of the Board so requests, the President provides him, insofar as possible, with the additional information and documents that he wishes to receive.

1.1.3 Holding of Board Meetings

The convocations to the meetings of the Board of Directors are issued by the President of the Board in writing, at least ten days in advance, except under special circumstances. The meetings are held at headquarters.

Furthermore, the directors receive the documents exchanged at the time of meetings of the Board of Directors (four in 2009).

Before any communication of financial information, the data and documents are sent in advance to all the directors.

At the time of each meeting of the Board of Directors, the President presents the key points and various issues examined in the form of documents issued to the directors. Each meeting thus makes it possible to follow up the activity of the Company subsidiary by subsidiary.

Twice yearly, for the half-yearly and annual accounts, the President presents the draft documents to the board for SFAF (Society of French Financial Analysts) results presentation meetings.

The board examines and/or orients and authorises the negotiations relative to the variation in the scope of growth through acquisitions.

In the framework of the strengthening of the role of the Board of Directors, since the end of 2004 it comments on the budgets and plans of each subsidiary prior to approval by the President and Chief Executive Officer.

Lastly, the Board of Directors examines and authorises the company's commitments to projects requiring significant financing or guarantees, securities or amendments that could be associated with them.

Besides the regular meetings held between general management and the directors, the Board of Directors met six times during the year 2009. The members' attendance rate was very good, with no particular absences. The rate of effective physical presence was 85% (with no participation using telecommunications systems).

No meetings were held in the absence of the President and Chief Executive Officer.

No meetings were called on the initiative of the directors.

The Auditors were invited to the meeting of the Board of Directors that voted on the annual accounts, the half-yearly accounts and the provisional management documents. They effectively took part.

1.1.4 Board of Directors' internal regulations

Internal regulations have been drawn up for the Board as of 16 March 2007 the purpose of which is to remind the members of the Board of Directors of their various duties and to complete the legal, regulatory and statutory rules in order to detail the Board of Directors' operating conditions.

The internal regulations define the role and composition of the Board of Directors and of the committees. They stipulate the duties of the directors in a general way and also their obligations relative to having privileged information in their possession.

The internal regulations stipulate the frequency of the meetings and the means to be implemented to take part in them.

The internal regulations are available on the company's website (www.sogclair.fr) and will be submitted to the next Board Meeting with a view to making it conform to the Middenext Code.

1.1.5 Subjects debated at the time of the Board meetings and activity report

During the year 2009, the Board of Directors deliberated on the following topics in particular:

- establishing the annual and half-yearly individual and consolidated accounts,

- examining the budgets for the financial year 2009 and the forecast budgets for 2010 to 2012,
- company strategy (analysis of the strategic, economic and financial orientations),
- examining expansion by acquisition projects and other changes of scope;
- Board of Director's remuneration.
- the company's situation in the face of the economic and financial crisis,
- following up reference listings and progress made with the contracts of major importance,
- relations with third parties,
- adhesion to the Middenext Code of governance.

1.1.6 Assessment of the Board's work

In accordance with the Middenext reference code and the recommendations of the AMF, the Board has been informed that it would be appropriate to put in place a Board assessment procedure, in a regular way, with a view in particular to (i) reviewing its operating procedures, (ii) verifying that the important questions are suitably prepared and debated and (iii) measuring the effective contribution of each Director to its work by way of his/her competence and involvement in its discussions.

1.2 Organisation and operation of the specialist committees

Two committees have been activated during the financial year.

1.2.1 Audit Committee

This Committee was set up by the Board at the time of its meeting on 18 December 2008 to bring it into line with the AFEP-MEDEF code of corporate governance adopted on that same date. The existence of this committee is not compulsory with respect to the Middenext Code, adopted by SOGECLAIR on 10 March 2010.

It is made up of three directors, two of whom are independent directors: Messrs Jean-Louis Robardey, Gérard Blanc and Michel Grindes. Their experience is indicated in section 3.3 of the annual reference document.

Its mission, as from the 2009 financial year, under the exclusive and collective responsibility of the Board of Directors, is to ensure the follow-up of questions relative to the drawing up and control of the accounting and financial information.

The committee has met four times since 1 January 2009 and has accomplished the following work: follow-up of the implementation procedures relative to management control, financial and operational risk monitoring, and surveillance of the auditors.

This committee had a 100% attendance level.

The committee members had sufficient time to examine the financial and accounting documents, had the possibility of hearing the auditors, the head of accounting, cashflow and management control.

The committee reported on its works to the Board which took note and applied all of its recommendations.

1.2.2 Remunerations Committee

This Committee includes all of the directors with the exception of Mr Philippe Robardey.

Once a year, the Committee analyses the remunerations of the Board of Directors. This committee had a 100% attendance level.

It decides on any changes to be made to the President & CEO's fixed remuneration and proposes a remuneration framework for the other members of the Board of Directors.

It submitted its report to the Board in December 2009.

In the framework of the AFEP-MEDEF recommendations made in December 2008, the Board decided, at its meeting on 12 March 2009, to extend the Remuneration Committee's mission to the examination of the appointment of directors and board members.

Further to its adherence to the Middenext code of corporate governance at the Board Meeting held on 10 March 2010, the mission of the Remunerations Committee remains unchanged.

2. Limit on the powers of the CEO

No specific limitations have been imposed on the powers of the CEO by the Board of Directors.

3. Principles and rules for determining the remuneration of the directors

3.1 Remuneration of the Board Members – Rule for the distribution of Directors' fees

The calculation and distribution method for the directors' fees were set for SOGECLAIR SA by the Board of Directors on 5 March 1998 as follows:

"The directors' fees allocated in respect of a financial year to the members of the board of directors are set in application of the rules concerning tax deductibility and each year represent in all 5% of the average remuneration assigned to the 5 highest paid employees in the company multiplied by the number of members on the board of directors rounded off to the nearest thousand francs. For the forthcoming financial years, the allocation of directors' fees within the board of directors will be determined as follows: double share for the President and for the CEO directors, single share for the other directors."

