

Annual report  
**2008**



Technology Consulting and Engineering







# Business Report 2008

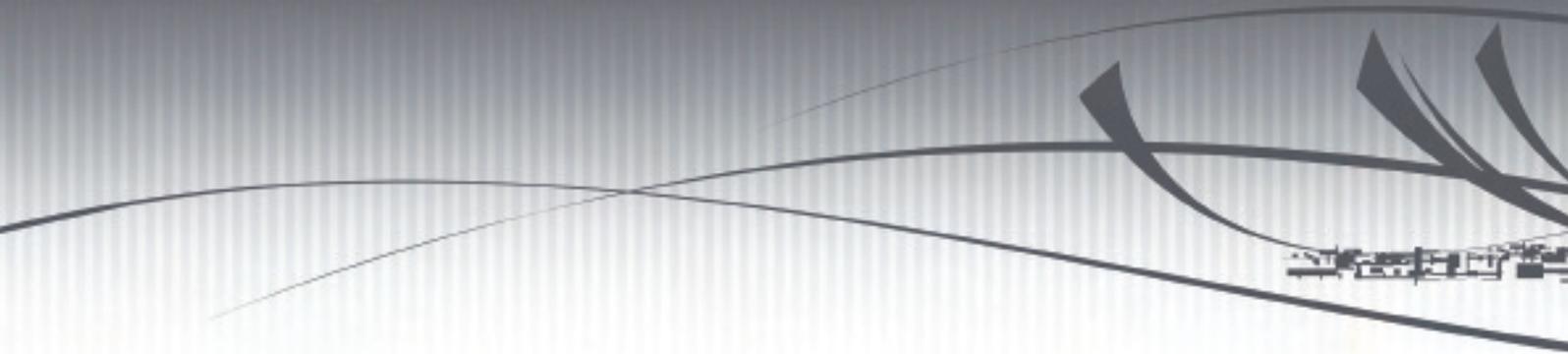


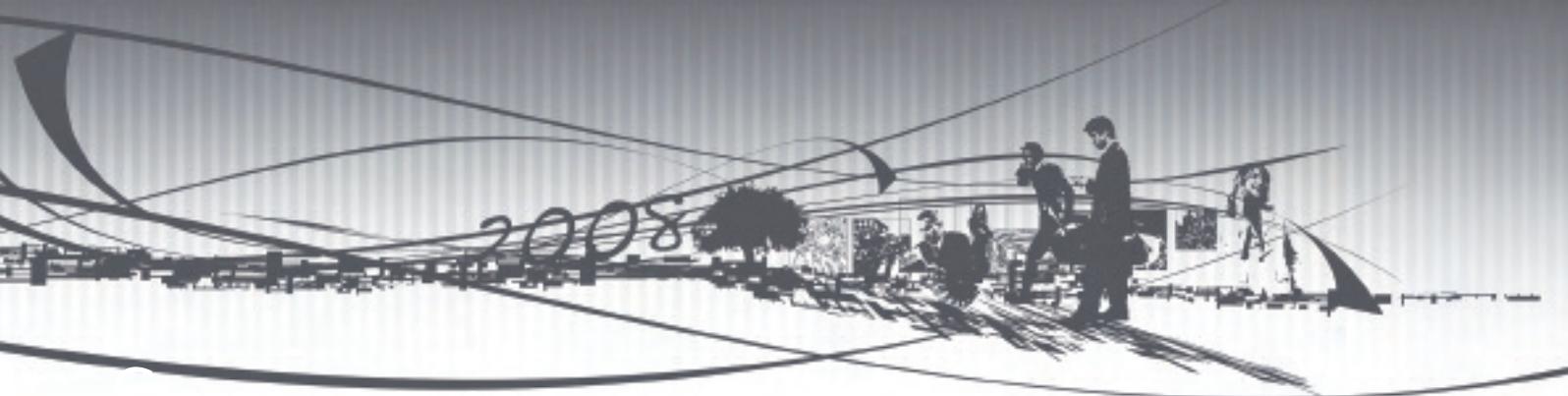
This document and the corresponding business report constitute the ALTEN reference document for the 2008 fiscal year. It was submitted to France's financial market authority (Autorité des Marchés Financiers) on 3 June 2009 in accordance with Article 212-13 of the Autorité des Marchés Financiers' general regulations. This Reference Document may be used in connection with a financial transaction if it is accompanied by a prospectus approved by the Autorité des Marchés Financiers.

Furthermore, pursuant to Article 28 of Directive No. 809/2004 of the European Commission, the following information is incorporated by reference in this Reference Document:

- The company and consolidated financial statements at 31 December 2007, along with the related reports prepared by the Statutory Auditors and presented on pages 137 through 194 of reference document no. D.08-0297 filed with the Autorité des Marchés Financiers on 25 April 2008.
- The company and consolidated financial statements at 31 December 2006, along with the related reports prepared by the Statutory Auditors, presented on pages 88 through 149 of reference document no. D.07-0593 filed with the Autorité des Marchés Financiers on 14 June 2007.

It was prepared by the issuer under the responsibility of the persons who signed it.





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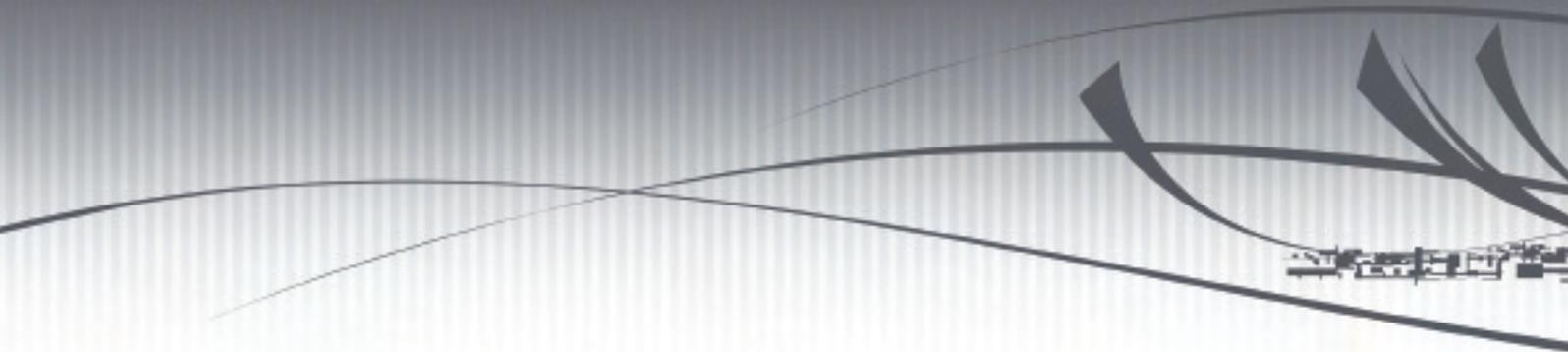
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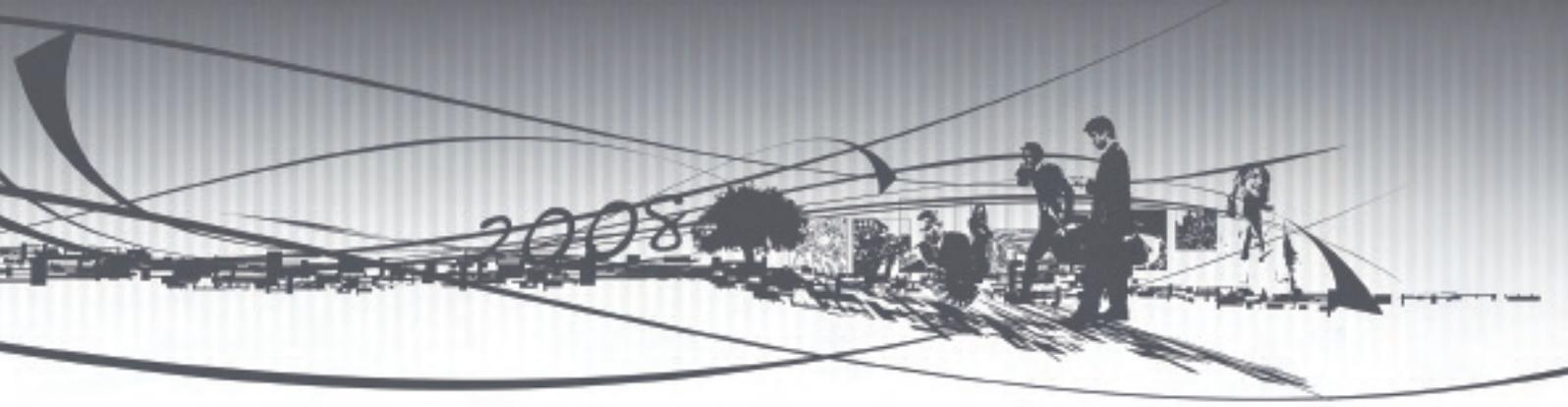
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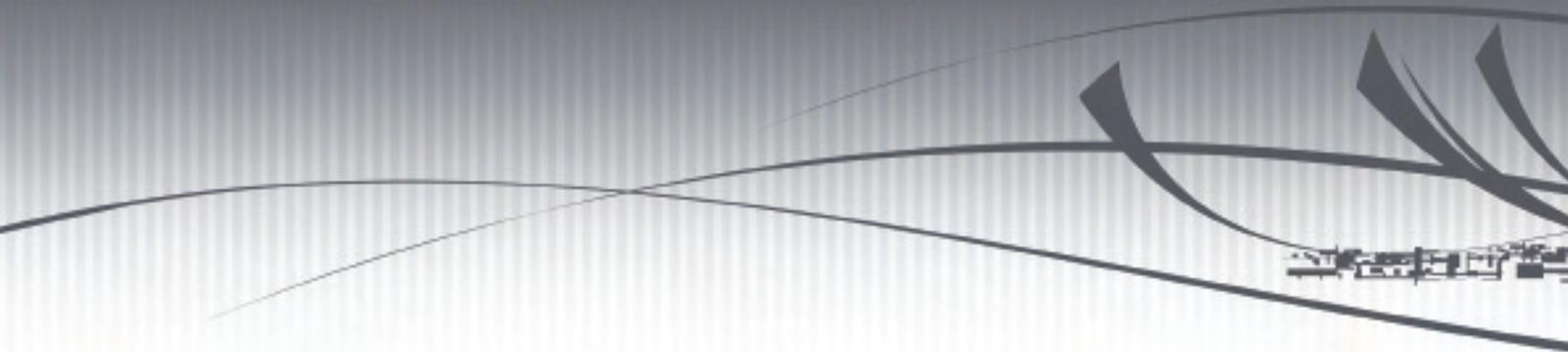
## ■ FINANCIAL REPORT

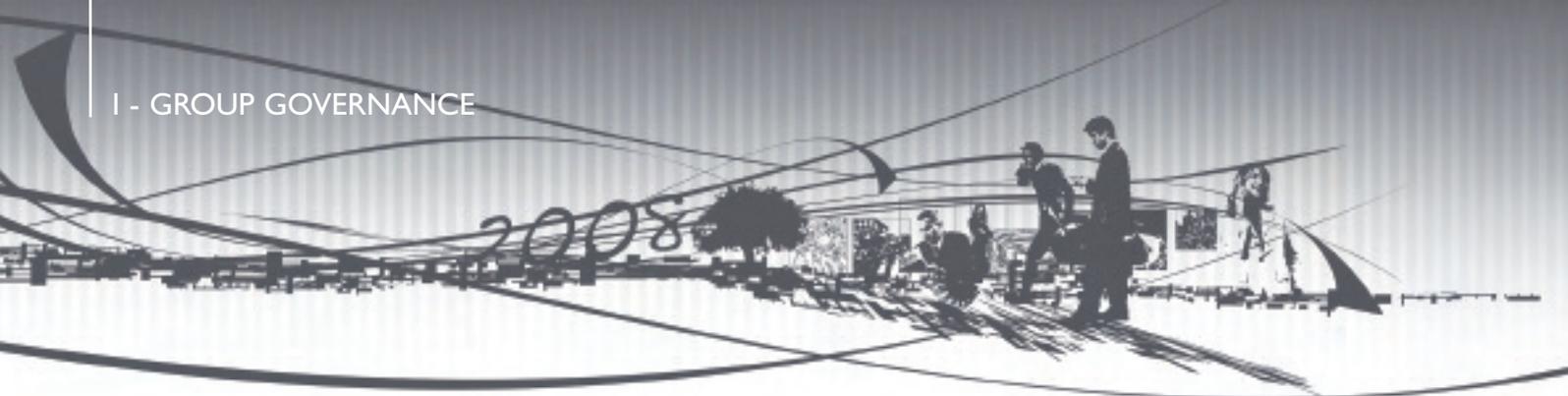




## I - GROUP GOVERNANCE

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## Message from the Chairman



Simon AZOULAY  
Chief Executive Officer

### ■ 1988-2008\*: ALTEN, a solid Group and a key player

Over the past twenty years ALTEN Group has won its clients' trust through its ability to support them on ever more strategic and complex projects. Once again, 2008 – the 20th year since the company's formation – has affirmed the Group's strength and continuous growth. With greater than 20% average growth and generating €846.3 million in sales, the Group has consolidated its international presence which constitutes 26.3% of its business, mainly in Germany, the Benelux region, Spain, Italy, the United Kingdom and Sweden.

3,000 engineers joined the Group's workforce in 2008 (850 after the impact of turnover) as well as 1,100 consultants gained through 8 acquisitions, 5 of which took place overseas. 88% of the Group is made up of engineers and senior level consultants. It remains one of the most dynamic recruiters of scientific professionals in Europe.

In this promising and competitive market, ALTEN has captured market share mainly in the Energy, Rail, Aeronautical and Banking sectors. In addition, ALTEN Group was listed as an E2S "preferred supplier for engineering" for EADS Group throughout the world, a mark of confidence for our customers and powerful recognition for our teams.

\* Founded in 1988 by three engineers with degrees from top engineering schools, over the past 20 years ALTEN has become the key technological partner for the largest European companies.

### ■ Competitiveness affirmed in the face of demanding customers

Operating profit remained above 11%, holding steady at a very high level and continuing to lead its market thanks to a strong activity ratio (94%).

ALTEN Group has endured constant pressure on its rates, stress on its employees due to the lack of engineers and the consolidation of acquired companies with weak profitability. Thanks to its complete control of fixed costs, operating profit increased by 15% to €97.2 million, i.e. 11.5% of turnover. We have observed considerable improvement in operating income outside of France.

### ■ A clear package and a consistent position

ALTEN Group has strengthened its position in consulting, but has also consolidated its project management, work package and fixed-price packages. The Group's Offshore and Nearshore solutions provide optimal assistance to our customers' overall programmes. With nearly 11,000 engineers and consultants at the end of 2008, ALTEN remains the European leader in Technology Engineering and Consulting. With the strength of its position, its critical size and its international presence, ALTEN is a key player in its market, which is composed of approximately 10 main players and a multitude of local companies.

### ■ The challenge in 2009: Protecting our business

The ALTEN Group has the strongest possible foundation from which to confront the current crisis. 2009 will be marked by a drop in our customers' activities, mainly in the automotive sector.

Nevertheless, due to a multi-sector presence and a wide range of skills, this decline in activity will remain under control thanks to demand in the Energy, Rail, Aeronautics and Defence sectors.

Operating margin will be reduced due to the lower activity ratio and rate pressures imposed by the Purchasing Departments of major corporations, in the context of this difficult competitive climate.

The convergence of continued cuts in supplier lists and the economic crisis should enable our Group to strengthen its market share with its main customers in France and abroad.

At the same time, we want to continue our growth by taking advantage of opportunities for acquisitions in promising sectors and by strengthening our multi-specialist position.

We remain confident in the strength of the ALTEN model and in our ability to build a competitive future with our customers, building innovative products and competitiveness. We will remain practical and cautious throughout this period, and we are determined to fully contribute to the economic recovery.



Simon AZOULAY

## The Board of Directors - The Executive Committee - The Administrative Committee

### ■ Members of the Board of Directors

**Simon AZOULAY**  
Chief Executive Officer

**Gérald ATTIA**  
Deputy Managing Director  
Director of Commercial Coordination,  
Development and the Technical Department

**Catherine BEHAR (wife of Mr. AZOULAY)**

### ■ The Board of Directors

The Board of Directors is currently made up of three members. Detailed information on the Board's composition appears in the Management Report.

The Board of Directors' primary mission is to determine the direction of the Company's business, define its strategy and monitor their implementation. In particular, during the 2008 fiscal year the Board of Directors: examined and approved the 2007 financial statements and the projected management documents, reviewed acquisitions and corporate restructurings, examined and authorized financial press releases and decided on compensation for company officers.

The Board of Directors initiated a review aimed at achieving compliance with the AFEP-MEDEF Consolidated Corporate Governance Code of Listed Corporations dated December 2008, specifically the appointment of an independent director.

### ■ Responsibility for general management

On 28 June 2002, the Company's Board of Directors combined the duties of Chairman of the Board of Directors and Chief Executive Officer. Since that time, Mr. Simon Azoulay has been responsible for the general management of the Company.

Mr. Gérald Attia is ALTEN's Deputy Managing Director.

The Chief Executive Officer and the Deputy Managing Director are vested with the broadest possible powers to act on behalf of the Company in all circumstances. They exercise their powers within the scope of the company purpose, subject to that which the law expressly assigns to the Shareholders' Meeting and to the Board of Directors. They represent the Company in its relations with third parties.

### ■ Work of the Board of Directors during the fiscal year

The Board of Directors met thirteen (13) times during 2008 at Company headquarters under the chairmanship of Mr. Simon Azoulay with an average attendance rate of 55%.

During the fiscal year, the Group's Chief Financial Officer and the Head of the Legal Department regularly attend meetings of the Board of Directors.

### ■ The Executive Committee and the Administrative Committee

The Board of Directors mainly relies on the work of the Executive Committee and the Administrative Committee to effectively prepare to make its decisions.

#### The Executive Committee

The Executive Committee, which meets once a month, is composed of the Deputy Managing Director, directors of the Group's various Divisions, the Company Secretary, the Group's Chief Financial Officer and the Human Resources Director. It is chaired by the Chief Executive Officer

Its primary missions are:

- to define sales, organisational and growth strategies,
- to analyse its sales and financial performance and determine operational measures to be implemented,
- to monitor ongoing projects.



Gérald ATTIA

Benoît MAISTRE

Philippe CARETTE

Hélène GRIGNON-BOULON

Bruno BENOLIEL

Pierre MARCEL

Rémy VIALETES

## ■ Members of the Executive Committee

**Simon AZOULAY**  
Chief Executive Officer

**Gérald ATTIA**  
Deputy Managing Director  
Director of Commercial  
Coordination, Development and  
the Technical Department

**Benoît MAISTRE**  
Vice President  
responsible for Techno subsidiaries

**Philippe CARETTE**  
Vice President  
responsible for Northern and  
Eastern Europe and Solutions  
subsidiaries

**Hélène GRIGNON-BOULON**  
Vice President  
Human Resources Director

**Bruno BENOLIEL**  
Vice President  
responsible for Finance,  
Information Systems and the Legal  
Department

**Pierre MARCEL**  
Vice President  
Responsible for Regions

**Rémy VIALETES**  
Company Secretary

### The Administrative Committee

The Administrative Committee, which meets once a month, is composed of the Chief Executive Officer, the Group's Chief Financial Officer, the Company Secretary, the Head of the Legal Department and the Human Resources Director. It is chaired by the Chief Executive Officer. Depending on the agenda, the Deputy Managing Director, the Director of Information Systems and the Division Directors may be called to appear at meetings of the Administrative Committee.

Its primary missions are:

- to define its labour relations and remuneration policies,
- to propose to the Board of Director the implementation of management, control and internal administrative procedures, management guidelines and delegations of authority,
- to propose implementation and/or development of information systems in coordination with the previously defined operational and administrative management processes.

It is also consulted on policies regarding remuneration and incentives for the Group's senior executives.

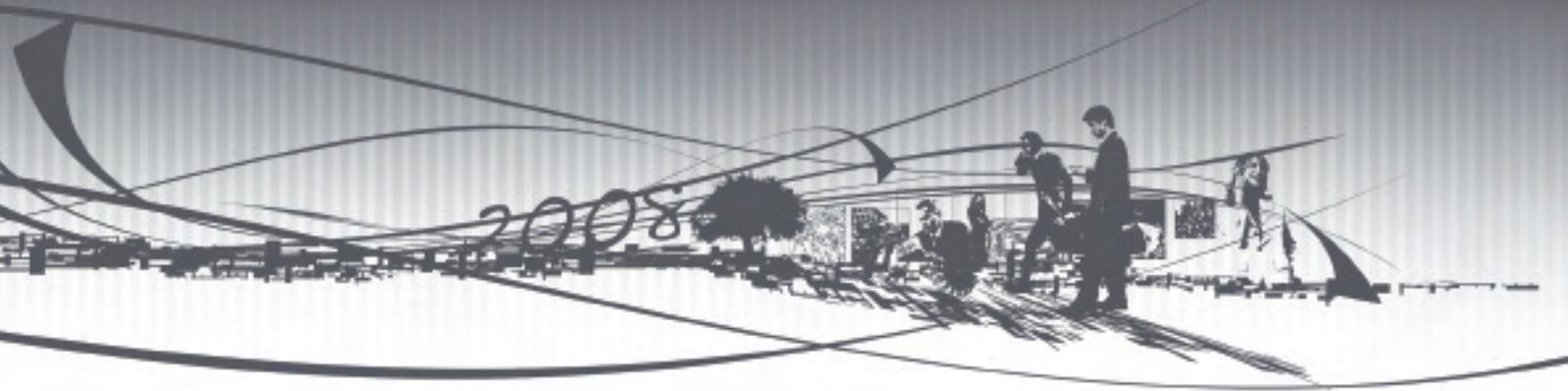
In addition, within each of the Group's Divisions, the Executive Committees meet at regular intervals under the leadership of the Division Directors (who are members of the Executive Committee) to implement the strategy set by general management.

## ■ Corporate governance

The Chairman holds 38.51% of the Group' capital and 55.81% of its voting rights (directly and through the SGTI holding company).

The Chairman's ownership position ensures his respect for the interests of all shareholders, thanks to prudent and disciplined management that is value-driven and tied to ambitious growth objectives.





## The Group

### ■ ALTEN, the technological partner

For more than twenty years, ALTEN won the trust of major names in the industrial and service sectors, becoming a European leader in the Technology Consulting and Engineering (TCE) business.

ALTEN's growth is based on three basic pillars: the quality of its teams, the relevance of its service packages and commitment to its partners. ALTEN's strength lies in integrating human values, a culture of excellence and expertise in support of its customer's performance.

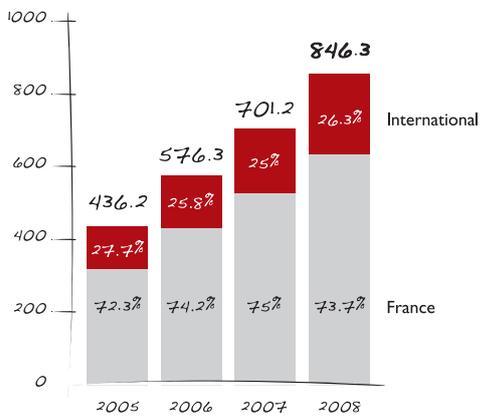
Today, ALTEN is a key technological player in the major programmes of the future. We support our customers' Technical Divisions and Information Systems Divisions by carrying out their design and development projects in France and abroad, where today ALTEN conducts more than 20% of its business.



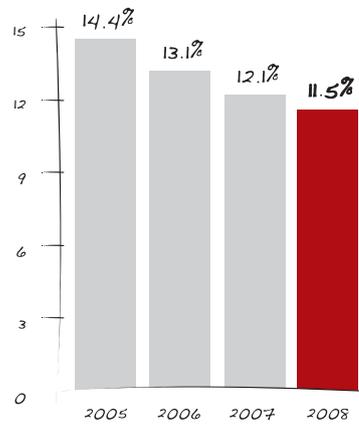
France	Germany	England	Belgium	Spain	Italy
ALTEN S.A. ALTEN SI & RESEAUX ALTEN SOLUTIONS GIST	ALTEN AEROTEC ENGINEERING	ALTEN SD PARTNERS ANOTECH ENERGY	ALTEN BENELUX AXEN	ALTEN INGENIERIA ALTEN TIC GRUPO APEX CRONOS BURKE BBR	ALTEN ITALIA ONION
Roumania	Russia	Sweden	Switzerland	Netherlands	
ALTEN SI TECHNO ROMANIA	ANOTECH ENERGY	X-DIN	AXEN ELITYS CONSULTING ASTON	ORION ENGINEERING DDA ENGINEERING ALTEN PTS	

## Key figures

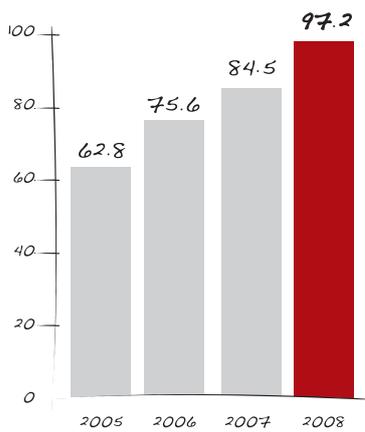
■ Turnover (in €M)



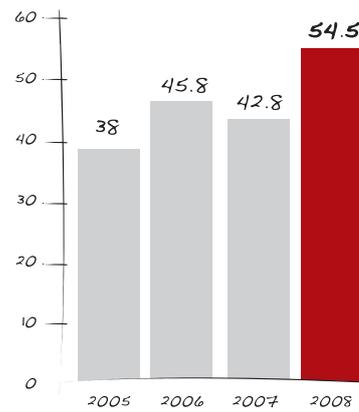
■ Operating profit as a % of turnover

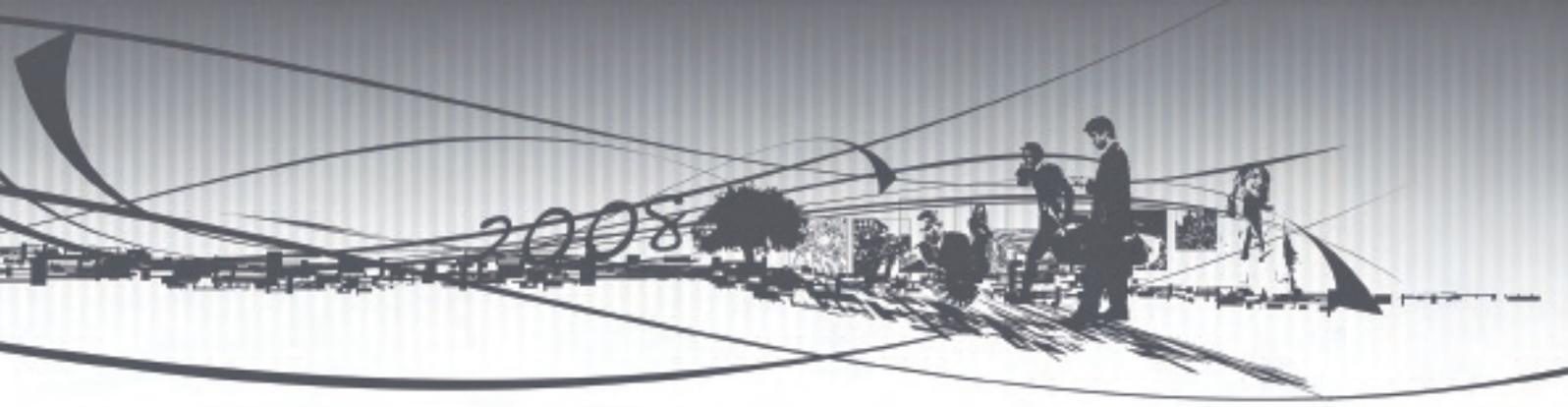


■ Operating profit in €M

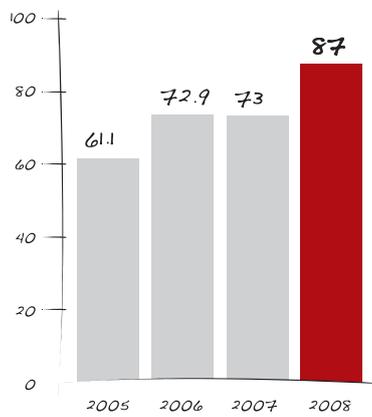


■ Net earnings, Group share in €M

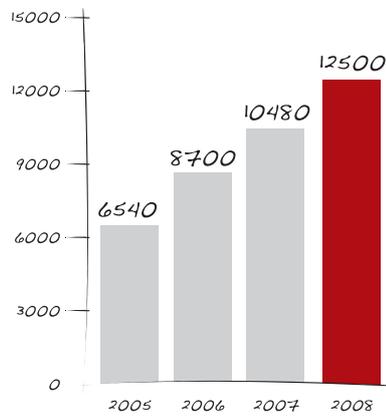




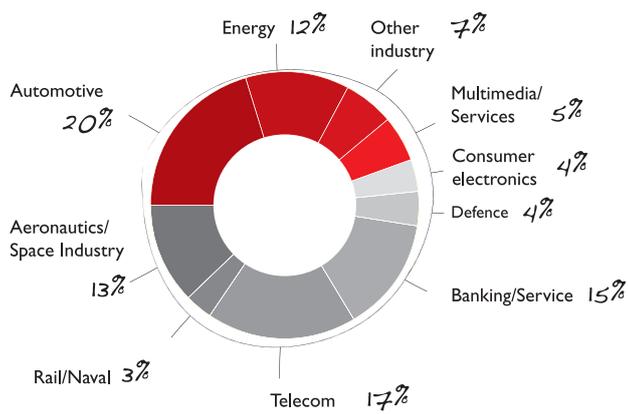
■ Operating income €M



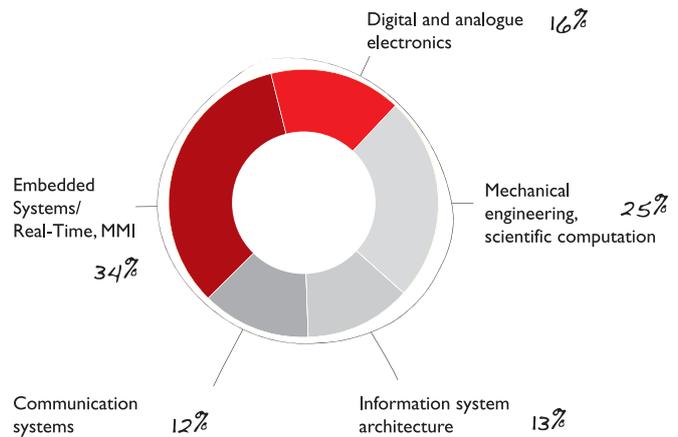
■ Workforce (end of reporting period)

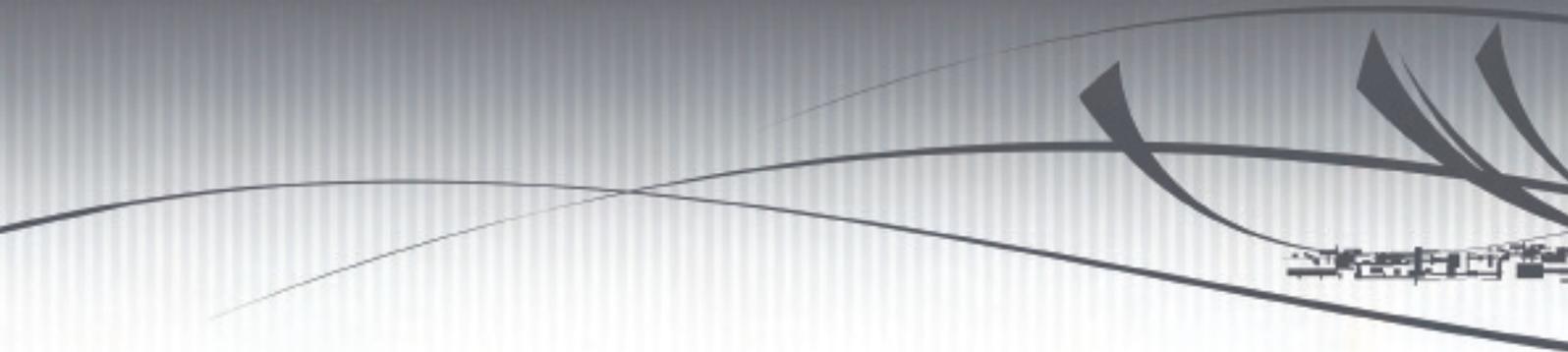


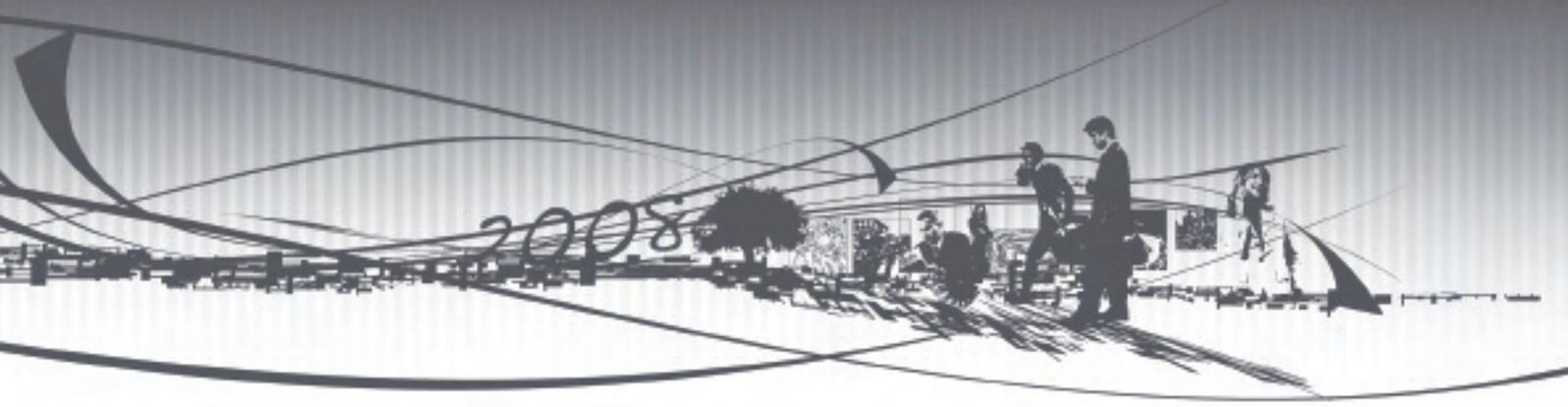
■ Breakdown of turnover by business sector



■ Breakdown of turnover by area of expertise







## II - THE TECHNOLOGY CONSULTING AND ENGINEERING MARKET (TCE)

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## Developments and trends

### ■ Trends in the Technology Consulting and Engineering Market (TCE)

ALTEN's market covers the full range of consulting services, technical assistance, performance of fixed price projects and outsourced platforms in the field of Technology Consulting and Engineering (TCE) well as Information Systems and Networks (ISN).

The rate of outsourced R&D from industrial corporations to TCE companies is estimated at 27-30% in France and at more than 15% in Europe, demonstrating customers' desire to refocus on their core businesses.

According to the Pierre Audoin Conseil consulting firm, the expected growth in ALTEN's available market in France can be summarized as follows:

	2007	2008	2009	2010	2011	2012
€M	5,422	5,808	5,786	5,982	6,274	6,608
Growth	-	7.1%	-0.4%	3.4%	4.9%	5.3%

### ■ Developments in the French market

Purchasing Departments continue to curtail their short lists in accordance with a listing policy based on:

- a broad range of capabilities,
- comprehensive and diversified packages (R&D consulting, project, fixed price, work package, offshore),
- international support,
- a capacity to demonstrate productivity gains.

In certain sectors, Purchasing Departments intend to rely on no more than three companies for each area of operation over the medium term, which should benefit the major players in the sector where ALTEN is the leader.

In 2008, ALTEN confirmed the nearly comprehensive nature of its listings and partnerships in Europe, and is now included among EADS' listed E2S engineering service providers throughout the world.

Technical and R&D Divisions are responsible for increasingly complex projects with a growing demand for productivity and the need to take sustainable development issues into account.

Their efforts are increasingly focused on project management and project design.

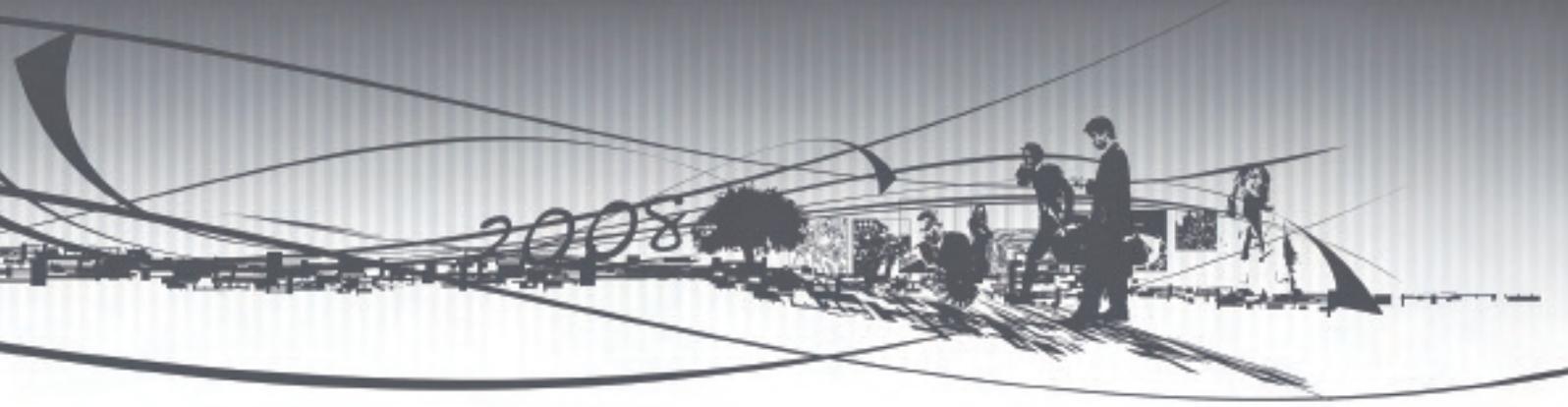
The subcontracting of research and integrated or outsourced platform (work package) projects is an effective answer to their need for productivity and adaptability. It enables the deployment of complete teams, led by project managers according to strict procedures, in a far more flexible framework than that available under a fixed price arrangement with detailed specifications, which both customers and engineering subcontractors find restrictive to implement.

The shift from Consulting to Work Package mode will continue in the coming years and will favour companies such as ALTEN:

- Multi-specialist
- With a broad, multidisciplinary work force
- Capable of transferring good practices from one business sector to the other to benefit customer productivity

As for international deployment, it enables us:

- To provide, through off-shore structures, a response to our customers' concerns about controlling research costs. In practice, the need to provide detailed specifications - often in a foreign language - as well as geographic distance from the project team truly limit the use of these types of resources. ALTEN operates in Romania, Poland, the Czech Republic and Vietnam, and in 2008 entered into an exclusive partnership agreement with the Indian company Infotech to handle certain design work for EADS.
- To locally support customers in their international growth with a view toward a global partnership.



## ■ Competitive environment

The market for outsourced R&D is fragmented, made up of approximately ten major players and a multitude of local players. The 10 leading companies currently make up only 48% of the market (source PAC).

Curtailed short-lists and the economic crisis will likely intensify the trend toward concentration that has been occurring over several years.

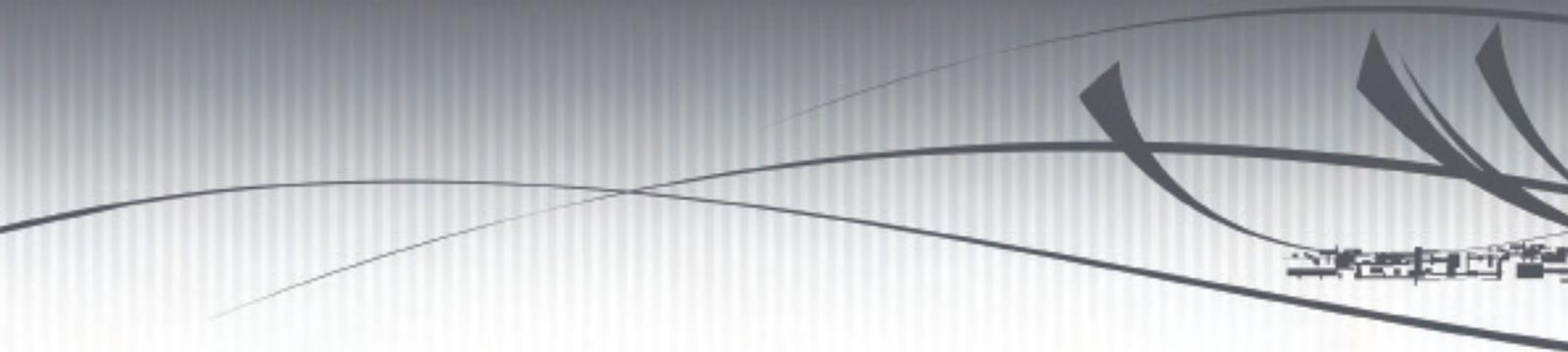
In 2008, ALTEN played a significant role in market consolidation, acquiring eight companies in France and overseas which represent 1,100 consultants and annual turnover of €86.2 million:

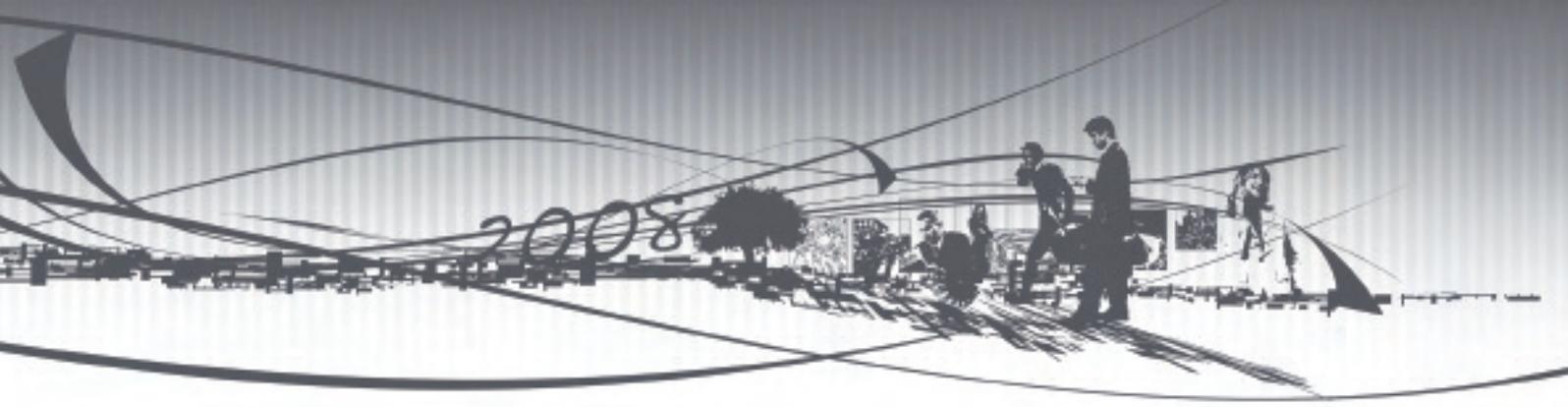
- 2 companies specialising in project management (PMO) in France, first quarter
- 1 company specialising in on-board / real-time software in the Netherlands, first quarter
- 1 company specialising in documentary engineering in Romania, second quarter
- 1 company with expertise in Microsoft technology in France, third quarter
- 2 companies specialising in information technology in Spain, third quarter
- 1 company specialising in mechanics, electronics and scientific calculations in Sweden, fourth quarter

ALTEN also continued to win market share as compared with its direct competitors and confirmed its position as market leader in Technology Consulting and Engineering.

The current market situation should enable ALTEN to continue its targeted acquisition policy in 2009 and strengthen its growth through acquisition under favourable terms, especially overseas. In the first quarter, ALTEN acquired three companies:

- In France, a company specialising in the design of vehicle systems: engine control and motorisation systems, on-board and real-time software and a company specialising in Banking-Finance
- In Italy, a company specialising in telecom and on-board software.