3.2 Remuneration of the Directors – Calculation criteria or circumstances for establishing the elements making up the remunerations and non-cash benefits

Concerning the remuneration of the Directors, the Board refers to the Middenext code of corporate governance for listed companies, dated December 2009.

The variable part of the remuneration paid to Mr Philippe ROBARDEY in 2007 corresponded to the 2006 financial year; that paid in 2008 corresponds to the 2007 financial year. This variable part of his remuneration is calculated on the basis 2% of the consolidated result before tax. As from 2009, and as decided by the Board of Directors on 10 March 2010, this remuneration is set at 4% of the consolidated result before tax.

The non-cash benefit granted to Mr Philippe ROBARDEY corresponds to a company car.

Furthermore, the company has undertaken to pay Mr Philippe Robardey, in case of termination of his mandate as the company's Chief Executive Officer, except in the case of failure or voluntary departure, an indemnity according to his fixed and proportional remuneration calculated on the basis of the last annual period preceding the termination of his mandate, subject to the performance of the company's operating result.

Mr Philippe Robardey has not benefited from any stock purchase of subscription options, shares granted free or from any fixed-benefits pension scheme.

4. Shareholders' participation at the General Meeting

The conditions relative to the shareholders' participation at the General Meetings are given in article 15 of the company's articles of association.

5. Elements likely to have an impact in the case of a public offering

These elements are detailed in the Board's Report.

Internal control procedures and risk management procedures

Allocation of responsibilities

General management defines the objectives relative to internal control and distributes the responsibilities for ensuring the regular evaluation of the activities of all the companies in the group.

In the framework of internal control, the following responsibilities have been assigned to the various management bodies:

- Group General Management

General Management is responsible for putting in place accounting and operational reporting systems, their structures, the choice of consistent indicators and setting reasonable deadlines for information reporting.

It sets the goals of the Finance Department and facilitates the auditors' mission.

It is also responsible for providing feedback to the subsidiaries on the consolidated level at the time of the quarterly meetings.

- Finance department

This department is organised in two units:

- Accounts, management control and cash flow,
- Consolidation, financial communication and publications, legal and insurance.

This department is responsible for collecting the accounting and operational data from the subsidiaries, for their consolidation as group data, interfacing with the subsidiaries' and group's auditors, internal auditing and compliance with the group's procedures, and the internal reporting system and its updating. It detects and analyses any drift, informs Group General Management and validates the corrective and/or preventive action plans with the subsidiaries.

It has the authority, competence and tools required to accomplish these control missions. This department is responsible for group financial publications and ensures coordination for the legal and insurance aspects.

- The subsidiaries' General Management bodies

These are responsible for collecting information from the operational units, and for providing the Financial and Planning Directorate with their reporting indicators.

They establish the action plans in the event of a confirmed or probable risk of drift, inform their Board of Directors and Group General Management and implement the validated measures.

Lastly, they regularly inform their operational units of any changes in the group's control procedures, of any drift detected and of the measures taken.

- The subsidiaries' Operational Directorates

They are responsible for the reliability of the accounting and operational data relative to their activity and for the lowest level application of the group's control procedures.

In this respect, they are responsible for selecting and implementing the most appropriate rules for preventing errors and/or misconduct, detecting deviations at the earliest possible time, limiting their effect and reporting without delay to General Management.

Objectives pursued

The objectives of internal control are to put in place tools and organisations making it possible to guarantee the reliability of the financial information provided, identify the risks and prevent their occurrence, detect any malfunctioning and secure the value of the company's assets.

The main risks identified are financial and commercial risks linked to problems of:

- initial estimation and execution of contracts,
- project financing,
- commercial or technical dependence,
- sensitivity to economic factors: interest and exchange rates, market growth.

In the face of these risks, the accent has been placed in particular on the following instruments applied to all of the subsidiaries.

● Quarterly accounts

The quarterly accounting statements are established under the responsibility of each subsidiary and are recorded according to procedures and a harmonised plan with the group in order to conform to the national legal obligations and facilitate their presentation in IFRS format.

These data are, for the joint stock companies in the group, subject to examination by the auditors (limited for the half-year, complete for the year), and for all the companies subject to a likelihood verification by the group Finance Department (on reception of the statements, and an on-site examination of the subsidiaries in turn).

They are submitted to the group for consolidation on D + 16 for the odd quarters (1st and 3rd quarters) and D + 20 for the first half and D + 30 for the end-of-year statement.

● Operational Reporting management chart

An operational and financial reporting system aiming to provide a frequent and prospective vision of the performance of the group's various operational units and subsidiaries in France and abroad, and satisfies a process of continuous improvement.

This system is based on a monthly Reporting Management Chart, deployed in a unified format providing the following information on D + 12:

- performance indicators (commercial, financial, utilisation of resources),
- activity and result projection to year-end,
- remarks on any drift on the operational level and measures taken,
- follow-up of projects in terms of meeting the termination costs in relation to their degree of completion.

The goal of the continuous improvement actions is to:

- shorten the production cycles and reduce the risks of error,
- increase the group's visibility of the data from the subsidiaries and procure multi-dimensional analysis capacities (subsidiaries, products, markets),
- offer top management customised indicators better suited to their management needs.