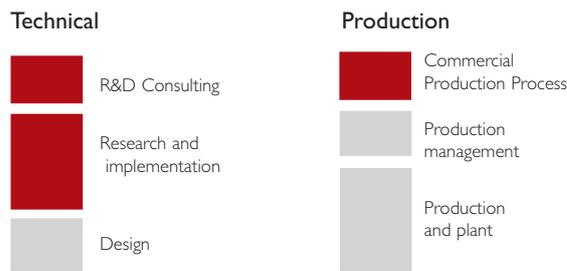
### III - ALTEN'S POSITION

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## Types of operations

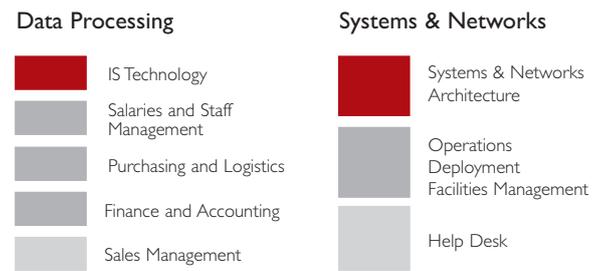
### ■ ALTEN's Position

#### Technical Management



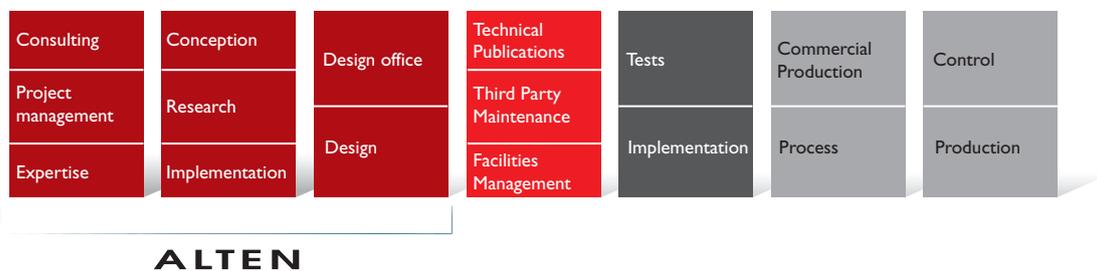
74% of ALTEN Group turnover

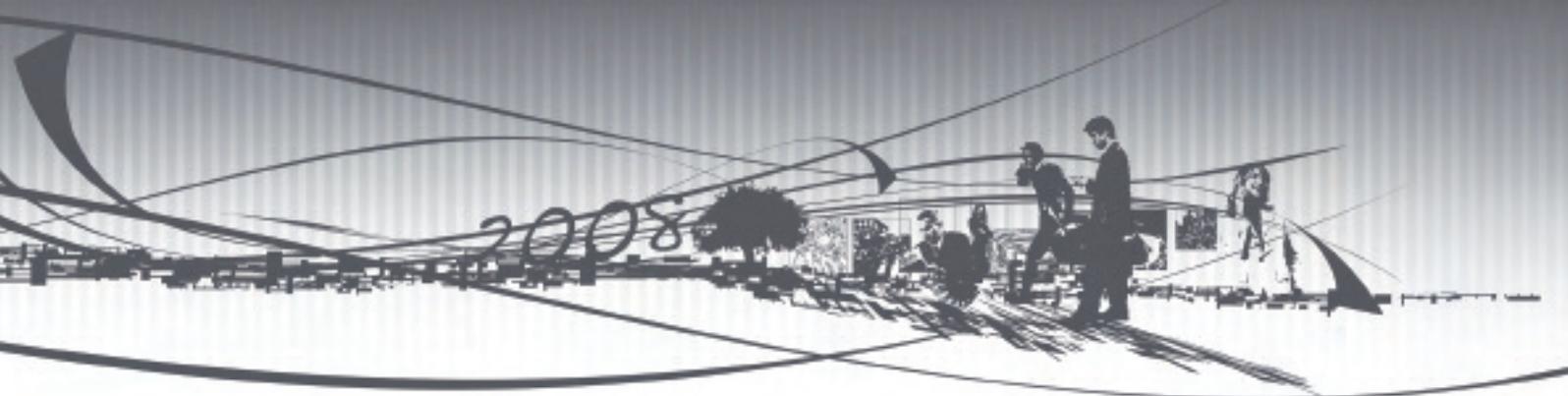
#### Information Technology



26% of ALTEN Group turnover

### ■ Services provided by ALTEN





## ■ ALTEN's modes of operation

	<i>December</i> 2007	<i>December</i> 2008	
	6,900	<b>7,350</b>	
	600	<b>780</b>	
	920	<b>1,410</b>	} 2,470 people assigned to integrated projects
	700	<b>800</b>	
	100	<b>160</b>	
	<b>Total of consultants</b>	<b>9,220</b>	<b>10,500</b>

**Performance of research:** ALTEN's consultants work at the customer's premises under an ALTEN manager on a time spent basis over the course of the project.

**Work package:** Through a "platform" or "service centre" organization, ALTEN carries out projects on behalf of its customers by making technical skills (project engineers) and logistical resources (sites, software, secure links, etc.) available to them. A work package arrangement provides the assurance of an integrated team led by a project manager, trained in respected professions with knowledge of the customer environment. When project management is delegated to ALTEN, it allows flexible resource management and the harnessing of productivity.

**Fixed price packages based on detailed specifications:** ALTEN Group can work with its customers to carry out projects on a fixed price basis. Upon presentation and approval of specifications which set forth technical and delivery specifications, ALTEN will manage the project with a focus on results. Under the responsibility of the Technical Department, a project team which includes a project manager and a technical manager takes charge of the project through all of its phases, from the call for tender to the end of the warranty period and including delivery milestones and acceptance testing. In this way, the ALTEN team ensures effective communication with the customer throughout the project.

Our recruiting capacity, developed through our consulting business, allows the rapid formation of teams, using the Group's size and diversity to call upon the necessary expertise. ALTEN also provides customers the benefit of experience feedback, which is built upon through the Group's technical departments (Telecom, On-Board and Real-Time Systems, Mechanical Systems, Industrialization Process and IS).

**Project management:** The project management package (PMP) corresponds to consulting services and operational assistance in running and overseeing major industrial projects in the aeronautics, automotive, rail transport and defence sectors. Overseeing all project management parameters (cost, quality, resources, on-time delivery) ensures the customer constant control over advancement and achievement of established goals.

**Offshore / Near-Shore:** Teams of consultants, supervised by a local Technical Manager, work on projects based on detailed specifications in the form of work packages. Along with commercial and technical coordination, supervision is provided by a Project Manager affiliated with the Group's customer who manages the relationship with the end customer. Services may be billed on a time-spent or a fixed price basis, depending on the nature of the specifications, at local billing rates.

## The various packages

### Technology Consulting and Information Systems and Networks

#### ■ ALTEN Techno

2008 Turnover: €91M

Number of consultants at the end of 2008: 1,150

ALTEN Techno includes ALTEN SA's business operations in the Paris-Ile de France region, in the Energy (especially Nuclear and Petrochemical) and the Industry (Rail, Aeronautics, Space, Defence, etc.) sectors.

ALTEN, historically established in research and development laboratories, still produces 90% of its turnover through key industrial accounts.

**ALTEN Techno provides high technology consulting services such as:**

- Scientific applications (computation, simulation, etc.)
- Control, command and supervision
- Industrial applications
- On-board and/or Real Time applications embedded in products, systems, services, etc.
- Digital and analogue electronics
- Systems Engineering
- Process Engineering
- Mechanical Engineering

**Its laboratories are characterised by:**

- Employing a staff of high-level engineers,
- Multidisciplinary teams working at all levels of a product or service throughout its life cycle,
- Long-term, innovative projects involving the latest technology, enabling them to be approved for the Crédit Impôt Recherche (research and development tax credit).

#### ■ ALTEN Telecom

2008 Turnover: €46M

Number of consultants in 2008: 800

ALTEN Telecom was established in January 2008 to address the challenges of flexibility, convergence and multimedia along with the need to continually optimize costs. The constantly changing telecommunications market implies a need for ever more specialised knowledge of modern technologies.

Since its creation, ALTEN Telecom has relied on a team of 500 consultants in France and overseas to position itself as a specialist in the telecom sector; supporting its customers throughout their value chain (from technical assistance to management of strategic projects) through a global approach for each business (operators, manufacturers, service providers).

**A specific package for every business that addresses Operators, Manufactures and Service Providers**

- Marketing, Networks and Systems, Operations.
- Research and Development, Operations and Support
- Development and Service Support

**Three areas of operation**

**Consulting**

From creating the product strategy, business model and service roadmap to setting up a partnership and choosing an operational model.

**Project management**

From defining technical and functional specifications to guiding suppliers through the operational implementation of projects.

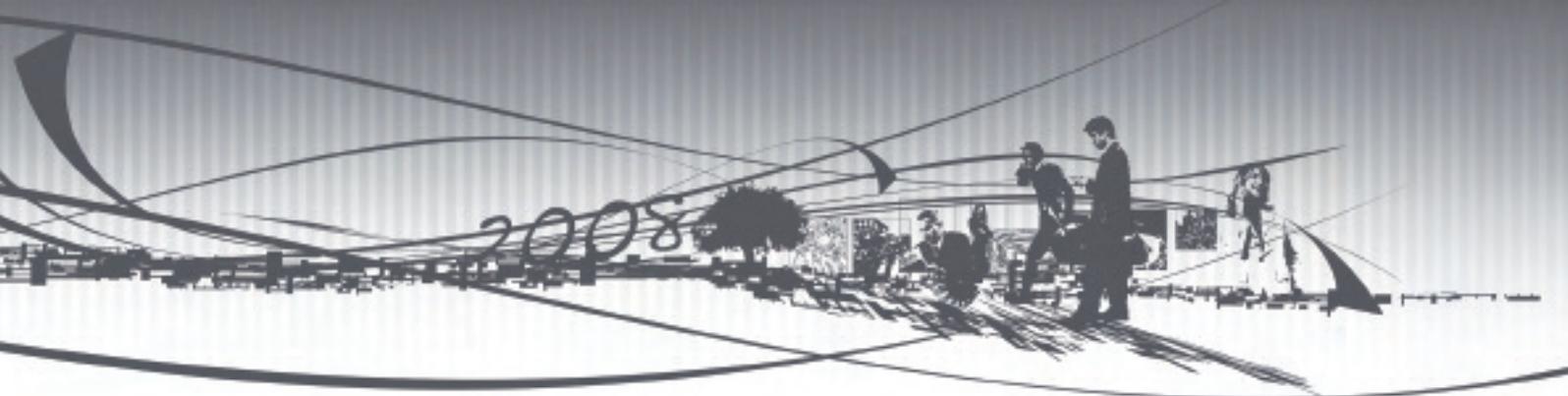
**Fixed price**

Our customers trust us to provide integrated services with a focus on results.

ALTEN Telecom's added value is based on its expertise and its ability to implement solutions that achieve results and create value, each adapted to the individual customer.

ALTEN is involved with all of the market's key players.





## ■ ALTEN SIR

**2008 Turnover:** €115M

**Number of consultants at the end of 2008:** 1,100

ALTEN SIR offers its customers the ALTEN Group's expertise in Information Systems and Networks.

ALTEN SIR is also involved in consulting and in providing technical and project assistance. This position enables it to play a role in more than 250 major customer accounts.

### **ALTEN SIR's main sectors of operation:**

**Banking/Finance/Insurance:** ALTEN SIR is involved in retail banking, asset management and finance and investment banking (Front, Middle and Back Office). ALTEN SIR consultants capitalise on both technical and functional skills and work on high value-added projects with the largest French and European companies.

**Telecommunications:** ALTEN SIR provides assistance to telecom operators in matters relating to functional problems such as Provisioning, Billing and Roaming.

**Industry and Services:** ALTEN SIR also works with the main players in the Energy, Automotive and Media sectors. In the Energy sector, ALTEN SIR is involved in major challenges such as opening the market to individuals and renewable energy development.

The Information Systems & Networks Consulting businesses also operate regionally and overseas, especially in the Benelux region, Spain and Italy.



### **The ALTEN Quality Initiative**

The quality of our organisation and the quality of our services are major factors in ALTEN SA's success.

The purpose of the Quality Handbook is to establish our company's rules of organisation and operation in accordance with EN 9100 for integrated projects related to the aerospace industry and the ISO 9001 standard.

Our Quality Management System is our company's commitment to our customers and our engineers and is the key to our success.



## The various packages

### Technology Consulting and Information Systems and Networks

#### ■ ALTEN Régions

**2008 Turnover:** €168 M

**Number of consultants at the end of 2008:** 2,500

The ALTEN Regions division was created in 2007 to provide customers better responsiveness through closer proximity and a better command of local requirements, ensuring a close relationship with other Group entities.

Organised around five regional departments (West, Northeast, Rhone-Alpes, PACA and Southwest), this division has 18 geographic locations. It deploys all of the Group's Techno and IS packages and ensures full coverage of the nine listed industrial and service sectors.

The Regions business is highly dynamic, with a workforce in excess of 2,500 associates at the end of 2008.

For the ALTEN Regions division, 2008 was a year that was marked in particular by stronger positions in the aeronautical and space industries with its main customers (Airbus, Astrium, Thales, etc.) and ALTEN's selection as one of five Rank A engineering service providers (E2S) for EADS.

Changes which began in 2007 in the transport and energy sectors have been reinforced. The move towards integrated projects (platforms, work units, fixed price) has continued with nearly all major clients which have benefited from the mixed packages, technical assistance and integrated projects.

#### ■ GIST

**2008 Turnover:** €91 M

**Number of consultants at the end of 2008:** 1,130



GIST, a key player in the Technology Consulting and Engineering (TCE) market, has been able to capitalize on its expertise in leading and implementing high value-added projects.

Its 20 years of expertise enables GIST to support major players in Energy, Defence and Transport during the entire life cycle of a product, from the specifications phases to the validation phases, including design, industrialisation and production.

GIST's strong presence is based on its ability to view technological challenges as a comprehensive approach to stand at the heart of tomorrow's innovations. For this reason, GIST provides clear and consistent packages which are adapted to its customers' needs and outsourcing strategies: Consulting & Expertise; Technology Assistance Research and Performance; Project Management; Project Management Support; Platforms and Work Packages; Off-shore and Near-shore; Fixed price with focus on results & Project Oversight.



## ALTEN Group's Technical Department

The Group's Technical Department is organised by capabilities into four branches:

- Real-time and on-board software
- Industrial Engineering
- Systems and Networks, Telecom
- Information systems and management applications

They carry out cross-disciplinary operations across all of the Group's areas of activities (Techno, SIR, GIST, Solutions) through their involvement in the following activities:

- Pre-sale: contribution of technical and methodological expertise during the bid submission process
- Project management: technical team supervision and guaranteed delivery of services.

The Technical Division implements a variety of internal oversight and control procedures for its services, which enables:

- Capitalisation of technology and development of expertise
- Industrialisation of project management methods and procedures.

There are a variety of objectives, which consist of:

- Ongoing control of service delivery with regard to Quality, Cost and Deadlines
- Provide capitalisation of technology and methodology, enabling the preparation of competitive packages for its customers
- Develop results-oriented packages to support the Group's customers
- Ensure that its organization and packages are always consistent with market expectations.

### Examples of Projects developed by the Technical Department

Mission operating software for fighter jets:

During redevelopment of combat aircraft, aeronautical manufacturers must further develop their systems, software and applications.

On behalf of its customer, ALTEN, which partners with builders and manufacturers, developed mission operating software for the new Mirage F1 for export.

ALTEN designed, developed and integrated utility, navigation and weapons software in order to give the pilot all information required to successfully complete the mission.

The software was entirely designed using the UML method and developed in C++, in compliance with quality standards, which requires systematic formalization of all development phases.

### Fixed price services related to service platform architecture for a major European operator:

The telecom sector is highly competitive, with the battle being waged at several levels:

- Service innovations, especially due to convergence, with significant time to market constraints
- Quality of service
- Competitive cost

Within this complex technical/economic framework, a major European operator turned to ALTEN to design its Service Platforms (fixed, mobile, Internet) in a wide variety of fields: Web Portal 2.0, IPTV, VoIP, Infrastructure.

ALTEN consultants work in the various stages of the overall project where skills in Architecture, Security and Systems are required.

ALTEN participates in technical-economic studies before launching a project, from assessing a newly-added service's impact on the ecosystem to drafting the functional and technical architecture dossier.

Consultants develop within the project by collaborating with the project owner, the project manager, R&D, experts (SGDB, Storage, etc.) and operators. Following the design phase, the dossier is assessed and validated by the various committees. The network engineer then sets out the technical architecture. Finally, the consultant supports the project until the service is launched.

## The various packages

### The Group's specialist companies: ALTEN Solutions

#### ■ MI-GSO



2008 Turnover: €35 M

Number of consultants at the end of 2008: 400

R&D project management (PMO) can be carried out across various business sectors.

This is a very high value-added package which very few companies in the TCE business can offer to industrial customers.

Since its creation in 1991, MI-GSO has gained expertise in the fields of Project Management and in running QCDP (Quality-Cost-Delivery-Performance) Projects.

MI-GSO's staff of engineers, with expertise in both technology and R&D project management, provides its customers with effective operating methods, offering a comprehensive package that helps them steer complex projects forward.

Such projects are generally three to five-year contracts carried out within the Aeronautics, Space, Defence, Automotive and Energy, Rail Transport and Telecom sectors.

For example, MI-GSO provides consulting and diagnostic services to set up a Project Management system, enabling correlative monitoring of Cost - Delivery - Quality and Risk components within the Aeronautics, Energy and Telecom sectors.

MI-GSO consultants play a role in transnational teams (Engineering and Manufacturing) in every project phase (design, definition, commercial production, tests, rating and certification). Their objective is to assist the customer with management by providing indicators and operating reports to support the decision making process.

Thanks to MI-GSO, today ALTEN is the leader in R&D management projects.

#### ■ CISIA Ingénierie



2008 Turnover: €12 M

Number of consultants at the end of 2008: 170

CISIA Ingénierie provides assistance to customers in their efforts to achieve progress, manage risks and optimise systems.

CISIA Ingénierie is a market leader in:

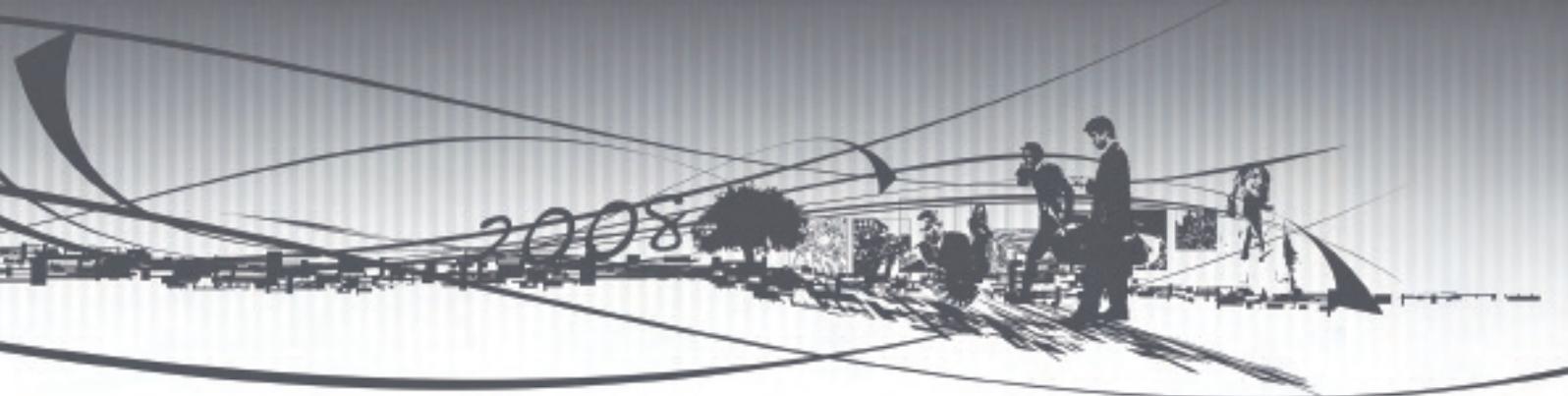
- document engineering and technical publications
- maintenance engineering and logistic support
- risk management
- dependability

It defines, produces and implements maintenance policies for equipment and systems:

- By managing risks through optimising systems, costs, procedures, products, organisations and resources.
- By producing and implementing operational and support environments (SLI/SDF).

Whether the need relates to instruction, methodology and/or performance, CISIA Ingénierie Group puts to work skills and resources adapted to the needs of its clients. Its experts in various disciplines assist Project Managers, who are well versed in participatory management methods, to coordinate multidisciplinary teams which are specialised in each area of activity.

Today CISIA Ingénierie's business mainly involves the Aeronautics, Defence, Naval and Energy sectors.



## ■ AVENIR CONSEIL



2008 Turnover: €11 M

Number of consultants at the end of 2008: 120

Avenir Conseil Training provides in-house training.

Its local presence enables gradual diversification in terms of business and areas of operation:

### • Business diversification

- Training and Engineering education
- Post-training and help desk assistance for users at their work stations and through call centres
- E-learning and dedicated sites
- Assistance to the project owner and project management

### • Diversified areas of operation

- Fundamentals of job productivity
- Basics in the technical "trades"
- Customised to customers' information systems
- Customised to internal applications and technologies

## ■ WINWISE



2008 Turnover: €10 M

Number of consultants at the end of 2008: 80

Winwise provides expertise in advanced Microsoft technologies.

Its customers include the research departments of major Groups and innovative companies seeking a competitive advantage using the latest Microsoft design and development technologies.

Through the advice of Winwise experts, they can:

- Control the risk/benefit ratio of their technical strategies
- Rapidly obtain prototypes for key mechanisms in their strategic and innovative applications,
- Ensure that design choices will enable them to achieve their objectives with minimal specific developments and maximum upgradeability,
- Make technical standards available to their development teams which ensure strong productivity,
- Bring about in-depth transfer of skills to their teams.

Winwise consultants operate in all business sectors, from the software architecture phase through design and production.

Winwise also leads the main French training centre for Microsoft development technologies (.NET, Visual Studio, Sharepoint, Business Intelligence with SQL Server, etc.). Its experts lead a wide range of technical conferences and have a close relationship with the Redmond-based software publisher.

## The various packages

### The Group's specialist companies: ALTEN Solutions

#### ■ IDESTYLE Technologies

2008 Turnover: €31 M

Number of consultants at the end of 2008: 400



IDESTYLE Technologies teams are involved in vehicle development (automobiles, commercial vehicles, trucks, etc.) and manage projects related to different businesses such as body-work, plastic parts supply, mechanics and digital simulation.

The products researched by IDESTYLE Technologies teams are designed in a global environment that takes commercial production methods into account.

IDESTYLE Technologies has also developed a multidisciplinary and multi-sector Design package.

#### ■ ANOTECH Energy

2008 Turnover: €25 M

Number of consultants at the end of 2008: 175



ANOTECH Energy's expertise is focused on the Oil and Gas sector, but it also operates in the Petrochemical field and in other Energy sectors in general (Nuclear; Electrical Infrastructure, Water and Environment, Renewable Energy, etc.)

ANOTECH Energy is involved in all key phases of projects for its principal customers, from design engineering through production. Its teams are composed of experts with extensive international experience in high value-added projects across a wide range of environments.

ANOTECH Energy has a strong international presence, with 80% of its business carried out on the international market. To support its customers, ANOTECH Energy is present in the United Kingdom and in Russia, and has formed several partnerships, notably in West Africa (Nigeria, Angola), the Middle East (Abu Dhabi, Qatar, Saudi Arabia), Asia and South America. Its consultants work in more than 30 countries across 5 continents.



## International presence

### ■ ALTEN on the International Market

#### ALTEN's growing importance in Europe.

Already present in Germany, the Benelux countries, Spain and the United Kingdom, the Group continues to expand and is gaining strength in key European countries such as Italy and Sweden. The group carries out more than 25% of its business outside France.

#### Italy

ALTEN currently employs 350\* associates in the country's most dynamic regions: Turin, Milan, Bologna and Genoa. The Group is recognised for its expertise in information technology and works with major players in the banking, telecom, media and industrial sectors. The technology consulting and engineering package was diversified to benefit customers in the aeronautical, space, energy and rail sectors, particularly with respect to managing on-board software businesses.

*\* through the integration of ONION, acquired during the first quarter of 2009*

#### Sweden

At the end of 2008, the Group became a leader in Sweden thanks to the addition of X-Din's 500 employees. Well-established in Scandinavia and working to support customers in the United States, X-Din covers ALTEN's major industrial sectors and technology businesses: aeronautics, automotive, defence, energy and telecom, while relying on its skills in product development, electronics, software development, information and systems technologies, training, customer support and project management. X-Din is present in Gothenburg and Stockholm in Sweden and in Virginia Beach (Virginia) in the United States.

#### Spain

In 2008, Spain was organized into two major geographic regions: ALTEN Centro, covering activities in Madrid and its surrounding areas, and ALTEN Regiones, covering activities in Catalonia, Castilla y León and Northern Spain.

Each region includes activities related to the Information Systems and Networks sector (ISN) and activities related to the engineering field (Ingeniería).

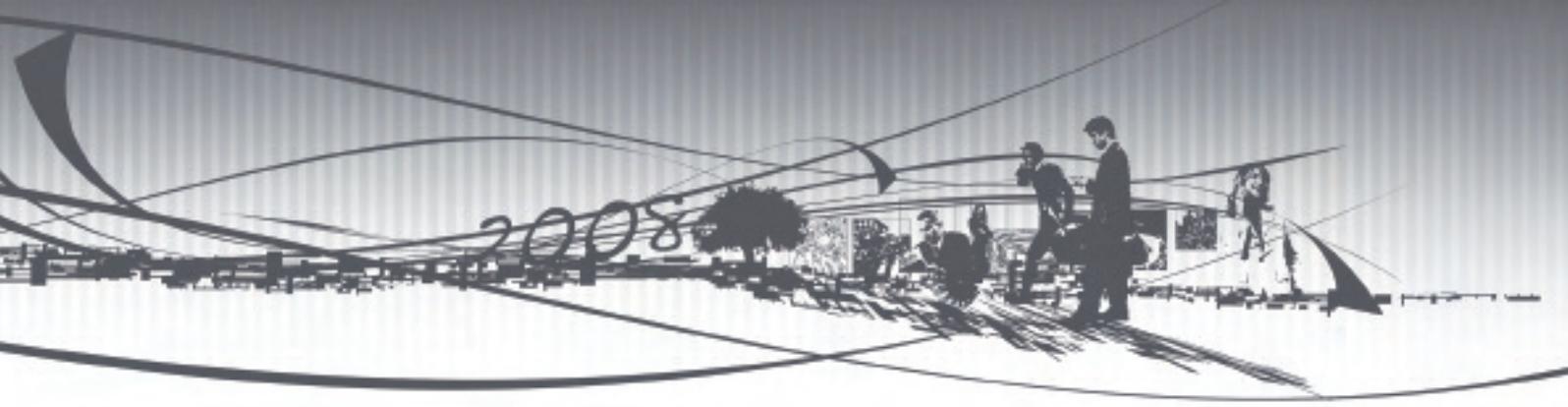
Business growth is generated through several subsidiaries ? ALTEN TIC, ALTEN Ingeniería, Algor, Cronos, Burke, BBR, Apex ? which are all integrated within the Group and present the complete ALTEN package.

Indeed, in 2008 priority was focused on globalization of the package. Today ALTEN is fully capable of providing comprehensive solutions (hardware infrastructure, design and production, customised development through its technical platform, data storage, training).

#### Turnover and Workforce by Country

Countries	Turnover (in €M)		Work Force	
	2007	2008	2007	2008
Germany	46.5	<b>52.1</b>	630	<b>700</b>
Benelux	58.4	<b>73</b>	810	<b>890</b>
Spain	46.9	<b>62.4</b>	1,150	<b>1,510</b>
United Kingdom	10.7	<b>15.4</b>	90	<b>140</b>
Switzerland	5.5	<b>5.2</b>	50	<b>40</b>
Italy	8.4	<b>11.9</b>	150	<b>230</b>
Eastern Europe	1.5	<b>2.3</b>	100	<b>190</b>
Sweden*	-	-	-	<b>470</b>
<b>Total</b>	<b>177,8</b>	<b>222,3</b>	<b>2,980</b>	<b>4,170</b>

*\* Non-consolidated company, acquired at the end of December 2008*



## ALTEN

A european partner operating in 15 countries

### ALTEN worldwide

Germany  
Belgium  
Spain  
France  
Italy  
The Netherlands  
Poland  
Czech Republic  
Romania  
United Kingdom  
Russia  
Slovakia  
Sweden  
Switzerland  
  
India  
Vietnam

### ALTEN en France

Aix-en-Provence  
Brest  
Bordeaux  
Boulogne-Billancourt (Paris)  
Caen  
Grenoble  
Lille  
Lyon  
Mulhouse  
Nancy  
Nantes  
Reims  
Rennes  
Sophia Antipolis  
Strasbourg  
Toulouse



## International presence

### Germany

The German market is characterised by:

- companies that generally specialise in sectors or technical capabilities and which are smaller in size than in France,
- a strongly regionalised market as compared with France, involving the need for a powerful regional presence and management of complicated mobility issues,
- an R&D outsourcing penetration rate below that in France (approximately 15% based on research on the sector),
- a clear separation between technology assistance activities as AÜG (temporary staffing) and fixed price or integrated activities as Werkverträge (work contracts) which involve distinct procurement teams and rate policies which may be variable for a single customer.

2008 was marked a highly strained job market over three quarters, followed by a sudden slackening of the market within certain sectors, particularly the automotive sector. This trend remains an underlying phenomenon and will continue to be evident within certain sectors and technical fields, including the automotive sector.

In 2008, ALTEN merged its two generalist companies into ALTEN GmbH in southern Germany. Its business with EADS Group has increased, mainly due to the E2S listing. This had a significant impact on activities performed for Airbus by AEROTEC Engineering as well as in other EADS Group areas handled by ALTEN GmbH.

The year was also marked by consolidation in ALTEN's traditional sectors such as the automotive, medical and semi-conductor sectors, as well as significant growth in the aeronautical (excluding EADS), rail and energy sectors.

This growth can be observed across all of our businesses: mechanical design, software and electronics development, project management and technical publications. These projects are carried out using the Group's three traditional methods: consulting, platforms and fixed price at our premises.

#### Sample project:

AEROTEC Engineering is strengthening its presence in the technical publication field within the Aeronautics sector. Engaged as the strategic partner of a major customer in the aeronautics sector, a transnational organization was deployed within the ALTEN Group, with AEROTEC Engineering serving as its

manager. This organisation enables us to effectively address the needs of local customer structures in France, Germany, England and Spain in a coordinated fashion, with teams involved in all aircraft programmes. From the first year, we satisfied the demands expressed in terms of quality of service and production in an area with low labour costs.

Relying on the skills developed through our collaboration with the customer, AEROTEC Engineering was also able to establish an integrated programme management organization, an effective offshore strategy with its own centres in Romania and soon in Asia, and an increase in the skills of more than 100 employees involved in the project.

Armed with the expertise and competitiveness of this organisation, AEROTEC Engineering is positioned to satisfy new customers across a wide range of business sectors.

### Belgium

#### ALTEN Benelux

After several years of steady growth, ALTEN Benelux is now a recognised leader in outsourced R&D in Belgium. This highly diversified market includes two main types of customers: subsidiaries of major international groups and local companies.

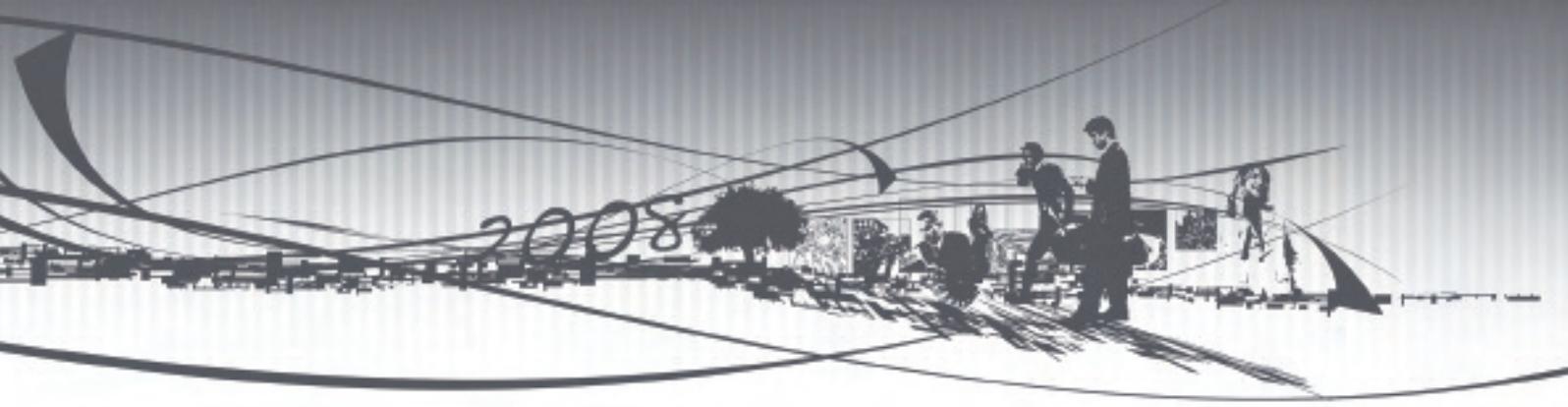
The technologies offered by ALTEN in Belgium cover the full range of the Group's businesses: Electronics, Software, Mechanics and Systems Engineering, among others.

To accelerate its growth, in 2008 ALTEN undertook significant steps to diversify into new industrial sectors: pharmaceutical, chemistry, petrochemistry, nuclear, gas, building engineering, etc.

These new businesses offer significant opportunities with regard to the main players in the energy sector, which have significant presence in the Benelux region due to the proximity of the two largest European ports, located in Antwerp and Rotterdam.

Another approach to diversification involves business development based on work packages and fixed price packages. ALTEN Benelux already has proven experience in Belgium, with a fixed price team already in place at Mobistar for the past three years. During this period, the team has grown from 4 to 16 employees. This operating method provides significant reductions in direct and indirect expenses along with maximum quality and flexibility for the customer.

ALTEN urges its customers to take this direction by highlighting



the benefits of this operating method which responds to market expectations, along with the added value that a major group such as ALTEN can bring to a highly diversified local market.

More than ever, ALTEN Benelux is breaking new ground and strengthening its positions. Cost constraints faced by our customers force them towards greater reliance on the added value offered by qualified service providers. Risk management, especially in terms of deadlines, lead them to choose strong partners which offer stable and long-term prospects.

In this way, ALTEN Benelux has become a key partner.

## AXEN

AXEN delivers ALTEN Group's information systems package in Belgium.

Following several years of growth, the Belgian ICT (information and communication technologies) market has levelled off. It is even less concentrated than the French market, as most ICT consulting firms are of medium size like AXEN.

Business remains concentrated along the Brussels – Antwerp corridor, where a large number of international companies have their headquarters. Belgium also has a significant number of highly competitive medium sized companies which are often leaders in their fields. Its customers are the leading names in the banking, finance, telecommunications, energy, chemical and pharmaceutical sectors.

AXEN Belgium focuses on project management, information systems technologies (.Net, J2E, Java, etc.) and telecommunications (network security, communication protocols, etc.).

## The Netherlands

Present in Holland since 2003, ALTEN's business targets Engineering and Research & Development activities. Industry in the Netherlands is concentrated around two major centres, Eindhoven in the southern part of the county, and the Randstad, which is the region that includes Amsterdam and Rotterdam.

The most significant business sectors are mechanical engineering, shipbuilding, energy, process engineering, aeronautics and medical.

Engineering holds an important place in the Dutch economy, especially in the environmental field due to the fact that a significant part of the nation's land was reclaimed from the sea.

ALTEN has a new opportunity to contribute to a particularly ambitious project: the Control and Decision System for the "Maeslantkering" in Rotterdam.

The Maeslantkering is the most recent and the latest project within the Delta Works in the Netherlands. ALTEN is supporting the Ministry of Transport and Water Management in preparing specifications and validating the system, and is also involved in maintenance of the works.



## International presence

### ■ ALTEN's Offshore and Nearshore packages

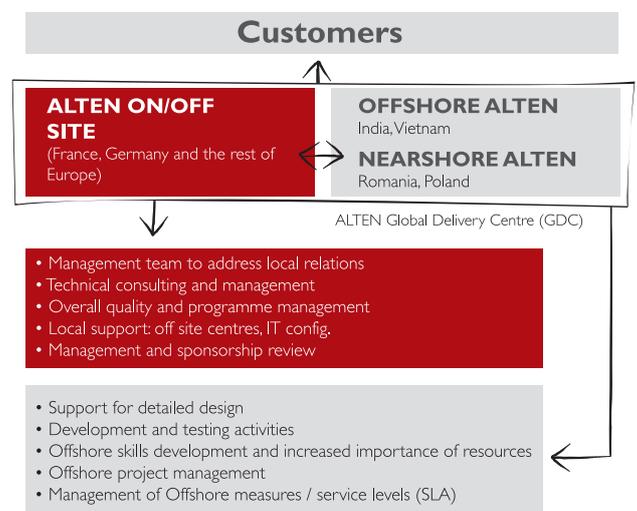
Establishing positions in Nearshore (nearby countries) and Offshore (distant countries) has become a necessary step in addressing customer needs and strategies:

- Cost savings (20%)
- Rate setting (Offshore, purchase price in dollars, work packages, resource flexibility, etc.)
- Reduction of the product development cycle
- Strategy towards targeted countries
- Country-specific localisation of products
- Obligations related to offsets with governments, direct and indirect investments
- Support through partnerships or local R&D centres at the customers' premises
- Lack of competent resources in Europe / Access to a wealth of expertise

Offshore and Nearshore delivery services are a key part of the integrated worldwide delivery structure established by ALTEN to meet its customers' requirements.

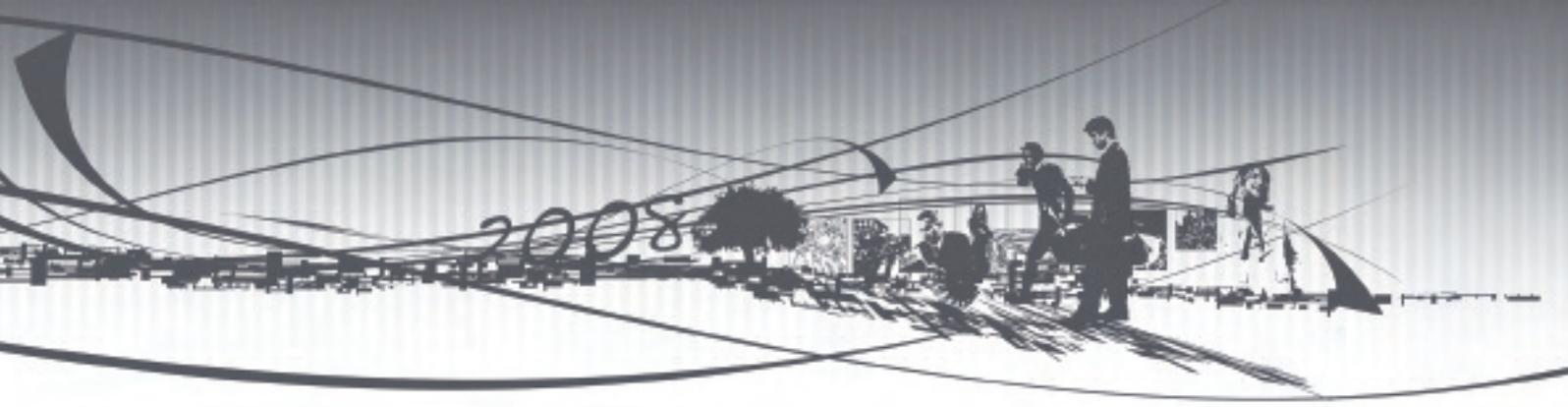
These global projects are based on a Front-Office/Back-Office set-up and on proven work procedures:

- ▶ Customer relations management, comprehensive management of programs and consulting under the direction of the ALTEN Front Office which is geographically close to the customer in Europe.
- ▶ Development support and detailed design activities carried out by delivery teams in ALTEN Back Office centres located Offshore
- ▶ Offshore-specific project management package (or PMO), integrated into the Front-Office to ensure Back Office support in terms of security, performance, methods and quality, skills development and increased capacity



Through its Offshore and Nearshore packages, ALTEN is able to offer both of the major supply structures which are currently sought by our customers: The Partial Offshore and Direct Offshore programmes.

- ▶ With its "Partial Offshore" offer, ALTEN manages significant, critical local projects by implementing up to 50% of the Offshore solution for activities in support of detailed design.
- ▶ With the "Offshore Direct" package, ALTEN manages programmes which carry out more than 70% of their activities Offshore (generally the least complex activities) with a reduced on-site presence.

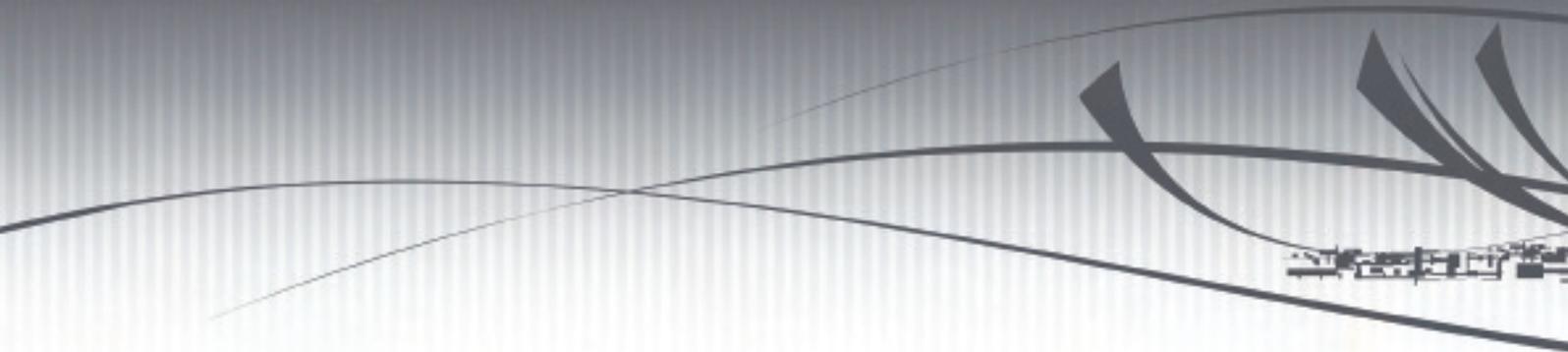


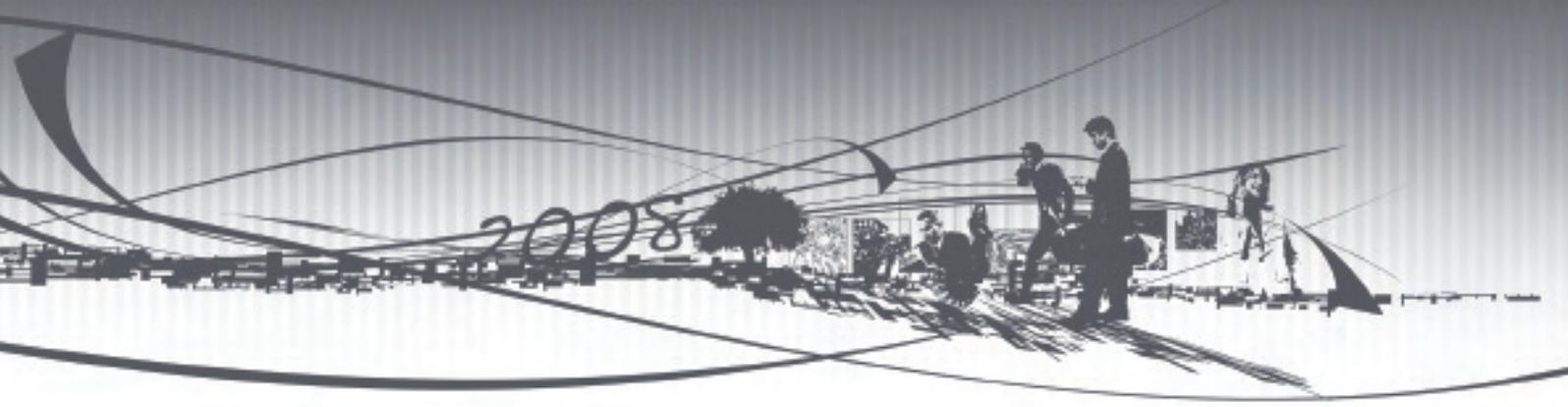
ALTEN's objective are:

- To provide customers maximum value-added by taking back work packages and transferring less complex activities Offshore, while having effective controls integrated into the project life cycle in order to limit risk,
- To offer a fully integrated process between the Front Office and the Back Office, providing customers with the guarantee that their projects are secure and monitored
- To offer a level of service equal to that available in Western Europe (quality, responsiveness, culture, language and technical knowledge)
- To optimise overall costs
- To provide a flexible and responsive solution with adequate resources in our customers' geographically strategic regions.

**Main features of our platforms:**

	Nearshore : Roumania	Nearshore : Poland	Offshore : India	Offshore : Vietnam
<b>Entity</b>	ALTEN subsidiaries	ALTEN subsidiary and partner	ALTEN strategic partner	ALTEN strategic partner
<b>Location</b>	Bucarest, Laasi	Worclaw, Prague	Bangalore, Delhi	Hanoi
<b>Qualified personnel</b>	70 % engineers	80 % engineers	100 % engineers	100 % engineers
<b>Mastery of languages</b>	70 % French 90 % English	60 % German 50 % English	100 % English 20 % French or German	80 % French 100 % English
<b>An adapted package</b>	Mechanical engineering / scientific computation  Real-Time On-Board software  Digital design CAD  J2EE new technologies J2EE, .Net Technical publication	Mechanical engineering / scientific computation  Electronics  CAD Technical publication	Mechanical engineering / scientific computation  CAD/Digital design  Integrated software Real-time on-board software  Electronics Technical publication Design of conduits, instrumentation and electronic design IT services: SAP, Java, J2EE, .Net, helpdesk	Integrated software  Real-time on-board software Electronics
<b>Security</b>	Physical and software security	Physical and software security	Physical and software security	Physical and software security
<b>Main customers</b>	Automotive / Aeronautics	Automotive / Electronics	Auto., aero., telecom, high tech., petrol and gas, energy	Aerospace, consumer goods
<b>Currency</b>	Euro	Euro	Dollar, Euro	Dollar, Euro





## IV - ALTEN, A CATALYST FOR TALENT

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## ALTEN, a catalyst for talent

### ■ A leading employer

ALTEN strives to attract top talent and mobilise skills which are best suited to each customer.

Our partnerships with top schools and universities and our demanding recruitment strategy with its focus on quality ensure that our teams will provide the highest level of expertise in Europe.

ALTEN is among the ten most dynamic economic players in terms of recruiting management-level positions in France, with more than 2,500 associates joining the Group each year.

#### Excellence through talent development

ALTEN promises its associates high level involvement and a constant focus on growth through its courses in management and technical expertise. Through participation in high value-added projects, they are in contact with cutting-edge technology and benefit from both training and the support of the Technical Divisions to expand their expertise. Out of a desire to create favourable conditions for professional and personal growth, ALTEN created a satisfaction rating system to identify areas for improvement with a high degree of foresight.

#### Consultant mobility

Professional mobility constitutes a major challenge for the Group's growth. A key to successful mobility is based on the converging interests of the consultant and the Group.

Movement of people and jobs is an important resource for the Company. For this reason, ALTEN has established professional development procedures and has created pathways between different positions and sectors in order to provide new career possibilities for our associates.

The career management process enables us to identify skills which are important to the Group. During the annual review, employees are informed of existing opportunities and are given the chance to express their desires for development and mobility.

Mobility can take place either through geographic mobility, in France or abroad where the Group has acquired several companies, or through upward mobility. It is also possible to work on an international project while located in France.

### The RSI Programme

Site Managers, who are present in most Group entities, are engineers who serve as the spokesperson for ALTEN's values with customers and consultants. They are responsible for leading on-site consultant teams and facilitating the transfer of information among the various contacts, consultants, managers and customers. They are also responsible for detecting and providing feedback on customer needs and for stimulating co-option. During 2008, we carried out a study on the growth in RSI skills, enabling us to move forward in terms of specific training for this key function in our support system for on-site consultants.

### ■ School Partnerships and Activities

#### The international opening of ALTEN Training Solutions

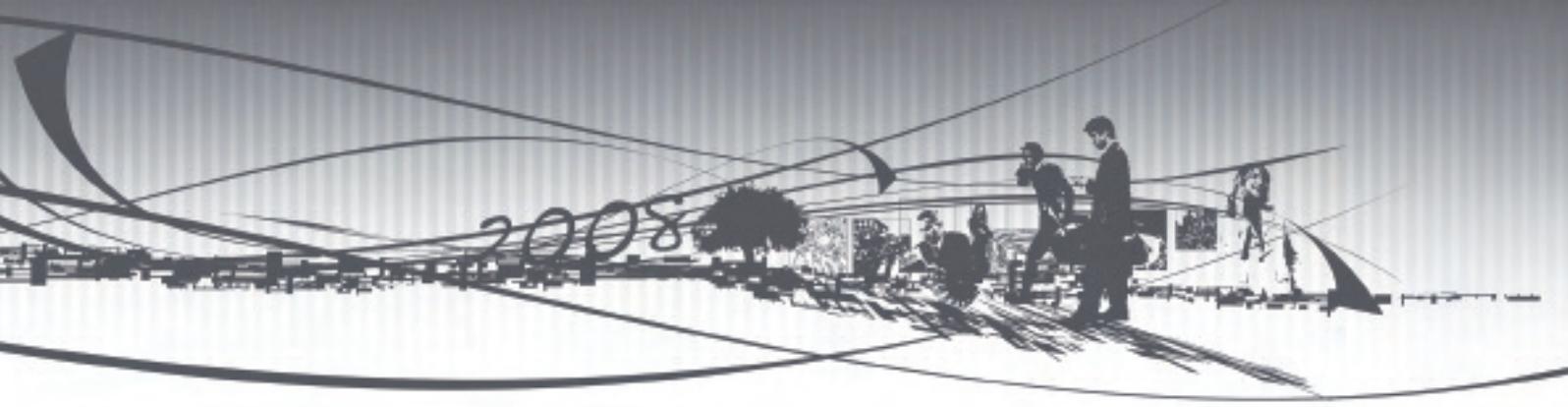
Since September 2008, ALTEN has hosted an internship for eight Indian students who hold scholarships through the French government and who are trained by Group engineers. In 2007 the Ministry of Foreign and European Affairs, the ALTEN Group and the "n+i" network, which unites 70 prestigious French engineering schools, established a programme to host and support top foreign students in France. Carried out over a period of two years, the programme involves a period of immersion in French language and culture, a 12 month "gap year" spent working on a technical project and a year of M2 education (second year Master's) at an "n+i" network school. At the end of two years, through their mastery of French and project methodology, these young graduates will be fully prepared to work in support of ALTEN's customers.

#### ALTEN A key partner in the WINSTRAT Competition

WinStrat is an on-line corporate strategy competition for the top engineering and management schools. Students are organised into teams of up to four people and assigned positions as managers in a virtual company. They must establish their business, penetrate the market and make their company prosper through its human resources and other assets.

WinStrat is based on a comprehensive economic model, where competition focuses on the following criteria: pricing, term of payment, advertising, sales force, product quality and technology, etc. **ALTEN is one of WinStrat's key, long-standing partners, and**





was involved in awarding prizes during the 2008 competition.

The 2008 challenge marked a turning point with the adoption of the new WorldStrat simulator. Teams were confronted with the harsh reality of globalisation through increasingly nail-biting scenarios. In the elimination phase, virtual companies established businesses in the radio-controlled toy market, set up factories in China or Mexico and distributed products to every corner of the globe. In everyone's opinion, this new engine provided increased fun and educational value!

**The ITEEM team was the clear choice, winning the 2008 WinStrat Competition.** ECP and IMERIR took 2nd and 3rd place respectively.

#### **4L Trophy**

In February 2008, ALTEN Group participated in the 4L Trophy through GIST and in partnership with ENSEA. The 4L Trophy is a humanitarian raid through the Moroccan desert which aims to deliver school supplies for distribution by UNICEF.

Our 4L was the subject of an exclusive report on "Tout le sport", a France 3 programme which was broadcast on Tuesday 26 February 2008.

#### **The 40th EDHEC Course Croisière (sailing race)**

This race is the first European sailboat racing event for students. GIST is closely associated with the ISEP sailing club and ran this race on an A35 under the Group's colours. Congratulations to our "seafaring" crew which captured an outstanding 5th place in the HND category.

ALTEN Group will again support the Isepvoile crew in La Rochelle for the 41st edition in 2009.

#### **Coupe de France de Robotique (Robotics competition)**

ESIEESPACE is an association of ESIEE which aims to create a high-performance robot based on the theme of renewable energy. It was presented at the Coupe de France de Robotique from 28 April to 4 May 2008.

In 2009, the Group supported ESIEESPACE for the second time as its exclusive partner in this robotic adventure. The 16th edition of the Coupe de France de Robotique, like the Eurobot finale, will take place in May 2009 in La Ferté-Bernard.

## ALTEN, a catalyst for talent

### ■ ALTEN's commitment to promoting the engineering profession

#### 2008 Engineer of the Year Award

As a long-standing partner in the Engineer of the Year award, Simon Azoulay, the Chairman of ALTEN Group, presented the Innovation Award which rewards an industrial project of exceptional innovation and creativity. This distinction is intended to promote the engineering profession's image in France, demonstrating that a spirit of innovation is an essential value in our business, a value shared by ALTEN Group.

This year, this prestigious ceremony recognised **Yoel Rabinovitch** for his innovation in transparent polycrystalline ceramics.



young women. Through its various activities (site visits, testimonials, career paths, etc.), the association helps young women to choose their direction, raises awareness of career possibilities in the sectors and, through its sponsors, introduces them to the various businesses and positions.

Alstom, Dassault Aviation, EADS, PSA Peugeot-Citroën, Valéo, Safran, SNCF, and GIFAS are benefactors, along with engineering schools such as ECAM, ECE, École des Mines de Douai, EIGSI, ENSAM, ENSIETA and ENSMA.

#### ALTEN, a partner in the 10th annual "IS Director Awards"

ALTEN has partnered with the magazine OI Informatique, which has organised the "Trophées des DSI" award for the past 10 years.

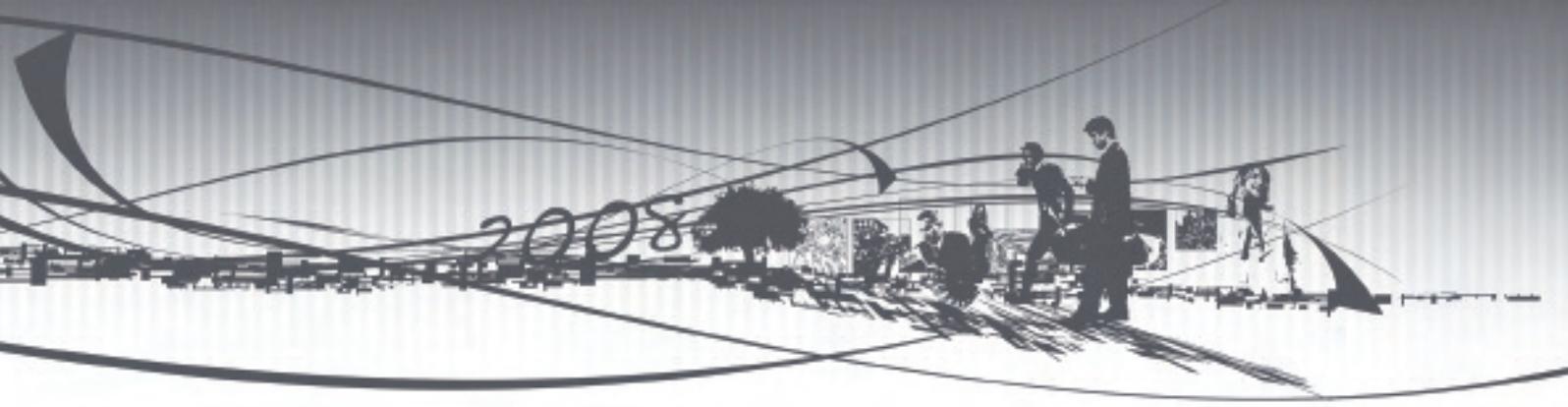
Each year, this event brings together more than 300 Information Systems Directors with the goal of promoting contact among key players in the profession. It provides an opportunity for discussion and strategic reflection on major changes in information systems in the years to come.

In 2008, ALTEN partnered with OI Informatique for the first time to award the Trophée DSI in the "Banking/Insurance" category.

#### In 2008, ALTEN became the sponsor of the "Elles bougent" Association.

"Elles bougent" brings together female secondary students, college and university students and engineers to spark interest in careers by sharing their passion for their work.

In France, women are under-represented in the engineering field: out of fewer than 60,000 girls in terminale S (secondary education with a math/science focus), only 10% are in classes to prepare them for admission to engineering schools, including the prestigious grandes écoles (elite French universities). Its concrete objective is to increase the number of engineering students in the Automotive, Aeronautics, Space and Rail sectors and looking ahead, to facilitate the recruitment of



## V - INVESTOR INFORMATION

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## Investor Information

### ■ Summary information

Corporate name	ALTEN
Business	Technology Consulting and Engineering
APE Code	6202A
RCS (Trade & Companies Register)	348 607 417 Nanterre
Address of Head Office	40, avenue André Morizet – 92513 Boulogne-Billancourt
Date of formation	1988
Nationality	French
Share capital	32,249,054.78
Number of ALTEN shares issued from Share Capital	31,728,735
Legal form	French Société Anonyme (public limited company) with a Board of Directors
Fiscal year	1 January to 31 December
Market on which it is listed	ALTEN shares are listed on “Compartiment B” of the Euronext Paris stock exchange
Market indices on which ALTEN shares are listed:	SBF 120, SBF 250, IT CAC 50, CACMID 100
ISIN Code	FR 0000071946

### ■ Financial Analysts

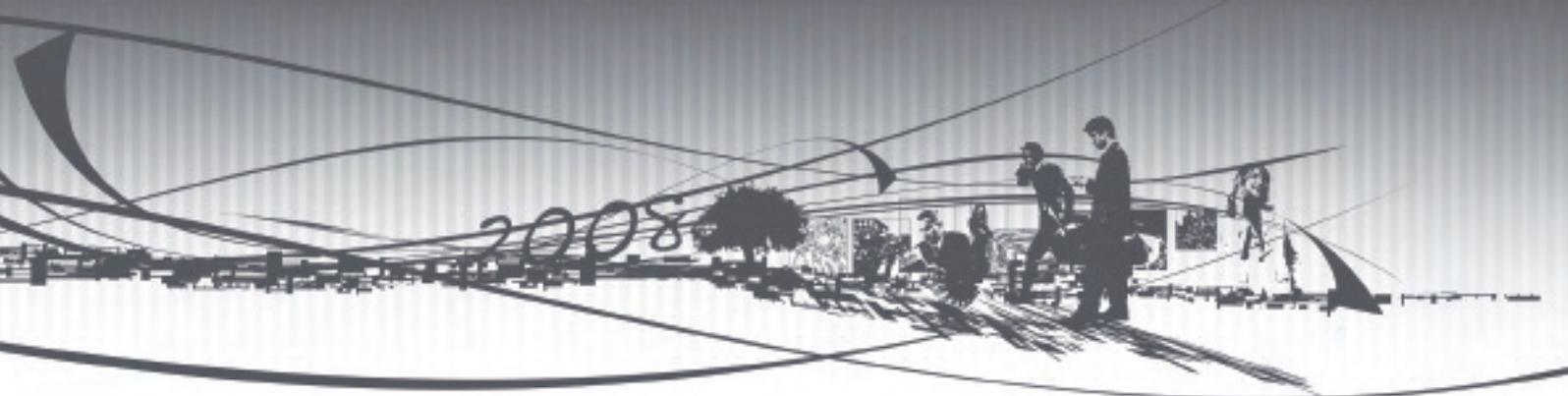
Aurel Leven  
 Avenir Finance Securities  
 Bryan Garnier  
 CIC Securities  
 Crédit Agricole Cheuvreux  
 Crédit du Nord  
 Deutsche Bank  
 Exane BNP Paribas  
 Fortis  
 Gilbert Dupont  
 HSBC  
 Kepler Equities  
 ING  
 IXIS Midcaps  
 Jefferies  
 Natixis  
 Oddo Securities  
 Société Générale

### ■ Calendar

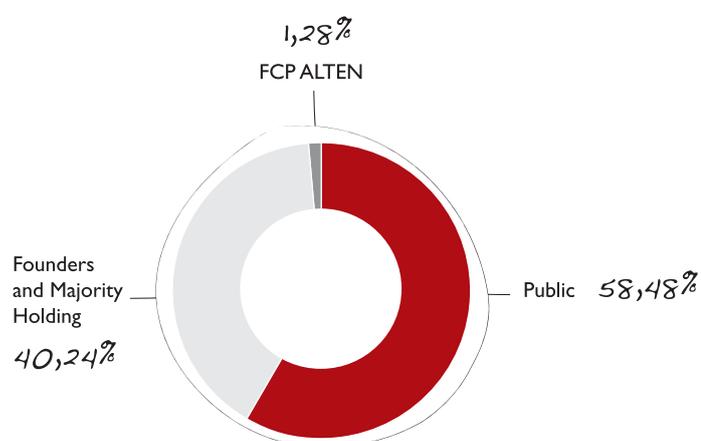
**12 May 2009:** Turnover - 1st quarter 2009  
**23 June 2009 at 10:00 am:** Annual General Meeting to review the annual financial statements for 2008  
**July 2009:** Turnover - 1st half 2009  
**30 September 2009:** 2009 Half-year results  
**November 2009:** Turnover - 3rd quarter 2009  
**January 2010:** Annual turnover 2009

### ■ Contact

Financial information is available:  
 On the internet: [www.alten.fr](http://www.alten.fr) (“investors’ area”)  
 By e-mail: [comfi@alten.fr](mailto:comfi@alten.fr)



## ■ Shareholding structure (at 30/04/2009)



## ■ Changes in Stock Market Prices

Date	Monthly Volumes	In thousands of euros	High	Low	Average share price	Average trading day in shares	In thousands of euros
jan-08	2,898,501	59,270,373	26.00	16.52	20.45	131,750	2,694,108
Feb-08	2,484,739	52,805,128	22.90	19.65	21.25	118,321	2,514,530
Mar-08	2,479,723	46,133,502	20.74	17.44	18.60	130,512	2,428,079
Apr-08	1,836,698	38,138,487	22.62	18.60	20.76	87,462	1,816,118
May-08	2,857,548	72,994,662	27.07	22.16	25.54	136,074	3,475,936
June-08	1,807,039	44,109,293	25.99	22.09	24.41	90,352	2,205,465
July-08	2,918,413	69,708,914	26.80	20.72	23.89	132,655	3,168,587
Aug-08	2,283,635	60,603,240	27.80	25.41	26.54	108,745	2,885,869
Sept-08	2,947,630	65,549,405	26.99	19.82	22.24	133,983	2,979,518
Oct-08	4,173,218	83,945,759	22.75	16.24	20.12	181,444	3,649,816
Nov-08	1,563,812	29,295,297	21.53	16.40	18.73	78,191	1,464,765
Dec-08	1,466,116	23,234,907	18.25	12.86	15.85	69,815	1,106,424
Jan-09	2,672,891	32,773,705	15.69	10.26	12.26	127,281	1,560,653
Feb-09	2,413,311	30,514,173	13.89	10.70	12.64	120,666	1,525,709
Mar-09	2,752,235	31,802,436	12.33	9.55	11.56	125,102	1,445,565
Apr-09	2,043,352	25,481,200	13.99	10.71	12.47	92,880	1,158,236





# Financial report *2008*



# 2008 FINANCIAL REPORT

## GROUP PROFILE

ALTEN, the European Leader in TCE, carries out design and research projects for the technical and information systems divisions of major industry, telecom and services providers.

ALTEN recorded a turnover of €846.3 million in 2008 with 12,600 employees located in 12 European countries.

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# I - PERSONS IN CHARGE OF THE REFERENCE DOCUMENT AND FOR THE FINANCIAL AUDIT

## A. PERSON IN CHARGE OF THE REFERENCE DOCUMENT

**Mr. Simon AZOULAY**  
Chief Executive Officer

### Statement by the person in charge of the reference document:

"After having taken all reasonable precautions, I declare that the information contained in this reference document is, to my knowledge, true and includes no omissions likely to affect its interpretation.

We have obtained an end-of-mission statement from the Statutory Auditors indicating that they have verified the information concerning the financial position and the financial statements presented in this document and have read this entire document. The end-of-mission statement contains no comments.

Past financial information presented in the reference document was the subject of the auditors' report which appears on page 178 of the document. These reports do not contain any comments."

Boulogne-Billancourt, 3 June 2009

Simon Azoulay – Chief Executive Officer

## B - PERSONS RESPONSIBLE FOR THE FINANCIAL AUDIT

### A) REGULAR STATUTORY AUDITORS

#### GRANT THORNTON

Represented by Mr. Laurent Bouby - 100 rue de Courcelles, 75017 Paris

Initial appointment date: 25 June 2003.

Mandate expires: at the Ordinary General Meeting called to approve the 2008 financial statements.

#### Cabinet DAUGE & ASSOCIES

Represented by Mr. Jean Louis Rouzé – 22 avenue de la Grande Armée, 75017 Paris

Initial appointment date: 30 June 1997.

Renewal date: 25 June 2003.

Mandate expires: at the Ordinary General Meeting called to approve the 2008 financial statements.

## B) SUBSTITUTE STATUTORY AUDITORS

- **Substitute for GRANT THORNTON: IGEC,**  
Represented by Mr. Victor Amselem - 3 rue Léon Jost, 75017 Paris.

Initial appointment date: 25 June 2003.  
Mandate expires: at the Ordinary General Meeting called to approve the 2008 financial statements.

- **Substitute for Cabinet DAUGE & ASSOCIES: Cabinet Kling**  
Represented by Mr. Didier Kling - 41 avenue de Friedland, 75008 Paris.

Initial appointment date: 25 June 2003.  
Mandate expires: at the Ordinary General Meeting called to approve the 2008 financial statements.

## C – PERSON IN CHARGE OF FINANCIAL INFORMATION

Mr. Bruno Benoliel  
Group Chief Financial Officer  
E-mail: comfi@ALTEN.fr  
Tel: (33)1 – 46 08 70 00

# II - GENERAL INFORMATION REGARDING ALTEN AND ITS CAPITAL

## A – INFORMATION REGARDING ALTEN

### 1. COMPANY NAME, REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS WHERE DIFFERENT FROM THE REGISTERED OFFICE.

ALTEN

Registered Office and Head Office: 40 avenue André Morizet, 92513 Boulogne-Billancourt Cedex. The telephone number for the registered office is + 33 (0)1 46 08 72 00.

Commercial headquarters: 221 bis boulevard Jean Jaurès, 92514 Boulogne-Billancourt Cedex. The telephone number for the Commercial Headquarters is + 33 (0)1 46 08 70 00

### 2. ALTEN'S LEGAL FORM AND LEGISLATION

ALTEN is a French limited company (société anonyme) with a Board of Directors subject to French law, in particular the provisions of Book II of the Commercial Code.

### **3. DATE OF INCORPORATION AND TERM**

The company was formed on 28 October 1988.

Its duration is 99 years as from its registration in the Trade and Companies Register, except in the case of premature dissolution or extension of such duration.

### **4. COMPANY PURPOSE**

The company's purpose is defined in Article 2 of its articles of association:

to provide all services, both in France and abroad, relating to the fields of technology, computing or electronics, particularly in the areas of: consulting, research and engineering, training, assistance, maintenance, systems and network operations, facilities management and the development and distribution of hardware or software products. Any direct or indirect involvement in any activities relating to the above purposes: creating new companies, transferring assets, subscribing to or purchasing securities or shareholdings, merging with other companies or otherwise; creating, acquiring, leasing or taking over the management of any business or establishment; taking, acquiring, operating or selling all processes and patents related to these activities, and more generally, all commercial, industrial, civil, personal property, real property and financial transactions relating directly or indirectly to the company purpose or any similar or related purpose.

### **5. TRADE AND COMPANIES REGISTER**

The Company is registered in the Nanterre Trade and Companies Register under no. 348 607 417 effective 16 November 1988.

### **6. CONSULTATION OF LEGAL DOCUMENTS**

The Company's articles of association, financial statements, reports of the Statutory Auditors and the minutes of the General Meetings are available at the Company's registered office under the terms set forth by law and in the articles of association.

The Company's press releases, annual reference documents filed with the AMF along with updates, if any, are available on the Company's website at:

*[www.alten.fr](http://www.alten.fr)*

### **7. FISCAL YEAR (Article 22 of the articles of association)**

The company's fiscal year is twelve (12) months. It starts on 1 January and ends on 31 December of each year.

### **8. ALLOCATION AND DISTRIBUTION OF PROFITS (Article 24 of the articles of association)**

A minimum 5% portion is deducted from year-end earnings less losses carried forward, where applicable, and allocated to the legal reserve. This deduction ceases to be mandatory once the reserve fund reaches an amount equal to one-tenth of the Company's share capital.

The General Meeting may appropriate any sums it deems necessary to any non-mandatory reserves, whether ordinary or non-recurring, or allocated such sums to retained earnings.

The General Meeting may also decide to distribute any sums drawn from the available reserves, specifying the reserve account from which the deduction is made. However, dividends must initially be drawn from the profits for the fiscal year.

Following approval of the accounts by the General Meeting, any losses must be carried forward and offset against future profits until these losses are eliminated.

#### **9. PAYMENT OF DIVIDENDS (Article 25 of the articles of association)**

The General Meeting held to approve the year-end financial statements may grant each shareholder the option of receiving some or all of the interim or final dividends in cash or in shares.

#### **10. GENERAL MEETINGS (Article 21 of the articles of association)**

General Meetings are convened and deliberate according to the terms stipulated by law. Meetings take place at the registered office or at any other place designated in the convocation.

The right to take part in General Meetings is subject to the entry of shares in the books under the name of the shareholder or the agent not later than midnight, Paris time, on the third banking day preceding the General Meeting, either in individual accounts managed by the company or in bearer accounts managed by an authorised agent.

#### **11. DOUBLEVOTING RIGHTS (Article 14 of the articles of association)**

Since the Combined General Meeting of 7 January 1999, a double voting right exists which is subject to the following provisions:

Once shares are registered in the bearer's name, the shareholder is authorised to benefit from a double voting right based on the timeframe in effect at the time of registration. Any subsequent change to this timeframe is not enforceable against such shareholder.

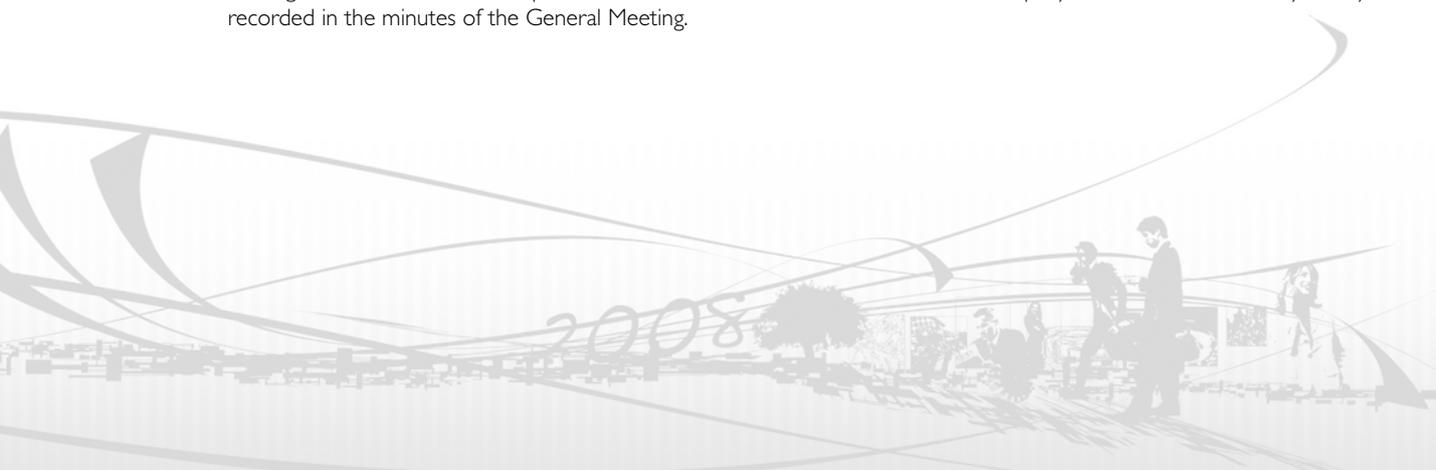
Notwithstanding the above, all fully paid-up shares which have been registered in the same name for a continuous period of at least four years are assigned double voting rights.

#### **12. SHARE OWNERSHIP THRESHOLDS (Article 7 of the articles of association)**

The articles of association require shareholders to notify the company when their holdings exceed thresholds set forth in Article 233-7 of the French Commercial Code.

In addition, the Combined General Meeting of 7 January 1999 decided to impose a similar obligation when a shareholder, acting alone or in concert, comes to control greater than or less than 3% of the capital or voting rights, with notice by registered letter with acknowledgement of receipt within 15 days of crossing such threshold.

Failure to comply with the above notice requirement means that shares in excess of the undeclared fraction lose voting rights under the conditions set forth by law. This sanction applies when, at a General Meeting, one or more shareholders owning more than 3% of the capital note that no notice was submitted to the company and this failure to notify is duly recorded in the minutes of the General Meeting.



### **13. IDENTIFIABLE BEARER SHARES (Article 8 of the articles of association)**

The company may at any time request that the main custodian of its marketable securities provide the information required by law pertaining to the identity of the owners of shares that confer immediate or future voting rights at General Meetings.

### **14. CHANGES TO CAPITAL AND RIGHTS IN THE CAPITAL (Article 9 of the articles of association)**

All modifications to the capital and the rights attached to the shares making up such capital are governed by applicable regulations. There are no provisions in the company's articles of association that impose conditions on such changes that are more restrictive than the legal obligations in effect.

### **15. BOARD OF DIRECTORS – COMPOSITION – TERM OF OFFICE (Article 15 of the articles of association)**

The company is administered by a Board of Directors with no fewer than three and no more than eighteen members; in the event of a merger, however, the Board may exceed a maximum of eighteen members according to the conditions and limits defined in the French Commercial Code.

Directors are appointed by the Ordinary General Meeting, which may dismiss a Director from office at any time. In the event of a merger or a demerger, Directors are appointed by the Extraordinary General Meeting. A legal entity which is appointed as Director must designate a permanent representative who is subject to the same conditions and obligations as if he had been appointed Director in his own name.

A company employee may only be appointed Director if his or her employment contract is in effect. The number of Directors employed by the company may not exceed one-third of the total number of Directors in office.

Unless otherwise specified in the French Commercial Code, each Director must own at least one share in the company. Pursuant to the Economic Modernisation Act of 4 August 2008, in effect as of 1 January 2009, specifically regarding the shareholder status of directors, at the Combined General Meeting on 23 June 2009 the shareholders will be asked to eliminate the requirement that directors hold at least one share of the company in which they serve as directors and to amend the Company's articles of association accordingly.

Under the articles of association, directors are appointed for the maximum legal term of six years which expires following the Ordinary General Meeting of shareholders held to approve the financial statements for the year in which such Director's term expires. All Directors whose term of office is ending are eligible to be re-elected. In order to comply with the AFEP-MEDEF recommendations, which urges that the statutory duration of the terms not exceed four (4) years and that the terms of office be staggered, a resolution proposing to amend the articles of association to reduce the directors' terms of office from six (6) to four (4) years will be submitted to a shareholders' vote during the Combined General Meeting in June 2009.

Note that the directors' terms of office are already staggered (see the summary table of offices).

### **16. CHAIRMANSHIP OF THE BOARD OF DIRECTORS (Article 16 of the articles of association)**

The Board elects a Chairman, who must be a physical person, from among its members for a period that does not exceed the Chairman's term as Director. The Board determines the Chairman's remuneration. The Board of Directors may dismiss the Chairman at any time.

The Chairman of the Board of Directors organises and oversees the work of the Board. The Chairman prepares a report on the conditions in which the work of the Board is prepared and organized as well as the internal control procedures implemented by the company. The Chairman ensures that the Company's bodies duly fulfil their obligations and, in particular, that the Directors are in a position to perform the tasks assigned to them. If it deems necessary, the Board may appoint

one or more vice chairmen whose sole duty is to preside over Board meetings in the absence of the Chairman. Where the Chairman and the vice chairmen are absent, the Board will appoint one of its members to preside over the meeting. At each meeting, the Board may appoint a secretary who is not required to be a shareholder.

#### **17. DELIBERATIONS OF THE BOARD OF DIRECTORS – MINUTES OF MEETINGS (Article 17 of the articles of association)**

The Board of Directors meets as often as required by the company's interests. The Board is convened by the Chairman in his discretion and, where the Chairman is not the Chief Executive Officer, as requested by the Chief Executive Officer. If the Board has not met in over two months, the meeting may be convened at the request of at least one-third of the Directors. Unless the meeting is convened by another party, the Chairman sets the agenda for the meeting. Meetings must be held at the registered office. However, they may be held at another location as set forth in the convocation, provided this location has been approved by at least half of the Directors in office.

Deliberations of the Board are only valid if at least half of the Directors are present. Internal regulations stipulate that individuals taking part in the meeting via videoconference, in accordance with the legal and regulatory provisions in effect are deemed present when calculating the quorum and the majority.

All decisions require a majority vote of those members present or represented. Each Director who is present or represented holds one voting right and each Director present may only hold one delegation of authority. In the event of a split vote, the Chairman of the meeting has the deciding vote. If the Board is composed of fewer than five Directors and only two are present at the meeting, all decisions require a unanimous vote.

Deliberations of the Board are recorded in minutes which are then signed and kept in a special register or on single sheets in accordance with the corresponding provisions in effect.

#### **18. POWERS OF THE BOARD OF DIRECTORS (Article 18 of the articles of association)**

The Board of Directors determines the company's business strategies and oversees their implementation. Notwithstanding any powers expressly awarded to shareholders' meetings and within the limits of the company's purpose, the Board attends to any matters pertaining to the company's proper functioning and deliberates to resolve any matters affecting the company.

Concerning relations with third parties, the company is bound by any actions taken by the Board of Directors, including actions which are not related to the company's purpose unless the company is able to prove that the third party was aware that the action in question did not fall within the scope of the company's purpose or at least could not have been unaware of this fact given the circumstances.

The Board of Directors shall perform inspections and verifications it deems appropriate. The company's Chairman or Chief Executive Officer shall provide each Director with all documents and information necessary for the performance of their duties.

#### **19. GENERAL MANAGEMENT (Article 19 of the articles of association)**

General management of the company is entrusted to either the Chairman of the Board of Directors or another physical person who may or may not be a member of the Board, who is appointed as Chief Executive Officer.

The Board of Directors chooses between the two available modes of general management in accordance with Article 21 of the articles of association. It may modify this choice at any time. In each case, the Board of Directors informs the shareholders and third parties in accordance with the regulations in effect.

Where the Chairman is also Chief Executive Officer, he must comply with the provisions of the articles of association concerning the functions of general management.

Where general management is not assumed by the Chairman of the Board of Directors, the Board of Directors appoints a Chief Executive Officer. The Chief Executive Officer may be dismissed by the Board of Directors at any time. If Chief Executive Officer is dismissed without grounds, damages may arise unless the Chief Executive Officer is also the Chairman of the Board of Directors. The Chief Executive Officer is vested with the broadest possible powers to act on behalf of the company in all circumstances. He exercises powers within the scope of the company purpose, subject to those powers expressly conferred to the shareholders' meetings and to the Board of Directors by law.

The company is bound by any actions taken by the Chief Executive Officer, including actions which are not related to the company's purpose unless the company is able to prove that the third party was aware that the action in question did not fall within the scope of the company's purpose or at least could not have been unaware of this fact given the circumstances. He represents the company in its relations with third parties; such third parties may not invoke any decision that limits the Chief Executive Officer's powers. The Board of Directors may authorise the Chief Executive Officer to grant guarantees, bonds and sureties on behalf of the company within the limits and conditions defined by the regulations in effect. When proposed by the Chief Executive Officer, the Board of Directors may appoint up to a maximum of five deputy managing directors. The deputy managing director(s) may but are not required to be chosen from among members of the Board. They may be dismissed by the Board at any time as proposed by the Chief Executive Officer. If the dismissal is without grounds, damages may be sought. Where the Chief Executive Officer ceases to carry out or is incapable of carrying out his duties, the deputy management director(s) shall remain in office until a new Chief Executive Officer is appointed, unless otherwise decided by the Board of Directors. In agreement with the Chief Executive Officer, the Board of Directors determines the scope and term of the powers delegated to the Deputy Managing Directors. With regard to third parties, the Deputy Managing Director(s) has the same powers as the Chief Executive Officer. The Board of Directors sets the amount and terms of remuneration awarded to the Chief Executive Officer and any Deputy Managing Directors.

## **20. DECLARATIONS PERTAINING TO THE MEMBERS OF THE BOARD OF DIRECTORS**

To the Company's knowledge, during the past five (5) years no member of the Board of Directors (i) has been convicted of fraud, (ii) has been associated with bankruptcy, receivership or liquidation proceedings, (iii) has been prohibited by any court from acting as a member of an administrative, management or oversight of an issuer of securities or from involvement in managing an issuer's business activities, and (iv) has been charged with a criminal offence or has been the subject of an official sanction handed down by any statutory or regulatory authority.

To the Company's knowledge, there are no agreements with customers or financial partners by virtue of which a member of the Board of Directors was appointed as a Director or as a member in the general management of the Company.

## **21. SUMMARY OF CURRENT POWERS GRANTED TO THE BOARD OF DIRECTORS BY THE GENERAL MEETINGS**

See Appendix 2 of the Management Report (page 103).

## B - INFORMATION REGARDING ALTEN'S CAPITAL

### I. SHARE CAPITAL

As of 31 December 2008, share capital was €32,246,005.58, divided into 31,725,735 shares. It was the subject of an increase established by the Board of Directors on 12 May 2009 and currently equals €32,249,054.78, divided into 31,728,735 common shares, fully paid-up, all of the same category.

Shares are freely transferable; they are either registered shares or bearer shares as decided by the shareholder.

### 2. CAPITAL AUTHORISED BUT NOT ISSUED

Note that the company's Board of Directors was authorised by the Combined General Meeting of 27 June 2007, for a maximum term of 26 months, to increase the company's share capital by an aggregate value of €15,507,000, in one or several transactions, with or without pre-emptive subscription rights, through the issue of shares, warrants and/or securities conferring, either immediately or at a later date, at any time or on a specific date, shares in the company by way of subscription, exchange, reimbursement, presentation of a warrant or any other manner except for preferred shares and/or the incorporation of premiums, reserves, earnings or the like into the capital.

In addition, the Board of Directors was authorised by the Combined General Meeting of 27 June 2007, for a term of 26 months, to increase the company's share capital by no more than 10% for the purpose of remunerating asset contributions in kind.

Further note that the Board of Directors was authorised by the General Meeting of 27 June 2008, for a period of 26 months, to proceed with capital increases reserved for members of a company savings plan (PEE) up to a limit of 5% of the capital.

Finally, the Board of Directors was authorised by the General Meeting of 27 June 2008, for a period of 18 months, to issue stock warrants reserved for a class of persons, with the aggregate total amount of shares likely to be issued under this delegation to be no greater than €510,000.

The Board of Directors did not exercise any of the aforementioned delegations.

The Board of Directors was authorised by the General Meeting of 27 June 2007, for a period of 38 months, to award free shares to be issued representing up to 3% of share capital. In accordance with this delegation, the Board decided to allocate 105,600 free shares to two beneficiaries at its meeting on 11 April 2008.

In addition, the Board of Directors was authorised by the General Meeting of 27 June 2006 for a period of 38 months, to award stock options for up to 14% of capital. In accordance with this delegation, the Board of Directors, during its meetings of 23 October 2006 and 18 February 2008, decided to award (i) 1,189,780 stock options to 598 beneficiaries (certain of whom are subject to the condition precedent of achieving objectives set by Management) and (ii) 622,790 stock options to 794 beneficiaries.

For options awarded in 2008, a zero dividend is assumed. The risk-free rate at six years, the theoretical maturity date, is 3.62%, estimated volatility is 32.38%, the turnover rate is 3% per year and the liquidity discount is 15%. Accordingly, the fair value of the share determined according to the binomial method is €7.86 for an allotment price of €19.13.

Information related to all stock option plans appears on page 55 and 165 of this Annual Report.

### 3. POTENTIAL CAPITAL

#### Stock option plans

The Combined General Meeting of 25 June 2003 authorised the Board of Directors to award stock options up to a maximum of 14% of the capital. To this effect, the Board of Directors was given full powers to award these stock options on one or several occasions during a period of 38 months and to set the practical terms and conditions.

It should also be noted that the Combined General Meeting of 27 June 2006 authorised the Board of Directors to award stock options up to a limit of 14% of the share capital. To this effect, the Board of Directors was given full powers to award these stock options on one or more occasions during a period of 38 months and to set the practical terms and conditions.

In application of this delegation, the meetings of the Board of Directors held on 27 September 2000, 9 January 2001, 28 March 2001, 21 August 2001, 25 January 2002, 5 September 2002, 13 March 2003, 25 July 2003, 6 January 2004, 24 March 2005 and 23 October 2006 and 18 February 2008 established the stock option plans described page 55.

The Board of Directors, at Meetings held on 25 January 2002, and 13 March 2003, decided to offer certain beneficiaries of the plans launched 27 September 2000, 9 January 2001 and 25 January 2002 new options subject to the waiver of their rights to all previously awarded options.

These price adjustment transactions applied to a total of 209,500 previous options.

In all, stock options (less all options cancelled as part of the repricing plan and void options) confer a right to shares representing 5.81% of the number of shares making up the share capital.

#### 4. SUMMARY OF STOCK OPTIONS AWARDED BY THE BOARD OF DIRECTORS

	Date awarded by the Board	Number of beneficiaries	First possible exercise date	Plan maturity date	Number of options awarded	Post-split exercise price in €	Number of options waived	Number of options exercised	Number of options voided	Number of options exercisable
07/01/99	27/01/99	34	27/01/03	28/01/07	27,950	6.86	0	18,880	9,070	0
07/01/99	16/12/99	190	16/12/03	17/12/05	292,900	27.4	0	17,150	275,750	0
07/01/99	27/09/00	50	27/09/04	28/09/08	174,250	27.2	85,000	1,750	52,500	0
07/01/99	09/01/01	180	09/01/05	10/01/09	283,000	28	64,500	14,670	174,000	29,830
07/01/99	28/03/01	3	28/03/05	28/03/09	30,000	26	0	0	30,000	0
07/01/99	21/08/01	2	21/08/05	21/08/09	28,500	16.85	0	28,500	0	0
07/01/99	25/01/02	214	25/01/06	25/01/10	438,400	15.72	60,000	290,705	73,475	14,220
07/01/99	05/09/02	1	05/09/06	05/09/10	10,000	6	0	10,000	0	0
07/01/99	13/03/03	237	13/03/07	13/03/11	359,150	5.9	0	296,700	37,000	25,450
07/01/99	25/07/03	6	25/07/07	25/07/11	450,000	7.3	0	359,500	500	90,000
07/01/99	06/01/04	259	06/01/08	06/01/12	318,970	10.73	0	117,652	84,800	116,518
23/06/03	24/03/05	356	24/03/09	24/03/13	496,500	17.98	0	0	201,125	295,375
27/06/06	23/10/06	598	23/10/10	23/10/14	1,189,780	24.1	0	0	503,940	685,840
17/06/08	18/02/08	794	18/02/12	18/02/16	622,790	19.13	0	0	37,250	585,540
			<b>TOTAL</b>		<b>4,722,190</b>		<b>209,500</b>	<b>1,155,507</b>	<b>1,479,410</b>	<b>1,842,773</b>

(1) As per the delegation by the General Meetings of 7 January 1999, 25 June 2003 and 27 June 2006.

(2) Pursuant to delegation of authority granted by the Combined General Meeting of 27 June 2006, on 23 October 2006 the Board of Directors awarded 1,189,780 stock options, subject to the condition precedent, for certain beneficiaries, of achieving objectives set by Management.

All plans involve the award of stock options.

In all, the stock options give their holders rights to acquire 1,842,773 shares representing 5.81% of the share capital (before the options are exercised).

#### 5. COMPANY'S BUYBACK OF ITS OWN SHARES

The Combined General Meeting of 27 June 2008 authorized the Board of Directors to buy back up to 10% of the Company's outstanding shares, either €110,111,365 or 3,146,039 shares at €35 (maximum purchase price). This delegation of authority expires on 26 December 2009.

This authorisation was used (i) for the purposes of a liquidity contract (see paragraph entitled "liquidity contract") and (ii) for the purposes of successive share purchases completed between during 2008, representing a total of 450,794 shares.

At the General Meeting of 23 June 2009, the Shareholders will be asked to extend the delegation of powers to the Board to buy back up to 10% of the company's shares.

#### 6. FINANCIAL INSTRUMENTS NOT REPRESENTING CAPITAL

Not applicable.

## 7. CONVERTIBLE, EXCHANGEABLE OR REDEEMABLE BONDS IN THE FORM OF FINANCIAL INSTRUMENTS CONFERRING A RIGHT TO SHARE CAPITAL, WARRANTS OR OTHER INSTRUMENTS

Not applicable.

## 8. LIQUIDITY CONTRACT

ALTEN has entered into a liquidity contract with SG Securities Paris, consistent with the AMAFI code of conduct.

At the start of the fiscal year, the number of treasury shares was 1,342 shares (ALTEN's share being 786 shares); during the fiscal year 2008, 270,593 shares were purchased under the liquidity contract (ALTEN's share being 58.58%, i.e. 158,514 shares) and 270,990 were sold (ALTEN's share being 58.58%, i.e. 158,746 shares), giving a balance of 945 shares (ALTEN's share being 58.58%, i.e. 554 shares).

Cash balance: €14,354.55 (ALTEN's share representing 58.58%, i.e. €8,408.89).

At 30 April 2009, the number of treasury shares is 140 shares (ALTEN's share: 82 shares). Portfolio book value: €1,922.20 (ALTEN's share: €1,126.02) and portfolio market value: €1,922.20 (ALTEN's share: €1,126.02).

## 9. PLEDGES, GUARANTEES OR SURETIES INVOLVING THE COMPANY'S SHARES

To the best of the company's knowledge, the shares described below have been used as collateral for various bank loans, bank guarantees and cash management agreements.

Name	Number of shares pledged:	Maturity date	Type	Percentage of share capital
Simon Azoulay	562,000	27/06/2011	Bank loan collateral	1.77%
	500,000	22/02/2011	Bank loan collateral	1.58%
	1,358,000	30/06/2009	Bank loan collateral	4.28%
	280,000	27/04/2010	Bank loan collateral	0.88%
	444,888	31/03/2010	Bank loan collateral	1.40%
SGTI	9,000,000	25/06/2011	Bank loan collateral	28.37%
Laurent Schwarz	250,000	01/12/2010	Bank loan collateral	0.79%
<b>TOTAL</b>	<b>12,394,888</b>			<b>39.07%</b>

## 10. CHANGES IN SHARE CAPITAL (at 12/05/2009)

DATE	Transaction	Capital	Premiums accumulated	Number of shares	Share's par value
06/10/1997		2,000,000 F	300,621 F	20,000	100 F
19/08/1998	Nominal value eliminated	2,000,000 F	300,621 F	20,000	Cancelled
27/10/1998	Capital increase by cash contribution	40,000,000 F	300,621 F	6,000,000	
25/01/1999	Share options exercised	40,444,000 F	966,843 F	6,066,600	
31/12/1999	Shares transferred from ABILOG	40,583,346 F	Bank loan collateral	1.40%	
14,414,809 F	6,087,502		Bank loan collateral	28.37%	
28/06/2001	Capital converted into euros	€30,935,000	€2,197,523	6,087,502	
10/08/2001	Par value divided by five	€30,935,000	€2,197,523	30,437,510	
31/12/2003	BSPCE exercised	€30,962,726	€2,357,005	30,464,800	
27/01/2004	BSPCE exercised	€31,008,232	€2,618,758	30,509,590	
31/12/2004	Stock options exercised	€31,021,043	€2,682,285	30,520,460	
28/09/2005	Stock options exercised	€31,026,471	€2,713,490	30,525,800	
20/10/2005	Stock options exercised	€31,056,140	€3,168,779	30,554,990	
30/12/2005	GROUPECYBER merger/	€31,095,815	€3,693,888	30,594,025	
03/03/2006	Stock options exercised	€31,129,978	€4,186,538	30,627,650	
28/04/2006	Stock options exercised	€31,302,535	€6,675,980	30,797,490	
27/06/2006	QUATERNOVE merger/	€31,324,391	€6,965,628	30,818,993	
27/06/2006	Stock options exercised	€31,391,268	€8,002,355	30,884,791	
03/10/2006	Stock options exercised	€31,392,488	€8,019,999	30,885,991	
18/12/2006	Stock options exercised	€31,399,786	€8,063,072	30,893,171	
29/01/2007	Stock options exercised	€31,408,750	€8,154,070	30,901,991	
06/03/2007	Stock options exercised	€31,439,858	€8,818,203	30,932,597	
02/05/2007	Stock options exercised	€31,496,724	€9,134,363	30,988,545	
27/06/2007	Stock options exercised	€31,538,966	€9,453,746	31,030,105	
27/07/2007	Stock options exercised		€9,550,298	31,044,345	
02/10/2007	Stock options exercised	€31,640,575	€10,046,344	31,130,075	
31/10/2007	Stock options exercised	€31,729,244	€10,596,197	31,217,313	
30/11/2007	Stock options exercised	€31,923,155	€11,727,346	31,408,095	
29/01/2008	Stock options exercised	€31,976,308	€12,035,095	31,460,390	
11/03/2008	Stock options exercised	€32,001,718	€12,235,796	31,485,390	
11/04/2008	Stock options exercised	€32,010,053	€12,314,482	31,493,590	
27/06/2008	Stock options exercised	€32,206,465	€13,690,591	31,686,382	
28/07/2008	Stock options exercised	€32,211,496	€13,738,697	31,691,782	
13/11/2008	Stock options exercised	€32,244,888	€14,054,011	31,724,635	
20/01/2009	Stock options exercised	€32,246,006	€14,064,696	31,725,735	
12/05/2009	Stock options exercised	€32,249,055	€14,091,905	31,728,735	

The implied par value of the share is €1.016.