● Project control

The risks taken by the subsidiaries in their projects is monitored both before commitments are made and during execution:

- Before commitment: a standardised profitability analysis tool – including a "degraded" scenario and minimum thresholds to be respected – has been added to the Offer Review process and made applicable for all projects that could significantly affect the subsidiary's result,
- Likewise, before commitment and for those same projects, a detailed examination of the contractual clauses has been made obligatory, including the definition of the points on which the subsidiary is not authorised to negotiate,
- During execution, all the expenses and invoicing relative to each project are recorded immediately in an IT tool that has been tried and tested for several years and offering real-time visibility of production, the costs engaged, the remaining work and any drift with respect to the initial budget,
- The data provided by this tool are used directly to establish the monthly follow-up of the critical projects included in the Reporting Management Chart.

Since 2009, monthly meetings have been put in place with each Director in order to analyse each entity's indicators, economic performance and commercial activity.

Current limits

Internal control cannot eliminate all errors, anomalies or fraud, in particular those resulting from unidentified collusions or malfunctioning.

Internal control also relies on the reliability and pertinence of the indicators chosen, on the performance of the tools and methods used to draw up and consolidate the data and on the organisational rules put in place at every level to guarantee its independence.

It has not yet been formalised by means of a procedures manual, no more than the control instruments described above are the subject of a systematic internal audit, prior to the intervention of our auditors.

The President of the Board of Directors

6.2. Report of the auditors in application of Article L. 225-235 of Commercial Law, on the President of SOGECLAIR's Board of Directors' report

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
10, rue Reyer 2, rue des Feuillants
31200 TOULOUSE 31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

FINANCIAL YEAR ENDING 31 DECEMBER 2009

REPORT OF THE AUDITORS IN APPLICATION OF ARTICLE L.
225-235 OF COMMERCIAL LAW, ON THE PRESIDENT
OF SOGECLAIR'S BOARD OF DIRECTORS' REPORT

To the shareholders,

In our capacity as the Auditors of SOGECLAIR and in application of the provisions of article L. 225-235 of Commercial Law, we are presenting our report on the report established by the President of your company pursuant to the provisions of article L. 225-37 of Commercial Law with respect to the year ending on 31 December 2009.

It is the responsibility of the President of the Board of Directors to report, in particular, on the conditions under which the Board of Directors' work is prepared and organised and on the internal control procedures put in place in the company and providing the other information required by articles L. 225-37 of Commercial Law relative in particular to the organisation in the area of corporate governance.

It is our task to:

- *notify to you any remarks we may have concerning the information and declarations given in the President's report concerning the internal control procedures relative to the drawing up and processing of the accounting and financial information, and*
- *certify that the report includes all the other information required by articles L. 225-37 of Commercial Law, it being stated that it is not our mission to verify the sincerity of this other information.*

We have carried out our work according to the professional standards that apply in France.

Information concerning the internal control procedures relative to the elaboration and processing of accounting and financial information

The professional standards require the implementation of due diligence for assessing the sincerity of the information given and the declarations made in the President's report concerning the internal control procedures relative to the drawing up and processing of the accounting and financial information. This due diligence concerns the following in particular:

- taking cognizance of the internal control procedures relative to the drawing up and processing of the accounting and financial information underlying the information presented in the President's report and the existing documentation;

- taking cognizance of the work that made it possible to elaborate this information and the existing documentation;
- determining whether any major internal control deficiencies relative to the elaboration and processing of the accounting and financial information that we may have observed in the framework of our mission have been the subject of appropriate information in the President's report.

On the basis of this work we do not have any remarks to make on the information concerning the company's internal control procedures relative to the drawing up and processing of the accounting and financial information, contained in the President of the Board's report, established in application of the provisions of article L. 225-37 of Commercial Law.

Other information

We certify that the President of the Board's report includes the other information required in article L. 225-37 of Commercial Law.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
Didier GARRIGUES Jean-Marie FERRANDO

6.3. Agenda and proposed draft resolutions submitted to the general meeting of 28 May 2010

AGENDA

- Approval of the consolidated accounts for the year ending 31 December 2009,
- Approval of the annual accounts for the year ending 31 December 2009,
- Appropriation of the profit for the year and setting the dividend,
- Auditors' special report on the regulated agreements and commitments and approval of those agreements,
- Renewal of EXCO FIDUCIAIRE DU SUD OUEST's term as titular auditor,
- Renewal of Mr. Christian DUBOSC's term as substitute auditor,
- Authorisation to be given to the Board of Directors with a view to having its own shares bought back by the company in the framework of the provisions of article L. 225-209 of Commercial Law,
- Authorisation to be given to the Board of Directors with a view to granting share subscription and/or purchase options to the salaried members of staff (and/or certain directors),
- Authorisation to be given to the Board of Directors with a view to allocating shares free of charge to the salaried members of staff (and/or certain directors),
- Delegation of powers to be given to the Board of Directors to proceed with a capital increase by issuing shares reserved for PEE (corporate savings plan) subscribers in application of articles L. 3332-18 et seq. of Labour Law,
- Powers for formalities.

DRAFT RESOLUTIONS

First resolution (ordinary) – Approval of the consolidated accounts for the year ending 31 December 2009

The general meeting, having taken cognizance of the Board of Directors', the President of the Board's and the Auditors' reports on the consolidated accounts relative to the year ended 31 December 2009, approves these accounts such as they were presented, resulting in a profit of (group share) of € 1.502 k.

Second resolution (ordinary) – Approval of the annual accounts for the year ending 31 December 2009

The general meeting, having taken cognizance of the Board of Directors', the President of the Board's and the Auditors' reports relative to the year ended 31 December 2009, approves the annual financial statements closed on that date, such as they were presented, resulting in a net profit of € 746.591,29.

The General Meeting especially approves the overall sum, amounting to € 4,292, of the expenses and charges covered by para. 4 of article 39 of General Tax Law, as well as the corresponding tax.