## 11. BREAKDOWN OF CAPITAL AND VOTING RIGHTS (at 30/04/2009)

	Number of shares	% of shares	Number of voting rights	% of voting rights
<b>Registered shares</b>				
Simon Azoulay	3,217,938	10.14%	6,435,876	14.70%
Laurent Schwarz	251,410	0.79%	502,820	1.15%
Gérald Attia	11,690	0.04%	23,380	0.05%
SGTII	9,000,000	28.37%	18,000,000	41.10%
Other	506,891	1.60%	539,599	1.23%
Sub-total Action in concert <sup>2</sup>	12,469,348	39.30%	24,938,696	56.95%
<b>Sub-Total</b>	<b>12,987,929</b>	<b>40.93%</b>	<b>25,501,675</b>	<b>58.23%</b>
<b>Bearer shares</b>				
FCPE Alten	405,800	1.28%	405,800	0.93%
Public	17,599,499	55.47%	17,599,499	40.19%
Founders	285,184	0.90%	285,184	0.65%
Treasury stock	450,323	1.42%	(without voting rights)	
<b>TOTAL</b>	<b>31,728,735</b>	<b>100%</b>	<b>43,792,158</b>	<b>100%</b>

1 Holding company owned by Simon Azoulay.

There is no financial flow between SGTI and ALTEN Group companies.

2 Actions in concert: between Simon Azoulay, Laurent Schwarz and SGTI.

3 Employees' shares subject to collective management.

To the company's knowledge, no other shareholders directly or indirectly, individually or in concert, hold 3% or more of the company's share capital and voting rights.

## 12. CHANGES TO THE BREAKDOWN OF CAPITAL OVER THE PAST THREE YEARS

	2006	2007	2008
<b>Registered Shares (in %)</b>			
Simon Azoulay	10.41	10.23	10.14
Laurent Schwarz	3.81	0.80	0.79
Gérald Attia	0.04	0.04	0.04
SGTI	29.12	28.61	28.37
Other	0.40	0.47	1.60
<b>Bearer Shares (in %)</b>			
Mutual fund	1.47	1.53	1.28
Public	50.82	57.67	55.45
Founders	3.92	0.95	0.90
Treasury stock	0.01	0.00	1.43
	100%	100%	100%

## 13. PUBLIC PURCHASE OR EXCHANGE OFFER

No public purchase offer, exchange offer or standing market offer was launched by third parties for the company's shares.

In addition, the company has launched no public exchange offer on the shares of another company on a regulated market.

## 14. ACTION IN CONCERT

SGTI is a holding company set up by the founders of ALTEN for the purpose of ensuring a stable shareholding structure and a measure of control over the company. Apart from the ALTEN shares, SGTI has no assets.

The action in concert disclosed to the AMF between Mr. Simon Azoulay, Laurent Schwarz and SGTI remained effective throughout 2008.

## 15. CROSSING OF REPORTING THRESHOLDS

The Company is not aware of any reporting thresholds crossed during fiscal year 2008 or during the period from 1 January 2009 and the preparation of this Annual Report.

## 16. SHAREHOLDERS' AGREEMENT

To the best of the Company's knowledge, there are currently no shareholders' agreements in effect.

## 17. MARKET FOR ALTEN FINANCIAL INSTRUMENTS

There is only one class of shares listed on the stock exchange: common shares listed on the Euronext Paris of the NYSE Euronext.

## 18. DIVIDENDS

The General Meeting held to approve the year-end financial statements has the power to grant each shareholder the option of receiving some or all of the interim or final dividends in cash or in shares.

Since it was first listed on the stock exchange, ALTEN has not distributed any dividends. In addition, the Board of Directors meeting convened on 27 April 2009 for the purposes of convening the Annual General Meeting did not declare itself in favour of distributing a dividend under the proposed allocation of profit that it must submit to the General Meeting.

## 19. CHANGE IN SHARE PRICE OVER 12 MONTHS

This information appears on page 41 of the Business Report.

# C – INFORMATION ON ALTEN'S BUSINESS ACTIVITIES

## I. OVERVIEW AND DEVELOPMENT OF THE GROUP'S STRUCTURE

Since it was formed, ALTEN has focused its growth strategy on two key areas: to maintain a local presence for its customers (both in France and abroad), and to expand its range of services by developing new skills and services. ALTEN has quickly become a European leader in the Advanced Technology Consulting and Engineering sector.

1988

ALTEN is founded by three engineers, all graduates of prestigious French universities who have since been at the company's helm.

1989

ALTEN creates its first subsidiaries in France: ALTEN Sud-Ouest, ALTEN Industrie (fixed-price integration in the rail sector), GIST and abroad: ALTEN Ltd (UK).

1991

ALTEN continues to expand despite the economic recession. It doubles its workforce and generates a profit in every year from 1991 to 1994.

1994

ALTEN broadens its range of services by setting up subsidiaries that specialise in network architecture, open systems, client-server applications, and object-oriented technologies.

1997

ALTEN opens two offices in western and eastern France (ALTEN Ouest and ALTEN Est) as part of its regional expansion strategy.

1999

On 1 February, ALTEN is taken public on the Second Marché of the Paris Stock Exchange. The company continues to expand regionally with the opening of ALTEN P.A.C.A. and ALTEN Nord. It spins off its operations in Belgium with the creation of ALTEN Benelux in late December.

2000

ALTEN continues to set up foreign operations. It creates ALTEK in Germany, ALTEN Spain, AXEN in the Benelux region, and increases its stake in ALTEN Ltd. in the UK to 100%. The group acquires ABILOG, ANOTECH, COGITEL and the Techniques Avancées Group.

2001

ALTEN steps up its policy of growth through acquisition to sustain its rate of expansion in a less favourable economic climate and acquires three new companies, including one overseas: EBEN Technologies, SD PARTNERS and ETIC.

2002

The ALTEN Group continues to grow while maintaining its margins. Another four companies are acquired (SBD Technologies and SIATCOM in Spain, ORION in the Netherlands and GROUPECYBER in France) as the Group strengthens its international position.

2003

International operations account for 20% of the ALTEN Group's turnover for fiscal 2003, thanks to operations launched in Italy (with the acquisition of DEC Informatica) and in Germany (acquisition of IMP GmbH). ALTEN also acquires a company in France, the GSO Group, which specialises in research and development project management.

2004

ALTEN restores significant organic growth in France and pursues its international development. The group records more than 25% of turnover outside France. ALTEN acquires three new companies: CRONOS in Spain, SYSELOG in France and AEROTEC in Germany.

This last acquisition enables ALTEN to become a European leader in R&D project management.

2005

ALTEN continues to record sustained growth and exceeds its objective of 6,000 employees a year ahead of schedule (workforce of 6,540 at the end of 2005). The group records more than 27% of its turnover outside France. On 1 July 2005, GIST takes over HUMELEC, and APTECH takes over COGITEL. In September, ALTEN acquires QUATERNOVE in France. At 31 December, ALTEN owns 81.86% of the share capital. Finally, on 30 December ALTEN takes over its subsidiary, GROUPECYBER, and immediately undertakes a partial asset contribution of GROUPECYBER activities to ALTEN SI.

2006

ALTEN becomes the European leader in Advanced Technology Consulting (source: PACI).

The ALTEN Group continues its expansion through organic growth and acquisitions while by adapting and enhancing its offerings.

To meet growing customer demand for work package<sup>2</sup> and offshore/nearshore<sup>3</sup> services, ALTEN creates a special division for "Structured Work" packages.

A company specialised in R&D engineering and work package design is acquired in July 2006.

The nearshore package is enhanced by the acquisition of a Company in Romania, and now comprises the Czech Republic, Slovakia, Poland, Romania and Vietnam.

2007

ALTEN reaffirms its status as a leader in technology consulting and engineering.

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1. Study conducted by Pierre Audoin Consultants

2. Sub-contracted services involving the lease of technical resources (premises, IT resources, trade-specific software applications).

3. Services consumed in France and produced overseas (in nearby countries: nearshore or in distant or very distant countries: offshore).

2008

ALTEN confirms the nearly comprehensive nature of its listings and partnerships in Europe, and is included among EADS' listed E2S service providers throughout the world (the five top engineering service providers for EADS Group). For ALTEN, 2008 also reflects sustained organic growth (16.2%), mainly through the Energy, Rail, Aeronautics and Banking sectors.

ALTEN thus strengthens its position as a leader in the TCE market (source: PAC 2009).

2009

The decline in economic activity is abruptly felt at the very beginning of 2009. It affects all business sectors but mainly the Automotive sector, where the drop has been significant. The Group has implemented all necessary measures to quickly resolve this situation and adjust to this level of activity. It confirms its listings in 2009 and continues its growth in other sectors such as Aeronautics, Energy and Banking/Finance.

## **2. THE ROLE OF ALTEN S.A.**

### **1) Role of the Holding Company**

ALTEN S.A. manages all of the Group's equity interests and is responsible for growth through acquisitions.

It provides functional services to all Group companies such as:

- legal (company law, contracts, dispute resolution, labour law, claims, mergers and acquisitions, etc.)
- finance (accounting, management oversight, cash management, etc.)
- administration and human resource management (career management, payroll, employee relations, etc.)
- support (logistics, repairs and maintenance, etc.)
- computer systems (information systems and networks, telecommunications)
- internal development (recruitment and training of sales managers, etc.)

The subsidiaries are billed for these services on a cost-plus basis.

Furthermore, for the purpose of centralising cash management operations in France, ALTEN has signed cash management agreements with the subsidiaries concerned.

### **2) Operational entities: ALTEN Techno and ALTEN Régions**

The ALTEN Techno (Paris – Ile de France) and ALTEN Régions Divisions employ approximately 2,900 engineers. They comprise a number of branches (profit centres) like all companies within the Group.

## **3. GROUP ORGANISATION CHART at 31/12/2008**

See notes to the financial statements on pages 152 and 153.

#### 4. DESCRIPTION OF ACTIVITIES OF THE GROUP'S MAIN COMPANIES

<b>ALTEN</b>	Group's holding and management division. ALTEN operational activities in France: Consulting and Engineering in Telecommunications, on-board and real time systems, electronics, physical sciences, mechanical engineering.
<b>GIST</b>	Scientific computations, mechanical engineering, on-board and real-time systems.
<b>ALTEN SIR</b>	Consulting services in information systems and network architecture.
<b>ALTEN SUD OUEST</b>	Design, R&D, consulting, project management packages (PMP) in the aeronautics, space, and telecom sectors.

In its role as the operational holding company, ALTEN SA generates 38.5% of the Group's consolidated turnover. The other companies that significantly contribute to consolidated turnover are: ALTEN SIR (11.7% of consolidated turnover), GIST (6% of consolidated turnover), ALTEN SUD OUEST (4.4% of consolidated turnover).

ALTEN's access to the cash flow and income of its subsidiaries is not restricted.

#### 5. ALTEN'S MARKET POSITIONS

##### 1) ALTEN'S MAIN CUSTOMERS

ALTEN works mainly with major accounts (nearly 95% of turnover). Its credit risk is therefore limited. The average collection period for trade receivables is 115 days, a 4 day reduction as compared with 2007.

##### Main customers' share (in % of turnover)

	2006	2007	2008
<b>1st</b>	8	8.5	8.3
<b>Top 5</b>	32	29	29.1
<b>Top 10</b>	45	42	41.7

##### 2) CUSTOMER CONTRACTS

ALTEN invoices nearly all of its services based on a time spent basis.

ALTEN enters into technical assistance contracts of variable duration according to the project in question.

Only 6% of the Group's turnover is generated by fixed-price contracts. These contracts are the object of specific monthly reports to validate the projected margin. At the end of a project, any deviation noted in the change in margin is immediately identified, and corrective actions are implemented.

If necessary, losses upon termination are recorded as soon as they are identified in the project standards. In 2008, the Group recognised €1,009,000 in losses upon termination (€384,000 in 2007).

In connection with ISO certifications, a procedure covering the validation and monitoring of customer contracts has been implemented within the ALTEN Group.

This procedure requires that these contracts be validated by the Quality, Security and Legal departments.

#### **a. Partnerships**

Not applicable.

#### **b. Financing of trade receivables**

The ALTEN Group does not use debt securitization or factoring\* for its trade receivables. The Company finances all of its trade receivables with shareholders' equity or, from time to time, short-term credit facilities.

\*Excluding a company acquired in July 2006. In the consolidated financial statements, factored receivables are restated in the balance sheet under financial receivables and liabilities and do not appear as an off-balance sheet item.

### **3) ALTEN'S MARKET AND POSITIONING**

ALTEN's market covers all consulting, technical support, fixed-price projects and external platforms in the technology consulting field. Especially notable fields include on-board software, control and supervision and research and development. The main outlets for these services are those sectors where ALTEN generates the bulk of its revenues: telecom companies, telecom equipment manufacturers, electrical/electronic equipment manufacturers, and the aeronautics, automotive, space and defence industries.

#### **a. ALTEN's potential Technology Consulting Market**

ALTEN's market is part of the segment referred to by Pierre Audoin Consultants as "CAR-IS" (consulting, technical assistance, realisation of applications and systems integration). ALTEN's potential market is mainly composed of two (2) segments included under "Technology Consulting"

##### **a) CAR-IS in scientific and technical systems and applications.**

This segment involves the following fields:

- Scientific applications (computation, simulation, etc.)
- Control, command and supervision
- Real-time applications
- On-board applications or applications embedded in products, systems, services, etc.
- Outsourcing of IT R&D (limited to software development).

b) CAR-IS in outsourced Research & Development (R&D), comprising subcontracted services in "assisted" mode or through engineering and development projects in technology fields: chemistry, engineering, electronics, mechanics, aerodynamics, environmental, etc.

The main difference between these two markets is that the first only involves technology and IT services, generally aimed at software development. The second, on the other hand, mainly consists of engineering science services that extend beyond the scope of traditional IT services.

Respectively, these two markets represent:

- €2,790 million with regard to scientific and technical applications (STIE)
- €3,018 million with regard to R&D outsourcing, for a total of €5,808 million in 2008.

ALTEN's market is at the crossroads of two markets:

- a limited market, represented by technology consulting market minus fixed price projects, totalling €3,043 million in 2008,
- a broader market, including fixed price projects, totalling €5,808 million in 2008.

Euros, in millions	2007	2008	2009	2010	2011	2012
Technology consulting excluding fixed price services (limited market for ALTEN)	2,852	3,043	2,947	3,016	3,156	3,316
Growth	-	6.7%	-3.1%	2.3%	4.6%	5.1%
Overall technology consulting	5,422	5,808	5,786	5,982	6,274	6,608
Growth	-	7.1%	-0.4%	3.4%	4.9%	5.3%
Total CAR-IS	17,167	18,271	18,439	19,065	19,955	20,983
Growth	-	6.4%	0.9%	3.4%	4.7%	5.2%

2008 posted 7% growth. The economic crisis will strongly impact the Technology Consulting sector beginning in 2009; only certain sectors such as Aeronautics/Defence and Energy will withstand it. In contrast, the Automotive sector, which showed strong growth in the first half of 2008, posted very poor results beginning in the last quarter of 2008.

#### b. Competitive environment

ALTEN is commonly included in the information technology engineering services competitive environment. However, ALTEN is more wisely included among companies that offer the same types of packages. Pierre Audoin Consultants developed classifications for information technology service providers, followed by one for specialists in the "Technology Consulting" market. ALTEN is a first tier provider in the Technology Consulting market, (Source PAC: March 2009 – Classification made based on turnover in France within the Technology Consulting market).

Two types of players fall within this classification:

- Major information technology engineering companies based on size rather than specific divisions (Capgemini, etc.),
- «Specialists» such as ALTEN, Altran, Assystem, Akka/Coframi, Sii, Segula Technologies, etc.

ALTEN gained market share in France during 2008 as compared with its direct competitors.

#### c) Conclusions on ALTEN's position

The technology consulting market was vigorous in 2008.

Most sectors supported this demand: aeronautics, energy, automotive, telecom, etc.

We should expect market consolidation, which is likely to be marked by acquisitions of companies within the market who have not achieved the critical size. More and more players in Technology Consulting seek to offer an end-to-end project management package.

## 6) REVIEW OF ALTEN'S RISKS

### 6.1 Credit risk

See page 71.

### 6.2 Interest rate, foreign exchange and stock market risks

See page 71.

ALTEN has short-term bank financing indexed to the Eonia. It incurs an exchange rate risk based on changes in the reference index. Due to the structure of its financing, the Group has not implemented any interest rate hedging.

### 6.3 Liquidity risk

See page 71.

The Group is not affected any liquidity risk and has short term lines of credit with six major banks. These overdraft facilities are not subject to any specific covenant. Short term/long term classifications are available at pages 160 and 161. In total, negotiated unconfirmed lines of credit totalled €105 million, whose use varies on a daily basis. On average, up to €30 million of these lines of credit are used.

### 6.4 Legal risk

See page 71.

### 6.5 Risk related to industry exposure

See page 11.

Given its exposure to the automotive sector, ALTEN recorded a significant drop in business in this sector during the first quarter of 2009 (-30% on a like-for-like basis). On the other hand, business is thriving in the banking (+8.5%) and aeronautical (+28%) sectors, on a like-for-like basis.

## 7) ALTEN GROUP WORKFORCE, YEAR END

	31/12/2006	31/12/2007	31/12/2008	31/03/2009
Consultants (1)	7,600	9,200	11,000	11,050
Operating staff (2)	1,100	1,280	1 500	1,600
Total	8,700	10,480	12,500	12,650

(1) Salaried employee performing technical projects on customer premises, services billed to customers.

(2) Internal staff, not billed to clients.

## 8) 35 HOUR WORKING WEEK

At the end of December 1999 ALTEN SA and its French subsidiaries, which then accounted for more than 90% of the group's activities and staff, implemented a company-wide agreement dealing with the 35-hour working week.

All of the Group's subsidiaries in France have a 35 hour working week.

## 9) ALTEN S.A. SOCIAL RESPONSIBILITY REPORT

The Company has met all obligations with regard to the distribution of its social responsibility report which is presented each year to the Works Council.

### 10) BYLAWS

ALTEN has established bylaws governing matters such as health and safety, working conditions, hours, discipline, prevention, etc.

### 11) ALTEN'S ACTIVITY RATE

The activity rate of consultants, calculated monthly, is defined as the ratio between the number of days invoiced and the number of days billable (excluding paid holiday/working time reduction/other obligations...).

For 2008, this rate was 93.8% (versus 94.7% in 2007).

### 12) INVESTMENT STRATEGY

#### a. RESEARCH AND DEVELOPMENT ACTIVITY

See Management Report page 73, paragraph 7.

#### b. MAIN INVESTMENTS IN 2008

See notes to the financial statements, pages 138, 141, 156 and 171.

#### c. MAIN INVESTMENTS IN THE FUTURE

No investment planned in the future has given rise to a firm commitment on the part of the company's management bodies, with the exception of earn-out clauses relating to acquired subsidiaries. These amounts were duly recorded at the end of 2008 under assets in the Group's consolidated financial statements, as goodwill under liabilities and as debts on fixed assets for a total estimated amount of €9.6 million.

#### d. THE GROUP'S MAIN SUBSIDIARIES

The company financial statements of ALTEN SA are presented on page 180. Information on the Group's three other main subsidiaries - GIST, ALTEN SIR and ALTEN SUD OUEST - is provided on pages 63 and 75.



# III - MANAGEMENT REPORT TO THE COMBINED GENERAL MEETING OF 23 JUNE 2009

## A. THE ALTEN GROUP

### I. BUSINESS ACTIVITY

#### 1) Overall activity of the Group during the past year

Please note that all ALTEN SA subsidiaries are consolidated in the Group's financial statements in accordance with the methods described in the notes to the consolidated financial statements.

#### 2) General observations regarding the Group's overall activity during the past year

##### a. Market and activity

ALTEN, the European leader in Technology Consulting and Engineering (TCE), carries out design and research projects for the technical and information systems divisions of major industry, telecom and services provider customers.

The market encompasses the full range of TCE services:

- Scientific and Technical Research,
- Network Architecture and Systems.

In this market, with its significant barriers to entry, ALTEN projects stand at the heart of technological innovation and have strategic importance for our customers.

The TCE market, estimated at €6.8 billion (PAC study) has grown 5% to 7% per year since 2005, and should continue to expand over the medium to long term. France is estimated to have more than 80,000 engineers. The outsourcing rate is 27-30% in France, and higher than 15% in Europe.

This fragmented market is made up of approximately ten major players and a multitude of local players. Reduction of short-lists and the economic crisis is likely to lead to a concentration of market players.

In 2008, the TCE market continued to expand consistent with past years (until November), specifically:

- a growing business,
- a tight recruiting market with high turnover (>25%)
- demanding "procurement" policies: rate pressures, reduction in the number of approved suppliers, the need to offer a comprehensive package (consulting, project-based, fixed price, work package, offshore).

During 2008, ALTEN confirmed the nearly comprehensive nature of its listings and partnerships in Europe, and is included among EADS' listed E2S service providers throughout the world. 2008 also reflected sustained organic growth (16.2%), a relatively stable activity rate (approximately 94% for the year) and significant growth in Energy, Rail, Automotive and Banking sectors.

#### **b. Recruitment of engineers**

ALTEN continued to carry out an active recruiting policy in 2008, with more than 3,000 engineers recruited (resulting in net growth of 870 engineers).

ALTEN currently has more than 12,600 associates, 88% of which are high-level engineering consultants. This group of top engineers, with multi-disciplinary skills, is a decisive element in the strategy to increase market share.

#### **c. Acquisitions**

The Group accelerated its targeted acquisition policy and finalised eight (8) acquisitions in 2008 (1,100 consultants, cumulative annual turnover of €86.2 million) in France and abroad:

a) In the 1st half of 2008:

- Two companies specialising in project management (PMO) in France, first quarter (70 consultants, annual turnover €5.2 million),
- One company specialising in on-board / real time software in the Netherlands, first quarter (90 consultants, annual turnover €7.8 million),
- One company specialising in documentary engineering, in Romania, second quarter (80 consultants, annual turnover: €1.7 million).

b) In the 2nd half of 2008:

- One company with expertise in Microsoft technology in France, July 2008 (80 consultants, annual turnover: €7.5 million),
- Two companies specialising in information technologies in Spain, in September (300 consultants, annual turnover: €24 million),
- One company specialising in mechanical engineering, electronics and scientific calculations, in Sweden, in December 2008 (400 consultants, annual turnover: €40 million).

These acquisitions were self-financed.

## **2. ALTEN GROUP EARNINGS**

ALTEN Group's consolidated financial statements show turnover of €846.3 million, up 20.7% as compared with 2007. Foreign operations generated 26.3% of the total.

ALTEN Group achieved organic growth of 16.2% (15.7% in France and 17.6% abroad).

The eight companies acquired in 2008, less profitable than the Group, weighed down the operating margin, especially in the second half of the year.

Likewise, the activity rate, lower in 2008 than in 2007, slightly penalised the margin for this year.

Accordingly, operating profit stood at €97.1 million, (11.5% of turnover), up by 15% as compared with 2007 (€84.5 million, or 12.1% of turnover).

After accounting for the cost of stock options of €4.4 million, losses on the sale of real property of €0.3 million and impairment of goodwill of €5.5 million, operating income totalled €87 million, or 10.3% of turnover, as compared with €73.1 million in 2007 (10.4% of turnover), and increase of 19%.

Financial earnings were negative at -€1.3 million due to the financial cost of discounting medium term debt (-€0.1 million), the net cost of financial debt (-€0.6) and impairment of financial assets (-€0.6 million).

After inclusion of income tax in the amount of €30.9 million and minority interests in the amount of €0.3 million, net earnings Group share stood at €54.5 million, or 6.4 % of turnover, which is an increase of 27% as compared with 2007 (€42.9 million).

ALTEN Group generated free cash flow of €51.5 million (€22.4 million in 2007), enabling it to self-finance most of its investments, for an amount of €50.3 million thanks to a reduction in its working capital requirements.

Cash flow from financing activities was positive in the amount of €10.3 million thanks to capital increases which occurred following the exercise of stock options (€2.3 million), increased use of the bank overdraft (€16.1 million) and after taking into account purchase of treasury stock for €7.5 million.

After taking into account overdrafts and bank loans, the net cash position is negative, standing at -€15.1 million. Accordingly, gearing is -4.8%.

ALTEN Groups results are presented in the following table:

Euros (in millions)	2007		2008		Change
	€M	%	€M	%	
Turnover	701.1	100	846.3	100	20.7
Operating income on activity	84.5	12.1	97.2	11.5	15.0
Cost of stock options	-4.2		-4.4		
Operating income from ordinary activities	80.3	11.5	92.8	11	15.6
Non recurring expenses	- 1.6		0		
Depreciation of goodwill	- 5.6		-5.5		
Profit/loss from divestment	0		-0.3		
Operating income	73.1	10.4	87.0	10.3	19
Financial earnings	-0.7		-1.3		
Net earnings, Group share	42.9	6.1	54.5	6.4	27

#### Approval of the consolidated financial statements

We request that you approve the financial statements in accordance with Article L 225-100 of the French Commercial Code.

### 3. RISK FACTORS

The Group has reviewed its risks and considers that there are no other significant risks other than those presented below:

#### 1) Credit risk

The Company has access to annually renewable short-term credit facilities on which it can draw to finance its working capital and acquisitions. Cash generated is allocated to the reimbursement of any bank overdrafts and the financing of working capital requirements generated by organic growth, acquisitions and acquisition of tangible and intangible assets.

However, the Group has taken measures to ensure medium-term financing within short timeframes for an acquisition which would require an investment significantly greater than its annual cash flow.

In addition, the Group plans to confirm its lines of credit in the framework of structured financing during the first half of 2009.

#### 2) Interest rate, foreign exchange and stock market risks

ALTEN Group has little short-term debt and has no medium-term or long-term debt. Nevertheless, because its bank financing is indexed to the Eonia, it incurs an exchange rate risk based on changes in the reference index.

With the exception of subsidiaries in the United Kingdom, Romania and Switzerland, the Group bills for its services in euros. It has virtually no exposure to currency risks.

It has little risk in respect of the trading price of its shares. Indeed, except for treasury shares held under the liquidity contract, ALTEN holds only 450,794 treasury shares, representing 1.42% of its share capital as of 31 December 2008. These share purchases, which are spread between 9 January 2008 and 22 December 2008, were made by ALTEN within the scope of its Share Repurchase Programme in accordance with the delegations of powers given by the Combined General Meetings of 27 June 2007 and 27 June 2008.

In addition, securities granting future access to capital issued by ALTEN in 2008 only represent 0.33% of its share capital. These securities were issued within the scope of an allocation of free shares determined by the Board of Directors on 11 April 2008, in accordance with delegations of powers granted by the Combined General Meeting of 27 June 2007.

#### 3) Liquidity risk

The Group is not affected by any liquidity risk.

#### 4) Legal risk

Services are invoiced mainly on a time-spent basis. In reality, there are few risks related to results-oriented contracts (approximately 7% of turnover).

Internal procedures established by certain major industrial customers with regard to the issue of purchase orders and payment of invoices affected payment timeframes. In light of these ever-growing difficulties, the Group had to strengthen its procedures to limit the increase in outstanding customer accounts, which did not reflect an increased risk of customer insolvency.

In connection with its activities, the Group is involved in certain legal actions, mainly relating to former employees. A provision is recognised when the Group has an obligation toward a third party and it is certain or likely that it will lead to an outflow of resources for the benefit of such third party.

#### **5) Exceptional circumstances and lawsuits**

The company has no knowledge of any exceptional events or lawsuits that have had a significant impact on the financial position, results, business or assets of the company and the Group in the recent past or that are likely to have a material impact in the future.

#### **6) Relocation risks**

For the past several years, customers have expressed interest in performing some of their research and development activities in «low-cost» countries. Accordingly, the ALTEN Group has established specific structures to meet this demand and support certain clients in these “low-cost» countries. Nevertheless, in practice, this package has received a very weak response from its customers to date.

#### **7) Business activity risks**

The Group's customers are among the largest business accounts in France and Europe. The ALTEN Group derives 53% of its turnover from approximately twenty customers, with its largest customer representing 6.5%\* of Group turnover. There is no identified risk of dependency with regard to a specific client.

#### **8) Industrial risks related to the environment**

These risks are not material. The ALTEN Group provides intellectual services. Therefore, these activities have little environmental impact.

### **4. MAIN INSURANCE POLICIES**

#### **1) Third-party liability insurance**

The French and foreign operations of ALTEN Group are covered by a third-party liability insurance policy.

International subsidiaries also take out local third party liability coverage for the purpose of insuring any risks subject to local insurance coverage obligations, subject to a fixed contribution in each country.

#### **2) Comprehensive property and computer insurance policies**

These policies cover all damage (water, fire, theft, etc.) that could occur to the property leased by ALTEN and to the computer equipment and furniture, whether or not at these premises. The insurance policies also cover the restoration of records and files.

#### **3) Aerospace insurance**

The Group's aerospace insurance covers all property damage, bodily injury and consequential loss caused by the Group's consulting and engineering activities that relate to aeronautics.

\* Read 8.3%

#### 4) Health care insurance

ALTEN offers its staff competitive health insurance coverage at attractive rates. In France, annual premiums paid under these policies amount to around €3.2 million in 2008 (company contribution + employee contribution).

### 5. PLEDGE OF ALTEN'S ASSETS

Assets financed through financial leases are legally owned by the financing entity, but the Group systematically has a purchase option for a low residual price.

### 6. FINANCING AND INVESTMENT POLICY

Net cash from operations represents €51.5 million which enables ALTEN to self-finance its growth and investments.

With regard to acquisitions, ALTEN generally makes a down payment on the companies it acquires, with the final price established after a period of two or three years. This final price is a multiple of net earnings or operating income of future years less the amount of the down payment. The multiples used depend on the growth rate and profit margins for the years following the acquisition.

### 7. RESEARCH AND DEVELOPMENT ACTIVITY

ALTEN participates in research and development projects but does not engage in research and development on its own behalf.

By way of exception, in the context of implementing its ERP (Enterprise Resource Planning) programme (see the Report of the Chairman of the Board of Directors on oversight and risk management procedures), ALTEN was involved in a development project on its own behalf. For this purpose, an amount of €460,000 was paid out in 2008.

### 8. PROGRESS ACHIEVED AND DIFFICULTIES ENCOUNTERED

ALTEN continued its structuring efforts, especially in sales and management.

Growth in the integrated project package led the Group to set up a dedicated Technical Division, responsible for assisting the various companies within the Group from initial bid submission through project performance, whether in "work package" mode or under a fixed-price contract.

The completed acquisitions, which showed weak profitability, are currently being consolidated: a variety of measures that were put into place began to bear fruit during the second half of 2008.

### 9. PATRONAGE

ALTEN supports various charities each year through cash donations. For the 2008 fiscal year, these donations totalled €198,330.



## 10. SIGNIFICANT EVENTS OF THE YEAR

### 1) Equity investments:

Except for acquisitions described in the "Acquisitions" paragraph of the Management Report at page 69 of this Annual Report, no equity investments have been made during the past fiscal year.

### 2) Acquisitions:

Acquisitions made in the 2008 fiscal year are described in the "Acquisitions" section of the Management Report, on page 69 of this Annual Report.

### 3) Disposals:

Not applicable.

### 4) Internal restructuring operations:

#### a. Europe (excluding France)

- a) In Spain  
Merger of ALPES into ALTEN INGENIERIA on 9 June 2008,
- b) In Germany  
Merger of ALTEK into IMP Engineering on 4 July 2008 and change of company name from IMP Engineering to ALTEN GmbH on 16 July 2008.

#### b. In France

- a) Merger of assets and liabilities between ALTEN SIR and KEATON, leading to the dissolution of KEATON without liquidation on 2 January 2008.
- b) Merger of assets and liabilities between DEVELOP@ALL and ALTEN, leading to the dissolution of DEVELOP@ALL without liquidation on 15 June 2008.
- c) Merger of assets and liabilities between SAGEIS CSO and ALTEN, leading to the dissolution of SAGEIS CSO without liquidation on 15 June 2008.
- d) Merger of assets and liabilities between ALTEN SERVICES and ALTEN, leading to the dissolution of ALTEN SERVICES without liquidation on 15 June 2008.
- e) Merger of assets and liabilities between MANAGEMENT & PILOTAGE (M&P) and MI-GSO, leading to the dissolution of M&P without liquidation on 1 July 2008.
- f) Merger of assets and liabilities between RSYS and MI-GSO, leading to the dissolution of RSYS without liquidation on 1 July 2008.
- g) Acquisition of 18% of the shares of AVENIR CONSEIL FORMATION by IDESTYLE SERVICES on 26 May 2008 and merger of assets and liabilities between AVENIR CONSEIL FORMATION and IDESTYLE SERVICES, leading to the dissolution of AVENIR CONSEIL FORMATION without liquidation on 1 July 2008.

h) Acquisition of 18% of the shares of AVENIR CONSEIL PRODUCTIQUE by IDESTYLE SERVICES on 26 May 2008 and merger of assets and liabilities between AVENIR CONSEIL PRODUCTIQUE and IDESTYLE SERVICES, leading to the dissolution of AVENIR CONSEIL PRODUCTIQUE without liquidation on 1 July 2008. The new entity is named AVENIR CONSEIL FORMATION.

i) Merger of assets and liabilities between METAGAME FACTORY and WINWISE, leading to the dissolution of METAGAME FACTORY without liquidation on 15 October 2008.

j) Merger of assets and liabilities between WISE ONE and WINWISE, leading to the dissolution of WISE ONE without liquidation on 15 October 2008.

## 11. IMPORTANT EVENTS SUBSEQUENT TO THE CLOSE OF THE FISCAL YEAR

- Acquisition by the Group on 6 January 2009 of a French company specialised in the design of vehicle systems: engine control and motorisation systems, on-board and real-time software, which has 180 consultants and generates annual turnover of €14 million.

- Acquisition by the Group on 28 January 2009 of an Italian company specialised in telecom and on-board software, which has 150 consultants and generates annual turnover of €10 million.

- In the Netherlands, merger of PTS Software into Axen BV, then merger of Axen BV into ALTEN Nederland (renamed ALTEN PTS BV) on 20 February 2009.

## 12. OTHER EQUITY INVESTMENTS AND OWNERSHIP

No other equity investments were made during the past fiscal year.

## 13. DESCRIPTION OF ACTIVITIES OF THE GROUP'S MAIN FRENCH SUBSIDIARIES

Company	Business	Turnover (in thousands of euros)		Earnings (in thousands of euros)		Workforce	
		2008	2007	2008	2007	2008	2007
GIST	Scientific computation, Mechanical engineering,	92,103	82,815	9,166	10,298	1,010	1,094
ALTEN SIR	Consulting in information systems and network architecture	118,598	103,903	9,319	8,059	1,210	1,271
ALTEN SUD OUEST	Design, R&D, Consulting, PMP in the aeronautics, space, energy and telecom sectors	51,925	43,644	3,387	4,289	726	506

GIST, which specialises in mechanical engineering, scientific computation, and on-board and real-time software, supplements the ALTEN SA package and enables to Group to address markets and clients which are separate from those of ALTEN.

ALTEN SIR enables ALTEN Group to position itself as a major player in France in the field of information systems and networks architecture consulting.

ALTEN SUD OUEST, a subsidiary of ALTEN in the Midi Pyrenees Aquitaine region, offers ALTEN's package to a portfolio of local customers, specifically EADS.

#### **14. FORESEEABLE DEVELOPMENTS**

The slowdown in activity felt in December 2008, even more marked during the first quarter of 2009, especially in the automotive sector:

ALTEN Group has taken the necessary supporting measures to manage the crisis, such as optimizing production costs and the activity rate:

- cost management (salary schedule review, recruiting control, etc.),
- monitoring time between contracts,
- detailed skill mapping to improve the flow of consultants between the different business sectors,
- implementation of training programmes to facilitate the development of consultants between contracts for new projects in business sectors outside of the automotive sector.

Management measures such as control of overheads will also be implemented:

- adjustment of internal employee salary costs (sales, human resources, structure),
- review of general expenditures and renegotiation of principal contracts,
- reduction of HR communication expenses.

In 2009, ALTEN will continue to establish a managerial and administrative organisation suited to the Group's future size and to the development of its offer. ALTEN will also capitalise on sectoring and the Information and Networks System business in order to speed up regional and international development. In addition, opportunities for acquisitions should bear fruit during 2009 in a more favourable environment (easing of prices, less competition from private equity funds), allowing ALTEN to gain strength in strategic markets.

The ALTEN Group should leave the current crisis as a stronger company and consolidate its position as the leader in Technology Consulting and Engineering.

#### **15. GROUP ACTIVITY BY SECTOR**

The Group operates in only one area: Technology Consulting and Engineering (TCE).

## B. ALTEN S.A.

### I. ALTEN S.A.'S ACTIVITY

#### 1) General observations regarding ALTEN S.A.'s activity during the past year

Comments concerning ALTEN SA's activity during 2008 are similar to those made with regard to ALTEN Group earlier in the Management Report.

ALTEN recorded turnover of €373,489,849, up 27.9% as compared with 2007.

This turnover includes "piggy-back" revenues of €67,200,000, corresponding to services provided by certain Group subsidiaries on the customer premises for which ALTEN S.A. is listed. Under this assumption, ALTEN SA is invoiced by its subsidiary and reinvoices the end customer euro for euro.

Excluding piggy-back activities, ALTEN SA recorded turnover of €306,290,000, compared with €249,504,000 in 2007, a 22.8% increase in ALTEN SA's operational activities.

Operating income, after employee profit sharing, was €27,148,173 representing 7.3% of turnover, as compared with €5,412,187 in 2007 (or 8.7% of turnover).

Financial earnings equalled -€17,280,685 in 2008 as compared with -€1,030,831 in 2007. It mainly includes provisions for long-term financial assets of €15,491,993 (mainly €9,921,001 for depreciation of Idestyle Group securities, €4,662,000 for depreciation of Cisia securities, €966,897 for depreciation of treasury stock) and interest expenses of €1,991,628. Financial income was €202,937.

Earnings on non-recurring activities totalled -€201,360 (€13,300,519 in 2007), mainly composed of capital gains on the sale of securities within the Group.

After income tax in the amount of €7,120,480, net earnings equalled €2,545,647.25 as compared with €30,253,636 for the fiscal year 2007.

ALTEN, which is mainly positioned in technology consulting and engineering (TCE), continued to grow more quickly than its market and gained market share.

2008 was marked by the pursuit of strong organic growth, increased turnover and continued heightened rate pressure while salaries continued to rise. In this context, despite a satisfactory and stable activity rate as compared with 2007, ALTEN SA's operating margin eroded by approximately one and a half points.

#### 2) Approval of the company financial statements

We request that you approve the company financial statements in accordance with Article L 225-100 of the French Commercial Code.



## 2. FINANCIAL EARNINGS

### 1) Allocation of earnings

We propose that earnings for the year ended on 31 December 2008 of €2,545,647.25 be allocated as follows:

- Allocation of €26,969.71 to the "legal reserve" item, bringing the balance of the reserve to €3,224,600.56.
- Allocation of the balance in the amount of €2,518,677.54 to the "carry forward" item, with a total of €93,264,573.39 for this item.

### 2) Dividends distributed in previous years

In accordance with the provisions of Article 243 bis of the French General Tax Code, we hereby inform you that the Company has not distributed any dividends over the past three (3) fiscal years.

### 3) Non tax-deductible charges

We hereby inform you that we have not recorded any expenses or charges that are not tax-deductible.

### 4) Social impact of the business

This information is presented in Appendix I of this Management Report.

### 5) Environmental impact of the business

This information is presented in Appendix I of this Management Report.

## 3. THE COMPANY'S SHARE CAPITAL

### 1) Company shareholders

We hereby provide the identity of the individuals directly or indirectly holding more than 3%, 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 66.66%, 90% or 95% of the company's share capital or right to vote at General Meetings as of 31 December 2008:

## 2) Breakdown of share capital and voting rights (at 31/12/2008)

	Number of shares	% of shares	Number of voting rights	% of voting rights
<b>Registered shares</b>				
Simon Azoulay	3,217,938	10.14%	6,435,876	14.70%
Laurent Schwarz	251,410	0.79%	502,820	1.15%
Gérald Attia	11,690	0.04%	23,380	0.05%
SGTI <sup>1</sup>	9,000,000	28.37%	18,000,000	41.11%
Other	508,886	1.60%	541,594	1.24%
Sub-total Action in concert <sup>2</sup>	12,469,348	39.30%	24,938,696	56.95%
<b>Sub-Total</b>	<b>12,989,924</b>	<b>40.94%</b>	<b>25,503,670</b>	<b>58.24%</b>
<b>Bearer shares</b>				
FCPE Alten <sup>3</sup>	374,700	1.18%	374,700	0.86%
Public	17,625,132	55.55%	17,625,132	40.25%
Founders	285,184	0.90%	285,184	0.65%
Treasury stock	450,795	1.42%	(without voting rights)	
<b>TOTAL</b>	<b>31,725,735</b>	<b>100%</b>	<b>43,788,686</b>	<b>100%</b>

<sup>1</sup> Holding company owned by Simon Azoulay.

There is no financial flow between SGTI and ALTEN Group companies.

<sup>2</sup> Actions in concert: between Simon Azoulay, Laurent Schwarz and SGTI.

<sup>3</sup> Employees' shares subject to collective management.

To the company's knowledge, no other shareholders directly or indirectly, individually or in concert, hold 3% or more of the company's share capital and voting rights.

The Company was not informed that any reporting thresholds were crossed during fiscal year 2008.

### 3) Cash management shares

Not applicable.

### 4) Information concerning holding and disposal of cross-shareholdings

Not applicable.

### 5) Number of treasury shares acquired and sold by the company during the fiscal year

Within the scope of the share repurchase programme, the company purchased and sold the following shares between the beginning and the end of the past fiscal year:

**a. For the liquidity contract**

a) Number of shares purchased: 270,593 (ALTEN's portion representing 58.58%, i.e. 158,513 shares).  
Average purchase price: €21.65

b) Number of shares sold: 270,990 (ALTEN's portion representing 58.58 %, i.e. 158,746 shares).  
Average sale price: €21.71

c) Number of shares recorded at fiscal year-end: 945 (ALTEN's portion representing 58.58%, i.e. 554 shares).  
Value at purchase price: €15.19  
Par value: €14,354.55 (total amount).

Reasons for purchase	% of share capital
Stabilisation of share price	100
Employee share ownership	None
Securities conferring a right to shares	None
Acquisitions	None
Cancellation	None

**b. For the purchase of treasury shares:**

The company purchased 450,241 shares for a total amount of €8,429,835.98,  
for an average share purchase price of €18.72.

These shares were purchased to cover stock options or other employee share ownership systems, and to finance acquisitions.

105,600 of these shares were used in awarding free shares.

**c. Total:**

Number of shares recorded at year-end: 450,795

Value at purchase price:

- for the Liquidity Contract: €15.19
- for covering employee share ownership: €18.72

Par value:

- for the Liquidity Contract: €14,354.55
- for covering employee share ownership: €8,428,335.98

Trading costs:

- for the Liquidity Contract: None
- for covering employee share ownership: €9,891.26

There was no reallocation of shares during fiscal year 2008.

#### 4. SUMMARY STATEMENT OF TRANSACTIONS REFERRED UNDER ARTICLE L 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE CONDUCTED DURING THE PAST FISCAL YEAR (TRANSACTIONS INVOLVING THE SHARES OF COMPANY MANAGERS)

Name of manager	Function within ALTEN	AMF Reference	Transaction dates	Description of financial instrument	Type of transaction	Total number of financial instruments sold/ subscribed	Unit price (in euros)
Bruno BENOLIEL	Vice President responsible for Finance, Information Systems and the Legal Department	208D3429	15/05/2008	ALTEN shares	Subscription	80,000	7.300
		208D3428	15/05/2008	ALTEN shares	Subscription	30,000	5.900
		208D3430	22/05/2008	ALTEN shares	Sale*	9,293	25.086
		208D3432	22/05/2008	ALTEN shares	Sale*	9,294	25.086
		208D3431	27/05/2008	ALTEN shares	Sale*	8,078	25.087
		208D3433	27/05/2008	ALTEN shares	Sale*	8,077	25.087
		208D3508	29/05/2008	ALTEN shares	Sale*	37,629	25.247
		208D3509	29/05/2008	ALTEN shares	Sale*	37,629	25.247

\* Sales by the two minor children of Mr. Bruno Benoliel following a donation.

#### 5. ELEMENTS LIKELY TO AFFECT A PUBLIC PURCHASE OFFER

ALTEN share capital structure shows that controlling shareholders (SGTI, Mr. Simon Azoulay and Mr. Laurent Schwarz) together represent the majority at General Meetings in terms of voting rights.

Moreover, Article 14 of ALTEN's articles of association provide that "all fully paid-up shares which have been registered in the same name for a continuous period of at least four years are assigned double voting rights. This double voting right is also conferred from the time of issue in the event of an increase in capital by the incorporation of reserves, earnings or premiums, with registered shares awarded free of charge to a shareholder by virtue of former shares for which the shareholder had already been granted this right."

The rules governing the appointment and dismissal of members of the Board of Directors are governed by common law. There are no specific agreements stipulating the payment of compensation in the event a Board Member ceases to be in office.

The powers currently invested in the Board of Directors are described in this Management Report (pages 82 to 89 of this Annual Report).

ALTEN is also duly informed of any significant investments (direct or indirect) in its share capital:

- by application of Articles L. 233-7 and L. 233-12 of the French Commercial Code.
- by application of Article 7 of the articles of association, which provides that «any physical person or legal entity acting individually or in concert that crosses the threshold (to the upside or the downside) of 3% of the share capital or voting rights must inform the company of the total number of shares and voting rights owned by registered letter with acknowledgement of receipt within fifteen days from the date on which such 3% threshold was crossed».