Third resolution (ordinary) – Appropriation of the profit for the year and setting the dividend

As proposed by the Board of Directors, the general meeting decides to distribute the profit for the financial year ending 31 December 2009 as follows:

Origin

- Carried forward from previous year	€4 201,960.78
- Profit for the financial year	€746,591.29

Appropriation

- Carried forward (thus raised from €4,201,960.78 to €4,549,802.07)	€347,841.29
- To the shareholders, as dividends, giving a dividend of € 0.55 per share	€398,750.00

The General Meeting notes that the overall dividend payable for each share is set at € 0.55, the whole of this amount thus distributed is eligible for the 40% tax reduction mentioned in article 158-3-2° of General Tax Law.

The dividends will be detached as from 9 June 2010.

Payment of the dividends will be made on 14 June 2010.

It is stated that in the case where, at the time these dividends are paid out, the company holds certain of its own shares, the sums corresponding to the unpaid dividends relative to those shares shall be carried forward.

Pursuant to the provisions of article 243 bis of General Tax Law, the General Meeting acknowledges that it has been reminded that, in respect of the previous three fiscal years, the dividends paid were out were as follows:

For the Financial Year	REVENUES ELIGIBLE FOR THE REDUCTION		REVENUES NOT ELIGIBLE FOR THE REDUCTION
	DIVIDENDS	OTHER REVENUES DISTRIBUTED	
2006	€ 362,500 that is € 0.50 per share	-	-
2007	€ 398,750 that is € 0.55 per share	-	-
2008	€398,750 that is € 0.55 per share	-	-

Fourth resolution (ordinary) – Auditors' special report on the regulated agreements and commitments and approval of those agreements

Deliberating on the special report of the auditors that was submitted to it on the regulated agreements and commitments, the General Meeting approves the agreements mentioned therein.

Fifth resolution (ordinary) – Renewal of EXCO FIDUCIAIRE DU SUD OUEST's term as titular auditor

As proposed by the Board of Directors, the general meeting decides to renew the term of EXCO FIDUCIAIRE DU SUD OUEST, titular auditors, which expires at the end of this meeting, for a period of six financial years, that is until the end of the ordinary Annual General Meeting that will be convened in 2016 to approve the accounts for the financial year ending 31 December 2015.

EXCO FIDUCIAIRE DU SUD OUEST has declared in advance that it accepts the renewal of its functions.

Sixth resolution (ordinary) – Renewal of Mr. Christian DUBOSC's term as substitute auditor

As proposed by the Board of Directors, the general meeting decides to renew the term of Mr. Christian DUBOSC, substitute auditor, which expires at the end of this meeting, for a period of six financial years, that is until the end of the ordinary Annual General Meeting that will be convened in 2016 to approve the accounts for the financial year ending 31 December 2015.

Mr. Christian DUBOSC has declared in advance that he accepts the renewal of his functions.

Seventh resolution (ordinary) - Authorisation to be given to the Board of Directors with a view to having its own shares bought back by the company in the framework of the provisions of article L. 225-209 of Commercial Law

The General Meeting, having taken cognizance of the Board of Directors' report, authorises the Board for a period of eighteen months, pursuant to articles L 225-209 et seq. of Commercial Law, to buy back in one or more transactions at times that it shall decide, shares in the company within the limit of 10 % of the number of shares making up the company's equity capital adjusted, where applicable, to take into account any increases or reductions of capital that may be made during the term of the programme.

This authorisation puts an end to the authorisation given to the Board of Directors by the Ordinary General Meeting held on 28 May 2009 in its eighth ordinary resolution.

The acquisitions may be made with a view to:

- ensuring market making or the liquidity of the Sogclair shares through the intermediary of an investment service provider by means of a liquidity contract that is conform to an AMAFI code of ethics recognised by the AMF,
- keeping the purchased shares and putting them at a later time up for exchange or in payment in the framework of external growth operations, it being stated that the shares purchased for this purpose may not exceed 5 % of the company's capital,
- ensuring the coverage of share option purchase plans and other forms of share allocation to the group's employees and/or directors under the conditions and according to the procedures stipulated by law, in particular in respect of participation in the company's results, of the company savings plan or the free allocation of shares,

- ensuring the coverage of the securities giving the right to the allocation of the company's shares in the framework of the regulations in force,
- proceeding with the possible cancellation of the shares purchased, subject to the authorisation granted by the General Meeting of the shareholders on 28 May 2009 in its ninth, extraordinary, resolution.

These purchases of shares may be carried out by all means, including by the purchase of blocks of shares, and at any time that may be decided upon by the Board of Directors.

These operations may in particular be carried out at the times of public offerings in accordance with article 232-15 of the AMF general regulations if, on the one hand, the offering is fully settled in cash and, on the other hand, the buyback operations are accomplished in the framework of pursued execution of the current programme and are not of a nature to make the offering fail.

The company reserves the right to use option-based mechanisms or derivative instruments in the framework of the applicable regulations.

We propose that the maximum purchase price should be set at € 35 per share. In the event of transactions on the capital, in particular of a split or reverse split of stock or of a free allocation of shares, the amounts indicated above shall be adjusted in the same proportions (multiplication coefficient equal to the ratio between the number of shares making up the capital before the operation and the number of shares after the operation).

The maximum amount of the transaction is therefore set at € 2,537,500.

The Board of Directors shall therefore have all powers to proceed with these operations, determine the conditions and procedures, reach any agreements and accomplish all the formalities.