Finally, since 1 April 1999, several ALTEN shareholders have held shares in concert for the purpose of adopting a mutual position to vote in the same way during General Meetings. Because Mr. Thierry Woog and Mr. Gérald Attia retired in October 2001, shares are now held in concert by Mr. Simon Azoulay, Mr. Laurent Schwarz and SGTI.

To the company's knowledge, there are no shareholders' agreements.

## 6. DELEGATIONS OF AUTHORITY FOR CAPITAL INCREASES

### 1) Delegation of authority to the Board of Directors to repurchase Company shares within the scope of the Share Repurchase Programme

In its 6th resolution, the 27 June 2008 Combined General Meeting of Shareholders authorised the Board of Directors to repurchase Company shares within the scope of the Share Repurchase Programme.

This delegation of authority, issued for a period of 18 months, will expire on 26 December 2009.

It is proposed to proceed with its early renewal and authorize the Board of Directors, in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code and with a right to further delegate, to purchase or cause to be purchased Company shares for the purpose of:

- ensuring a secondary market or liquidity of the ALTEN shares through a securities service provider via a liquidity agreement in compliance with the AMF code of conduct (AMAFI), or
- to hold the purchased shares and later offer them in exchange or payment in potential acquisitions, it being specified that shares purchased for this purposes may not exceed five percent (5%) of the company's capital,
- to cover stock option plans and other forms of share allocations to Group employees or company officers and directors under the conditions and in accordance with the terms stipulated by law, especially with respect to company profit-sharing, a company savings plan or through award of free shares,
- to cover securities which confer a right to shares in the company within the scope of regulations currently in effect,
- to proceed with any cancellation of the shares purchased, subject to the authorisation to be granted by the General Meeting of the Shareholders on 27 June 2008 in its seventh extraordinary resolution.

These share purchases may be carried out by any appropriate means, including through the purchase of blocks of shares, and at the times that the Board of Directors will determine.

In particular, these transactions may be carried out in the event of a public offering in accordance with regulations in force.

The company reserves the right to use an option system or derivatives within the scope of applicable regulations.

The maximum purchase price is fixed at thirty euros (€30) per share. In the event of a capital transaction, in particular a stock split, reverse split or issue of free shares, the amount indicated above shall be adjusted in the same proportions (multiplier equal to the proportion between the number of shares making up capital before the transaction and the number of shares after the transaction).

The maximum amount of the transaction is fixed at €95,177,205.

The Board of Directors shall be granted all powers necessary to carry out these transactions, to determine the terms and conditions thereof, to enter into all necessary agreements and to carry out all formalities.

This delegation of authority will be given for a period of eighteen (18) months in accordance with Articles L. 225-209 et seq. of the French Commercial Code, to carry out one or several purchases of the Company's shares at the times it shall deem appropriate, up to a maximum of 10% of the total number of shares forming the current share capital, adjusted if necessary to account for any increase or reduction of share capital that may arise during the duration of the programme.

## **2) Delegation of authority to the Board of Directors to increase share capital through capitalisation of reserves, earnings or premiums**

In its 6th resolution, the 27 June 2007 Combined General Meeting of Shareholders authorised the Board of Directors to increase share capital through capitalisation of reserves, earnings or premiums.

This delegation of authority, issued for a period of twenty-six (26) months, will expire on 26 August 2009.

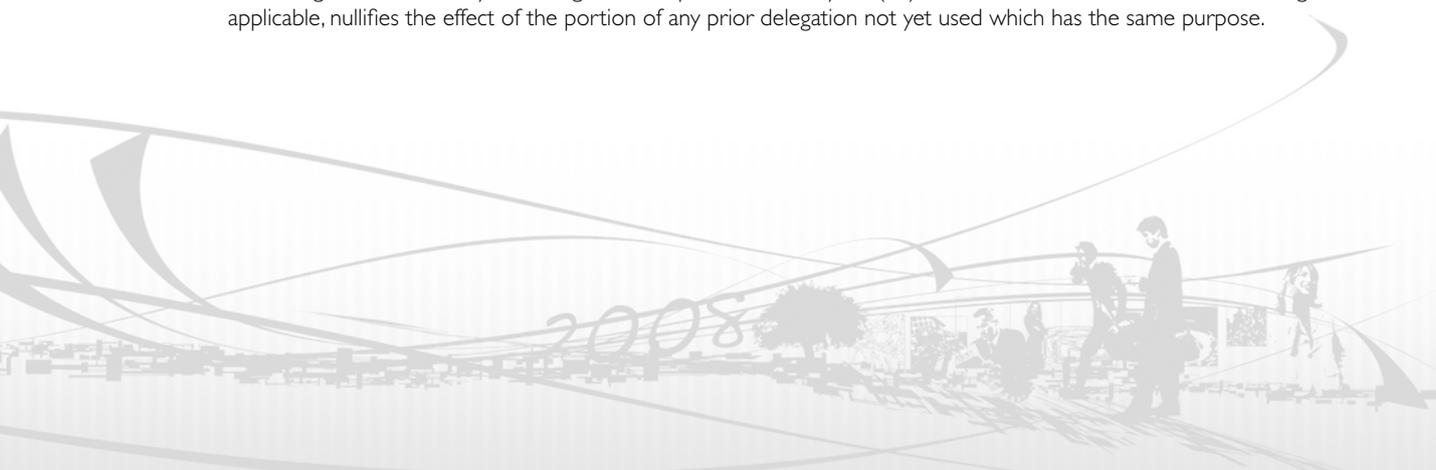
It is suggested to proceed with its early renewal and authorize the Board of Directors to decide to increase the share capital, on one or more occasions, at the times and according to the methods it may choose, by capitalisation of reserves, earnings, premiums or other amounts that may be capitalised, by the issue and allocation of free shares or by increasing the par value of existing common shares, or by the combination of both methods.

In the event the Board of Directors makes use of this delegation of authority, in accordance with the provisions of Article L. 225-130 of the French Commercial Code, in the event of an capital increase by way of an allocation of free shares, the rights that give rise to partial shares shall not be negotiable or marketable and the corresponding securities shall be sold; the sums arising from the sale will be allocated to the holders of the rights within the statutory period.

The amount of the capital increase resulting from issues carried out under this resolution shall not exceed the par value of €16,662,400, not taking into account the amount required to preserve the rights of holders of giving the right to shares in accordance with law.

Full powers are granted to the Board of Directors to implement this resolution, and generally to take any measures and carry out all formalities to successfully accomplish each capital increase, validate its completion and amend the articles of association accordingly.

This delegation of authority shall be given for a period of twenty-six (26) months, as from the date of the Meeting, and if applicable, nullifies the effect of the portion of any prior delegation not yet used which has the same purpose.



### **3) Delegation of authority to the Board of Directors to increase capital through the issue of common shares or securities giving access to capital**

In its 6th resolution, the Combined General Meeting of 27 June 2007 delegated to the Board of Directors the authority to increase the capital through the issue of common shares or securities giving access to capital reserved for shareholders.

This delegation of authority, issued for a period of twenty-six (26) months, will expire on 26 August 2009.

It is suggested to proceed with its early renewal and authorize the Board of Directors to increase the share capital, on one or more occasions, according to the proportions and at the times it may choose through the issue, in euros or foreign currencies or any other unit of account established by reference to a series of currencies, common shares and/or securities conveying access immediately or at a later time, at any moment or at a certain date, to common shares of the company or, in accordance with Article L 228-93 of the French Commercial Code, of any company which owns directly or indirectly more than half of its capital or of which it owns directly or indirectly more than half of the capital, as the case may be, through subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner.

Following are the limits of the amounts of the authorized issues in the event that the Board of Directors makes use of this delegation of powers:

- The nominal amount of shares capable of being issued by virtue of the present delegated authority shall not exceed €16,256,000.

- To this amount shall be allocated the total nominal amount of shares issued by virtue of the following resolution.

The ceiling thus determined does not include the total nominal value of the additional shares which may be issued to maintain, in accordance with the law, the rights of the holders of securities conveying access to capital.

The nominal amount of securities representing company debt able to be issued shall not be greater than €16,256,000.

In the event the Board of Directors issues equity under the powers delegated to it above:

- a) the existing shareholders shall have irrevocable pre-emption rights to shares issued,
- b) if the unconditional subscriptions and, if applicable, conditional subscriptions, have not absorbed the entirety of the issue, the Board of Directors may use the options provided for by the law and in particular offer to the public some or all of the unsubscribed securities,
- c) the number of securities to be issued may be increased under the terms of Article L. 225-135-1 of the French Commercial Code within the limits of the ceiling set forth in this resolution.

The Board of Directors shall have, within the limitations set hereinabove, all necessary powers, in particular to set the terms of one or more issues, determine the conclusion of the capital increases resulting from them, proceed with the appropriate modifications to the articles of association, allocate, in its sole discretion, the expenses of capital increases to the amount of premiums related thereto and disburse from this amount the necessary sums to bring the legal reserve to one tenth of the new capital after each increase and, more generally to take all steps that are necessary under the circumstances.

This authorisation shall be given for a period of twenty-six (26) months, as from the date of the Meeting, and shall nullify any prior authorization having the same purpose.

#### **4) Delegation of authority to the Board of Directors to increase capital through the issue of common shares or securities conveying access to capital, with the rescission of preferential subscription rights**

In its 7th resolution, the Combined General Meeting of 27 June 2007 delegated to the Board of Directors the authority to increase the capital through the issue of common shares or securities giving access to capital reserved for shareholders with rescission of preferential subscription rights.

This delegation of authority, issued for a period of twenty-six (26) months, will expire on 26 August 2009.

It is suggested to proceed with its early renewal and delegate all necessary powers to the Board of Directors for the purpose of increasing the capital by issuing, on one or more occasions, according to the proportions and at the times it may choose by issuing, in France and/or overseas, through an offer to the public or an offer under paragraph II of Article L 411-2 of the French Monetary and Financial Code, either in euros or in foreign currencies or in any unit of account based on a basket of currencies, company common shares and/or securities giving immediate or future access to capital of the company, exercisable at any time or on a given date by means of subscription, conversion, exchange, redemption, submission of a warrant or in any other manner; provided that such securities may be issued in exchange for securities tendered to the Company in connection with a tender offer for shares that fulfils the conditions of section L 225-148 of the French Commercial Code.

Pursuant to Article L 228-93 of the French Commercial Code, the securities to be issued may convey access to the common shares of any company that owns directly or indirectly more than half of its capital or of which it owns directly or indirectly more than half of the capital.

Following are the limits of the amounts of the authorized issues in the event that the Board of Directors makes use of this delegation of powers:

- The total nominal amount of common shares likely to be issued under this delegation of authority may not exceed €16,256,000, it being specified that in the event of an issue through an offer under paragraph II of Article L 411-2 of the French Monetary and Financial Code, in addition this amount shall be limited to 20% of capital per year.
- This amount is set off against the amount of the capital increase ceiling established in the preceding resolution.
- The nominal amount of securities representing debt of the company capable of being issued shall not be greater than €16,256,000.

The issue without preferential subscription rights may be conducted through an offer to the public or an offer under paragraph II of Article L 411-2 of the French Monetary and Financial Code.

Shareholders' preferential subscription right to securities which are the subject of this resolution may be rescinded. In the case of a public issue without preferential subscription rights, the Board of Directors may provide shareholders the priority right to subscription.

In the case of an offer to the public or an offer under paragraph II of Article L 411-2 of the French Monetary and Financial Code, the amount received or due to be received by the company for each of the common shares issued, after taking account, in the event of the issue of share subscription rights, the price of the such rights, will be determined in compliance with legal and regulatory provisions and will therefore be at least equal to the minimum required by the provisions of Article R 225-119 of the French Commercial Code at the time the Board of Directors implements the delegation of authority.

In the event of the issue of securities whose purpose is to compensate for securities tendered in a public exchange offer, the Board of Directors shall, under the terms set forth in Article L 225-148 of the French Commercial Code within the limitations set out above, have the necessary authority to establish the list of the securities offered in exchange, set the terms of the issue, the exchange ratio as well as, if appropriate, the amount of the cash balance to be paid, and determine the terms and conditions of the issue.

The number of securities to be issued may be increased under the terms of Article L 225-135-1 of the French Commercial Code within the limits of the ceiling set forth in this resolution.

The Board of Directors shall have, within the limitations above, all necessary powers, in particular to set the terms of one or more issues, validate the completion of the capital increases resulting from them, proceed with the appropriate modifications to the articles of association, allocate, in its sole discretion, the expenses of capital increases to the amount of premiums related thereto and disburse from this amount the necessary sums to bring the legal reserve to one tenth of the new capital after each increase and, more generally to take all steps that are necessary under the circumstances.

This delegation of authority, issued for a period of twenty-six (26) months, shall nullify any prior delegation which has the same purpose.

**5) Delegation of authority to the Board of Directors to increase the company's share capital within the limit of 10% for the purpose of remunerating contributions in kind of shares or securities**

In its 9th resolution, the 27 June 2007 Combined General Meeting of Shareholders authorised the Board of Directors to increase share capital within the limit of 10% for the purpose of remunerating contributions in kind of shares or securities.

This delegation of authority, issued for a period of twenty-six (26) months, will expire on 26 August 2009.

It is suggested to proceed with its early renewal and delegate all necessary powers to the Board of Directors to proceed, upon receipt of a report from an independent appraiser, with the issuance common shares or securities giving access to common shares for the purposes of remunerating contributions in kind granted to the company and made up of shares or securities that give access to capital where the provisions of Article L 225-148 of the French Commercial Code are not applicable.

The total nominal amount of common shares capable of being issued by virtue of this delegated authority shall not exceed 10 % of the share capital as of the date of this Meeting.

The Board of Directors shall be granted full powers to proceed with the approval of the appraisal of assets, to determine the resulting capital increase, to validate the completion thereof, to allocate if applicable all expenses and duties resulting from the capital increase to the asset contribution premium, to deduct from the asset contribution premium the necessary sums to bring the legal reserve to one tenth of the new capital after each increase, to proceed with the corresponding change in the articles of association, and to take all steps that are necessary under the circumstances.

This authorisation shall be given for a period of twenty-six (26) months, as from the date of the Meeting, and shall nullify any prior authorization having the same purpose.

**6) Delegation of authority to increase share capital reserved for members of a company savings plan (PEE)**

In its 9th resolution, the Combined General Meeting of 27 June 2008 delegated to the Board of Directors the authority to increase the capital through the issue of common shares or securities giving access to capital, with rescission of preferential subscription rights.

This delegation of authority, issued for a period of twenty-six (26) months, will expire on 26 August 2010.

It is suggested to proceed with its early renewal and delegate all necessary powers to the Board of Directors to increase the share capital on one or more occasions by the issue of common shares for cash or other securities giving access to capital, reserved for employees (and managers) of the company (and companies related to it within the meaning of Article L 225-180 of the French Commercial Code) who are members of a company savings plan.

Preferential subscription rights to the shares that may be issued by virtue of this delegation of authority will be rescinded in favour of these persons.

The maximum par value of the capital increase(s) that may be carried out under this authorisation is five percent (5%) of the amount of share capital reached at the time the Board of Directors decides to carry out such increase, this amount being independent of any other ceiling set forth with respect to authority to increase capital.

The price of the shares to be issued pursuant to paragraph 1 of this delegation may not be more than 20% below, or 30% when the lock-up period stipulated in the plan in accordance with Article L 3332-25 and L 3332-26 of the French Labour Code is equal to or greater than ten years, the average of the opening prices quoted for the 20 stock exchange sessions preceding the decision of the Board of Directors concerning this capital increase and the corresponding issue of shares, nor may it exceed this average.

If the Board of Directors decides to implement this authorisation, it may take all steps and carry out all formalities as necessary.

This authorisation shall be given for a period of twenty-six (26) months, as from the date of the Meeting, and shall nullify any prior authorization having the same purpose.

#### **7) Delegation of authority to the Board of Directors to grant options to subscribe for and/or purchase shares to salaried employees (and/or certain directors and officers)**

In its 6th resolution, the 27 June 2006 Combined General Meeting of Shareholders authorised the Board of Directors to issue options to subscribe for and/or purchase shares to salaried employees (and/or certain directors and officers).

This delegation of authority, issued for a period of thirty-eight (38) months, will expire on 26 August 2009.

It is suggested to proceed with its early renewal and authorise the Board of Directors to grant on one or more occasions, for the benefit of the beneficiaries listed below, options to subscribe for new company shares to be issued under a capital increase or purchase existing company shares from stock repurchases carried out under the terms set forth by law.

The beneficiaries of these options may only be:

- employees, specific employees or specific employment categories of ALTEN and, if applicable, of companies or economic interest groupings related to it under the terms of Article L 225-180 of the French Commercial Code;
- officers or directors who comply with the provisions set forth in Article L 225-185 of the French Commercial Code.

The total number of options able to be granted by the Board of Directors under this delegation of authority can not give the right to subscribe for or purchase a number of shares greater than fourteen percent (14%) of the existing share capital as of the date of the first award.



The price at which beneficiaries may subscribe for and/or purchase the shares shall be determined on the day the options are granted by the Board of Directors in the following manner: The price shall not be lower than the minimum price determined by the legal provisions in force.

No option shall be granted:

- in the period covering the ten (10) stock market sessions which precede and follow the date on which the consolidated financial statements are made public,
- during the time between the date on which the company's corporate bodies are aware of information which, if made public, could have a significant impact on the company share price and the date which follows ten (10) stock market sessions where this information is made public,
- less than twenty (20) stock market sessions following detachment of a coupon from the shares which gives the right to a dividend or a capital increase.

This authorization includes, for the benefit of the beneficiaries, the express waiver by shareholders of their preferential subscription rights to shares which are issued when the options are exercised.

The Board of Directors shall have full powers to set other terms and conditions for the award and exercise of options, in particular to:

- set the terms under which options will be granted and to decide on the list or categories of the beneficiaries as provided above; set length of service requirements for these beneficiaries, if applicable; determine the terms by which the price and number of shares will be adjusted, particularly in the events set forth under Articles R 225-137 to R 225-142 of the French Commercial Code;
- set the exercise period(s) for the options awarded, it being specified that the term of the options shall not exceed a period of eight years, as from their award date;
- to provide the power to temporarily suspend the exercise of options for a maximum period of three months in the event of financial transactions involving the exercise of a right attached to the shares;
- to complete or cause to be completed all actions and formalities to finalise the capital increases which may, if applicable, be effected under the authorization granted under this resolution; to amend the articles of association accordingly and generally to take all necessary steps;
- at its discretion and if it deems fit, charge the cost of share capital increases to the premiums over par collected as a result thereof and withdraw from such funds the sums necessary to bring the legal reserve to one-tenth of share capital following each capital increase.

This authorization shall be given for a period of thirty-eight (38) months, as from the date of the Meeting, and shall nullify any prior authorization having the same purpose.

#### **8) Delegation of authority to the Board of Directors to issue stock warrants**

In its 8th resolution, the 27 June 2008 Combined General Meeting of Shareholders authorised the Board of Directors to issue stock warrants.

This delegation of authority, issued for a period of eighteen (18) months, will expire on 26 December 2009.

It is suggested to proceed with its early renewal and authorise the Board of Directors, in one or transactions, according to the proportions and times it may choose, to issue stock warrants with the rescission of pre-emptive subscription rights

for the benefit of senior executives (whether or not company officers and directors) and salaried executives of the Companies or of French or foreign companies related to it within the meaning of Article L 225-180 of the French Commercial Code, in accordance with the provisions of Articles L 225-129-2, L 225-138 and L 228-91 of the French Commercial Code;

The total par value of shares able to be issued by virtue of the present delegated authority shall not exceed €510,000;

The subscription price of shares purchased by exercising the stock warrants after accounting for the price of issuing such warrants, if applicable, shall be equal to or greater than a maximum of twenty (20)% of the average price of ALTEN shares for the twenty (20) stock market sessions immediately preceding the decision to issue the stock warrants;

The pre-emptive subscription right of the holders of Company shares likely to be issued upon exercise of the stock warrants will be rescinded for the benefit of warrant holders;

Along with the right to further delegate, the Board of Directors shall be delegated all powers necessary to issue the stock warrants under the conditions established by law and set forth below, in particular:

- to establish the specific list of beneficiaries within the category of persons defined above, the number of stock warrants to be awarded to each beneficiary, the number of shares granted for each warrant, the price of issuing the warrants and the shares granted for each warrant under the abovementioned conditions, the conditions and deadlines for subscribing for and exercising the warrants, their terms of adjustment and generally, all terms and procedures for issuing such stock warrants;
- to prepare an additional report setting forth the final terms and conditions for issuing the stock warrants that are the subject of this authorisation;
- to validate the completion of the capital increase resulting from the exercise of stock warrants and proceed with the applicable amendments to the Company's articles of association;
- in its sole discretion, allocate the cost of capital increases to the corresponding premiums and disburse any sums necessary from this amount to bring the legal reserve to one-tenth of new share capital following each capital increase;
- and more generally, take all necessary and useful steps.

In accordance with Article L 225-184 of the French Commercial Code, the Board of Directors shall annually inform the General Meeting of the transactions carried out each year within the scope of this delegation of authority.

This authorisation shall be given for a period of eighteen (18) months, as from the date of the Meeting, and shall nullify any prior authorization having the same purpose

## 7. STATUTORY AMENDMENTS

In order to comply with the Economic Modernisation Act of 4 August 2008, in effect as of 1 January 2009, specifically regarding the shareholder status of directors, the shareholders will be asked to eliminate the requirement that directors hold at least one share of the company in which they serve as directors.

In addition, in order to comply with the AFEP/MEDEF recommendations, the shareholders will also be asked to change the statutory duration of the directors' terms from six (6) years to four (4) years.

Accordingly, the Combined General Meeting of Shareholders on 23 June 2009 will be asked to amend Article 15 of the Company bylaws.

## 8. COMPANY DIRECTORS AND OFFICERS

### 1) Responsibility for general management

On 28 June 2002, the Company's Board of Directors combined the duties of Chairman of the Board of Directors and Chief Executive Officer. Since that time, Mr. Simon Azoulay has been responsible for the general management of the Company.

### 2) Offices and positions held by the Company's directors and officers

The complete list of offices and positions held within and outside of ALTEN Group appears in Appendix 3 of this Management Report (page 36 of the Financial Report).

### 3) Appointment of new Directors, renewal of appointments and approval of Directors co-opted to the board

Mr. Simon Azoulay's term as Director expires at the General Meeting called to approve the 2008 financial statements; we propose renewing his term for a period of four (4) years, subject to adoption by the General Meeting of Shareholders of the resolution to reduce the length of the directors' terms of office. Thus, Mr. Simon Azoulay's term as Director will expire at the General Meeting called to approve the 2012 financial statements.

A meeting of the Board of Directors whose agenda will include the renewal of Mr. Simon Azoulay's appointment as Chief Executive Officer shall take place following this meeting.

### 4) Directors' fees

No directors' fees were paid by ALTEN during the past year.

## 9. REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

Remuneration for the fiscal year ended 31 December 2008:

Summary table of remuneration, options and shares granted to each company director or officer

<b>Simon Azoulay Chief Executive Officer</b>	<b>2007</b>	<b>2008</b>
Remuneration due for the fiscal year	€109,080.00	€259,080.00
Value of options awarded during the fiscal year	None	None
Value of performance-based shares awarded during the fiscal year	None	None
<b>TOTAL</b>	<b>€109,080.00</b>	<b>€259,080.00</b>

<b>Gérald ATTIA Deputy Managing Director</b>	<b>2007</b>	<b>2008</b>
Remuneration due for the fiscal year	€103,907.63	€148,159.00
Value of options awarded during the fiscal year	None	None
Value of performance-based shares awarded during the fiscal year	None	None
<b>TOTAL</b>	<b>€103,907.63</b>	<b>€148,159.00</b>

2) Summary table of remuneration received by each company director and officer

Simon Azoulay	2007		2008	
	Paid	Balance owed	Paid	Balance owed
- Fixed remuneration	€109,080.00	€0,00	€109,080.00	€0.00
- Variable remuneration	None	None	None	None
- Extraordinary remuneration	None	None	None	None
- Directors' fees	None	None	€0.00	€150,000.00
- Benefits in kind	None	None	None	None
<b>Cost of stock options</b>	<b>€109,080.00</b>	<b>€0.00</b>	<b>€109,080.00</b>	<b>€150,000.00</b>

Gérald Attia	2007		2008	
	Paid	Balance owed	Paid	Balance owed
- Fixed remuneration	€103,907.63	€0,00	€148,159.00	€0.00
- Variable remuneration	None	None	None	None
- Extraordinary remuneration	None	None	None	None
- Directors' fees	None	None	€0.00	€150,000.00
- Benefits in kind	None	None	None	None
<b>Cost of stock options</b>	<b>€103,907.63</b>	<b>€0.00</b>	<b>€148,159.00</b>	<b>€0.00</b>

3) Summary table of director's fees

Board Members	Directors fees paid in 2007	Directors fees paid in 2008
Simon Azoulay	None	None*
Gérald Attia	None	None
Catherine Azoulay	None	None
Laurent Schwarz	None	None

\* €150,000 remains due for fiscal year 2008 and will be paid in 2009

4) Stock warrants or purchase options awarded during the fiscal year to each officer or director

	Options awarded to each officer or director by ALTEN or by any Group company	Plan number and date	Type of options (purchase or subscription)	Valuation of options according to the method used for the consolidated financial statements	Number of options awarded during the fiscal year	Exercise price	Exercise period
Simon Azoulay	None	N/A	N/A	N/A	N/A	N/A	N/A
Gérald Attia	None	N/A	N/A	N/A	N/A	N/A	N/A

5) Stock warrants or purchase options exercised during the fiscal year to each officer or director

	Options exercised by the company officers and directors	Plan number and date	Number of options exercised during the fiscal year	Exercise price	Year awarded
Simon Azoulay	None	None	N/A	N/A	N/A
Gérald Attia	None	None	N/A	N/A	N/A

6) ) Performance-based shares awarded to each company director and officer

	Performance-based shares awarded to each officer or director by ALTEN or by any Group company	Plan number and date	Number of shares awarded during the fiscal year	Value of shares according to the method used for the consolidated financial statements	Acquisition date	Date available
Simon Azoulay	None	N/A	N/A	N/A	N/A	N/A
Gérald Attia	None	N/A	N/A	N/A	N/A	N/A

7) Performance-based shares that become available during the fiscal year for each company director and officer

	Performance-based shares that became available for the company officers and directors	Plan number and date	Number of shares that became available during the fiscal year	Acquisition terms	Year awarded
Simon Azoulay	None	N/A	N/A	N/A	N/A
Gérald Attia	None	N/A	N/A	N/A	N/A

**10.COMMITMENTS OF ALL KINDS RELATING TO REMUNERATION, COMPENSATION OR BENEFITS OWED OR LIKELY TO BE OWED DUE TO THE CURRENT OR SUBSEQUENT APPOINTMENT OF COMPANY DIRECTORS AND OFFICERS, CHANGES MADE TO THEIR DUTIES OR THE CESSATION THEIR DUTIES:**

During the 2008 fiscal year, there were no commitments relating to remuneration, compensation or benefits owed or likely to be owed due to the current or subsequent appointment, cessation or change in a company representative's duties.

**11. REMUNERATION AND BENEFITS PAID DURING THE FISCAL YEAR IN THE FORM OF ALLOTMENT OF SHARE CAPITAL, DEBT SECURITIES OR SECURITIES CONFERRING A RIGHT IN THE SHARE CAPITAL OR A RIGHT TO ALLOTMENT OF DEBT SECURITIES OF THE COMPANY OR CONTROLLED OR CONTROLLING COMPANIES:**

1) Stock options

Pursuant to the delegation of authority granted by the Combined General Meeting on 27 June 2006, on 18 February 2008 the Board of Directors decided to award 622,790 stock options to 794 employees (equal to 1.96% of the capital). This award of stock options was subject to the following terms:

- subscription price of €19.13 per share (corresponding to 95% of the average price quoted for ALTEN shares during the past twenty (20) stock market sessions), set the stock option exercise period between 18 February 2012 and 18 February 2016, excluding periods of suspension as defined in the regulations.

## 2) Free shares

Pursuant to the delegation of authority granted by the Combined General Meeting on 27 June 2008, on 11 April 2008 the Board of Directors decided to distribute 105,600 free shares (representing 0.33% of the capital) to the two high-level officers, totalling 52,800 shares for each of them. This award of free shares was subject to the following terms:

- acquisition period: 3 years from the date awarded by the Board of Directors (i.e., 3 years from 11 April 2008);
- lock-up period: 2 years from the actual award date of the shares. At the end of this period, the beneficiaries may freely dispose of these shares.

During the 2008 fiscal year, no other remuneration and/or benefits were paid in the form of allotment of share capital, debt securities or securities conferring access to share capital or conferring a right to allotment of debt securities of the company or controlled or controlling companies.

No other ALTEN officer or director was awarded free shares or stock options during the past fiscal year.

However, please note that 16,000 stock options were awarded to Mr. Gérald Attia during fiscal year 2006 (plan dated 23/10/06).

## 12. THE STATUTORY AUDITORS

The appointments of the regular statutory auditors, Dauge & Associés and Grant Thornton, as well as the appointments of the substitute statutory auditors, Kling & Associés and IGEC, expire at the end of the General Meeting called to approve the 2008 financial statements.

The Combined General Meeting of 23 June 2009 will be requested to:

- renew the appointment of the regular statutory auditors, Dauge & Associés, as well as the appointment of the substitute statutory auditors, Kling & Associés, for a term of six (6) fiscal years, until the end of the General Meeting called to approve the financial statements for the fiscal year ending on 31 December 2014.
- renew the appointment of the regular statutory auditors, Grant Thornton, as well as the appointment of the substitute statutory auditors, IGEC, for a term of six (6) fiscal years, until the end of the General Meeting called to approve the financial statements for the fiscal year ending on 31 December 2014.



## 13. EMPLOYEES

### 1) Share of capital owned at year-end

At the end of the fiscal year 2008, employee share ownership as defined under Article L. 225-102 of the French Commercial Code represented 1.18% of the Company's share capital.

### 2) Reserve capital increase

This General Meeting is again requested to deliberate in advance on a potential capital increase and will also be asked to approve a reserve capital increase for members of a company savings plan (P.E.E.) to be conducted in compliance with Article L. 3332-18 of the French Labour Code.

## 14. AGREEMENTS GOVERNED BY ARTICLES L 225-38 AND L 225-39 OF THE FRENCH COMMERCIAL CODE

### 1) Agreements governed by Article L 225-38 of the French Commercial Code

#### a. New agreements entered into during the past fiscal year

We request that you approve the following agreements, which are mentioned in the special report of the Statutory Auditors:

- a) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and GROUPE IDESTYLE,
- b) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and AVENIR CONSEIL FORMATION (formerly IDESTYLE SERVICES),
- c) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and IDESTYLE TECHNOLOGIES,
- d) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and ECAM,
- e) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and CISIA INVESTISSEMENTS,
- f) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and GROUPE CISIA INGENIERIE,
- g) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and CISIA INGENIERIE,
- h) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and CISIA EXATERM,
- i) The 7 May 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and CISIA CETOP,

j) The 29 September 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and HPTI,

k) The 29 September 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and ABILOG,

k) The 29 September 2008 signing, effective 1 January 2008, of a tax consolidation agreement between ALTEN and ANOTECH ENERGY France.

**b. Agreements entered into in an earlier fiscal year whose effects continued during the past year**

a) Loan granted by ALTEN to ALTEN GmbH (formerly IMP Engineering).

This loan, granted for an initial amount of €6,591,963, was reduced to €1,100,222 in 2005 following successive partial repayments. It is subject to an interest rate equal to the 12 month Euribor +3%.

- Interest paid to ALTEN in 2005: €78,102.75

- Interest paid to ALTEN in 2006: €91,679.42

- Interest paid to ALTEN in 2007: 0

- Interest paid to ALTEN in 2008: 0.

To date, interest remaining due is equal to €87,414.18

No payments were made on this loan during the fiscal year 2008.



b) Tax consolidation

Company	Date of the Board of Directors meeting authorising the agreement	Signature date of the agreement	Effective date	Manager in common	Holds greater than 10% of voting rights
ALTEN SIR	03/01/2000	05/01/2000	01/01/2000	Simon AZOULAY	Yes
GIST	02/01/2001	02/07/2001	01/01/2001	Simon AZOULAY	Yes
ALTEN SUD OUEST	06/01/2004	05/01/2004	01/01/2004	Simon AZOULAY	Yes
MI-GSO	06/01/2004	05/01/2004	01/01/2004	None	Yes
ALTEN CASH MANAGEMENT	03/01/2005	03/01/2005	01/01/2005	Simon AZOULAY	Yes
ALTEN EUROPE	03/01/2005	03/01/2005	01/01/2005	Simon AZOULAY	Yes
ALTEN AEROSPACE	30/12/2005	02/01/2006	01/01/2006	None	Yes
AVENIR CONSEIL FORMATION (formerly IDESTYLE SERVICES)	6/05/2008	7/05/2008	01/01/2008	None	Yes
IDESTYLE TECHNOLOGIES	6/05/2008	7/05/2008	01/01/2008	None	Yes
GRUPE IDESTYLE	6/05/2008	7/05/2008	01/01/2008	None	Yes
ECAM	6/05/2008	7/05/2008	01/01/2008	None	Yes
CISIA INVESTISSEMENTS	6/05/2008	7/05/2008	01/01/2008	None	Yes
GRUPE CISIA INGENIERIE	6/05/2008	7/05/2008	01/01/2008	None	Yes
CISIA INGENIERIE	6/05/2008	7/05/2008	01/01/2008	None	Yes
CISIA EXATERM	6/05/2008	7/05/2008	01/01/2008	None	Yes
CISIA CETOP	6/05/2008	7/05/2008	01/01/2008	None	Yes
ABILOG	26/09/2008	29/09/2008	01/01/2008	None	Yes
HPTI	26/09/2008	29/09/2008	01/01/2008	None	Yes
ANOTECH ENERGY France	26/09/2008	29/09/2008	01/01/2008	None	Yes

**2) Agreements governed by Article L 225-39 of the French Commercial Code**

We also draw your attention to the standard agreements entered into during the ordinary course of business during the past fiscal year:

- with respect to the framework agreements entered into between ALTEN and its French and foreign subsidiaries, whose purpose is to provide services based on the needs of its subsidiaries (Group services) but also more specific services (subleasing of premises), the total amount invoiced by ALTEN during the 2008 fiscal year was €13,012,029.31 (€8,090,225.77 for Group services and €4,921,803.54 for sub-leases).

- with respect to referencing agreements intended to allow affiliates to benefit from ALTEN's status as a listed supplier with certain customers and to use the ALTEN Group's image, resources and its financial, technical and commercial expertise, the total amount billed by ALTEN during fiscal year 2008 equalled €3,593,000.

- with respect to use of the ALTEN brand by its subsidiaries, the total amount billed by ALTEN during fiscal year 2008 was €2,531,548.

## C. CONCLUSION

We request that you fully discharge the Board of Directors from its management duties for the fiscal year ended 31 December 2008, as well as the Statutory Auditors with regard to the completion of their mission as set forth in their general report.

Your Board of Directors requests that you vote in favour of the proposed resolutions.

27 April 2009  
THE BOARD OF DIRECTORS





APPENDICES TO THE MANAGEMENT  
REPORT BY THE BOARD OF DIRECTORS

# APPENDIX I: SOCIAL AND ENVIRONMENTAL IMPACT OF ACTIVITY

## A. SOCIAL IMPACT OF ACTIVITY

### 1) Workforce:

- Total workforce: ALTEN Group had 12,600 employees as of 31 December 2008, including 3,726 employees within ALTEN S.A.
- Indefinite-term employment contracts: 1,526
- Fixed-term employment contracts: 102
- Recruiting problems: ALTEN recruits top-level engineers. The professional we are seeking are concentrated within sectors that remain highly competitive.
- Departures: 1,619
  - Resignations: 1,008
  - Dismissals: 59
  - End of trial period: 359
  - End of fixed-term employment contract: 58
  - Other (including transfers): 135
- Overtime worked: 2,232
- External labour: sub-contracted labour for the completion of technological projects.
- Information relating to staff reduction and job protection plans, transfers, re-employment and assistance measures: Not applicable.

### 2) Working time:

- Hours worked:
  - Full time: 35 hours a week
  - Part time: greater than or equal to 20 hours: 38 employees  
less than 20 hours: 2 employees.

• Absenteeism and its reasons: 25,664 days broken down as follows:

- Unpaid leave, parental leave, and leave for family events 44.8%
- Maternity leave 17%
- Sick leave 37.5%
- Occupational injuries 0.7%

### **3) Remuneration, mandatory and discretionary profit sharing and savings plans:**

Employer contributions as of 31/12/2008 totalled €55,957,000 linked to total payroll.

The majority of Group companies (those with more than 50 employees) have implemented mandatory profit sharing plans and company savings plans with the possibility of voluntary payments. Employees may choose to invest in the "ALTEN" FCPE or in mutual funds with specific profiles (money market – conservative – growth).

In 2008, the amounts paid for employee profit sharing was €7,391,000, a 2.9% increase over 2007 (€7,183,000). The amounts paid for ALTEN SA employee profit sharing was €2,587,000.

ALTEN Group companies makes every effort to ensure that, in comparable situations, men and women are treated equally in terms of career development, access to training, pay and positions within the company.

### **4) Employee relations:**

Companies within the Group actively pursue dialogue with their labour relations partners.

ALTEN S.A. met with the Works Council 15 times and with employee representatives 12 times during 2008.

### **5) Health and safety:**

ALTEN S.A.'s Health and Safety Committee met 15 times in 2008. The other Group subsidiaries that met the regulatory threshold also implemented Health and Safety Committees which met periodically as required by law.

The majority of consultants perform services on customer worksites, in laboratories or offices. Other employees working on Company premises provide functional services.

Given ALTEN's business activities, its employees are not subject to difficult or demanding working conditions.

During the fiscal year 2008, ALTEN Group recorded a very low rate of work-related accidents (0.7%).

### **6) Training:**

ALTEN devotes a significant budget to training activities. In 2008, this budget represented 2.29% of its overall payroll.

Training efforts are divided among the following key areas:

- adapting employees to the various divisions' operational needs,
- professional and personal development of employees so they can take full advantage of career opportunities offered by the company,
- strengthening managerial and project management skills.

### **7) Mobility:**

All of our consultants can move within ALTEN. As of 31 December 2008, 510 consultants were moved overseas in the context of well-defined assignments.

### **8) Employment and recruitment of foreign employees:**

As of 31 December 2008, 225 foreign employees, including 177 from outside of the European Union, were employed by ALTEN (i.e. 6% of the overall workforce).

### **9) Employment and integration of disabled staff:**

With respect to employment of disabled staff, companies within the Group are committed to a voluntary policy to improve the integration of these employees into the company.

The company has eight disabled staff members, but this figure is probably higher in reality as many disabled people do not inform their employers of their disability.

Furthermore, ALTEN subcontracts from certain associations that advocate for the employment of disabled persons and purchases certain supplies from these organisations. The company paid a tax of €1,143,000 to AGEFIPH.

### **10) Welfare and cultural benefits:**

The budget allocated to welfare benefits represented 0.8% of the payroll.

### **11) Subcontracting:**

ALTEN mainly uses subcontractors from within the Group. In fiscal year 2008, subcontracting expenses amounted to €84,947,661.25. The ALTEN Group ensures that its subsidiaries comply with the fundamental provisions of national and international labour laws in their relations with subcontractors. In particular, the ALTEN Group ensures that its subcontractors and affiliates comply with a code of ethics, especially the provisions of the ILO, given that engineers are mainly from European Union member countries that have adopted the ILO's fundamental principles.

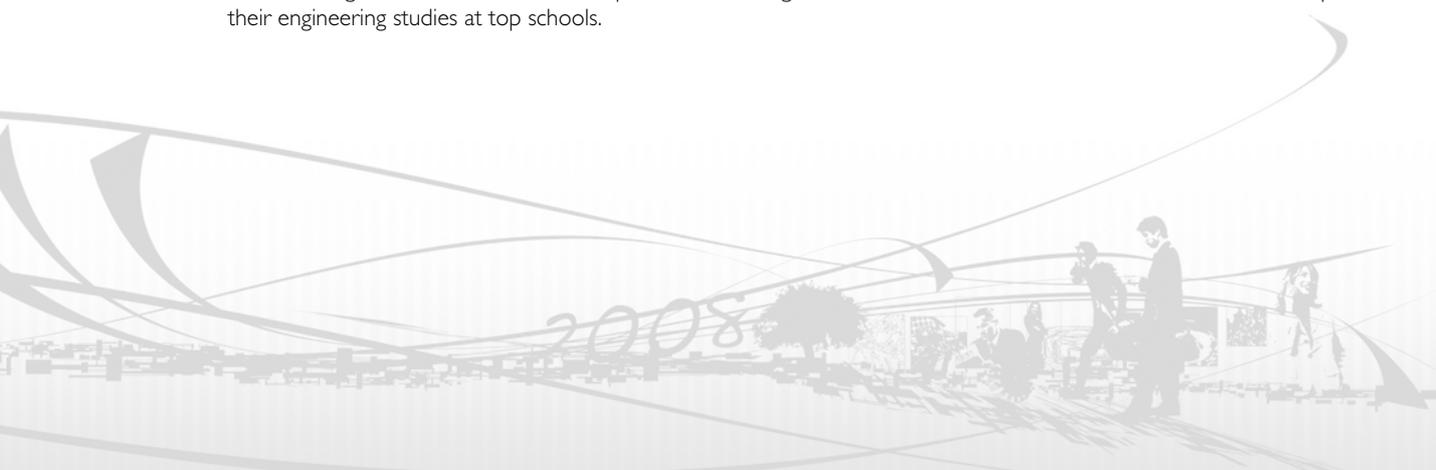
In 2008, expenses related to the use of temporary workers equalled €595,962.45.

### **12) Relationships with local and regional communities:**

In the field of education and training, ALTEN has formed partnerships with numerous engineering and business schools whose programmes relate to the company's needs.

In addition, the Chairman was part of an employment commission established by GEICET, a professional association aimed at promoting the engineering trade.

ALTEN, along with the «n+i network», implemented training courses for Indian students who come to France to complete their engineering studies at top schools.



## B. ENVIRONMENTAL IMPACT OF ACTIVITY

These risks are not material. The ALTEN Group provides intellectual services. Therefore, these activities have little environmental impact.

## APPENDIX 2: SUMMARY OF CURRENT DELEGATIONS OF POWER RELATED TO CAPITAL INCREASES

	Date of the Annual General Meeting	Delegation's expiry date	Authorised amount	Increases of previous years	Increases during the past fiscal year	Residual amount at the date on which this summary was prepared
Delegation of authority for the purpose of increasing capital by issuing common shares or securities giving a right in the share capital reserved for shareholders and/or by incorporation of reserves, earnings or premiums.	27/06/2007	26/08/2009	€15,507,000	None	None	€15,507,000
Delegation of authority for the purpose of increasing capital by issuing common shares or securities conferring a right in the share capital, with rescission of pre-emptive subscription rights.	27/06/2007	26/08/2009	€15,507,000	None	None	€15,507,000
Delegation of authority to increase issue amounts in the event of excess demand	27/06/2007	26/08/2009				
Delegation of authority to increase share capital with rescission of pre-emptive subscription rights reserved for members of a company savings plan (PEE)	27/06/2008	26/08/2010	5% of the amount of capital	None	None	5% of the amount
Delegation of authority to increase share capital for the purpose of remunerating contributions in kind	27/06/2006	26/08/2009	10% of capital	None	None	10% of capital
Delegation of authority to issue stock options (1)	27/06/2006	26/08/2009	14% of capital	None	None	14% du capital
Delegation of authority to award free shares to salaried employees (and/or to certain company officers and directors) (2)	27/06/2007	26/08/2010	3% of capital	None	None	3% of capital
Delegation of authority to issue stock warrants reserved for a category of persons	27/06/2008	26/12/2009	€510,000	None	None	€510,000

(1) with regard to the delegation of authority granted 7 January 1999, 2,413,120 options were awarded, conferring a right to 276,018 shares not yet exercised at the time of this report, i.e. 0.87% of the capital.

(1) with regard to the delegation of authority granted 25 June 2003, 496,500 options were awarded, conferring a right to 295,375 shares not yet exercised at the time of this report, i.e. 0.93% of the share capital.

(1) with regard to the delegation of authority granted 27 June 2006, 1,812,570 options were awarded, conferring a right to 1,271,380 shares not yet exercised at the time of this report, i.e. 4% of the share capital.

In all, 1,842,773 options awarded have yet to be exercised, i.e. 5.81% of the share capital.

Note: Under the delegation by the Combined General Meeting of 27 June 2006, on 23 October 2006 the Board of Directors awarded 1,189,780 stock options to certain beneficiaries, subject to certain conditions precedent to achieve objectives set by Management.

(2) Under the delegation of authority dated 27 June 2007, 105,600 free shares were awarded (i.e., 0.33% of the capital).