Eighth resolution (extraordinary) - Authorisation to be given to the Board of Directors with a view to granting share subscription and/or purchase options to the salaried members of staff (and/or certain directors)

The General Meeting, having taken cognizance of the Board of Directors' report and of the auditor's report:

- Authorises the Board of Directors, in the framework of the provisions of articles L. 225-177 to L. 225-185 of Commercial Law, to grant in one or more times, for the benefit of the beneficiaries indicated below, options giving the right to subscribe to new shares in the company to be issued as a capital increase or to purchase existing shares in the company resulting from the buyback operations accomplished under the conditions stipulated by law.
- Fixes the term of validity of this delegation of powers at thirty eight months to run from this General Meeting.
- Decides that the beneficiaries of these options may only be:
 - on the one hand, the employees or certain employees or certain categories of the personnel of SOGECLAIR and, where applicable, of companies or consortiums that are related to it under the conditions of article L. 225-180 of Commercial Law;
 - on the other hand, the directors who meet the conditions stipulated by article L. 225-185 of Commercial Law.
- The total number of options that may be granted by the Board of Directors in respect of this delegation of powers may not give the right to subscribe to or purchase a number of shares exceeding 2 % of the share capital that exists on the day of the first allocation, it being stated that from this ceiling shall be deducted the total number of shares that may be allocated free of charge by the Board of Directors in respect of the authorisation that follows.

- Decides that the share subscription and/or purchase price payable by the beneficiaries shall be set on the day the options are granted by the Board of Directors and may not be lower than the minimum prices determined by the legal provisions in force.

- Decides that no options may be granted:

- during the ten stock market sessions preceding and following the date on which the consolidated accounts are made public,
- or within a period of time comprised between the date on which the company's social organisations are made aware of an item of information that, if it was made public, could have a significant impact on the price of the company's shares, and the date ten stock market sessions after that information was made public,
- less than twenty stock market sessions after the detachment from the shares of a coupon giving the right to a dividend or an increase in capital.

- Notes that this authorisation includes, for the benefit of the beneficiaries of the share subscription options, an express renunciation by the shareholders of their preferential right to subscribe to the shares that are issued gradually as the options are exercised.

- Delegates all powers to the Board of Directors for setting the other conditions and procedures for allocating the options and for exercising them, in particular to:

- fix the conditions under which the options shall be granted and determine the list or categories of beneficiaries such as stipulated above; fix, where applicable, the seniority conditions that must be met by these beneficiaries; decide the conditions under which the price and number of shares must be adjusted, particularly according to the hypotheses stipulated by articles R. 225-137 to R. 225-142 of Commercial Law;
- fix the period(s) for exercising the options thus granted, it being stipulated that the length of the options may not exceed a period of 5 years, to run from the allocation date;
- foresee the possibility of temporarily suspending the exercising of options over a period of three months at the most in the case where financial operations are carried out involving the exercising of a right attached to the shares;
- accomplish or have accomplished all acts and formalities with a view to rendering definitive the increase(s) in capital that may, where applicable, be made by virtue of the authorisation that is the subject of this resolution; modify the articles of association accordingly and generally do everything necessary;
- on its sole decision and if it so deems appropriate, charge the expenses relative to the capital increases to the amount of the premiums relative to those increases and deduct from that amount the sums required to bring the legal reserve up to one tenth of the new capitalisation after each increase.

Ninth resolution (extraordinary) - Authorisation to be given to the Board of Directors with a view to allocating shares free of charge to the salaried members of staff (and/or certain directors)

The General Meeting, having taken cognizance of the Board of Directors' report and of the special report of the auditor, authorises the Board of Directors to proceed, in one or more times in accordance with the articles L. 225-197-1 and L. 225-197-2 of Commercial Law, to allocate ordinary shares in the company, that exist or are to be created, for the benefit of:

- the salaried members of staff of the company or of companies linked to it directly or indirectly in the sense of article L. 225-197-2 of Commercial Law,

- and/or directors who meet the conditions stipulated by article L. 225-197-1 of Commercial Law.

The total number of shares that may be allocated free of charge may not exceed 3 % of the share capital that exists on the day the Board of Directors makes the decision to allocate them, it being stated that from this ceiling shall be deducted the total number of shares that may be allocated by the Board of Directors in respect of the preceding authorisation.

The granting of shares to the beneficiaries shall be definitive after an acquisition period whose time shall be set by the Board of Directors, with a minimum of two years, the beneficiaries being obliged to keep said shares for a length of time set by the Board of Directors, it being stated that this conservation time may not be less than two years as from the definitive allocation of said shares.

However, the General Meeting authorises the Board of Directors, insofar as the acquisition period for all or part of one or more allocations is at least four years, not to impose any conservation time for the shares concerned.

As an exception, the definitive allocation shall be made before the end of the acquisition period in the event of the invalidity of the beneficiary corresponding to the classification in the second and third categories provided for by article L. 341-4 of Social Security Law.

All powers are granted to the Board of Directors with a view to:

- fixing the share allocation conditions and, where applicable, the criteria;
- determining the identity of the beneficiaries as well as the number of shares allocated to each one of them;
- determining the impact on the rights of the beneficiaries of the operations that modify the capital or are liable to affect the value of the shares allocated, that are performed during the acquisition and conservation periods and, therefore, to modifying or adjusting, if necessary, the number of shares allocated to uphold the rights of the beneficiaries;
- where applicable:
 - ascertaining the existence of sufficient reserves and proceeding at the time of each allocation with the transfer to a non-distributable reserves account of the sums required for paying up the new shares to be granted,
 - deciding, at the appropriate time, on the capital increase(s) by incorporation of reserves, premiums or profits, correlative to the issuing of the new shares granted free of charge, it being stipulated that the amount of this (these) increase(s) of capital are not deducted from the ceiling of the delegation of powers to increase the capital by incorporation of reserves given on 28 May 2009,
 - proceeding with the purchase of shares required in the framework of the share buyback programme and assigning them to the allocation plan,
 - taking all the necessary measures for ensuring compliance with the conservation obligation imposed on the beneficiaries,
 - and, generally, doing everything made necessary by the implementation of this authorisation in the framework of the legislation in force.