# ANNEXE 3 :

## LISTE DES MANDATS ET FONCTIONS EXERCES PAR LES MANDATAIRES SOCIAUX

First and last name of member	Initial appointment date:	Term of office expires:	Main position held in the Company	Main position held outside the Company	Other appointments and positions held in any company during fiscal year 2008
<b>Simon Azoulay</b> Born on 29/05/1956 in Rabat (Morocco)	22/09/1998 (Chief Executive Officer) 19/02/1997 (Director)	General Meeting held to approve the 2008 financial statements.	Chief Executive Officer		<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN, legal entity Chairman of:ALTEN SUD OUEST, GIST,ALTEN SIR, ANOTECH ENERGY, DEVELOP4@LL*</li> <li>• Chairman of SGTI SAS • Director of AVENIR CONSEIL FORMATION SA (formerly IDESTYLE SERVICES)</li> <li>• Manager of:ABILOG,ALTEN EUROPE,ALTEN SERVICES*, ALTEN CASH MANAGEMENT</li> <li>• Manager of:ALTEN BENELUX Sprl (Belgium),AXEN Sprl (Belgium)</li> <li>• Director of ALTEN LIMITED (Great Britain)</li> <li>• Vocal (member) of: GRUPO ALTEN SOPORTE GLOBAL S.L. (Spain), ALTEN T.I.C. S.L. (Spain)</li> <li>• Director of DES SYSTEMES ET DES HOMMES SA (outside of the Group)</li> <li>• Manager of:SCI AVENIR MONTMORENCY, SIMALEP and CAKCIV (outside of the Group)</li> </ul>
<b>Gérald Attia</b> Born on 06/04/1962 in Livry-Gargan	21/12/1998 (Deputy Managing Director) 23/01/1998 (Director)	General Meeting held to approve the 2008 financial statements (Deputy Managing Director) and General Meeting held to approve the 2009 financial statements (Director)	Deputy Managing Director and Board member		<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN SA, Director of SMART TRADE TECHNOLOGIES SA (outside of the Group)</li> <li>• Permanent representative of ALTEN SA, member of the Supervisory Board of X ANGE CAPITAL SA (outside of the Group)</li> <li>• Manager of PROXYM SARL (outside of the Group)</li> <li>• Director of SD PARTNERS Limited (Great Britain)</li> <li>• Legal representative (Apoderado) of ALTEN INGENIERIA S.L. (Spain)</li> <li>• Styrelse ledamot of XDIN Aktiebolag (publ) (Sweden)</li> </ul>
<b>Laurent Schwarz</b> Born on 29/11/1957 in Coubevoie	30/06/1999 (Director)	General Meeting held to approve the 2011 financial statements.	Director (until 21 May 2008)		<ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board of Novedia SA (outside of the Group)</li> <li>• Director of NOVEDIA DECISION SA (outside of the Group)</li> <li>• Manager of Luckyway SARL (outside of the Group)</li> </ul>
<b>Catherine Azoulay</b> Born on 18/11/1958 in Paris (14th)	28/06/2002 (Director)	General Meeting held to approve the 2013 financial statements.	Director		<ul style="list-style-type: none"> <li>• Manager of CAKCIV (outside of the Group)</li> </ul>

\* companies dissolved during the fiscal year

## APPENDIX 4: SUMMARY OF ALTEN S.A. EARNINGS FOR THE PAST FIVE YEARS (in thousands of euros)

FINANCIAL SUMMARY	31/12/08	31/12/07	31/12/06	31/12/05	31/12/04
<b>Share capital</b>					
Number of common shares	32,246	31,976	31,400	31,096	31,021
Number of shares with priority dividend	31,725,735	31,460,390	30,893,171	30,594,025	30,520,460
Maximum number of future shares to be created					
- by convertible bonds					
- by exercising subscription rights	1,948,373	2,137,433	2,861,202	2,257,375	2,192,750
Revenues net of VAT	373,490	291,946	241,027	176,707	135,434
EBITDA	29,936	43,261	31,875	21,351	23,642
Income tax	7,120	9,490	6,921	7,105	4,199
Employee profit-sharing	2,587	2,695	2,269	2,381	1,047
Net earnings	2,546	30,254	20,772	9,848	23,441
Distributed profit	0	0	0	0	0
Earnings per share after tax and before depreciation and provisions	0.64	0.99	0.75	0.39	0.60
Earnings per share after tax, depreciation and provisions	0.08	0.97	0.67	0.32	0.77
Dividend per share	0	0	0	0	0
Average workforce during the fiscal year	3,726	3,084	2,390	2,059	1,590
Total payroll	130,532	106,430	91,237	71,883	58,228
Total payroll and employee benefits	64,767	51,765	43,097	33,267	25,224

# IV - REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS RELATED TO THE COMPOSITION, THE CONDITIONS IN WHICH THE WORK OF THE BOARD IS PREPARED AND ORGANISED AND ON INTERNAL OVERSIGHT AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY ALTEN GROUP

This Report of the Chairman of the Board of Directors, approved by the Board on 27 April 2009 in accordance with the provisions of Article L 225-37 of the French Commercial Code, reports on the composition of the Board, the conditions in which the work of the Board is prepared and organised, any limitations on the authority of the Chief Executive Officer, with reference to a corporate governance code and specific procedures related to shareholder participation in the General Meeting, as well as internal oversight and risk management procedures implemented by the company

This report also specifies the principles and rules for determining remuneration and benefits of any kind granted to company officers and directors, and items likely to have an impact in the event of a public offering.

A report by the Statutory Auditors, attached to the general report which recounts the completion of their mission, presents their comments on this report on internal oversight procedures which relate to the preparation and presentation of accounting and financial information.



## I. CORPORATE GOVERNANCE

ALTEN consults the APEF-MEDEF consolidated code of corporate governance for listed companies dated December 2008 (hereafter, the "Reference Code") in connection with implementing its governance.

In an effort to constantly improve, the Board of Directors launched a study aimed at achieving compliance with certain provisions of the Reference Code, specifically the appointment of an independent director; implementation of a process to assess the work of the Board and creation of an Appointments and Remuneration Committee.

In reference to the December 2008 order, the Company should use its right under Article L 823-20 of the French Commercial Code to opt for its Board of Directors to meet as an Audit Committee, with the participation of the Statutory Auditors and the Group's Chief Financial Officer.

### I. CONDITIONS IN WHICH THE BOARD'S WORK IS PREPARED AND ORGANISED

On 20 January 2004, in addition to the Company's legal, regulatory and statutory provisions, the Board of Directors adopted a set of bylaws whose purpose is to specify the manner in which the Board is organized and operates, along with rules applicable to securities transactions involving company representatives and their families.

These bylaws were amended by the Board of Directors dated 6 March 2007 in order to comply with the new provisions set forth in the AMF general regulations related to securities transactions by company management.

In addition, the bylaws were enhanced in March 2008 by information specifically in reference to corporate governance.

#### I.1 Operational and organisational rules

##### I.1.1 Composition of the Board of Directors:

Article 15 of the Company's articles of association provides that the Board of Directors is composed of no fewer than three (3) and no more than eighteen (18) members.

To date, there are no independent directors on the Board of Directors, which is composed of:

- Mr. Simon Azoulay, who also serves as Chief Executive Officer;
- Ms. Catherine Behar (wife of Mr. Azoulay);
- Mr. Gérald Attia, who also serves as Deputy Managing Director.

Mr. Simon Azoulay, born on 29 May 1956 in Rabat (Morocco) is a graduate of SUPELEC. As of 31 December 2008 he held 10.13% of the capital (3,216,438 shares) in his own name and 28.37% (9,000,000 shares) through SGT1, in which he owns a 100% stake.

Mr. Gérald Attia, born on 6 April 1962 in Livry-Gargan (93), is a Hartford MBA graduate. As of 31 December 2008 he held 0.94% (11,690 shares)\* of the capital in his own name.

\* read: 0.97%, i.e. 308,564 shares (including bearer shares).

Ms. Catherine Behar, wife of Mr. Azoulay, was born on 18 November 1958 in Paris (14th). As of 31 December 2008, Ms. Catherine Azoulay held 0.008% of the capital (1,500 shares).

Because Mr. Simon Azoulay's term as director will expire at the next Ordinary General Meeting, a resolution to renew his term will be submitted to the shareholders' vote during the Combined General Meeting in June 2009.

Mr. Laurent Schwarz resigned from his position as director on 21 May 2008. The Board of Directors took note of his resignation on 27 June 2008. It has not replaced him to date.

To the Company's knowledge there is not currently any conflict of interest between the duties of any member of the Board of Directors with regard to the Company and their private interests.

#### **1.1.2 Term and concurrent appointments**

The term of office for members of the Board of Directors is set forth in the articles of association at the legal maximum of six (6) years.

In order to comply with the Reference Code, which states that the statutory duration of the terms shall not exceed four (4) years and that the terms of office be staggered, a resolution proposing to amend the articles of association to reduce the directors' terms of office from six (6) to four (4) years will be submitted to a shareholders' vote during the Combined General Meeting in June 2009.

Note that the directors' terms of office are already staggered (see the summary table of offices).



The list of offices held by members of the Board of Directors during the past fiscal year is as follows:

First and last name of member	Initial appointment date:	Date expiration of appointment	Main position held in the Company	Main position held outside the Company	Other appointments and positions held in any company during fiscal year 2008
<b>Simon Azoulay</b> Born on 29/05/1956 in Rabat (Morocco)	22/09/1998 (Chief Executive Officer) 19/02/1997 (Director)	General Meeting held to approve the 2008 financial statements.	Chief Executive Officer		<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN, legal entity Chairman of:ALTEN • Permanent representative of ALTEN, legal entity Chairman of:ALTEN SUD OUEST, GIST, ALTEN SIR, ANOTECH ENERGY, DEVELOP4@LL*</li> <li>• Chairman of SGTI SAS</li> <li>• Director of AVENIR CONSEIL FORMATION SA (formerly IDESTYLE SERVICES)</li> <li>• Manager of ABILOG, ALTEN EUROPE, ALTEN SERVICES*, ALTEN CASH MANAGEMENT</li> <li>• Manager of ALTEN BENELUX Sprl (Belgium), AXEN Sprl (Belgium)</li> <li>• Director of ALTEN LIMITED (Great Britain)</li> <li>• Vocal (member) of: GRUPO ALTEN SOPORTE GLOBAL S.L. (Spain), ALTEN T.I.C. S.L. (Spain)</li> <li>• Director of DES SYSTEMES ET DES HOMMES SA (outside of the Group)</li> <li>• Manager of: SCI AVENIR MONTMORENCY, SIMALEP and CAKIV (outside of the Group)</li> </ul>
<b>Gérald Attia</b> Born on 06/04.1962 in Livry-Gargan	21/12/1998 (Deputy Managing Director) 23/01/1998 (Director)	General Meeting held to approve the 2008 financial statements (Deputy Managing Director) and General Meeting held to approve the 2009 financial statements (Director)	Deputy Managing Director and Board member		<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN SA, Director of SMART TRADE TECHNOLOGIES SA (outside of the Group)</li> <li>• Permanent representative of ALTEN SA, member of the Supervisory Board of X ANGE CAPITAL SA (outside of the Group)</li> <li>• Manager of PROXYM SARL (outside of the Group)</li> <li>• Director of SD PARTNERS Limited (Great Britain)</li> <li>• Legal representative (Apoderado) of ALTEN INGENIERIA S.L. (Spain)</li> <li>• Styrelse ledamot of XDIN Aktiebolag (publ) (Sweden)</li> </ul>
<b>Laurent Schwarz</b> Born on 29/11/1957 in Courbovie	30/06/1999 (Director)	General Meeting held to approve the 2011 financial statements	Director (until 21 May 2008)		<ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board of Novedia SA (outside of the Group)</li> <li>• Director of NOVEDIA DECISION SA (outside of the Group)</li> <li>• Manager of Luckyway SARL (outside of the Group)</li> </ul>
<b>Catherine Azoulay</b> Born on 18/11/1958 in Paris (14th)	28/06/2002 (Director)	General Meeting held to approve the 2013 financial statements.	Director		<ul style="list-style-type: none"> <li>• Manager of CAKIV (outside of the Group)</li> </ul>

\* companies dissolved during the fiscal year

### 1.1.3 Convening meetings of the Board of Directors

In accordance with law and the bylaws, Directors are convened by simple letter or by e-mail. The average period for convening the Board of Directors during fiscal year 2008 was five (5) days.

Representatives to the Works Council (one management and one non-management representative) were called to all meetings of the Board of Directors by e-mail and by registered letter with acknowledgement of receipt.

The Statutory Auditors were convened to meetings of the Board of Directors which examined the annual financial statements, the half-yearly financial statements and the provisional management documents.

#### **1.1.4 Director information**

To enable members of the Board of Directors to effectively prepare for meetings, the Chairman gave the Directors all information within a reasonable and adequate period of time as required to make decisions and, more generally to carry out their duties in an objective manner. Each Director is able to obtain additional information necessary to perform his or her duties.

The Directors deemed that the information provided was clear and precise and gave them an opportunity to constructively discuss issues and help articulate the Group's acquisition and growth strategy.

The representatives from the Works Committee received the same information within the same timeframe as the members of the Board of Directors.

Minutes of the Board Meetings were drafted following each meeting and were subject to Board approval at its next meeting.

#### **1.1.5 Representation of Directors**

Directors may be represented at meetings of the Board of Directors by another Director. The proxy must be given in writing. One Director used this right during fiscal year 2008.

#### **1.1.6 Videoconference**

The Company's articles of association and the bylaws of the Board of Directors allow the Directors to take part in the Board's deliberations via videoconference. Directors who take part in Board deliberations through this method are deemed to be present when calculating the quorum and the majority, except when adopting decisions where the exercise of this right is not allowed by law or regulation (currently financial statements and the management report).

This right was not used during the 2008 fiscal year.

#### **1.1.7 Chairmanship of meetings**

The Chairman presided over the thirteen (13) meetings of the Board of Directors held during fiscal year 2008.

#### **1.1.8 Invitees to the Board Meeting**

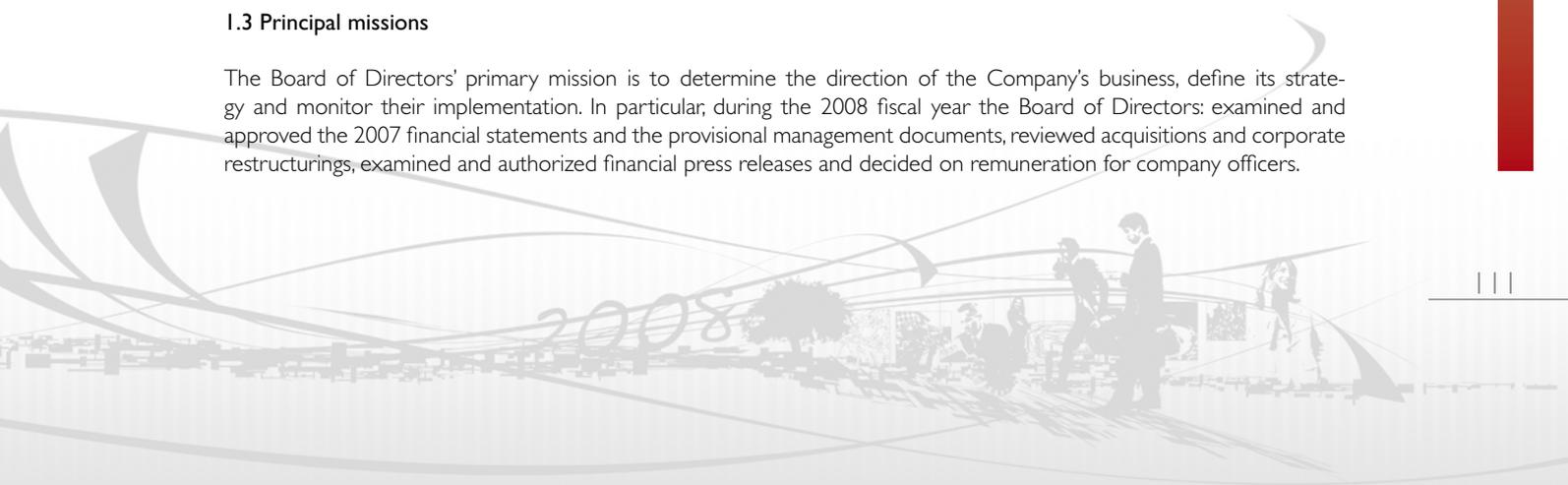
During the fiscal year, the Group's Chief Financial Officer and the Head of the Legal Department regularly attended Board meetings.

#### **1.2 Frequency of meetings and Directors' average attendance rate**

The Board of Directors met thirteen (13) times during 2008 at Company headquarters under the chairmanship of Mr. Simon Azoulay with an average attendance rate of 55%.

#### **1.3 Principal missions**

The Board of Directors' primary mission is to determine the direction of the Company's business, define its strategy and monitor their implementation. In particular, during the 2008 fiscal year the Board of Directors: examined and approved the 2007 financial statements and the provisional management documents, reviewed acquisitions and corporate restructurings, examined and authorized financial press releases and decided on remuneration for company officers.



#### **I.4 Responsibility for general management**

On 28 June 2002, the Company's Board of Directors combined the duties of Chairman of the Board of Directors and Chief Executive Officer. Since that time, Mr. Simon Azoulay has been responsible for the general management of the Company. The Board of Directors has not imposed any specific restrictions on the powers of the Chief Executive Officer.

Until 30 June 2007, ALTEN had two Deputy Managing Directors: Mr. Laurent Schwarz and Mr. Gérald Attia were appointed to serve until the Meeting called to approve the financial statements for the fiscal year ended 31 December 2008.

On 30 June 2007, Mr. Laurent Schwarz resigned from his position as Deputy Managing Director of the Company. He was not replaced.

The Board of Directors has not imposed any particular restrictions on the powers of the Deputy Managing Director. The Chief Executive Officer and the Deputy Managing Director are vested with the broadest possible powers to act on behalf of the Company in all circumstances. They exercise their powers within the scope of the company purpose, subject to that which the law expressly assigns to the Shareholders' Meeting and to the Board of Directors. They represent the Company in its relations with third parties.

Renewal of Mr. Simon Azoulay's term as director will be submitted to the Combined General Meeting in June 2009. Accordingly, the Board of Directors must meet at the end of such Meeting to consider the renewal of his appointment as Chief Executive Officer.

#### **I.5 Delegations of power relating to guarantees, bonds and sureties – Art. L 225-35 of the French Commercial Code**

During its 20 January 2009 meeting, the Board of Directors renewed the authority it had given the Chairman at its 29 January 2008 meeting to issue, with the right of further delegation, guarantees, bonds and sureties on behalf of the Company up to the amount of five (5) million euros. This authorization is given for a period of twelve (12) months which expires on 29 January 2010.

To this end, on 28 January 2009 ALTEN agreed that its subsidiary ALTEN Europe could meet its payment obligations to the sellers of the Italian company Onion, which was acquired on the same date.

It did not use this delegation of authority in 2008.

#### **I.6 Agreements under Article L 225-38 of the French Commercial Code:**

During the fiscal year 2008, the Board of Directors authorised twelve (12) new agreements falling within the scope of Section L 225-38 of the French Commercial Code. These agreements concern the entry of certain subsidiaries into ALTEN Group's scope of tax consolidation.

#### **I.7 Remuneration policy for company officers and directors**

Only the Chief Executive Officer and the Deputy Managing Director receive remuneration for their positions. At the beginning of the year, the Board of Directors declares the amount to be allocated to them for the current fiscal year, as set forth below.

### **1.7.1 Remuneration paid to the Chief Executive Officer during fiscal year 2008**

During its 29 January 2008 meeting, the Board of Directors established principles for the remuneration to be received by the Chief Executive Officer during the fiscal year, defining a maximum allocation of €400,000.

During the 2008 fiscal year, Mr. Simon Azoulay received gross remuneration of €109,080 for his position. The balance owed to him for 2008 is €150,000.

Mr. Simon Azoulay did not receive any extraordinary remuneration or benefits in kind during the fiscal year 2008, whether paid by ALTEN or a company controlled by ALTEN (within the meaning of Article L 233-16 of the French Commercial Code).

Stock options and free shares: The Board of Directors did not grant Mr. Simon Azoulay any stock options or free shares during the fiscal year 2008.

### **1.7.2 Remuneration paid to the Deputy Managing Director during fiscal year 2008**

During its 29 January 2008 meeting, the Board of Directors established remuneration principles for the Deputy Managing Director during the fiscal year, defining a maximum allocation of €200,000.

During the 2008 fiscal year, Mr. Gérald Attia received gross remuneration of €148,159 for his position.

Mr. Gérald Attia did not receive any extraordinary remuneration, benefits in kind or directors fees during 2008, whether paid by ALTEN or a company controlled by ALTEN (within the meaning of Article L 233-16 of the French Commercial Code).

Stock options and free shares: The Board of Directors did not grant Mr. Gérald Attia any stock options or free shares during fiscal year 2008.

It is specified that to date, the Company has never provided company directors and officers deferred remuneration, benefits to departing employees, or pension obligations.

### **1.7.3 Directors' fees**

ALTEN S.A. did not grant any directors fees to the Directors.

### **1.8 Shares owned and securities transactions**

The Board's bylaws include certain provisions governing Company securities transactions that are carried out by members of the Board of Directors, including in particular:

- members of the Board of Directors will inform the Autorité des Marchés Financiers (AMF) and the Company (according to procedures set forth by law, regulations and stock market authorities and those currently set forth in the AMF instruction dated 3 February 2006 and the AMF questions and answers dated 16 April 2008) of all transactions (transfer, purchase, share, pledge, etc.) concerning Company shares within the statutory period (currently a maximum of five (5) stock market trading days from the transaction date).

Note that shares held by Board members must be registered (directly or administered). The Economic Modernisation Act (known as the LME Act) of 4 August 2008 eliminated the requirement that directors to hold a Company share. The articles of association may elect to set forth a number of shares that each director must hold. A resolution proposing to amend Article 15 of the Company's articles of association will be submitted to a shareholders' vote during the Combined General Meeting on 23 June 2009.

- members of the Board of Directors shall inform the AMF when it crosses any legal or regulatory threshold related to capital and/or voting rights, whether to the upside or the downside. These declarations must be submitted to the AMF within a maximum period of five (5) stock market trading days. Board members shall also provide the Company's Legal Department a copy of the declaration submitted to the AMF.

### **1.9 The Executive Committee and the Administrative Committee**

The Board of Directors mainly relies on the work of the Executive Committee and the Administrative Committee to effectively prepare to make decisions.

#### **1.9.1 The Executive Committee**

The Executive Committee, which meets one (1) time a month, is composed of the Chief Executive Officer, directors from the Group's various Divisions, the Company Secretary, the Group's Chief Financial Officer and the Human Resources Director. It is chaired by the Chief Executive Officer.

Its primary missions are:

- to define the Group's major sales, organisational and growth strategies,
- to analyse its sales and financial performance and determine operational measures to be implemented,
- to monitor ongoing projects.

#### **1.9.2 The Administrative Committee**

The Administrative Committee, which meets one (1) time a month, is composed of the Chief Executive Officer, the Group's Chief Financial Officer, the Company Secretary, the Head of the Legal Department and the Human Resources Director.

It is chaired by the Chief Executive Officer. Depending on the agenda, the Deputy Managing Director, the Director of Information Systems and the Division Directors may be called to appear at meetings of the Administrative Committee.

Its primary missions are:

- to harmonise the Group's communications policy within the various divisions,
- to define its industrial relations and remuneration policies,
- to propose to the Board of Director the implementation of management, control and internal administrative procedures, management guidelines and delegations,
- to propose implementation and/or development of information systems in coordination with the operational and administrative management processes defined above.

It is also consulted on policies regarding remuneration and incentives for the Group's senior executives.

In addition, within each of the Group's Divisions, the Executive Committees meet at regular intervals under the leadership of the Division Directors (who are members of the Executive Committee) to implement the strategy set by general management.

### **1.10 The Statutory Auditors**

The company and consolidated financial statements were jointly certified by Grant Thornton, represented by Mr. Laurent Bouby, and by Dauge & Associés, represented by Mr. Jean-Louis Rouzé.

All of the terms of the regular and substitute statutory auditors will expire at the end of the Ordinary General Meeting called to approve the 2008 financial statements. A resolution proposing to renew their terms will be submitted to a shareholders' vote during the Combined General Meeting on 23 June 2009.

## **2. CONDITIONS FOR SHAREHOLDERS' PARTICIPATION IN THE GENERAL MEETING**

The right to take part in General Meetings is proven by entry of shares in the books under the name of the shareholder or agent on the third banking day preceding the meeting at midnight Paris time

- either in individual accounts managed by the company,
- or in bearer accounts managed by an authorised agent.

Registration or entry of bearer shares is recorded through a shareholding certificate issued by the authorised agent.

If unable to personally attend the meeting, the shareholder may select one of the following three options:

- Give a proxy to their spouse or another shareholder;
- Send a proxy to the company without identifying an agent;
- Vote by mail.

Requests from shareholders to submit draft resolutions to the agenda must be sent to the registered office by registered letter with return receipt requested no later than twenty-five (25) days before the General Meeting.

## **3. ELEMENTS LIKELY TO AFFECT A PUBLIC PURCHASE OFFER**

Information concerning elements likely to affect a public purchase offer; set forth under Article L 225-100-3 of the French Commercial Code, is provided in the Management Report on pages 16 and 17 of this Financial Report.



## II - INTERNAL OVERSIGHT AND RISK MANAGEMENT PROCEDURES

The reference framework used to prepare the internal control and risk management section of this report is the subject of an AMF recommendation dated 22 January 2007.

### I. DEFINITION AND OBJECTIVES OF INTERNAL OVERSIGHT AND RISK MANAGEMENT - SCOPE

Internal oversight is defined by ALTEN Group as a process implemented by management and staff to give reasonable assurance on the accomplishment of the following objectives:

- compliance with laws and regulations
- implementation of instructions and strategies established by general management;
- optimisation of operational activities;
- proper application of the Company's internal procedures, especially those related to preservation of assets;
- the reliability and quality of information used within the Company and distributed outside the Company, and generally the control of its activities, efficiency of operations and effective use of resources.

Internal control procedures are applied throughout ALTEN Group, which is defined as the parent company ALTEN as well as all fully consolidated companies.

The Group relies on its significant past experience and well-established document and information systems. Some of these resources are available to all employees while others are only intended for certain divisions (Finance, Human Resources, Legal) and for Operational Managers.

However, this control system can not provide an absolute guarantee that objectives will be reached and the risks, whose likelihood of occurrence and potential impact it seeks to reduce, will be eliminated.

### 2. REFERENCES AND COMPONENTS OF ALTEN'S INTERNAL CONTROL SYSTEM

The Financial Division is responsible for internal oversight procedures related to the preparation and presentation of financial information. The production and analysis of financial information relies on the Accounting, Consolidation and Management Oversight departments as well as on the Financial Divisions of the various Group subsidiaries.

All Group companies issue monthly reports on their operations and finances, which are approved by the Management Audit Division. Each quarterly report is subject to close examination.

In the case of foreign entities, additional financial audits are performed annually in accordance with procedures established by the Finance Division based on risk exposure. This is a key tool used by ALTEN Group to direct its operations. In this way, any discrepancies can be identified, analysed and addressed during the course of the year, which helps ensure that the interim and year-end financial statements are reliable.

Monthly and even weekly financial, sales and technical reviews based on quarterly reports are carried out.

Furthermore, the specific rules established by the ALTEN Group's various functional departments are set forth below:

## 2.1 Recruitment

The hiring of staff members follows a process that is set out and regularly updated by the Group Human Resources Division (procedures to be followed, model employment agreements, etc.). Once hired, information on new employees is promptly recorded in the Group's electronic database. Payroll functions for 90% of all employees in France are centrally handled.

## 2.2 Sales

New customer accounts in France are validated by the Group's Cash Management division to ensure that the customers are solvent. All customer accounts are scored and are subject to collection proceedings differentiated according to scoring levels.

For this purpose, in 2007 ALTEN implemented a software application to manage customer accounts and collections. This application operates at various levels beginning with invoicing: identification of late payments, reminder notices, dispute identification and centralisation, collections, etc.

Strict internal guidelines specify how turnover is recognised, depending on the nature of the projects (mainly time/materials and fixed price).

These guidelines are disseminated and uniformly applied by all Group subsidiaries, in France and abroad.

Invoices are issued by the administrative departments of the applicable entities. The Group has strong General Terms of Services which are systematically incorporated into its responses to calls for tender.

In 2008 a process was established to manage the performance of integrated projects. Upon receipt of a call for tenders, the Business Manager and the Technical Manager examine the commercial risks and the technical risks before deciding how to follow up the call for tenders, with the Director of Operations acting as an arbitrator.

The process continues, if applicable, with the conception, the development of the financial proposal and the technical proposal, then a review of the offer with the participation of the Technical Director, the Department Director, Management Control and the Director of Operations.

The Legal Department is systematically integrated into this process.

Because of the nature of its customers, the Group has little exposure to foreign exchange risks and credit risks.

## 2.3 Purchasing

All purchases are subject to independent verifications:

- the internal originator must issue a purchase request,
- purchase of equipment or services by the applicable Group department (General Services, IT, etc.),
- the applicable department validates the service and/or delivery,
- the Accounting Department validates the payment slip and invoice according to various documents.

Invoice settlement, arranged by the Accounting Department, is validated by an independent third party which ensures that the previous procedures have been followed and who verifies, through sampling, the information which enables validation of the invoices.

The Group has strong General Terms of Sale.

## **2.4 Legal**

During 2008, the Group was involved in legal proceedings which included the participation of the Legal Department at the various stages of procedures already underway.

Legal audits of Group subsidiaries are carried out on a regular basis, based on a preliminary self-assessment questionnaire.

## **2.5 Acquisitions**

Identifying targets and securing preliminary approval is initially handled by a dedicated department and then validated by general management, the Finance Department and the Operational Department of the applicable Division.

All proposals are reviewed by the Finance Department, the Legal Department and require the prior approval of general management.

Proposed acquisitions are submitted to the Board of Directors for approval following an operational, financial and legal audit with the goal of ascertaining that the entities fit the business model, that they are financially sound and that potential risks have been identified.

Once the project is approved, the transaction is managed by the Legal Department, which drafts and negotiates the supporting documentation.

Acquired entities are immediately incorporated into the Group's operational reporting system and management process. Depending on the entity's size, the Group's information systems may be used to ensure the reliability of the data. They are reassessed on an annual basis.

## **2.6 Property**

The first phase involves a statement of requirements and a search for new premises, which is set forth in a form sent by the Region Manager to the Director of Operations (DOP), signed for approval and then sent to the Group's General Services Department for processing. Review of the project and approval of selected premises falls within the purview of the Chief Executive Officer.

All legal obligations to provide information are respected; in particular, the Works Committee and the CHSCT (Health, Safety and Working Conditions Committee) receive information, ensuring compliance with the corporate structure.

The Legal Department is also involved in the various stages of lease negotiations, overseeing them with the General Services Department.

## **2.7 Communication**

The ALTEN Group uses all available resources to provide regular, reliable, clear and transparent information to both its shareholders and to financial analysts. Information is provided via press releases distributed to the press as well as through the quarterly publication of the Group's turnover and the biannual and annual publication of its earnings.

The Group organises semi-annual analysts' meetings at the time it publishes its earnings and answers questions posed by analysts and shareholders in connection with its financial communications.

## 2.8 Delegations of authority

The existing system for delegating authority has a threefold purpose:

- Raising awareness among Operational Directors about their responsibility for health and safety;
- Establishing ALTEN Group's power of representation for the benefit of the Operational Directors;
- Establishing a precise framework in which the Operational Directors exercise their authority (including the right of further delegation).

Delegations of authority primarily concern matters that are directly related to operations (hiring consultants or sales managers, signing customer contracts, dispute management, etc.).

Bank signing authority is only partially delegated in France and abroad for limited amounts.

## 2.9 Information systems

The Group has implemented its Information Systems with a threefold objective:

- achieve productivity gains,
- secure the flow of financial information, and
- oversee operations carried out by the various Group companies and have pertinent operational information which enables responsive management of the business.

The main application software currently in use is:

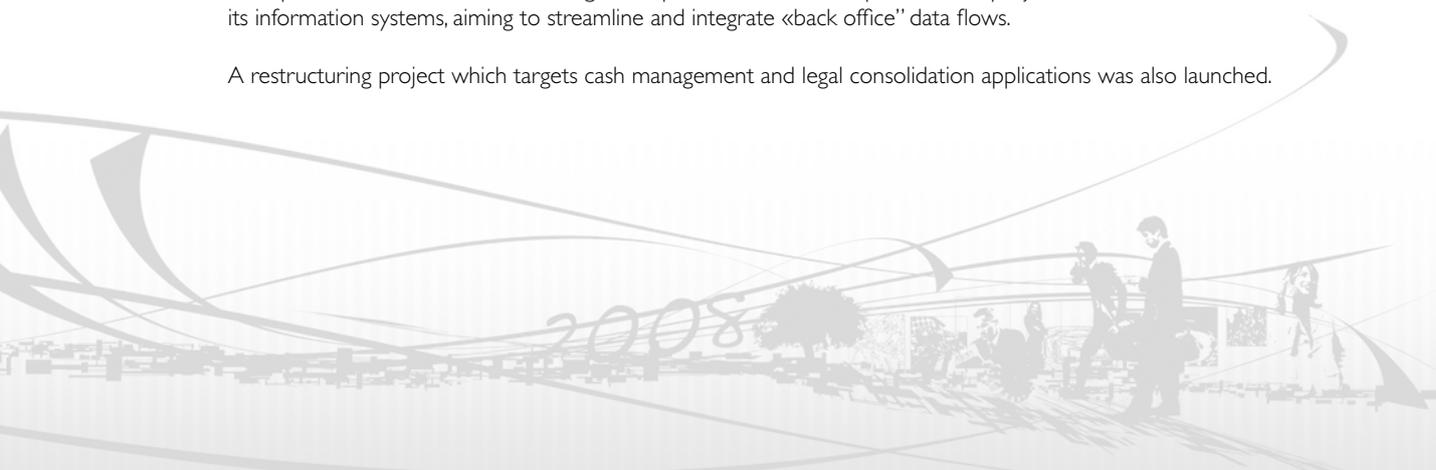
- Customer Relationship Management ("CRM");
- Human resources and consultant recruitment;
- Sales management and reporting, monitoring of assignments;
- Managing and monitoring employee working time (invoice and payroll validation, personnel management);
- Cost management and oversight (in conjunction with time and project management);
- Sales management and invoicing;
- Payroll;
- Financial management;
- Consolidation;
- Cash management.

Interfaces have been established between various software applications in order to provide access to dependable and consistent information at all stages of data processing.

### 2.9.1 Overview of work completed in 2007

To improve and secure business management procedures, the Group launched a project entitled "VISION" to restructure its information systems, aiming to streamline and integrate «back office» data flows.

A restructuring project which targets cash management and legal consolidation applications was also launched.



## **2.9.2 Work completed in 2008**

In the context of restructuring its Information Systems (Project "VISION"), a SAP solution was chosen to streamline back office operations and to serve as a base for middle and back office functions, both in France and abroad.

The initial deployment in the pilot subsidiary ALTEN SIR in France started at the beginning of 2009.

The financial consolidation software was replaced by one of the top applications on the market and has been used by the Group since June 2008.

A CRM redevelopment project was also launched.

## **2.10 Cash management**

The Group's central cash management department manages the cash of all French subsidiaries. All flows are secured by the ETEBAC 5 protocol (French standard).

The cash flow of international operations is gradually being integrated into an international cash pool. In the meantime, those cash flows are monitored and surplus balances are pooled under current-account agreements until the payment of annual dividends.

### **2.10.1 Work completed in 2008**

In connection with the international extension of cash pooling and out of concern for increasing security, speed and confidentiality of financial data processing, the Group launched a restructuring of its cash flow information systems.

The chosen solution combines cash management software to cover all Group subsidiaries (both in France and abroad) which is specifically intended to centralize and optimize cash flow and rapidly consolidate new subsidiaries, along with membership in SWIFT, the global financial communications network which uses highly secure standards.

Data is incorporated into a specific format and sent to banks using the SWIFT transport protocol over its own networks (such as SWIFTNET).

After several tests which resulted in various configurations, the production phase was initiated and is currently in progress. Deployment in the Belgian subsidiaries (test subsidiaries) should take place during 2009.

## **3. RISK MANAGEMENT**

Identified risks and resources implemented to manage these risks are described in pages 71, 72 and 73 of this Annual Report.

## 4. CONCLUSION - OUTLOOK

ALLEN Group will continue the constant improvements to its internal oversight that it has carried out over the past three years, specifically to adapt the performance of its management and oversight tools to the Group's ongoing growth and challenges.

2009 will include the following actions:

- restructure its delegations of authority, both in France and abroad,
- validate the «Vision» solution and prepare for major deployments in 2010 and 2011,
- deploy cash pooling on an international basis in connection with new cash management tools.

27 April 2009

Chairman of the Board of Directors  
**Simon Azoulay**



# V - STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

In our capacity as ALTEN's Statutory Auditors and pursuant to the provisions of Article L 225-235 of the French Commercial Code, we hereby submit our report on the report prepared by your company's Chairman in accordance with Article L 225-37 of the French Commercial Code for the year ended 31 December 2008.

The Chairman is responsible for preparing and submitting to the approval of the Board of Directors a report on the internal control and risk management procedures implemented within the company, which includes other information required under Article L 225-37 of the French Commercial Code specifically related to the corporate governance system.

It is our responsibility:

- to provide you with our comments on the information set forth in the Chairman's Report on the internal control procedures used to prepare and present the accounting and financial information, and,
- to attest that the report includes the other information required under Article L 225-37 of the French Commercial Code, it being specified that our assignment does not involve checking the truth and fairness of this other information.

We have carried out our mission in accordance with professional standards applicable in France.

## **Information concerning internal control procedures related to the preparation and presentation of accounting and financial information**

Professional standards require that we perform procedures to assess the fairness of the information presented in the Chairman's report on internal control procedures relating to the preparation and presentation of accounting and financial information. These procedures include:

- examining the internal control procedures concerning the preparation and presentation of accounting and financial information used to support the information presented in the Chairman's report along with existing documentation;
- examine the work that enabled the preparation of this information along with the existing documentation;
- determine whether any material deficiencies in internal control related to the preparation and presentation of accounting and financial information that we may have identified in the course of our audit are properly described in the Chairman's report.

Based on our audit, we have no comments concerning the information on internal control procedures relating to the preparation and presentation of accounting and financial information in the report by the Chairman of the Board of Directors, which was prepared in accordance with Article L 225-37 of the French Commercial Code.

**Other information**

We attest that the report by the Chairman of the Board of Directors includes the other information required under Article L 225-37 of the French Commercial Code.

Paris, 29 April 2009

The Statutory Auditors:

**Grant Thornton**  
French member of Grant Thornton International

Laurent Bouby  
Associé

**Cabinet Dauge & Associés**

Jean-Louis Rouzé  
Associé



# VI - DRAFT RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING OF 23 JUNE 2009

## ORDINARY RESOLUTIONS

### I<sup>st</sup> RESOLUTION

**Review and approval of the company financial statements for the year ended 31 December 2008 – Discharge of the members of the Board of Directors**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and having knowledge of the reports prepared by the Board of Directors, the Chairman of the Board of Directors and the Statutory Auditors, approves the company financial statements for the 2008 fiscal year as submitted, as well as all transactions reflected in these financial statements or summarized in these reports.

The General Meeting notes that no non-deductible charges or expenses have been recognized during the 2008 fiscal year.

The General Meeting discharges the Directors from their duties for the 2008 fiscal year.

### 2<sup>nd</sup> RESOLUTION

**The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings:**

- notes that the financial statements for the year ended 31 December 2008 and approved by this General Meeting show a net profit of €2,545,647.25.

- resolves to allocate this profit as follows:

- Allocation of €26,969.71 to the "legal reserve" item, bringing the balance of the reserve to €3,224,600.56.
- Allocation of the balance in the amount of €2,518,677.54 to the "carry forward" item, with a total of €93,264,573.39 for this item.

The General Meeting notes that no dividend has been paid during the past three fiscal years.

### **3<sup>rd</sup> RESOLUTION**

#### **Review and approval of the consolidated financial statements**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and having heard the reports prepared by the Board of Directors, the Chairman of the Board of Directors and the Statutory Auditors, approves the consolidated financial statements prepared in accordance with Articles L. 233-16 et seq. of the French Commercial Code for the 2008 fiscal year as presented, as well as all transactions reflected in these financial statements or summarized in these reports.

### **4<sup>th</sup> RESOLUTION**

#### **Statutory Auditors' report on regulated agreements and commitments and approval of these agreements**

The General Meeting approves the agreements set forth in the special report prepared by the Statutory Auditors on regulated agreements and commitments.

### **5<sup>th</sup> RESOLUTION**

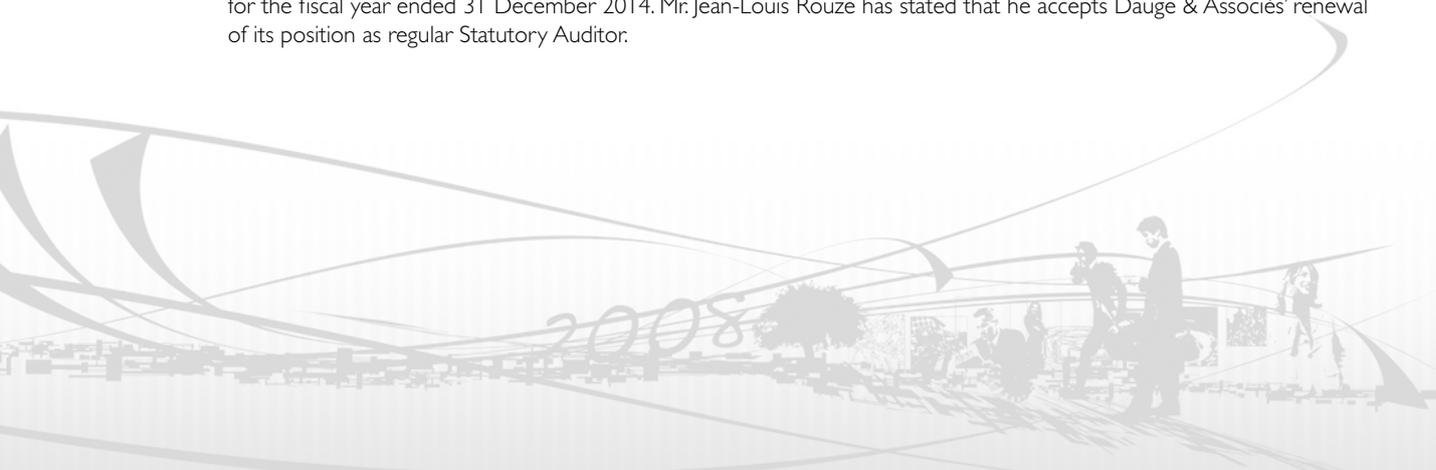
#### **Renewal of Director's term**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that Mr. Simon Azoulay, who resides at 5 rue de Montmorency, 92100 Boulogne Billancourt, ends his term as Director at the General Meeting called to approve the financial statements for the year ended 31 December 2008, hereby resolves to renew his term for a period of four (4) years, subject to the adoption of the 18th extraordinary resolution, or otherwise for a period of six (6) years. Mr. Simon Azoulay's term as director will expire at the General Meeting called to approve the financial statements for the year ended 31 December 2012. Mr. Simon Azoulay gave notice that he accepts the renewal of his term as Director and that he will satisfy the conditions and obligations set forth by the regulations in effect, especially with respect to concurrent appointments.

### **6<sup>th</sup> RESOLUTION**

#### **Renewal of the appointment of the regular Statutory Auditors, Dauge & Associés**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that the appointment of the regular Statutory Auditors, Dauge & Associés, located at 22, avenue de la Grande Armée 75017 Paris, expires at the General Meeting called to approve the financial statements for the year ended 31 December 2008, hereby resolves to renew its appointment for a period of six (6) fiscal years. The appointment of the regular Statutory Auditors, Dauge & Associés, will expire at the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2014. Mr. Jean-Louis Rouze has stated that he accepts Dauge & Associés' renewal of its position as regular Statutory Auditor.



## 7<sup>th</sup> RESOLUTION

### **Renewal of the appointment of the substitute Statutory Auditors, Kling & Associés**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that the appointment of the substitute Statutory Auditors for Dauge & Associés, Kling & Associés, located at 41, avenue de Friedland 75008 Paris, expires at the General Meeting called to approve the financial statements for the year ended 31 December 2008, hereby resolves to renew its appointment for a period of six (6) fiscal years. The appointment of the substitute Statutory Auditors, Kling & Associés, will expire at the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2014. Mr. Didier Kling has stated that he accepts Kling & Associés' renewal of its position as substitute Statutory Auditor for Dauge & Associés.

## 8<sup>th</sup> RESOLUTION

### **Renewal of the appointment of the regular Statutory Auditors, Grant Thornton**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that the appointment of the regular Statutory Auditors, Grant Thornton, located at 100, rue de Courcelles 75017 Paris, expires at the General Meeting called to approve the financial statements for the year ended 31 December 2008, hereby resolves to renew its appointment for a period of six (6) fiscal years. The appointment of the regular Statutory Auditors, Grant Thornton, will expire at the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2014. Mr. Laurent Bouby has stated that he accepts Grant Thornton's renewal of its position as regular Statutory Auditor.

## 9<sup>th</sup> RESOLUTION

### **Renewal of the appointment of the substitute Statutory Auditors, IGEC**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings and noting that the appointment of the substitute Statutory Auditors for Grant Thornton, IGEC, located at 3, rue Léon Jost 75017 Paris, expires at the General Meeting called to approve the financial statements for the year ended 31 December 2008, hereby resolves to renew its appointment for a period of six (6) fiscal years. The appointment of the substitute Statutory Auditors, IGEC, will expire at the General Meeting called to approve the financial statements for the fiscal year ended 31 December 2014. Mr. Victor Amselem has stated that he accepts IGEC's renewal of its position as substitute Statutory Auditor for Grant Thornton.

## 10<sup>th</sup> RESOLUTION

### **Share repurchase programme**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings, having duly noted the Report of the Board of Directors, authorises the Board, for a period of eighteen (18) months in accordance with Articles L. 225-209 et seq. of the Commercial Code, to purchase company shares, on one or more occasions and at the times it may choose, up to a maximum of 10% of the total number of shares forming the current share capital, adjusted if necessary to account for any increase or reduction of share capital that may arise during the duration of the programme.

This authorization replaces a similar authorization given to the Board of Directors by the Combined General Meeting of 27 June 2008.

The purchases may be made using any appropriate means for the purpose of:

- ensuring a secondary market or the liquidity of the ALTEN shares through a securities service provider via a liquidity agreement in compliance with the AMF code of conduct (AMAFI), or
- holding the purchased shares and later offering them in exchange or payment in potential acquisitions, it being specified that shares purchased for this purposes may not exceed five percent (5%) of the company's share capital,
- covering stock option plans and other forms of share allocations to Group employees or company managers under the conditions and in accordance with the terms stipulated by law, especially with respect to company profit-sharing, a company savings plan or through award of free shares,
- covering securities which give a right to shares in the company within the scope of regulations currently in effect,
- proceeding with any cancellation of the shares purchased, subject to the authorisation to be granted by the General Meeting of the Shareholders on 27 June 2008 in its seventh extraordinary resolution.

These share purchases may be carried out by any appropriate means, including the purchase of blocks of shares, and at the times that the Board of Directors will determine.