This authorisation entails by right renunciation by the shareholders to their preferential right to subscribe to new shares issued by incorporation of reserves, premiums and profits.

It is given for a period of thirty eight months to run from the date of this Meeting.

Tenth resolution (extraordinary) - Delegation of powers to be given to the Board of Directors to proceed with a capital increase by issuing shares reserved for PEE (corporate savings plan) subscribers in application of articles L. 3332-18 et seq. of Labour Law

The General Meeting, having taken cognizance of the Board of Directors' report and of the auditor's special report, in accordance with the provisions and, in particular of articles L. 225-129-6 and L. 225-138-1 of Commercial Law and L. 3332-18 et seq. of Labour Law :

- 1/ Authorises the Board of Directors, if it considers it opportune, on its sole decisions, to increase the equity capital in one or more times by issuing ordinary shares for cash and, if applicable, by the free allocation of ordinary shares or of other securities giving access to the capital, reserved for the employees (and directors) of the company (and of companies linked to it in the sense of article L. 225-180 of Commercial Law) who subscribe to a corporate savings plan.
- 2/ Cancels in favour of these people the preferential right to subscribe to the shares that may be issued by virtue of the present authorisation.
- 3/ Fixes at twenty-six months the validity of this authorisation, to run from date of this Meeting.
- 4/ Limits the maximum nominal amount of the increase(s) that may be made through the utilisation of the present authorisation to 3 % of the amount of the share capital reached when the Board of Directors takes the decision to proceed with this increase, this amount being independent from any other ceiling provided for in the area of a delegation to increase the capital.
- 5/ Decides that the price of the shares to be issued, in application of 1/ of the present delegation, may not be more than 20 % lower – or 30 % lower when the period of unavailability provided for in the plan in application of articles L. 3332-25 and L. 3332-26 of Labour Law is greater than or equal to ten years – than the average of the first share prices quoted at the time of the 20 stockmarket sessions preceding the Board of Director's decision relative to the capital increase and to the corresponding issue of shares, nor may it be higher than that average.

The Board of Directors may or may not implement the present authorisation, take all measures and accomplish all the necessary formalities.

Eleventh resolution (ordinary) - Formalities

The General Meeting grants all powers to the bearer of a copy or of an extract of these minutes with a view to accomplishing all registration and publicity formalities required by Law.

6.4. Report of the auditors on the granting of share subscription and/or purchase options to salaried members of staff (and/or certain directors)

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31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST
2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

Report of the auditors on the granting of share subscription and/or purchase options to salaried members of staff (and/or certain directors)

Extraordinary General Meeting on 28 May 2010 (8th resolution)

In our capacity as the auditors of your company and in execution of the mission stipulated in articles L.225-177 to L.225-185 of Commercial Law, we have drawn up this report on the authorisation to be given to the Board of Directors to grant in one or more times for the benefit of:

- *on the one hand, the employees or certain employees or certain categories of the personnel of SOGECLAIR and, where applicable, of companies or consortiums that are related to it under the conditions of article L. 225-180 of Commercial Law*
- *on the other hand, the directors who meet the conditions stipulated by article L. 225-185 of Commercial Law options giving the right to subscribe to new shares to be issued as a capital increase or to purchase existing shares in the company resulting from the buyback operations accomplished under the conditions stipulated by law.*

Your Board of Directors is proposing, on the basis of its report, that you should delegate to it for a period of 38 months the powers to decide to issue securities and renounce your preferential right to subscribe to securities to be issued. If applicable, it shall be responsible for fixing the definitive conditions for this operation.

It is the responsibility of your Board of Directors to draw up a report on the reasons for opening share subscription and/or purchase options and on the procedures proposed for fixing the subscription or purchase price. It is our task to give our opinion on the procedures proposed for fixing the subscription or purchase price.

It is stipulated that:

- *The total number of options that may be granted by the Board of Directors in respect of this delegation of powers may not give the right to subscribe to or purchase a number of shares exceeding 2 % of the share capital that exists on the day of the first allocation, it being stated that from this ceiling shall be deducted the total number of shares that may be allocated free of charge by the Board of Directors in respect of the authorisation that follows.*

- *the share subscription and/or purchase price payable by the beneficiaries shall be set on the day the options are granted by the Board of Directors and may not be lower than the minimum prices determined by the legal provisions in force.*

- *no options may be granted:*

- during the ten stock market sessions preceding and following the date on which the consolidated accounts are made public,

- or within a period of time comprised between the date on which the company's social organisations are made aware of an item of information that, if it was made public, could have a significant impact on the price of the company's shares, and the date ten stock market sessions after that information was made public,

- less than twenty stock market sessions after the detachment from the shares of a coupon giving the right to a dividend or an increase in capital.

We have exercised all the due diligence that we considered necessary with respect to the professional standards of the "Compagnie nationale des commissaires aux comptes" (National Company of Auditors) relative to this mission. This due diligence consisted of verifying the content of the Board of Directors' report relative to this operation and the procedures for determining the issue price of the shares to be issued.

Subject to the later examination of the conditions of the operations that may be decided, we do not have any remarks to make on the procedures for setting the subscription or purchase price given in your Board of Directors' report, which refer to the provisions of article L. 225-177 of Commercial Law.

As the amount of the subscription or purchase price has not been fixed, we will not express any opinion on the definitive conditions under which these operations may be accomplished.