In particular, these transactions may be carried out in the event of a public offering in compliance with regulations in force.

The company reserves the right to use an option system or derivatives within the scope of applicable regulations.

The maximum purchase price is fixed at thirty euros (€30) per share. In the event of a capital transaction, in particular a stock split, reverse split or issue of free shares, the amount indicated above shall be adjusted in the same proportions (multiplier equal to the proportion between the number of shares making up capital before the transaction and the number of shares after the transaction).

The maximum amount of the transaction is fixed at €95,177,205.

The General Meeting grants to the Board of Directors all powers necessary to carry out these transactions, to determine the terms and conditions there of, to enter into all necessary agreements and to carry out all formalities.



# EXTRAORDINARY RESOLUTIONS

## 11<sup>th</sup> RESOLUTION

### **Delegation of authority to the Board of Directors to increase share capital through capitalisation of reserves, earnings or premiums**

The General Meeting, in accordance with the quorum and majority vote requirements for ordinary general meetings, having duly noted the report of the Board of Directors and pursuant to Articles L 225-129-2 and L 225-130 of the Commercial Code:

1) Authorises the Board of Directors to decide to increase the share capital, on one or more occasions, at the time and according to the method it determines, by capitalisation of reserves, earnings, premiums or other amounts that may be capitalised, by the issue and allocation of free shares or by increasing the par value of existing common shares, or by the combination of both methods.

2) Determines that in the event the Board of Directors makes use of this delegation of authority, in accordance with the provisions of Article L 225-130 of the Commercial Code, in the event of an capital increase by way of an allocation of free shares, the rights that give rise to partial shares shall not be negotiable or marketable and the corresponding securities shall be sold; the sums arising from the sale will be allocated to the holders of the rights within the statutory period.

3) Delegates such powers for a period of twenty-six (26) months from the date of this General Meeting;

4) Resolves that the amount of the capital increase resulting from issues carried out under this resolution shall not exceed the par value of €16,662,400, not taking into account the amount required to preserve the rights of holders of giving the right to shares in accordance with law.

This ceiling is independent of the total ceiling provided for under the other resolutions of this General Meeting.

5) Grants the Board of Directors full powers to implement this resolution, and generally to take any measures and carry out all formalities to successfully accomplish each capital increase, validate its completion and amend the bylaws accordingly.

6) Notes that effective on this date, this delegation of authority nullifies any prior delegation for the same purpose up to the portion of such delegation not yet used.

## 12<sup>th</sup> RESOLUTION

### **Delegation of authority to the Board of Directors to increase capital through the issue of common shares or securities giving access to capital reserved for shareholders**

The General Meeting, having duly noted the report of the Board of Directors and the special report of the Statutory Auditors and pursuant to the provisions of the French Commercial Code, in particular Article L 225-129-2:

1) Authorises the Board of Directors to increase the share capital by issuing, on one or more occasions, according to the proportions and at the times it may choose, in euros or foreign currencies or any other unit of account established by reference to a series of currencies, common shares and/or securities conveying access immediately or at a later time,

at any moment or at a certain date, to common shares of the company or; in accordance with Article L 228-93 of the French Commercial Code, of any company which owns directly or indirectly more than half of its capital or of which it owns directly or indirectly more than half of the capital, as the case may be, through subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner.

2) Delegates such powers for a period of twenty-six (26) months from the date of this General Meeting.

3) Resolves to apply the following limits to authorized issues in the event that the Board of Directors makes use of this delegation of authority:

The nominal amount of shares able to be issued by virtue of the present delegated authority shall not exceed €16,256,000.

To this amount shall be allocated the total nominal amount of shares issued by virtue of the following resolution.

The ceiling thus determined does not include the total nominal value of the additional shares which may be issued to maintain, in accordance with the law, the rights of the holders of securities conveying access to capital.

The nominal amount of securities representing debt of the company capable of being issued shall not be greater than €16,256,000.

4) In the event that the Board of Directors issues equity under the powers delegated to it pursuant to 1(a) above:

a. resolves that existing shareholders shall have irrevocable pre-emption rights to shares issued;

b. resolves that if the unconditional subscriptions and, if applicable, conditional subscriptions, have not taken up the entirety of the issue, the Board of Directors may use the powers granted by law and in particular may offer to the public all or part of the unsubscribed securities;

c. resolves that the number of securities to be issued may be increased under the terms of Article L 225-135-1 of the Commercial Code within the limits of the ceiling set forth in this resolution.

5) Resolves that the Board of Directors shall have, within the limitations set forth above, the necessary powers to set the terms of one or more issues, validate the completion of the capital increases resulting therefrom, proceed with appropriate modifications to the bylaws, allocate, in its sole discretion, the expenses of capital increases to the amount of premiums related thereto and disburse from this amount the necessary sums to bring the legal reserve to one tenth of the new capital after each increase and more generally to take all steps that are necessary under the circumstances.

6) Duly notes that the present delegation annuls any prior delegation for the same purpose.

## 13<sup>th</sup> RESOLUTION

**Delegation of authority to the Board of Directors to increase the capital by the issue of common shares or securities giving access to capital, with rescission of pre-emptive subscription rights .**

The General Meeting, having duly noted the Report of the Board of Directors and the special report of the Statutory Auditors and pursuant to the provisions of the French Commercial Code, especially Article L 225-129-2:

1) Authorises the Board of Directors to increase the capital by issuing, on one or more occasions, according to the proportions and at the times it may choose, in France and/or overseas, through an offer to the public or an offer under paragraph II of Article L 411-2 of the Monetary and Financial Code, either in euros or in foreign currencies or in any unit of account based on a basket of currencies, company common shares and/or securities giving immediate or future access to capital of the company, exercisable at any time or on a given date by means of subscription, conversion, exchange, redemption, submission of a warrant or in any other manner; provided that such securities may be issued in exchange for securities tendered to the Company in connection with a tender offer for shares that fulfils the conditions of section L 225-148 of the Commercial Code.

Pursuant to Article L 228-93 of the French Commercial Code, the securities to be issued may convey access to the common shares of any company that owns directly or indirectly more than half of its capital or of which it owns directly or indirectly more than half of the capital.

2) Delegates such powers for a period of twenty-six (26) months from the date of this General Meeting.

3) Resolves to apply the following limits to authorized issues in the event that the Board of Directors makes use of this delegation of authority:

The total nominal amount of common shares likely to be issued under this delegation of authority may not exceed €16,256,000, it being specified that in the event of an issue through an offer under paragraph II of Article L 411-2 of the Monetary and Financial Code, in addition this amount shall be limited to twenty percent (20%) of capital per year.

This amount is set off against the amount of the capital increase ceiling established in the prior resolution.

The nominal amount of securities representing debt of the company thus capable of being issued shall not be greater than €16,256,000.

4) Resolves to rescind shareholders' preferential subscription rights in respect of the shares that are the subject of this resolution, still leaving the board of Directors the option of awarding a priority right to the shareholders in accordance with law.

5) Resolves that the sum paid or to be paid to the company for each of the common shares issued under this delegation of authority, after taking account, in the event of the issue of detachable equity warrants, the issue price of such warrants, shall be at least equal to the minimum required by legal and regulatory provisions applicable at the time the Board of Directors implements this delegation of authority.

6) Resolves that in the event of the issue of securities whose purpose is to compensate for securities tendered in a public exchange offer, the Board of Directors shall, under the terms set forth in Article L 225-148 of the Commercial Code within the limitations set out above, have the necessary authority to establish the list of the securities offered in exchange, set the terms of the issue, the exchange ratio as well as, if appropriate, the amount of the cash balance to be paid, and determine the terms and conditions of the issue.

7) Resolves that the number of securities to be issued may be increased under the terms of Article L 225-135-1 of the French Commercial Code within the limits of the ceiling set forth in this resolution.

8) Resolves that the Board of Directors shall have, within the limitations set forth above, the necessary powers to set the terms of one or more issues, validate the completion of the capital increases resulting therefrom, proceed with appropriate modifications to the bylaws, allocate, in its sole discretion, the expenses of capital increases to the amount of premiums related thereto and disburse from this amount the necessary sums to bring the legal reserve to one tenth of the new capital after each increase and more generally to take all steps that are necessary under the circumstances.

9) Duly notes that the present delegation annuls any prior delegation for the same purpose.

## 14<sup>th</sup> RESOLUTION

### **Delegation of authority to the Board of Directors to increase the company's capital within a limit of 10% for the purpose of remunerating contributions in kind of shares or securities**

The General Meeting, having duly noted the reports of the Board of Directors and the Statutory Auditors and pursuant to Article L 225-147 of the French Commercial Code:

It is suggested to proceed with its early renewal and delegate all necessary powers to the Board of Directors to proceed, upon receipt of a report from an independent appraiser; with the issue of common shares or securities giving access to common shares for the purposes of remunerating contributions in kind granted to the company and made up of shares or securities giving access to capital where the provisions of Article L 225-148 of the Commercial Code are not applicable.

- 2) Delegates such powers for a period of twenty-six (26) months from the date of this General Meeting.
- 3) The total nominal amount of common shares able to be issued by virtue of this delegated authority shall not exceed 10 % of the share capital as of the date of this Meeting.
- 4) Delegates full powers to the Board of Directors to proceed with the approval of the appraisal of assets, to determine the resulting capital increase, to determine the completion thereof, to allocate if applicable all expenses and duties resulting from the capital increase to the asset contribution premium, to deduct from the asset contribution premium the necessary sums to bring the legal reserve to one tenth of the new capital after each increase, to proceed with the corresponding change in the bylaws, and to take all steps that are necessary under the circumstances.

## 15<sup>th</sup> RESOLUTION

### **Delegation of authority to increase share capital reserved for members of a company savings plan (PEE)**

The General Meeting, having duly noted the Board of Directors' report and the special report of the Statutory Auditors, in accordance with Articles L 225-129-6 and L 225-138-1 of the French Commercial Code and L 3332-18 et seq. of the French Labour Code:

- 1) Authorises the Board of Directors, if it deems fit, in its sole discretion, to increase the capital on one or more occasions through the issue of paid-up common shares and, if applicable, through the award of free common shares or other securities giving access to capital, reserved for employees (and managers) of the company (and of companies connected to it in the sense of Article L 225-180 of the French Commercial Code) who are members of a company savings plan (PEE).
- 2) Rescinds in favour of these persons the preferential subscription rights of the shares that may be issued by virtue of this authorisation.
- 3) Delegates such powers for a period of twenty-six (26) months from the date of this General Meeting.
- 4) Limits the maximum par value of the capital increase(s) that may be carried out under this authorisation to five percent (5%) of the amount of share capital reached at the time the Board of Directors decides to carry out this increase, this amount being independent of any other ceiling set forth regarding the authority to increase capital.
- 5) Resolves that the price of the shares to be issued pursuant to paragraph 1 of this delegation may not be more than twenty percent (20%) below, or thirty percent (30%) when the lock-up period stipulated in the plan in accordance with Article L 3332-25 and L 3332-26 of the French Labour Code is equal to or greater than ten years, the average of the

opening prices quoted for the twenty (20) stock exchange sessions preceding the decision of the Board of Directors concerning this capital increase and the corresponding issue of shares, nor may it exceed this average.

The Board of Directors may decide whether to implement this authorisation, take all steps and carry out all formalities as necessary.

## 16<sup>th</sup> RESOLUTION

### **Delegation of authority to the Board of Directors to grant options to subscribe for and/or purchase shares to salaried employees (and/or certain directors and officers)**

The General Meeting, having duly noted the report of the Board of Directors and the special report of the Statutory Auditors:

1) Authorises the Board of Directors, within the scope of Articles L 225-177 to L 225-185 of the French Commercial Code, to grant on one or more occasions, for the benefit of the beneficiaries listed below, options to subscribe for new company shares to be issued under a capital increase or to purchase existing company shares from stock repurchases carried out under the terms set forth by law.

2) Delegates such powers for a period of thirty-eight (38) months from the date of this General Meeting.

3) Resolves that the beneficiaries of these options may only be:

- employees, certain employees, or certain employment categories of ALTEN and, if applicable, of companies or economic interest groupings related to it under the terms of Article L 225-180 of the French Commercial Code;

- officers or directors who comply with the provisions set forth in Article L 225-185 of the French Commercial Code.

4) The total number of options which may be granted by the Board of Directors under this delegation of authority can not give the right to subscribe for or purchase a number of shares greater than fourteen percent (14%) of the existing share capital as of the date of the first award.

5) Resolves that the price at which beneficiaries may subscribe for and/or purchase the shares shall be determined on the day the options are granted by the Board of Directors in the following manner: the price shall not be lower than the minimum price determined by the legal provisions in force.

6) Resolves that no option shall be granted:

- in the period covering the ten (10) stock market sessions which precede and follow the date on which the consolidated financial statements are made public,

- during the time between the date on which the company's corporate bodies are aware of information which, if made public, could have a significant impact on the company share price and the date which follows ten stock market sessions where this information is made public,

- less than twenty (20) stock market sessions following detachment of a coupon from the shares which gives the right to a dividend or a capital increase.

7) Takes note that this authorisation includes, for the benefit of the beneficiaries, the express waiver by shareholders of their preferential subscription rights to shares which are issued when the options are exercised.

8) Delegates the Board of Directors full powers to set other terms and conditions for the award and exercise of options, in particular to:

- set the terms under which options will be granted and to decide on the list or categories of the beneficiaries as provided above; set length of service requirements for these beneficiaries, if applicable; determine the terms by which the price and number of shares will be adjusted, particularly in the events set forth under Articles R 225-137 to R 225-142 of the French Commercial Code;

- set the exercise period(s) for the options awarded, it being specified that the term of the options shall not exceed a period of eight years, as from their award date;

- provide the power to temporarily suspend the exercise of options for a maximum period of three months in the event of financial transactions involving the exercise of a right attached to the shares;

- to complete or cause to be completed all actions and formalities to finalise the capital increases which may, if applicable, be effected under the authorisation granted under this resolution; to amend the bylaws accordingly and generally to take all necessary steps;

- in its discretion and if it deems fit, charge the cost of share capital increases to the premiums over par collected as a result thereof and withdraw from such funds the sums necessary to bring the legal reserve to one-tenth of share capital following each capital increase.

## 17<sup>th</sup> RESOLUTION

### Delegation of authority to the Board of Directors to issue stock warrants

The General Meeting, with regard to the quorum and majority vote requirements for general meetings and having heard the Board of Directors' report and the special report of the Statutory Auditors:

1) Authorises the Board of Directors, in one or transactions, according to the proportions and timeframes it chooses to issue stock warrants with the rescission of pre-emptive subscription rights for the benefit of senior executives (whether or not company managers) and salaried executives of the Companies or of French or foreign companies related to it within the meaning of Article L 225-180 of the French Commercial Code, in accordance with the provisions of Articles L 225-129-2, L 225-138 and L 228-91 of the French Commercial Code;

2) Sets the period of validity for this authorisation at eighteen (18) months from this date, i.e. 22 December 2010;

3) Resolves that the par value of shares that may be issued under this delegation of authority shall not exceed €510,000;

4) Resolves that the subscription price of shares purchased by exercising the stock warrants after accounting for the price of issuing such warrants, if applicable, shall be equal to or greater than a maximum of twenty percent (20%) of the average price of ALTEN shares for the twenty (20) stock market sessions immediately preceding the decision to issue the stock warrants;

5) Resolves to rescind the pre-emptive subscription right of the holders of Company shares likely to be issued upon exercise of the stock warrants for the benefit of warrant holders;

6) Delegates to the Board of Directors, along with the right to further delegate, all powers necessary to issue the stock warrants under the conditions established by law and set forth below, in particular:

- to establish the specific list of beneficiaries within the category of persons defined above, the number of stock warrants to be awarded to each beneficiary, the number of shares granted for each warrant, the price of issuing the warrants and the shares granted for each warrant under the abovementioned conditions, the conditions and deadlines for subscribing for and exercising the warrants, their terms of adjustment and generally, all terms and procedures for issuing such stock warrants;
- to prepare an additional report setting forth the final terms and conditions for issuing the stock warrants that are the subject of this authorisation;
- to validate the completion of the capital increase resulting from the exercise of stock warrants and proceed with the applicable amendments to the Company's articles of association;
- in its sole discretion, allocate the cost of capital increases to the corresponding premiums and disburse any sums necessary from this amount to bring the legal reserve to one-tenth of new share capital following each capital increase;
- and more generally, to take all necessary and useful steps.

In accordance with Article L 225-184 of the French Commercial Code, the Board of Directors shall annually inform the Ordinary General Meeting of the transactions carried out each year within the scope of this resolution.

## 18<sup>th</sup> RESOLUTION

### **Amendment of Article 15 of the Company articles of association**

The General Meeting, in accordance with the quorum and majority vote requirements for extraordinary general meetings and having duly noted the Board of Directors' report, resolves

- to eliminate the shareholding requirement for directors,
- to reduce the directors' terms of office from 6 years to 4 years,
- to amend Article 15 of the Company articles of association accordingly.

#### **1) Former version**

##### **« ARTICLE 15 – BOARD OF DIRECTORS – COMPOSITION – TERM OF OFFICE »**

The company is administered by a Board of Directors with no fewer than three and no more than eighteen members; in the event of a merger; however, the Board may exceed a maximum of eighteen members according to the conditions and limits defined in the French Commercial Code.

Directors are appointed by the Ordinary General Meeting, which may dismiss a member from office at any time.

In the event of a merger or a demerger, they are appointed by the Extraordinary General Meeting. A legal entity which is appointed as Director must designate a permanent representative who is subject to the same conditions and obligations as if he had been appointed Director in his own name.

A company employee may only be appointed Director if his or her employment contract is in effect. The number of

Directors employed by the company may not exceed one-third of the total number of Directors in office.

Unless otherwise specified in the French Commercial Code, each Director must own at least one share in the company.

Directors are appointed for a term of six years which expires following the Ordinary General Meeting of shareholders held to approve the financial statements for the year in which such Director's term expires. All Directors whose term of office is ending are eligible to be re-elected."

## 2) New version

### « ARTICLE 15 – BOARD OF DIRECTORS – COMPOSITION – TERM OF OFFICE »

The company is administered by a Board of Directors with no fewer than three (3) and no more than eighteen (18) members; in the event of a merger; however, the Board may exceed a maximum of eighteen (18) members according to the conditions and limits defined in the French Commercial Code.

Directors are appointed by the Ordinary General Meeting, which may dismiss a member from office at any time. In the event of a merger or a demerger; they are appointed by the Extraordinary General Meeting. A legal entity which is appointed as Director must designate a permanent representative who is subject to the same conditions and obligations as if he had been appointed Director in his own name.

A company employee may only be appointed Director if his or her employment contract is in effect. The number of Directors employed by the company may not exceed one-third of the total number of Directors in office.

Directors are appointed for a term of four (4) years which expires following the Ordinary General Meeting of shareholders held to approve the financial statements for the year in which such Director's term expires. All Directors whose term of office is ending are eligible to be re-elected.

The acceptance and the exercise of the duties of director also entails the commitment, for each interested party, to attest in writing at any time that he or she personally fulfils the conditions and obligations required under the laws in force, especially with regard to concurrent appointments."

## 19<sup>th</sup> RESOLUTION

### Formalities

The General Meeting grants the bearer of a facsimile, copy or excerpt of this document the authority to carry out all registration and announcement procedures required by law.



# VII - CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

## I. Consolidated balance sheet

ASSETS	Notes	31/12/2008	31/12/2007	31/12/2006
Goodwill	1	162,561	124,427	121,976
Intangible fixed assets	2	10,211	3,038	1,879
Property, plant and equipment	2	11,428	11,498	8,702
Non-current financial assets	3	15,016	13,977	6,618
Tax assets	4	6,883	5,737	4,649
<b>NON-CURRENT ASSETS</b>		<b>206,100</b>	<b>158,677</b>	<b>143,823</b>
Trade receivables	5	377,096	299,025	243,091
Other current assets	5	27,117	22,215	17,775
Cash and cash equivalents	6	43,719	32,167	28,744
<b>CURRENT ASSETS</b>		<b>447,932</b>	<b>353,407</b>	<b>289,610</b>
<b>TOTAL ASSETS</b>		<b>654,032</b>	<b>512,084</b>	<b>433,433</b>

LIABILITIES	Notes	31/12/2008	31/12/2007	31/12/2006
Share capital		32,246	31,976	31,400
Premiums		14,065	12,036	8,063
Consolidated reserves		216,754	177,353	127,776
Consolidated earnings		54,483	42,879	45,797
<b>SHAREHOLDERS' EQUITY (Group share)</b>		<b>317,549</b>	<b>264,244</b>	<b>213,037</b>
<b>MINORITY INTERESTS</b>		<b>0</b>	<b>428</b>	<b>91</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>317,549</b>	<b>264,672</b>	<b>213,128</b>
Provisions	11	8,205	6,009	7,268
Non-current financial liabilities	7	3,375	1,704	2,892
Other non-current liabilities	8	6,772	4,731	3,213
<b>NON-CURRENT LIABILITIES</b>		<b>18,352</b>	<b>12,444</b>	<b>13,373</b>
Provisions	11	2,225	1,511	2,692
Current financial liabilities	9	58,542	27,919	19,397
Suppliers		32,560	23,707	20,502
Other current liabilities	10	224,803	181,831	164,342
<b>CURRENT LIABILITIES</b>		<b>318,131</b>	<b>234,968</b>	<b>206,932</b>
<b>TOTAL LIABILITIES</b>		<b>654,032</b>	<b>512,084</b>	<b>433,433</b>

## II. INCOME STATEMENT

(in thousands of euros)	Notes	31/12/2008	31/12/2007	31/12/2006
<b>TURNOVER</b>	<b>20</b>	<b>846,284</b>	<b>701,156</b>	<b>576,259</b>
Purchases consumed	12	(46,800)	(44,769)	(36,312)
Payroll charges	13	(593,824)	(481,263)	(389,229)
External charges	14	(91,946)	(76,653)	(60,223)
Taxes other than on income	15	(12,916)	(11,202)	(9,197)
Depreciation allowance	2	(5,473)	(5,047)	(3,892)
Other income and expenses	16	1,817	2,303	(1,817)
<b>OPERATING INCOME ON ACTIVITY</b>		<b>97,141</b>	<b>84,525</b>	<b>75,589</b>
Cost of stock option	17	(4,366)	(4,195)	(2,533)
<b>OPERATING INCOME FROM ORDINARY ACTIVITIES</b>		<b>92,776</b>	<b>80,330</b>	<b>73,056</b>
Non recurring income		0	(1,594)	0
Income from disposals		(260)	0	0
Goodwill depreciation	1	(5,560)	(5,644)	(111)
<b>OPERATING INCOME</b>		<b>86,956</b>	<b>73,093</b>	<b>72,945</b>
Financial charges	18	(3,132)	(3,159)	(1,712)
Financial income	18	1,867	2,429	792
Income tax	19	(30,889)	(29,147)	(25,414)
<b>INCOME OF CONSOLIDATED ENTITIES</b>		<b>54,802</b>	<b>43,216</b>	<b>46,610</b>
Income from companies disposed of		0	0	(750)
<b>CONSOLIDATED NET EARNING</b>		<b>54,802</b>	<b>43,216</b>	<b>45,860</b>
of which:				
<b>Minority interests</b>		<b>319</b>	<b>337</b>	<b>63</b>
<b>Group share</b>		<b>54,483</b>	<b>42,879</b>	<b>45,797</b>
Net earnings per share in euros (Group share)	21	1.72	1.38	1.48
Diluted net earnings per share (Group share)	21	1.72	1.36	1.44

### III. CASH FLOW STATEMENT

(in thousands of euros)	Notes	31/12/2008	31/12/2007	31/12/2006
<b>Consolidated net earnings</b>		<b>54,802</b>	<b>43,216</b>	<b>45,860</b>
Depreciation and provisions	22	12,147	7,516	4,919
Cost of stock option	17	4,366	4,195	2,533
Income tax	19	30,899	29,148	25,414
Other		(357)	(321)	666
Financial charges	18	3,132	3,159	1,712
Financial income	18	(1,867)	(2,429)	(792)
<b>Net cash flow after cost of financial debt and income tax</b>		<b>103,112</b>	<b>84,483</b>	<b>80,313</b>
Income tax paid		(31,862)	(28,076)	(33,604)
Change in working capital requirements	22	(19,756)	(34,026)	(25,937)
<b>Net cash from (for) operating activities</b>		<b>51,483</b>	<b>22,382</b>	<b>20,772</b>
Acquisition of tangible and intangible fixed assets	2	(12,628)	(8,431)	(5,319)
Acquisition of financial assets	3	(2,300)	(8,156)	(1,042)
Impact of changes in scope of consolidation and earn-out	22	(37,080)	(14,622)	(48,475)
Disposal of tangible and intangible fixed assets		627	300	0
Reduction in financial assets		1,090	788	372
<b>Net cash from (for) investment activities</b>		<b>(50,292)</b>	<b>(30,121)</b>	<b>(54,464)</b>
Cost of net financial debt	18	(626)	437	(221)
Capital increase	22	2,299	4,573	4,361
Acquisitions and disposals of treasury shares	26	(7,465)	0	0
Repayment of long-term financial debt		65	(1,145)	(1,261)
Change in current financial liabilities		16,077	8,171	14,737
<b>Net cash from (for) financing activities</b>		<b>10,351</b>	<b>11,161</b>	<b>17,616</b>
<b>Change in cash</b>		<b>11,552</b>	<b>3,422</b>	<b>(16,076)</b>
Opening cash position	6	32,166	28,744	44,820
Year-end cash position	6	43,719	32,166	28,744
Change		11,552	3,422	(16,076)

In accordance with IAS 7 identifying bank borrowings and loans with financing activities, the table below shows the change in positive cash flow items (see note 6).

The Group's net cash flow specifically breaks down as follows:

Year-end cash position	6	43,719	32,166	28,744
Bank borrowings	9	(54,533)	(25,650)	(17,479)
Bank loans	7.9	(6,903)	(3,267)	(4,024)
Net cash flow		(17,718)	3,249	7,241

## IV. CHANGE IN SHAREHOLDERS' EQUITY

### Change in consolidated shareholders' equity, Group share (in thousands of euros)

	Number of shares	Capital	Premiums	Reserves	Treasury shares	Conservation reserves	Earnings (Group share)	Shareholders' Equity
<b>At 31 December 2006</b>	<b>30,901,991</b>	<b>31,400</b>	<b>8,063</b>	<b>127,829</b>	<b>(48) 0</b>	<b>(5) 0</b>	<b>45,797</b>	<b>213,036</b>
Allocation of 2006 earnings				45,797			(45,797)	0
Capital increase (1)	558,399	577	3,973	23				4,572
Share-based payments				4,195				4,195
<b>Transactions with shareholders</b>		<b>577</b>	<b>3,973</b>	<b>50,015</b>	<b>0</b>	<b>0</b>	<b>(45,797)</b>	<b>8,767</b>
2007 Earnings							42,879	42,879
Exchange rate variation						(438)		(438)
<b>Earnings, income and expenses in shareholders' equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(438)</b>	<b>42,879</b>	<b>42,440</b>
<b>At 31 December 2007</b>	<b>31,460,390</b>	<b>31,976</b>	<b>12,036</b>	<b>177,844</b>	<b>(48)</b>	<b>(443)</b>	<b>42,879</b>	<b>264,244</b>
Allocation of 2007 earnings				42,879			(42,879)	0
Capital increase (2)	265,345	270	2,030	0				2,299
Cost of stock option					(7,418)			(7,418)
Share-based payments				4,366				4,366
<b>Transactions with shareholders</b>		<b>270</b>	<b>2,030</b>	<b>47,244</b>	<b>(7,418)</b>	<b>0</b>	<b>(42,879)</b>	<b>(752)</b>
2008 Earnings							54,483	54,483
Exchange rate variation						(426)		(426)
<b>Earnings, income and expenses in shareholders' equity</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(426)</b>	<b>54,483</b>	<b>54,057</b>
<b>At 31 December 2008</b>	<b>31,725,735</b>	<b>32,246</b>	<b>14,065</b>	<b>225,088</b>	<b>(7,465)</b>	<b>(869)</b>	<b>54,483</b>	<b>317,549</b>

(1) In 2007, capital increases resulted from the exercise of stock options representing 558,399 shares.

(2) In 2008, capital increases resulted from the exercise of stock options representing 265,345 shares.

### Changes in consolidated shareholders' equity, Minority interest share (in thousands of euros)

	Reserves	Earnings	Shareholders' equity
<b>At 31 December 2006</b>	<b>12</b>	<b>79</b>	<b>91</b>
Allocation of 2006 earnings	79	(79)	0
2007 Earnings		337	337
<b>At 31 December 2007</b>	<b>91</b>	<b>337</b>	<b>428</b>
Allocation of 2007 earnings	337	(337)	0
Change in scope	(747)		(747)
2008 Earnings		319	319
<b>At 31 December 2008</b>	<b>(319)</b>	<b>319</b>	<b>0</b>

(1) In 2008, the change in the percentage of interests corresponds to the 30/06/2008 repurchase of minority holdings in Alten Nederland and the 31/12/2008 repurchase of minority interests in Pegase.

The potential dilution related to the exercise of stock options in later fiscal years is presented in note 17.

La dilution potentielle liée à l'exercice des stock-options pour les exercices ultérieurs est présentée en note 17.

## V. NOTES TO THE FINANCIAL STATEMENTS

### I. PROFILE OF THE ALTEN GROUP

Founded in 1988, ALTEN is European leader in the Technology Engineering and Consulting (TEC) market.

Services are generally billed on a time-spent basis, with technology and consulting services representing 88% and information systems and network services representing 12% of its business.

ALTEN works with its customers through various types of packages: consulting, services provided as a “work package” (globalised platforms) and on a fixed price basis. Services are generally billed on a time-spent, resource-oriented basis, except for fixed price projects under which ALTEN is bound by an obligation to achieve results at a fixed price.

ALTEN carried out design and research projects for the Technical and Information Systems divisions of major customers in the industrial, telecom and service sectors.

ALTEN has been ISO-certified since 1998, and for certain sites has begun the CMMI certification process.

The consolidated financial statements presented in this document were approved by the Board of Directors at its 10 March 2009 meeting.

### 2. HIGHLIGHTS OF THE FISCAL YEAR

#### A) Legal reorganisations

Several legal reorganisations were completed.

##### a. In January 2008:

- In Germany: dissolution of ALTEK GMBH through a merger of assets and liabilities with IMP ENGINEERING, which changed its company name to ALTEN GMBH.
- In Spain: dissolution of ALPES through a merger of assets and liabilities with ALTEN INGENIERIA.
- In France: dissolution of KEATON through a merger of assets and liabilities with ALTEN SIR.

##### b. In June 2008:

- dissolution of SAGEIS CSO, ALTEN SERVICES, D4A France through a merger of assets and liabilities with ALTEN SA.
- Dissolution of Avenir Conseil Formation and Avenir Conseil Productique through a merger of assets and liabilities with Idestyle Services, which changed its company name to Avenir Conseil Formation.

## B) Acquisitions

Alten has continued its policy of targeted acquisitions, in France and abroad.

- RSYS and MANAGEMENT & PILOTAGE, companies specialising in project management (PMO) in France, acquired on 1 January 2008 (70 consultants, annual turnover: €5.2M),
- PTS SOFTWARE, a company specialising in on-board / real time software in the Netherlands, acquired on 1 January 2008 (90 consultants, annual turnover: €7.8M),
- AEROTEC SRL, a company specialising in documentary engineering, in Romania, acquired on 1 April 2008 (80 consultants, annual turnover: €1.7M),
- WINWISE, a company with expertise in Microsoft technology in France, acquired on 1 July 2008 (80 consultants, annual turnover: €7.5M),
- Grupo BURKE and BBR INGENIERIA DE SERVICIOS, companies specialising in information technology in Spain, acquired on 1 October and 31 December 2008 respectively (300 consultants, annual turnover: €24M),
- X-DIN, a company specialising in mechanical engineering, electronics and scientific calculations, in Sweden, acquired on 1 December 2008 (400 consultants, annual turnover: €40M).

BBR INGENIERIA DE SERVICIOS and X-DIN were consolidated effective 31 December 2008 with no effect on the Group's income statement.

The current market situation should enable Alten to strengthen its acquisition strategy on favourable terms, in particular overseas.

## 3. ACCOUNTING PRINCIPLES

In accordance with EC Regulation 1606/2002 of 19 July 2002, the Group's consolidated financial statements have been prepared in accordance with IFRS standards ("International Financial Reporting Standards") as adopted by the European Union. These standards are available on the European Commission website:

[www.ec.europa.eu/internal\\_market/accounting/ias.fr.htm](http://www.ec.europa.eu/internal_market/accounting/ias.fr.htm)

The accounting principles used to prepare the consolidated financial statements for the year ended 31 December 2008 are identical to those used for the year ended 31 December 2007.

The following new standards, amendments and interpretations are applicable to the Group:

Standard	Effective date		Effect on the Group
	EU*	Group	
<b>Amendment of IAS 39 and IFRS 7</b> Reclassification of financial assets.	Reclassification as of 1 October 2008	1 October 2008	Without effect on the Group's financial statements
* unless otherwise specified, applicable to fiscal years begun as of the date set forth in this column			

New standards, amendments and interpretations which may be applied prospectively:

Norme		Effective date		Effect on the Group
		EU*	Group	
<b>IAS 1 (Revised)</b>	Presentation of Financial statements	1 January 2009	1 January 2009	Amended presentation of financial statements
<b>IAS 23 (Revised)</b>	Borrowing Costs	1 January 2009	1 January 2009	Without effect on the Group's financial statements
<b>IFRIC 11</b>	IFRS2 – Group and Treasury Share Transactions	1 March 2008	1 January 2009	Without material effect on the Group's financial statements
<b>IFRIC 13</b>	Customer Loyalty Programmes	1 January 2009	1 January 2009	Without effect on the Group's financial statements
<b>IFRIC 14</b>	IAS 19 – The Limit on a Defined Benefit Asset	1 January 2009	1 January 2009	Without material effect on the Group's financial statements
<b>IFRS 8</b>	Operating segments	1 January 2009	1 January 2009	No material effect has been identified
<b>IFRS 2 Amendment</b>	Share-based Payment – Vesting conditions and cancellation	1 January 2009	1 January 2009	Without effect on the Group's financial statements
* unless otherwise specified, applicable to fiscal years begun as of the date set forth in this column				

New standards, amendments and interpretations published by the IASB but not yet approved by the European Union:

Standard		Effective date	Effect on the Group
<b>IAS 39 amendment</b>	Financial Instruments – Eligible Hedged Items	1 July 2009	Without effect on the Group's financial statements
<b>IFRS 1 (Revised)</b>	Initial adoption of the IFRS	1 July 2009	Without impact on the Group's financial statements
<b>IFRS 3</b>	Business Combinations	1 July 2009	Effect currently under evaluation
<b>IAS 27 (Revised)</b>	Consolidated and Separate Financial Statements	1 July 2009	Without effect on the Group's financial statements
<b>Amendment to IAS 32 and IAS 1</b>	Financial instruments puttable at fair value and obligations arising on liquidation	1 January 2009	Without effect on the Group's financial statements
<b>IFRIC 12</b>	Concessions	1 January 2008	Without effect on the Group's financial statements
<b>IFRIC 15</b>	Agreements for the Construction of Real Estate	1 January 2009	Without effect on the Group's financial statements
<b>IFRIC 16</b>	Hedges of a Net Investment in a Foreign Operation	1 October 2008	Without effect on the Group's financial statements
<b>IFRIC 17</b>	Distributions of Non-cash Assets to Shareholders	1 July 2009	Without effect on the Group's financial statements
<b>IFRS Initial Draft of Annual Improvements</b>		1 January 2009	Effect currently under evaluation
* unless otherwise specified, applicable to fiscal years begun as of the date set forth in this column			

The Group is currently analysing the practical consequences of these new documents and the effects of their application to the financial statements.

#### A) Management's estimates

The preparation of financial statements in accordance with IFRS standards requires that certain estimates and assumptions be made which may affect the amounts shown in the financial statements. These estimates and assessments are continuously evaluated on the basis of past experience and other factors considered reasonable.

These estimates may be reviewed if the circumstances on which they are based change or if new information becomes available. Actual results may differ from these estimates. The main estimates made by management when preparing the consolidated financial statements particularly concern assumptions used to calculate retirement obligations (note 27) and the valuation of goodwill (note 1).

The current economic crisis makes it more difficult to provide an outlook in terms of business, financing and the preparation of the financial statements, particularly with regard to accounting estimates.

## **B) Financial indicators**

The Group mainly relies on the following financial indicators:

- turnover;
- operating profit, i.e. operating income, which excludes the cost of stock options (which never results in an outflow of resources), gains or losses on the disposal of assets, impairment of goodwill and other non-recurring items not directly related to the company's business activity,
- «operating income from ordinary activities» (i.e., Operating income after stock option charges related to share-based payments),
- operating income, i.e. operating income from ordinary activities after accounting for gains or losses on the disposal of assets, impairment of goodwill and other non-recurring items and those not directly related to the company's business activity,
- the operating profit ratio which is the ratio between operating profit and turnover. This ratio measures the performance of operating activities excluding non-recurring items and those not directly related to the company's business activity,
- the financial debt ratio (net debt/shareholders' equity).

## **C) Basis of Consolidation**

The financial statements presented are those of the ALTEN Group, which comprises ALTEN SA and its subsidiaries.

The financial statements of foreign companies are prepared in accordance with accounting standards applicable in their respective countries and may be restated, if necessary, to be consistent with the Group's generally accepted standards.

The consolidated financial statements are prepared using historical cost to the exclusion of certain categories of assets and liabilities, in compliance with IFRS standards. The applicable categories are set forth in the following notes.

The financial statements of companies where ALTEN directly or indirectly exercises exclusive control are fully consolidated. The notion of exclusive control is assessed based on a majority of voting rights and the share of capital owned.

Companies on which ALTEN has a significant influence are accounted for in the consolidated financial statements using the equity method. Significant influence is not systematically assumed once the Group holds more than 20% of the voting rights. It is assessed based on the Group's authority to participate in financial and operational policy-making. The equity method implies the recognition of a share of the concerned subsidiary's earnings for the period in question in the consolidated income statement.

Inter-company transactions have been eliminated.

## **D) Presentation of the financial statements for the fiscal year**

Non-material reclassifications without impact on results were carried out in the income statements for fiscal years 2007 and 2006 in order to harmonise their presentation with information for fiscal year 2008. They mainly concern the «purchases consumed» and «external charges» aggregates.

## E) Translation of foreign currency accounts

The items included in the financial statements of each of the Group's entities are valued according to the currency of the main economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in euros, the parent company's functional currency.

The financial statements of foreign entities located outside the euro zone are prepared using the entity's functional currency and translated according to the following principles:

- balance sheet items (to the exclusion of shareholders' equity) are translated at closing rates;
- shareholders' equity is translated at the historical rate;
- the income statement is translated using the average rate for the period;
- translation variances are directly recognised under shareholders' equity in the "translation reserve".

## F) Goodwill

The acquired company's assets, liabilities and contingent liabilities that comply with the definition of identifiable assets or liabilities are recognised at their fair value on the acquisition date.

The acquisition date, from which the Group consolidates the acquired company's accounts, corresponds to the actual takeover date.

On the acquisition date, the company's contingent liabilities are recognised as liabilities and accounted for at fair value when they can be reliably valued.

Goodwill represents the difference between the cost price of the acquired company's business or securities and the Group's interest component in the fair value of the assets, liabilities and contingent liabilities on the acquisition date, and is recorded on the assets side of the balance sheet if the difference is positive, or as a liability for the acquisition year if it remains negative after re-estimation of the identification and valuation of the assets, liabilities and contingent liabilities.

Valuation of the acquired company's assets, liabilities and contingent liabilities can be adjusted within twelve months from the acquisition date. Beyond this time limit, goodwill can only be changed in very limited circumstances: price adjustments, correction of errors or later recognition of a deferred tax asset that did not meet capitalisation criteria on the date of consolidation.

Goodwill is not subject to recurrent depreciation, but decreases in value are recorded based on the results of impairment testing if necessary (see note 4).

Cash generating units (CGU) to which goodwill is allocated are subject to impairment testing at least once a year; or more frequently if there is a loss of value index. To this end, goodwill is allocated to each CGU to which it belongs based on the organization implemented by the Group.

A loss of value recorded in goodwill is irreversible and therefore can not be reversed. Upon the disposal of a consolidated unit, the amount of goodwill allocated to such unit is included in the net book value of the transferred unit. Thus, it is recognised to establish income arising from the disposal.

## **G) Intangible fixed assets**

According to IAS 38 "Intangible Assets", development costs are considered intangible assets if the company is able to demonstrate:

- the technical feasibility necessary to complete the development project in anticipation of its placement into service or sale
- its intention and technical and financial ability to complete the development project;
- that the future economic benefits to be derived from these development expenses are likely to go to the Company;
- and that the cost of the asset can be accurately valued.

All expenses directly attributable to the creation, production and preparation of the asset in view of its planned use are fixed. In accordance with IAS 23, the Group has opted not to incorporate financing expenses into production costs for long-term fixed assets.

These expenses are amortised on a straight-line basis according to the applicable fixed asset's probable lifespan.

Information systems are amortised over 6 to 8 years. With regard to the Vision project which covers the implementation of an ERP within ALTEN Group and whose deployment will begin in 2009 with completion in 2011, it was decided to amortise its cost over a 10 year period, beginning on 1 January 2009.

## **H) Property, plant and equipment**

### **a. Gross value**

According to IAS 16 "Property, Plant and Equipment", the gross value of property, plant and equipment corresponds to their acquisition or production cost. They are not subject to any revaluation.

The cost of borrowing is excluded from the cost of property, plant and equipment.

Maintenance and repair costs are recognised as charges once incurred, to the exclusion of costs related to an increase in productivity or the prolongation of the useful life of the asset.

Residual value and anticipated lifespan are reviewed at least annually and adjusted accordingly if they differ significantly from previous estimates.

### **b. Depreciation**

The depreciation period is based on the estimated useful lives of each of the different categories of assets, depreciated on a linear basis:

- computer equipment: 2 to 5 years.
- transport equipment: 3 to 5 years.
- office equipment: 3 to 5 years.
- fixtures and fittings: 5 to 10 years.
- buildings: 25 years.

### **l) Impairment of property, plant and equipment**

According to IAS 36, "Impairment of assets", the useful value of intangible assets and property, plant and equipment is reviewed at each closing and tested at each balance sheet date. For goodwill, impairment tests are conducted at least annually.

For the purpose of this test, property, plant and equipment are grouped into Cash Generating Units (CGU).

CGUs are homogeneous groups of assets that generate cash inflows through continuous use which are largely independent of the cash inflows from other assets or groups of assets. CGUs mainly correspond to legal entities in France and to groups of legal entities overseas.

The going concern value of these units is the present value of discounted future net cash flows.

When this value is less than the net book amount of the CGU, the difference is recorded under operating income; any impairment is first allocated to goodwill.

The need to recognise impairment is evaluated according to discounted cash flows on the basis of following assumptions (see note 1):

- business plan of an appropriate duration, prepared for each entity and validated by the Group Finance Department, updated at the time the year-end budget is prepared and showing estimated revenues, EBITDA, operating income, net income, working capital and capital expenditure figures;
- low growth rate;
- weighted average cost of capital, resulting from risk-free interest rates, risk premiums and additional beta and prime coefficients;
- sensitivity table.

#### **J) Leases**

Any agreements for the lease of property, plant and equipment under which the ALTEN Group incurs almost all risks and advantages related to the ownership of the property in question are considered lease-financing agreements and are subject to restatement. A lease agreement is appraised on the basis of criteria stipulated under IAS 17.

Assets that are the object of lease-financing agreements are recorded in the balance sheet under property, plant and equipment. Such assets are amortised over the duration of their estimated lifespan (on the liabilities side, the restated amount of the agreements is recorded under financial liabilities).

Operating leases are recognised as off-balance-sheet commitments.

#### **K) Financial assets**

Financial assets mainly include shares of non-consolidated entities. The Group owns minority interests in certain entities on which it does not exercise notable influence or control.

Non-consolidated equity interests are recognised in the balance sheet at the lesser of either the acquisition cost or the inventory cost. Securities are recorded at their value in use for the company. This value is estimated on the basis of potential returns. Depreciation is recognised when the inventory value thus defined is less than the acquisition cost.

Securities owned are intended to be kept until the company decides to increase its interest in order to take control of the entity or dispose of its securities.

Other non-current financial assets mainly include loans and receivables, whether or not related to equity interests, and other financial fixed assets (security deposits and guarantees, etc.)

Financial assets are impaired if their book value is less than their estimated recoverable value.

#### **L) Deferred taxes**

In accordance with IAS 12 "Income Taxes", deferred taxes are recognised whenever there is a temporary difference between the book values of assets and liabilities and their taxation values, along with any recoverable tax losses, according to the variable carry-forward method. Differences are considered temporary when they must be reversed in the relatively near future

Tax loss carry forwards are the object of a deferred tax asset in the balance sheet when they are likely to be recovered.

Deferred taxes are valued at the known tax rate applicable at the year-end closing of the accounts.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

#### **M) Trade receivables**

Trade receivables are valued at par value. They are individually valued and, where applicable, subject to impairment to account for any difficulties in collecting certain amounts.

#### **N) Other current assets**

They are valued at nominal value less any impairment arising from recovery difficulties.

#### **O) Trésorerie et équivalents de trésorerie**

Cash includes bank balances, investments in money market funds and marketable, short-term debt securities (initial maturity of less than three months) and present no material risk in terms of loss of value should interest rates fluctuate. In accordance with IAS 7, bank borrowings are treated like its financing items in the cash flow statement.

#### **P) Treasury shares**

All treasury shares held by the Group are deducted at acquisition cost from shareholders' equity.

Any gains on the disposal of treasury shares directly increase shareholders' equity and therefore, any gains/losses on disposals do not affect year-end earnings.

#### **Q) Provisions**

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recognised whenever the Group has an obligation toward a third party and it is likely or certain to result in an outflow of resources for the benefit of such third party, with no anticipated consideration of equal value.

Non-current provisions mainly include:

- provisions intended to cover any legal disputes involving the Group that are expected to end in more than one year;
- retirement obligations.

Current provisions mainly include provisions intended to cover any legal disputes involving the Group that are expected to end in the short term.