Pursuant to article R. 225-116 of Commercial Law, we will draw up an additional report, if applicable, when your Board of Directors makes use of this authorisation.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
Didier GARRIGUES Jean-Marie FERRANDO

6.5. Report of the auditors on the granting free of charge to salaried members of staff (and/or certain directors) of existing shares or of shares to be issued

MOREREAU AUDIT SAS
10, rue Reyer
31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST
2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

Report of the auditors on the granting free of charge
to salaried members of staff (and/or certain directors)
of existing shares or of shares to be issued

We have exercised all the due diligence that we considered necessary with respect to the professional standards of the "Compagnie nationale des commissaires aux comptes" (National Company of Auditors) relative to this mission. This due diligence consisted of verifying in particular that the envisaged procedures given in the Board of Directors' report enter into the framework of the provisions stipulated by law.

We do not have any remarks to make on the information given in the Board of Directors' report on the envisaged free share allocation operation.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
Didier GARRIGUES Jean-Marie FERRANDO

Extraordinary General Meeting on 28 May 2010 (9th resolution)

In our capacity as the auditors of your company and in execution of the mission stipulated in article L.225-197-1 of Commercial Law, we have drawn up this report on the project to grant free of charge existing shares or shares to be issued for the benefit of salaried members of staff and/or certain directors of SOGECLAIR SA and of companies linked to it in the sense of article L.225-197-2 of Commercial Law.

Your Board of Directors is proposing that you should authorise it to grant free of charge existing shares or shares to be issued. It is its responsibility to draw up a report on this operation with which it wishes to proceed. It is our task to make, if applicable, our remarks to you on the information thus given to you on the operation being envisaged.

It is stipulated that:

- *The total number of shares that may be allocated free of charge may not exceed 3 % of the share capital that exists on the day the Board of Directors makes the decision to allocate them, it being stated that from this ceiling shall be deducted the total number of shares that may be allocated by the Board of Directors.*
- *The granting of shares to the beneficiaries shall be definitive after an acquisition period whose time shall be set by the Board of Directors, with a minimum of two years, the beneficiaries being obliged to keep said shares for a length of time set by the Board of Directors, it being stated that this conservation time may not be less than two years as from the definitive allocation of said shares. However, the General Meeting authorises the Board of Directors, insofar as the acquisition period for all or part of one or more allocations is at least four years, not to impose any conservation time for the shares concerned.*

6.6. Report of the auditors on the increase of capital by issuing shares reserved for PEE (corporate savings plan) subscribers

MOREREAU AUDIT SAS
10, rue Reyer
31200 TOULOUSE

EXCO FIDUCIAIRE DU SUD-OUEST
2, rue des Feuillants
31076 TOULOUSE CEDEX 3

Auditors

Members of the "Compagnie Régionale de Toulouse"

S.A. SOGECLAIR
7, avenue Albert Durand
31700 BLAGNAC

Report of the auditors on the increase of capital
by issuing shares reserved for PEE
(corporate savings plan) subscribers

Extraordinary General Meeting on 28 May 2010 (10th resolution)

In our capacity as the auditors of your company and in execution of the mission stipulated in articles L. 225-135 et seq. of Commercial Law, we hereby present to you our report on the project to delegate powers to the Board of Directors to decide upon an increase of capital, in one or more times, by issuing ordinary shares for cash and, if applicable, by the free allocation of ordinary shares or of other securities giving access to the capital with cancellation of the preferential right of subscription, reserved for the employees (and directors) of the company (and of companies that are linked to it in the sense of article L.225-180 of Commercial Law), operation on which you are being called to vote.

This capital increase is subject to your approval in application of articles L. 225-129-6 and L.225-138-1 of Commercial Law and L. 3332-18 et seq. of Labour Law.

Your Board of Directors is proposing, on the basis of its report, that you should delegate to it for a period of 26 months the powers to decide on one or more capital increases and renounce your preferential right to subscribe to securities to be issued. If applicable, it shall be responsible for fixing the definitive conditions for these operations.

It is stipulated that:

- *the General Meeting limits the maximum nominal amount of the increase(s) that may be made to 3 % of the amount of the share capital reached when the Board of Directors makes the decision to proceed with this increase, this amount being independent from any other ceiling provided for in the area of a delegation to increase the capital.*

- *the General Meeting decides that the price of the shares to be issued may not be more than 20 % lower – or 30 % lower when the period of unavailability provided for in the plan in application of articles L. 3332-25 and L. 3332-26 of Labour Law is greater than or equal to ten years – than the average of the first share prices quoted at the time of the 20 stockmarket sessions preceding the Board of Director's decision relative to the capital increase and to the corresponding issue of shares, nor may it be higher than that average.*

It is the responsibility of the Board of Directors to draw up a report pursuant to articles R. 225-113 and R. 225-114 of Commercial Law. It is our task to give our opinion on the sincerity of the valuated information taken from the accounts, on the proposed cancellation of the preferential right of subscription and certain other items of information concerning the issue, given in this report.

We have exercised all the due diligence that we considered necessary with respect to the professional standards of the "Compagnie nationale des commissaires aux comptes" (National Company of Auditors) relative to this mission. This due diligence consisted of verifying the content of the Board of Directors' report relative to this operation and the procedures for determining the issue price of the shares to be issued.

Subject to the later examination of the conditions of the operations that may be decided, we do not have any remarks to make on the procedures for setting the issue price of the shares to be issued given in the Board of Directors' report.

As the amount of the issue price of the shares to be issued has not been fixed, we will not express any opinion on the definitive conditions under which these operations may be accomplished nor, therefore, on the proposed cancellation of the preferential subscription right.

Pursuant to article R. 225-116 of Commercial Law, we will draw up an additional report, if applicable, when your Board of Directors makes use of this authorisation.

Toulouse, 16 April 2010

The Auditors,

MOREREAU AUDIT SAS EXCO FIDUCIAIRE DU SUD-OUEST
Didier GARRIGUES Jean-Marie FERRANDO

7.1. Person responsible for the reference document

Mr. Philippe ROBARDEY, President and Chief Executive Officer

7.2. Declaration of the person responsible for the reference document

I certify, after having taken every reasonable step to that effect, that the information contained in this reference document provides, to my knowledge, a true and fair picture of the existing situation and that there are no omissions that could affect its significance.

I certify that, to my knowledge, the accounts have been established in accordance with the applicable accounting standards and give a true and faithful picture of the asset base, financial situation and results of the company and of all the companies included in the consolidation, and that the management report, given on page 21, presents a true and faithful picture of the business trends, results and financial situation of the company and of all the companies included in the consolidation as well as a description of the main risks and uncertainties with which they are faced.

I have obtained from the statutory auditors, MOREREAU AUDIT and EXCO FIDUCIAIRE SUD OUEST, an end-of-mission letter in which they state that they have verified the information concerning the financial situation and the accounts given in this reference document and have read the complete reference document.

Blagnac, 19 April 2010

Philippe ROBARDEY
President and Chief Executive Officer

7.3. Auditors who verified the annual accounts

Statutory Co-Auditor

EXCO FIDUCIAIRE SUD OUEST represented by
Mr. Jean-Marie FERRANDO
2 rue des Feuillants
31000 TOULOUSE

Appointed by the Ordinary General Meeting held on 7 June 2004, to replace Mr. Dominique LEDOUBLE for a period of 6 years, that is until the Ordinary General Meeting held to approve the accounts for the year ending on 31 December 2009.

Statutory Co-Auditor

SARL MOREREAU AUDIT
10 rue Reyer
31200 TOULOUSE

Appointed by the Ordinary General Meeting held on 28 May 2009, to replace Mr. Robert MOREREAU, for a period of 6 years, that is until the Ordinary General Meeting held to approve the accounts for the year ending on 31 December 2014

Substitute co-auditor

Monsieur Christian DUBOSC
2 rue des Feuillants
31000 TOULOUSE

Appointed by the Ordinary General Meeting held on 7 June 2004, to replace Mr. Olivier VILLEMEUR for a period of 6 years, that is until the Ordinary General Meeting held to approve the accounts for the year ending on 31 December 2009.

Substitute co-auditor

CABINET JEAN BONNET - CJB AUDIT
3 allée Van Dyck
87000 LIMOGES

Appointed by the Ordinary General Meeting held on 28 May 2009, to replace Mr. Régis MOREREAU, for a period of 6 years, that is until the Ordinary General Meeting held to approve the accounts for the year ending on 31 December 2014.

7.4. Table of the fees paid by the group to the auditors and to the members of their networks

	Cabinet Morereau Audit				Cabinet Robert Morereau				EXCO Fiduciaire du Sud Ouest				Cabinet Rosenkrantz			
	Amount (ex VAT)		%		Amount (ex VAT)		%		Amount (ex VAT)		%		Amount (ex VAT)		%	
	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1	N	N-1
Audit																
* Auditors, certification, examination of the individual and consolidated accounts																
- Issuer	15,300		100%		22,252		28.9%		15,300	22,252	29.0%	43.4%				
- Fully integrated subsidiaries					38,700	54,825	100%	71.1%	37,375	29,025	71.0%	56.6%	35,250	14,000	100%	100%
* Other duties and services directly linked to the auditor's mission																
- Issuer																
- Fully integrated subsidiaries																
Sous-total	15,300				38,700	77,077			52,675	51,277			35,250	14,000		
Other services rendered by the networks to the fully integrated subsidiaries																
* Legal, fiscal, social																
* Other (to be detailed if > 10% of audit fees)																
Sub-total																
Total	15,300				38,700	77,077			52,675	51,277			35,250	14,000		

7.5. Auditors who verified the annual accounts presented in the reference document

First name and surname	Date of renewal or of first appointment	Mandate expiring at the General Meeting held to approve the accounts for the year ending:
Statutory Co-Auditor EXCO FIDUCIAIRE SUD OUEST represented by Jean-Marie FERRANDO 2 rue des Feuillants - 31000 TOULOUSE	General Meeting held on 7 June 2004	31 december 2009
Statutory Co-Auditor SARL MOREREAU AUDIT 10 rue Reyser - 31200 TOULOUSE	General Meeting held on 28 May 2009	31 december 2014

7.6. Persons responsible for the financial information

Mr. Philippe ROBARDEY, President & Chief Executive Officer
Mr. Marc DAROLLES, Senior Vice President

8 Other documents

The following documents are included in the reference document so that they can benefit from the separate publication exemptions provided for by the general regulations of the AMF.

8.1. Information published or made public over the last twelve months

This information is given in Chapter 2, page 16 of this reference document.

8.2. Annual financial report

8.2.1. Annual accounts

The annual accounts for the year ending 31 December 2009 are given in chapter 5, page 55 of this reference document.

8.2.2. Consolidated accounts

The consolidated accounts for the year ending 31 December 2009 are given in chapter 5, page 40 of this reference document.

8.2.3. Management report relative to article 222-3-3° of the general regulations of the AMF

- 1.1.Objective and exhaustive analysis of the business trends, result and financial situation of the company and those of the group that it consolidates, as well as a description of the main risks and uncertainties.
This information is given in Chapter 4, page 21 of this reference document.
- 2.Information likely to have an impact in the event of a public offering.
This information is given in Chapter 4 page 34 of this reference document.
- 3.Information relative to the accomplishment of the share buy-back programme during the financial year.
This information is given in Chapter 4, page 39 of this reference document.
- 4.Declaration of the physical persons who assume responsibility for the annual financial report.
This information is given in Chapter 7, page 76 of this reference document.

8.2.4. Reports of the auditors on the annual and consolidated accounts

This information is given in Chapter 5, pages 54 and 62 of this reference document.

8.3. Amount of the fees paid to each of the auditors and to the members of their networks

This information is given in Chapter 7, page 77 of this reference document.