#### **a. Employee benefits**

The Group offers certain benefits in the form of defined contribution pension plans. With regard to these plans, the Group's only other commitment is the payment of premiums carried as a charge on the income statement for the fiscal year.

In accordance with IAS 19 "Employee Benefits", for defined benefit plans, retirement obligations concerning pension plans are appraised an independent expert and recognised according to the projected unit credit method.

According to this method, each period of service results in an additional right to benefits and each of these units is valued separately in order to determine the final obligation.

This final obligation is then discounted. These calculations mainly involve two types of assumptions (see note 27):

##### **i) Financial assumptions**

- a financial discounting rate;
- an inflation rate;
- a revaluation rate for employees;
- an employer contribution rate;

##### **ii) Demographic assumptions**

- the assumption of a retirement age of sixty-five years, the age at which a French employee will have reached the maximum number of years of contributions entitling the employee to the full pension amount granted under the national pension plan;
- INSEE mortality tables
- average staff turnover rates, by age and employment category
- ages at initial employment
- number of retiring employees

These estimates take place every year. Actuarial gains and losses resulting from a change of assumption or actual variances (variance between the estimate and the actual situation) in relation to the commitments or financial assets of the pension plan are recognised under earnings by spreading them over the expected remaining service life of employees (corridor method).

#### **R) Financial liabilities**

Financial liabilities concern borrowings, long-term financial debt and bank overdrafts.

The distribution between current and non-current financial liabilities is based on the short-term and long-term maturity of the items in question.



## **S) Other liabilities**

Other liabilities include social security, tax, other debt and unearned income and additional payments.

Non-current liabilities mainly include debts owed to former shareholders of certain subsidiaries acquired during prior years (earn-out clause). These debts are assessed at their fair value on the contract date, and then recognized until maturity according to their amortised cost. At the date on which the debt is recognised, the fair value corresponds to the value of future outflows discounted at the market rate if such amount is material.

The distribution between other current and non-current financial liabilities is based on the short-term and long-term maturity of the items in question.

## **T) Minority interest obligations**

In accordance with IAS 27 – “Consolidated financial statements and accounting for investments in subsidiaries” and IAS 32 – “Financial Instruments”, commitments for the purchase of minority interests, either firm or conditional, are considered a share purchase and recognized under other liabilities in consideration of a reduction in minority interests. When the buyback value exceeds the amount of the minority interest, the balance is recognized as goodwill.

## **U) Recognition of Turnover**

Group income is recognised over the period in which services are rendered and made up of invoiced services (issued or to be issued):

- time/materials: income is equal to time spent multiplied by an hourly or daily rate
- fixed price: income is recognised according to the percentage of completion method in proportion to expenses incurred.

Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance.

## **V) Subsidies and tax credits**

Operating subsidies and tax credits are recorded as deductions for expenses of the type they are intended to offset.

## **W) Stock option plans**

Stock options are granted to certain Group employees. In accordance with IFRS 2 “Share-based payments”, options are valued by an independent expert as of their award date. To value stock options, the Group uses the binomial model.

Changes in value after the date on which they are awarded have no impact on this initial valuation.

The value of options is based on their anticipated lifespan which the Group deems to correspond to the holding period. This value is recognised under payroll charges on a straight-line basis between the dates on which they are awarded and their maturity date - the period required to acquire the relevant rights - in consideration of shareholders' equity.

In accordance with IFRS 2, only those plans awarded after 7 November 2002 and whose rights were not yet vested at 1 January 2004 are valued and recognized under operating income. Plans prior to 7 November 2002 are neither valued nor recognized.

## X) Financial Earnings

Financial earnings are broken down into two elements:

a) Financial charges are composed of:

- financial charges paid: financial charges on bank overdrafts, financial charges on loans, financial charges on lease financing agreements, exchange losses;
- financial charges calculated: provisions for the impairment of securities and receivables of non-consolidated companies, costs related to discounting of provisions and long-term debt;

b. Financial income is composed of:

- financial income earned: proceeds from the sale of marketable securities, income from investments, income from loans and receivables, exchange gains;
- financial income calculated: - reversals that do not involve cash flows, reversals of impairment of securities and financial receivables.

The cost of net financial debt is made up of financial charges paid less financial income earned.

## Y) Information on net earnings per share and diluted earnings per share

Net earnings per share is the ratio of earnings as compared to the weighted annual average of shares.

Diluted net earnings per share is the ratio of net earnings as compared to the potential weighted average of shares.

## Z) Segment reporting

The ALTEN Group has only one business activity: Technology Consulting and Engineering.

Accordingly, segment reporting is presented by geographic region, distinguished between France and overseas (see note 20).

## 4. FINANCIAL RISK FACTORS

**A) Liquidity risk:** the Group aims to provide sufficient credit facilities in order to meet its operating and investment commitments. It plans to implement a "club deal" during the first half of 2009 to confirm its existing credit facilities.

**B) Credit risk:** the Group's exposure mainly concerns the trade receivables item. Due to diversification and the quality of its receivables portfolio, management believes that its credit risk is limited.

**C) Interest rate risk:** given the absence of medium and long-term debt, the Group is exposed to interest rate changes.

**D) Foreign exchange risks:** the Group has very little exposure to foreign exchange risks on ordinary commercial operations.



## 5. SCOPE OF CONSOLIDATION

### France

<u>Company name</u>	<u>Siret number</u>	<u>Consolidation method</u>	<u>% interest</u>	<u>% control</u>
ALTEN SA (1)	34860741700055	Full	100.00	100.00
ALTEN SIR	40035788500021	Full	100.00	100.00
ABILOG	35390354500062	Full	99.70	99.70
GIST	34960109600044	Full	100.00	100.00
ALTEN SUD OUEST	40419144700048	Full	100.00	100.00
MI-GSO	38054561600050	Full	100.00	100.00
ALTEN CASH MANAGEMENT	48011617700019	Full	100.00	100.00
ALTEN EUROPE	48016830100012	Full	100.00	100.00
ELITYS CONSULTING	48420799800010	Full	100.00	100.00
PEGASE SI	48484024400012	Full	100.00	100.00
GROUPE CISIA INGENIERIE	43904555000019	Full	100.00	100.00
CISIA CETOP	45085272800010	Full	100.00	100.00
CISIA EXATERM	43910029800025	Full	100.00	100.00
CISIA INGENIERIE	42238354700037	Full	100.00	100.00
CISIA INVESTISSEMENTS	45002417900019	Full	100.00	100.00
ALTEN AEROSPACE	48761023100019	Full	100.00	100.00
GROUPE IDESTYLE	41191278500044	Full	100.00	100.00
IDESTYLE TECHNOLOGIES	38369580600042	Full	100.00	100.00
ECAM SAS	37780393700020	Full	100.00	100.00
AVENIR CONSEIL FORMATION (formerly IDESTYLE SERVICES)	40246017400038	Full	100.00	100.00
ANOTECH ENERGY France	49304667600018	Full	100.00	100.00
HPTI	49967035400012	Full	100.00	100.00
DIXID	45036890700025	Full	100.00	100.00
WINWISE	39237816200052	Full	100.00	100.00

1) Consolidating company

## Overseas

<u>Company name</u>	<u>Consolidation method</u>	<u>% interest</u>	<u>% control</u>	<u>Country of operation</u>
ANOTECH ENERGY UK	Full	100.00	100.00	Great Britain
ALTEN LTD	Full	100.00	100.00	Great Britain
SD PARTNERS	Full	100.00	100.00	Great Britain
EMS LTD	Full	100.00	100.00	Great Britain
AXEN SPRL	Full	100.00	100.00	Belgium
ALTEN BENELUX	Full	100.00	100.00	Belgium
ALTEN INGENIERIA	Full	100.00	100.00	Spain
ALTEN TECHNOLOGIAS	Full	100.00	100.00	Spain
GRUPO APEX	Full	100.00	100.00	Spain
ALGOR	Full	100.00	100.00	Spain
CRONOS	Full	100.00	100.00	Spain
GRUPO ALTEN SOPORTE GLOBAL	Full	100.00	100.00	Spain
AXEN PAYS-BAS	Full	100.00	100.00	The Netherlands
ALTEN NEDERLAND	Full	100.00	100.00	The Netherlands
DDA GROEP BV	Full	100.00	100.00	The Netherlands
ORION	Full	100.00	100.00	The Netherlands
PTS SOFTWARE	Full	100.00	100.00	The Netherlands
ELITYS SA	Full	100.00	100.00	Switzerland
AXEN SARL	Full	100.00	100.00	Switzerland
ALTEN SUISSE SARL	Full	100.00	100.00	Switzerland
ASTON CONSULTING	Full	100.00	100.00	Switzerland
AEROTEC ENGINEERING AG	Full	100.00	100.00	Switzerland
ALTEN ITALIA (1)	Full	100.00	100.00	Italy
MI-GSO GMBH	Full	100.00	100.00	Germany
AEROTEC ENGINEERING GMBH	Full	100.00	100.00	Germany
ALTEN GMBH	Full	100.00	100.00	Germany
IMP CZECH	Full	100.00	100.00	Czech Republic
IMP POLAND	Full	100.00	100.00	Poland
IMP ENGINEERING SLOVAKIA	Full	100.00	100.00	Slovakia
ALTEN SI TECHNO ROMANIA	Full	100.00	100.00	Romania
AEROTEC SRL	Full	100.00	100.00	Romania
BURKE NEWCO	Full	100.00	100.00	Spain
BURKE FORMACION	Full	100.00	100.00	Spain
ICS	Full	100.00	100.00	Spain
BBR INGENIERIA DE SERVICIOS	Full	100.00	100.00	Spain
X-DIN	Full	100.00	100.00	Sweden

(1) New company name of DEC INFORMATICA

### III. BREAKDOWN OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### I. GOODWILL

Goodwill, allocated by country, breaks down as follows:

GROSSVALUE	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
31/12/2006	75,425	4,879	3,104	7,644	14,197	17,207	2,682	451	0	0	125,589
Earn-out adjustments Acquisitions (1)	1,850 4,611				300	(107)		1,440	0	0	3,483 4,611
31/12/2007	81,886	4,879	3,104	7,644	14,497	17,100	2,682	1,891	0	0	133,683
Earn-out adjustments Acquisitions (1) Reclassifications	(155) 8,065 (471)			125 5,083	398 13,900 (84)		118	(78)	(93) 1,031 437	4,693 10,724	4,890 38,804 (0)
31/12/2008	89,325	4,879	3,104	12,852	28,711	17,218	2,682	1,813	1,376	15,418	177,377

DEPRECIATION	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
31/12/2006	111	1,897	0	0	1,004	0	600	0	0	0	3,612
Provisions (2)	1,761	1,954				1,929					5,644
31/12/2007	1,872	3,851	0	0	1,004	1,929	600	0	0	0	9,256
Provisions (2)	5,560										5,560
31/12/2008	7,432	3,851	0	0	1,004	1,929	600	0	0	0	14,816

NETVALUES	France	Great Britain	Belgium	The Netherlands	Spain	Germany	Italy	Switzerland	Romania	Sweden	Total
31/12/2006	75,314	2,982	3,104	7,644	13,193	17,207	2,082	451	0	0	121,976
31/12/2007	80,014	1,028	3,104	7,644	13,493	15,171	2,082	1,891	0	0	124,427
31/12/2008	81,893	1,028	3,104	12,852	27,707	15,289	2,082	1,813	1,376	15,418	162,561

**(1) In 2007:** The increase of goodwill in the amount of €4,611,000 was mainly due to the acquisitions of Avenir Conseil Formation and Productique.

**In 2008:** The increase of goodwill in the amount of €38,804,000 was due to the acquisition of DIXID, RSYS, Management & Pilotage and WINWISE in France, PTS SOFTWARE in the Netherlands, AEROTEC SRL in Romania, Grupo BURKE and BBR Ingenieria de Servicios in Spain, X-DIIN in Sweden and the purchase of minority interests in PEGASE SI and Alten Nederland.

**(2) In 2007:** Non-recurring depreciation concerned CISIA Group and SAGEIS in France, SD PARTNERS in the United Kingdom and IMP GROUP in Germany.

**In 2008:** Non-recurring depreciation concerned CISIA Group, Idestyle Technologies and its subsidiary Ecam in France.

The following key assumptions were used to determine the values in use of the CGUs:

- discount rate and growth rate:

Country / year	Discount rate		Growth rate in perpetuity	
	2008	2007	2008	2007
France	10% to 11.56%	10.46%	2%	2%
Other countries	10%	10.46% to 11.26%	2%	2%

- Items that make up the weighted average cost of capital (WACC):

Country	OAT (French treasury bond)	Risk premium	Beta coefficient	Additional premium
France	3.5%	5% to 5.4%	120% to 140%	0.5% to 1%
Other countries	3.5%	5%	120%	0.5%

A one point increase in WACC results in recognition of an additional €99,000 loss of value on ALTEN Group's financial statements for France CGUs.



## 2. FIXED ASSETS AND DEPRECIATION

GROSS VALUE	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
<b>31/12/2006</b>	<b>9,985</b>	<b>20,568</b>	<b>30,553</b>
Change in scope	(163)	84	(79)
Acquisitions and payments	2,493	5,938	8,431
Disposals	(9)	(644)	(653)
<b>31/12/2007</b>	<b>12,306</b>	<b>25,946</b>	<b>38,252</b>
Change in scope	2,909	2,644	5,553
Acquisitions and payments	8,686	4,186	12,873
Disposals	(1,898)	(2,377)	(4,275)
<b>31/12/2008</b>	<b>22,003</b>	<b>30,400</b>	<b>52,403</b>

DEPRECIATION	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
<b>31/12/2006</b>	<b>8,106</b>	<b>11,866</b>	<b>19,972</b>
Change in scope	391	(153)	(544)
Provisions and payments	1,560	3,487	5,047
Decrease	(7)	(752)	(759)
<b>31/12/2007</b>	<b>9,268</b>	<b>14,448</b>	<b>23,716</b>
Change in scope	2,953	1,987	4,940
Provisions and payments	1,465	4,009	5,473
Decrease	(1,894)	(1,472)	(3,366)
<b>31/12/2008</b>	<b>11,792</b>	<b>18,971</b>	<b>30,763</b>

NET VALUES	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TOTAL
<b>31/12/2006</b>	<b>1,879</b>	<b>8,702</b>	<b>10,580</b>
<b>31/12/2007</b>	<b>3,038</b>	<b>11,498</b>	<b>14,536</b>
<b>31/12/2008</b>	<b>10,211</b>	<b>11,428</b>	<b>21,641</b>

The change in the gross value of intangible assets mainly come from capitalisation of development costs for an integrated management software package expected to be put into service on 1 January 2010. This asset will be depreciated over 10 years.

Non-material changes in the exchange rate are incorporated into the «acquisitions and payments» (gross values) and «provisions and payments» (depreciation) lines.

### 3. NON-CURRENT FINANCIAL ASSETS

GROSS VALUE	Non-consolidated holdings	Equity interests	Loans	Security deposits and guarantees paid	Other long-term financial assets	TOTAL
<b>31/12/2006</b>	<b>3,946</b>	<b>3</b>	<b>28</b>	<b>3,056</b>	<b>1,152</b>	<b>8,184</b>
Change in scope				11		11
Acquisitions and payments	7,014	200	20	1,123	(201)	8,156
Disposals			(15)	(786)	(18)	(819)
<b>31/12/2007</b>	<b>10,960</b>	<b>203</b>	<b>33</b>	<b>3,404</b>	<b>933</b>	<b>15,532</b>
Change in scope		72	14	1,263		1,349
Acquisitions and payments	366	200	214	509	(168)	1,121
Disposals	(361)		(37)	(825)		(1,223)
<b>31/12/2008</b>	<b>10,965</b>	<b>475</b>	<b>223</b>	<b>4,351</b>	<b>765</b>	<b>16,780</b>

PROVISIONS	Non-consolidated holdings	Equity interests	Loans	Security deposits and guarantees paid	Other long-term financial assets	TOTAL
<b>31/12/2006</b>	<b>715</b>	<b>2</b>	<b>0</b>	<b>11</b>	<b>840</b>	<b>1,567</b>
Change in scope						0
Provisions and payments	76					76
Decrease					(85)	(85)
<b>31/12/2007</b>	<b>791</b>	<b>2</b>	<b>0</b>	<b>11</b>	<b>755</b>	<b>1,558</b>
Change in scope						0
Provisions and payments	574			(11)	3	566
Decrease	(361)					(361)
<b>31/12/2008</b>	<b>1,004</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>758</b>	<b>1,764</b>

NET VALUES	Non-consolidated holdings	Equity interests	Loans	Security deposits and guarantees paid	Other long-term financial assets	TOTAL
<b>31/12/2006</b>	<b>3,231</b>	<b>1</b>	<b>28</b>	<b>3,045</b>	<b>312</b>	<b>6,617</b>
<b>31/12/2007</b>	<b>10,169</b>	<b>202</b>	<b>33</b>	<b>3,393</b>	<b>179</b>	<b>13,977</b>
<b>31/12/2008</b>	<b>9,961</b>	<b>474</b>	<b>223</b>	<b>4,351</b>	<b>7</b>	<b>15,016</b>

Non-consolidated holdings include the following equity interests (in thousands of euros):

Company	%	Gross value	Depreciation	Net value	Turnover	Shareholders' equity	Net earnings	Comments
AUSY	9.90%	3,493		3,493	108,864	21,018	3,189	At 31/12/2007
X-ANGE	7.29%	3,750	518	3,232	n/a	54,785	1,236	
SMART TRADE	4.41%	634	473	161	1,368	3,850	(1,402)	At 31/03/2008
Miscellaneous		3,088	13	3,075				
<b>Total</b>		<b>10,965</b>	<b>1,004</b>	<b>9,961</b>				

#### 4. TAX ASSETS

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
Tax credit from carry-back losses	560	605	
Deferred tax assets	6,323	5,132	4,649
<b>Total</b>	<b>6,883</b>	<b>5,737</b>	<b>4,649</b>

Deferred tax is broken down as follows:

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
Employee profit-sharing	2,560	2,463	2,180
Retirement benefits	1,336	936	606
Other timing differences	953	188	1,860
Tax loss carry-forwards	1,260	1,170	0
<b>Total deferred taxes</b>	<b>6,110</b>	<b>4,758</b>	<b>4,646</b>

Of which			
Tax credit from carry-back losses	6,323	5,132	4,649
Deferred tax assets	(213)	(374)	(3)

The change in deferred taxes is broken down as follows:

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
<b>Deferred taxes at opening</b>	<b>4,758</b>	<b>4,646</b>	<b>2,646</b>
Changes in scope and exchange rate	1,270	304	813
Expenses (or income) for the period (note 19)	82	(192)	1,187
<b>Deferred taxes at fiscal year end</b>	<b>6,110</b>	<b>4,758</b>	<b>4,646</b>

The amount of recognised deferred taxes related to tax losses carried forward equalled €3,059,000 at 31/12/2008.

## 5. CURRENT ASSETS

	31/12/2008	31/12/2007	31/12/2006
<b>TRADE RECEIVABLES</b>			
Gross value	384,416	307,606	252,509
Provision	(7,319)	(8,581)	(9,418)
<b>Total</b>	<b>377,096</b>	<b>299,025</b>	<b>243,091</b>
<b>OTHER CURRENT ASSETS</b>			
Inventory	146	90	119
Social security receivable	1,003	1,121	894
Income tax receivable	16,351	13,628	10,295
Other receivables	8,450	6,446	7,534
Impairment of other receivables	(1,978)	(2,005)	(2,742)
Deferred charges	3,145	2,934	1,774
<b>Total</b>	<b>27,117</b>	<b>22,214</b>	<b>17,874</b>

The following table presents the breakdown of the portfolio by age of the account:

(in thousands of euros)	31/12/2008					31/12/2007					31/12/2006				
	Not due	Less than 6 months	6 months to 1 year	More than 1 year	Balance	Not due	Less than 6 months	6 months to 1 year	More than 1 year	Balance	Not due	Less than 6 months	6 months to 1 year	More than 1 year	Balance
<b>TRADE RECEIVABLES</b>															
Gross value	300,484	65,806	7,236	10,889	<b>384,416</b>	194,331	94,233	6,620	12,422	<b>307,606</b>	180,489	58,235	4,008	9,777	<b>252,509</b>
Provisions		(272)	(362)	(6,685)	<b>(7,319)</b>		(166)	(163)	(8,252)	<b>(8,581)</b>		(880)	(1,371)	(7,167)	<b>(9,418)</b>
<b>Net values</b>	<b>300,484</b>	<b>65,534</b>	<b>6,874</b>	<b>4,204</b>	<b>377,096</b>	<b>288,398</b>	<b>288,398</b>	<b>6,457</b>	<b>4,170</b>	<b>299,025</b>	<b>237,844</b>	<b>237,844</b>	<b>2,637</b>	<b>2,610</b>	<b>243,091</b>

Based on its experience and given its trade debt collection policies, the Group estimates that the level of impairment for the fiscal year is in accordance with the risks incurred.

## 6. CASH AND CASH EQUIVALENTS

	31/12/2008	31/12/2007	31/12/2006
Investment securities	2,750	2,450	4,335
Cash assets	40,968	29,717	24,409
<b>TOTAL</b>	<b>43,719</b>	<b>32,167</b>	<b>28,744</b>

Marketable securities are valued at fair value.

## 7. NON-CURRENT FINANCIAL LIABILITIES

	31/12/2008	31/12/2007	31/12/2006
Bank loans (1)	1,981	292	1,147
Other loans and related debt	1,062	890	991
Employee profit-sharing	171	293	591
Security deposits and guarantees received	162	229	163
<b>TOTAL</b>	<b>3,375</b>	<b>1,704</b>	<b>2,892</b>

(1) 2006/2007 change: significant drop in motor vehicle fleet leasing by a German subsidiary.

2007/2008 change: from a company acquired in Spain during the period.

At December 2008, maturity dates of non-current financial liabilities were as follows:

	2010	2011	2012	2013	Total
Bank loans (1)	934	497	306	243	1,981
Other loans and related debt	1,062				1,062
Employee profit-sharing	171				171
Security deposits and guarantees received	162				162
<b>Total</b>	<b>2,329</b>	<b>497</b>	<b>306</b>	<b>243</b>	<b>3,375</b>

## 8. OTHER NON-CURRENT LIABILITIES

	31/12/2008	31/12/2007	31/12/2006
Earn-outs (1) (2)	5,278	3,421	2,264
Social security debt (3)	1,281	936	946
Deferred tax liabilities:	213	374	3
<b>Total</b>	<b>6,772</b>	<b>4,731</b>	<b>3,213</b>

1) Fair value of earn-outs related to newly-acquired subsidiaries with maturity greater than one year: The amount at maturity equals €5,774,000.

(2) Including repurchase of minority interests: €00,000

(3) Debt related to time savings accounts.

At December 2008, maturity dates of other non-current financial liabilities were as follows:

	2010	2011	2012	2013	Total
Earn-outs	1,381	3,897			5,278
Social security debt	1,281				1,281
Deferred tax liabilities	213				213
<b>Total</b>	<b>2,874</b>	<b>3,897</b>	<b>0</b>	<b>0</b>	<b>6,772</b>

## 9. CURRENT FINANCIAL LIABILITIES

	31/12/2008	31/12/2007	31/12/2006
Bank loans	2,000	1,292	1,412
Other loans and related debt	1,852	792	474
Bank overdrafts (1)	54,533	25,649	17,479
Employee profit-sharing	157	185	
Other		1	32
<b>Total</b>	<b>58,542</b>	<b>27,919</b>	<b>19,397</b>

(1) of which:

- factoring: €5,000,000 at 31/12/2008, €10,037,000 at 31/12/2007, and €6,925,000 at 31/12/2006.
- a €9,827,000 line of credit as of 31/12/2008 from a company acquired in Spain.

## 10. OTHER CURRENT LIABILITIES

	31/12/2008	31/12/2007	31/12/2006
Social security debt	97,203	85,332	80,598
Tax	88,830	75,943	55,587
Earn-outs	4,318	2,050	8,092
Other liabilities	13,474	8,504	8,877
Deferred income	20,978	10,002	11,188
<b>Total</b>	<b>224,803</b>	<b>181,831</b>	<b>164,342</b>



## II. PROVISIONS

	Corporate disputes	Commercial disputes	Other risks	Retirement benefits	TOTAL
<b>At 31/12/2006</b>	<b>4,779</b>	<b>2,797</b>	<b>317</b>	<b>2,067</b>	<b>9,960</b>
Change in scope	16			107	123
Provisions for the fiscal year	359	948	582	691	2,580
Reversals (provisions used)	(1,083)	(493)	(89)	(29)	(1,694)
Reversals (provisions no longer required)	(1,584)	(1,632)	(214)	(26)	(3,447)
<b>At 31 December 2007</b>	<b>2,487</b>	<b>1,629</b>	<b>596</b>	<b>2,808</b>	<b>7,520</b>
Change in scope	329		927	248	1,504
Provisions for the fiscal year	898	836	5	959	2,697
Reversals (provisions used)	(218)	(51)	(54)	(5)	(329)
Reversals (provisions no longer required)	(522)	(351)	(89)	(1)	(963)
<b>At 31 December 2008</b>	<b>2,974</b>	<b>2,062</b>	<b>1,385</b>	<b>4,009</b>	<b>10,430</b>

Provisions for commercial disputes mainly include losses upon termination for French companies (€1,009,000 at 31/12/2008 versus €534,000 at 31/12/2007).

Provisions for miscellaneous risks include a provision for restructuring Spanish companies (€900,000 at 31 December 2008).

### NON-CURRENT PROVISIONS

	31/12/2008	31/12/2007	31/12/2006
Industrial disputes	1,825	1,647	2,526
Commercial disputes	1,030	1,063	2,400
Other risks	1,342	491	275
Severance pay	4,009	2,808	2,067
<b>Total</b>	<b>8,205</b>	<b>6,009</b>	<b>7,268</b>

### CURRENT PROVISIONS

	31/12/2008	31/12/2007	31/12/2006
Industrial disputes	1,150	840	2,253
Commercial disputes	1,032	566	397
Other risks	43	105	42
<b>Total</b>	<b>2,225</b>	<b>1,511</b>	<b>2,692</b>

	31/12/2008	31/12/2007	31/12/2006
Total non-current provisions	8,205	6,009	7,268
Total current provisions	2,225	1,511	2,692
<b>Total provisions for risks and expenses</b>	<b>10,430</b>	<b>7,520</b>	<b>9,960</b>

## I2. PURCHASES CONSUMED

	31/12/2008	31/12/2007	31/12/2006
Purchases and operational subcontracting	(42,324)	(40,775)	(34,211)
Non inventory purchases	(4,476)	(3,994)	(2,101)
<b>Total</b>	<b>(46,800)</b>	<b>(44,769)</b>	<b>(36,312)</b>

## I3. PAYROLL CHARGES

	31/12/2008	31/12/2007	31/12/2006
Salaries and social security charges	(577,140)	(468,113)	(376,363)
Industrial disputes (note 11)	(159)	2,281	227
Retirement benefits (note 11)	(953)	(635)	(570)
Taxes payable on salaries	(7,786)	(7,621)	(6,092)
Employee profit sharing	(7,786)	(7,175)	(6,431)
<b>Total</b>	<b>(593,824)</b>	<b>(481,263)</b>	<b>(389,229)</b>

In 2008, social security charges paid under defined contribution pension plans equalled: €152,508,000 (company contribution)

## I4. EXTERNAL CHARGES

	31/12/2008	31/12/2007	31/12/2006
Leases, maintenance	(21,554)	(18,039)	(12,636)
Non-company personnel, fees	(11,040)	(11,144)	(11,291)
Transport and travel	(44,084)	(34,859)	(24,421)
Other external charges	(15,268)	(12,612)	(11,875)
<b>Total</b>	<b>(91,946)</b>	<b>(76,653)</b>	<b>(60,223)</b>

## I5. TAXES AND LEVIES

	31/12/2008	31/12/2007	31/12/2006
Professional tax	(7,915)	(6,218)	(5,098)
Property tax	(644)	(728)	(449)
Other taxes	(4,357)	(4,257)	(3,650)
<b>Total</b>	<b>(12,916)</b>	<b>(11,202)</b>	<b>(9,197)</b>

In 2008, property taxes reflected the favourable impact of adjustments and reimbursements in the amount of €113,000.

## 16. OTHER INCOME AND CHARGES

	31/12/2008	31/12/2007	31/12/2006
<b>Losses on receivables:</b>			
Provisions for impairment	(720)	(11)	(1,666)
Reversals of provisions for impairment	2,534	845	736
Losses on unrecoverable receivables	(953)	(370)	(344)
Change in losses on receivables	861	464	(1,274)
Fees		(135)	(80)
Provision for risks and charges	(294)	849	(494)
Other income and expenses	1,250	1,125	31
<b>Total</b>	<b>1,817</b>	<b>2,303</b>	<b>(1,817)</b>

The «other income and expenses» item mainly includes capitalised development costs (€1,243,000 in 2008 compared with €214,000 in 2007).

## 17. SHARE-BASED PAYMENTS

These payments are based on the various plans described below:

### A) Stock option plans

	31/12/2008	31/12/2007	31/12/2006
Share-based payments	(4,366)	(4,195)	(2,533)

<b>PLAN</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Date awarded by the Board	16/12/1999	27/09/2000	09/01/2001	25/01/2002	13/03/2003
Number of beneficiaries	190	50	180	214	237
<b>Number of options awarded</b>	<b>292,900</b>	<b>174,250</b>	<b>283 000</b>	<b>438 400</b>	<b>359 150</b>
including the number of shares awarded to employees	292,900	174,250	283 000	438 400	359 150
Including the number of shares awarded to officers and directors					
First possible exercise date	16/12/2003	27/09/2004	09/01/2005	25/01/2006	13/03/2007
Last possible exercise date	16/12/2007	27/09/2008	09/01/2009	25/01/2010	13/03/2011
Date of first possible sale:	16/12/2004	27/09/2005	09/01/2006	25/01/2006	13/03/2007
<b>Number of shares which may be exercised as of 1 January 2007</b>	<b>64,150</b>	<b>37,250</b>	<b>62,500</b>	<b>32,052</b>	<b>321,900</b>
Number of shares cancelled					
Number of shares exercised as of 31 December 2007	14,900	1,750	11,170	18,119	246,452
Number of shares voided as of 31 December 2007	49,250	500	21,500	-3 700	1,750
Fair value of the option in euros					3.59
<b>Number of shares exercisable as of 31 December 2007</b>	<b>0</b>	<b>35,000</b>	<b>29,830</b>	<b>17,633</b>	<b>73,698</b>
<b>2007 annual charge</b>					<b>87,359</b>
<b>Number of shares which may be exercised as of 1 January 2008</b>	<b>0</b>	<b>35,000</b>	<b>29,830</b>	<b>17,633</b>	<b>73,698</b>
Number of shares cancelled					
Number of shares exercised as of 31 December 2008				3,413	50,248
Number of shares voided as of 31 December 2008		35,000			-2,000
Fair value of the option in euros					
<b>Number of shares exercisable as of 31 December 2008</b>	<b>0</b>	<b>0</b>	<b>29,830</b>	<b>14,220</b>	<b>25,450</b>
<b>2008 annual charge</b>					<b>7,173</b>

<b>PLAN (continued)</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>TOTAL</b>
Date awarded by the Board	25/07/2003	06/01/2004	24/03/2005	23/10/2006	18/02/2008	
Number of beneficiaries	6	259	356	598	794	
<b>Number of options awarded</b>	<b>450,000</b>	<b>318,970</b>	<b>496,500</b>	<b>1,189,780</b>	<b>622,790</b>	<b>4,625,740</b>
including the number of shares awarded to employees	450,000	318,970	496,500	1,173,780	622,790	4,609,740
including the number of shares awarded to officers and directors				16,000		16,000
First possible exercise date	25/07/2007	06/01/2008	29/03/2009	23/10/2010	18/02/2012	
Last possible exercise date	25/07/2011	06/01/2012	29/03/2013	23/10/2014	18/02/2016	
Date of first possible sale:	25/07/2007	06/01/2008	29/03/2009	23/10/2010	18/02/2012	
<b>Number of shares which may be exercised as of 1 January 2007</b>	<b>449,500</b>	<b>277,320</b>	<b>426,750</b>	<b>1,189,780</b>	<b>0</b>	<b>2,861,202</b>
Number of shares cancelled						<b>0</b>
Number of shares exercised as of 31 December 2007	265,568					<b>557,959</b>
Number of shares voided as of 31 December 2007		32,150	62,600	1,760		<b>165,810</b>
Fair value of the option in euros	4.32	7.13	6.83	10.58		
<b>Number of shares exercisable as of 31 December 2007</b>	<b>183,932</b>	<b>245,170</b>	<b>364,150</b>	<b>1,188,020</b>	<b>0</b>	<b>2,137,433</b>
<b>2007 annual charge</b>	<b>273,862</b>	<b>393,492</b>	<b>580,255</b>	<b>2,859,602</b>		<b>4,194,570</b>
						<b>0</b>
<b>Number of shares which may be exercised as of 1 January 2008</b>	<b>183,932</b>	<b>245,170</b>	<b>364,150</b>	<b>1,188,020</b>	<b>0</b>	<b>2,137,433</b>
Number of shares awarded					622,790	<b>622,790</b>
Number of shares cancelled						<b>0</b>
Number of shares exercised as of 31 December 2008	93,932	117,652				<b>265,245</b>
Number of shares voided as of 31 December 2008		11,000	68,775	502,180	37,250	<b>652,205</b>
Fair value of the option in euros						<b>0</b>
<b>Number of shares exercisable as of 31 December 2008</b>	<b>90,000</b>	<b>116,518</b>	<b>295,375</b>	<b>685,840</b>	<b>585,540</b>	<b>1,842,773</b>

B) Free share allocation plan

<b>PLAN</b>	<b>Total</b>
Date awarded by the Board	11/04/2008
Number of beneficiaries	2
<b>Number of options awarded</b>	<b>105,600</b>
including the number of shares awarded to employees	105,600
including the number of shares awarded to officers and directors	
Date of definitive award	11/04/2011
First possible exercise date	11/04/2013
Last possible exercise date	11/04/2017
Date of first possible sale:	11/04/2013
<b>Number of shares allocated of 1 January 2008</b>	<b>0</b>
Number of vested shares as of 31 December 2008	48,400
Number of non-vested shares as of 31 December 2008	57,200
Fair value of the option in euros	20.08
<b>Number of shares awarded as of 31 December 2008</b>	<b>105,600</b>
<b>2008 annual charge</b>	<b>972,026</b>

This charge is recorded under payroll charges.

## 18. FINANCIAL EARNINGS

### FINANCIAL CHARGES

Financial charges paid	31/12/2008	31/12/2007	31/12/2006
Interest expense	(1,604)	(1 486)	(722)
Exchange losses	(608)	(261)	(83)
Other financial charges	(267)	(237)	(32)
<b>Total</b>	<b>(2,479)</b>	<b>(1,984)</b>	<b>(837)</b>

Financial charges calculated	31/12/2008	31/12/2007	31/12/2006
Discount of debts on fixed assets	(75)	(259)	(520)
Discount of social security payable		48	(244)
Discount of provisions for risks and charges		(27)	(103)
<b>Allowances to financial provisions</b>	<b>(577)</b>	<b>(937)</b>	<b>(9)</b>

<b>TOTAL FINANCIAL CHARGES</b>	<b>(3,132)</b>	<b>(3,159)</b>	<b>(1,713)</b>
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### FINANCIAL INCOME

Financial income earned	31/12/2008	31/12/2007	31/12/2006
Income on securities	0	2	50
Income on loans and receivables	114	50	11
Income on investment securities	2	40	28
Exchange gains	1,111	441	10
Net gains on disposal of marketable securities	45	23	185
<b>Total</b>	<b>1,853</b>	<b>1,547</b>	<b>616</b>

Financial income calculated	31/12/2008	31/12/2007	31/12/2006
Reversal of financial provisions	14	882	176
<b>Total</b>	<b>14</b>	<b>882</b>	<b>176</b>

<b>TOTAL FINANCIAL INCOME</b>	<b>1,867</b>	<b>2,429</b>	<b>792</b>
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## 19. BREAKDOWN OF INCOME TAX EXPENSE

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
Net Earnings: Group and Minority interests	54,802	43,216	45,860
Goodwill depreciation	5,560	5,644	111
Stock options	4,366	4,195	2,533
Income tax payable	30,889	29,147	25,414
<b>Pre-tax earnings</b>	<b>95,617</b>	<b>82,201</b>	<b>73,918</b>
Income tax rate of the parent company	33.33%	33.33%	33.33%
Theoretical tax	31,872	27,400	24,637
Social security contributions 3.3%	706	642	588
Tax rate difference with foreign companies	(901)	(1)	192
Tax credits	(712)	(235)	(157)
Permanent reintegration	685	378	217
Unrecognised deferred taxes	778	157	264
Other differences	(1,540)	805	(326)
<b>Effective tax reported</b>	<b>30,889</b>	<b>29,147</b>	<b>25,414</b>
Income tax distribution:			
Deferred taxes	(82)	192	(1,187)
Income tax payable	30,971	28,956	26,601
<b>Total</b>	<b>30,889</b>	<b>29,147</b>	<b>25,414</b>
<u>Breakdown of effective tax rate:</u>			
Theoretical tax rate	33.33%	33.33%	33.33%
Social security contributions 3.3%	0.74%	0.78%	0.80%
Tax rate difference with foreign companies	(0.94%)	(0.00%)	0.26%
Tax credits	(0.74%)	(0.29%)	(0.21%)
Permanent differences	0.72%	0.46%	0.29%
Unrecognised deferred taxes	0.81%	0.19%	0.36%
Other differences	(1.61%)	0.98%	(0.44%)
<b>Effective tax rate</b>	<b>32.30%</b>	<b>35.46%</b>	<b>34.38%</b>

## 20. SECTOR INFORMATION

	31/12/2008			31/12/2007			31/12/2006		
	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL
REVENUE	623,645	222,639	<b>846,284</b>	524,076	177,080	<b>701,156</b>	430,790	145,469	<b>576,259</b>
OPERATING INCOME OF ACTIVITY	72,181	24,960	<b>97,141</b>	64,536	19,989	<b>84,525</b>	56,923	18,666	<b>75,589</b>
OPERATING INCOME FROM ORDINARY ACTIVITIES	67,816	24,960	<b>92,776</b>	60,341	19,989	<b>80,330</b>	54,390	18,666	<b>73,056</b>
OPERATING INCOME	62,256	24,700	<b>86,956</b>	53,103	19,989	<b>73,093</b>	54,279	18,666	<b>72,945</b>
INCOME OF CONSOLIDATED ENTITIES	38,426	16,377	<b>54,802</b>	29,696	13,520	<b>43,216</b>	34,844	11,766	<b>46,610</b>
OVERALL NET EARNINGS	38,426	16,377	<b>54,802</b>	29,696	13,520	<b>43,216</b>	34,094	11,766	<b>45,860</b>

	31/12/2008			31/12/2007			31/12/2006		
	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL	FRANCE	OVERSEAS	TOTAL
GOODWILL	81,893	80,668	<b>162,561</b>	80,014	44,413	<b>124,427</b>	75,314	46,662	<b>121,976</b>
WORK FORCE AT YEAR END	8,300	4,170	<b>12,470</b>	7,574	2,928	<b>10,502</b>	6,365	2,345	<b>8,710</b>
FINANCIAL LIABILITIES	46,578	15,340	<b>61,918</b>	29,172	454	<b>29,626</b>	20,722	1,566	<b>22,288</b>
INVESTMENTS FOR THE PERIOD	45,123	5,169	<b>50,292</b>	26,804	3,317	<b>30,121</b>	52,564	1,900	<b>54,464</b>

In 2008, the contribution of newly acquired companies to net consolidated earnings was -€14,000 (France: €193,000 and Overseas: -€207,000).

## 21. EARNING PER SHARE

	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Earnings	54,483,378	42,878,574	45,797,194
Weighted average number of shares outstanding	31,620,207	31,072,756	30,811,993
Earnings per share	1.72	1.38	1.49
	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Earnings	54,483,378	42,878,574	45,797,194
Weighted average number of shares outstanding	31,620,207	31,072,756	30,811,993
Dilutive effect	96,524	551,073	1,100,455
Weighted average number of shares after potential dilution	31,716,731	31,623,829	31,912,448
Diluted earnings per share	<b>1.72</b>	<b>1.36</b>	<b>1.44</b>

## 22. CASH FLOW STATEMENT

<b>Change in depreciation and provisions, net of reversals</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Amortisation, intangible fixed assets	1,295	1,374	1,404
Amortisation, tangible fixed assets	3,872	3,141	2,525
Provisions for financial fixed assets	0	(91)	(237)
Impairment of goodwill	5,560	5,644	111
Provisions for risks and expenses	1,420	(2,552)	366
Depreciation of current accounts related to the sale of assets	0	0	750
<b>Total</b>	<b>12,147</b>	<b>7,516</b>	<b>4,919</b>

<b>Breakdown of cash flow on working capital</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Change in net working capital – trade receivables	(40,383)	(47,408)	(47,315)
Change in net working capital – trade payables	(4,391)	(2,444)	(598)
Change in net working capital – other receivables and operating debts	25,018	15,826	21,976
<b>Total</b>	<b>(19,756)</b>	<b>(34,026)</b>	<b>(25,937)</b>

<b>Impact of changes in scope of consolidation and earn-out</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Acquisition of consolidated subsidiaries' shares	(47,389)	(15,716)	(44,703)
Cash related to new consolidated subsidiaries	10,309	1,094	(3,772)
<b>Total</b>	<b>(37,080)</b>	<b>(14,622)</b>	<b>(48,475)</b>

<b>Capital increase</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Stock options exercised	2,299	4,549	4,079
Subscription for capital in new companies		24	282
<b>Total</b>	<b>2,299</b>	<b>4,573</b>	<b>4,361</b>

## 23. RELATED PARTY TRANSACTIONS

IAS 24 now includes transactions with parties which have joint control over the entity (ALTEN). SGTI holds 28.37% of the capital and 41.11% of the voting rights. There were no transactions or financial flow between SGTI and ALTEN in 2008.

### Compensation and benefits granted to managers

In the company, in controlled companies and in the parent company (1)

Officers (regardless of the term of office during the year)	Remuneration in euros			Directors' fees
	Fixed	Variable	Extraordinary	
Simon Azoulay				
Paid in 2006	112,510	None	None	None
Paid in 2007	109,080	None	None	None
Paid in 2008	109,080	None	None	(2)
Laurent Schwarz				
Paid in 2006	121,200	None	None	None
Paid in 2007	60,600	None	None	None
Paid in 2008	None	None	None	None
Gérald Attia				
Paid in 2006	113,907	None	None	None
Paid in 2007	103,908	None	None	None
Paid in 2008	148,159	None	None	None
Catherine Azoulay	None	None	None	None

(1) Amounts are expressed as gross amounts.

(2) Directors fees owed for 2008: €150,000.

### Transactions with non-consolidated companies

Non-consolidated subsidiaries, companies associated with the Group and companies controlled directly by Group managers.

On the income statement:

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
Turnover	87	35	None
Other operating income (expenses)	(449)	(16)	None
Financial income (expenses)	8	1	None
<b>Total</b>	<b>(354)</b>	<b>21</b>	

On the balance sheet:

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
Trade receivables	147	42	None
Other receivables	105	101	None
<b>ASSETS</b>	<b>252</b>	<b>143</b>	
Trade payables	70	14	None
Other liabilities			None
<b>LIABILITIES</b>	<b>70</b>	<b>14</b>	

## 24. WORKFORCE

The table below shows the ALTEN Group's average number of employees by category:

Category	31/12/2008	31/12/2007	31/12/2006
Managerial staff	11,099	8,950	7,518
Non-Managerial staff	1,295	571	421
<b>Total</b>	<b>12,394</b>	<b>9,521</b>	<b>7,939</b>



## 25. OFF-BALANCE SHEET ITEMS

(in thousands of euros)	31/12/2008	31/12/2007	31/12/2006
<b>Guarantees granted</b>			
Alten SA	231	231	231
Alten Benelux	178	364	186
Alten Indus.	229	229	229
<b>Total</b>	<b>638</b>	<b>824</b>	<b>646</b>
<b>Bank guarantees received</b> (collateral for liabilities)			
Orion			100
Dec Informatica	250	500	250
Cronos	312	492	492
Aerotec			250
Quaternove			400
Grupo Apex	150	150	300
Cisia		1,000	1,000
Idestyle	167	333	500
Alten NL	200		
DDA	100	150	200
Avenir Conseil	573	573	
N2T	250	250	
RSYS	450		
M&P	100		
Dixid	75		
PTS	420		
Winwise	300		
Burke	300		
BBR	220		
<b>Total</b>	<b>3,867</b>	<b>3,448</b>	<b>3,492</b>
<b>Operating leases (1)</b>	<b>33,348</b>	<b>22,459</b>	<b>18,311</b>
<b>Financial lease agreements</b>	<b>2,483</b>	<b>1,766</b>	<b>2,600</b>

(1) Real property leases (€14,052,000 at less than one year).

Assets used as guarantees:	Amount (thousands of euros)	Type of asset
- A line of credit in Spain		1,000 security deposit
- Lease-finance transactions:		2,900 fixed assets
- Current bank borrowings (factoring):		5,000 trade receivables

At the end of the fiscal year, except for the commitments set forth above, management does not believe that there are other commitments which will materially impact the Group's financial position.

## 26. TREASURY SHARES

Within the scope of a share repurchase programme, during the fiscal year the company made the following treasury share transactions:

	31/12/2008	31/12/2007	31/12/2006
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### Unallocated shares

Purchase of shares	344,641
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### Free share allocation plan

Purchase of shares	57,200
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### Market-making agreement

Shares held at opening	786	1,651	4,665
Shares purchased	158,514	126,228	105,669
Shares sold	158,747	127,093	108,683
Shares held at closing	553	786	1,651

For a total of 402,395 treasury shares at a value of €7,465,000 liquidated by shareholders' equity at 31/12/2008.



## 27. RETIREMENT BENEFITS

### Charge recorded on the income statement (note 13)

	31/12/2008	31/12/2007	31/12/2006
Provisions	(959)	(691)	(637)
Reversal of provisions	6	56	67
<b>Charge recorded on the income statement</b>	<b>(953)</b>	<b>(635)</b>	<b>(570)</b>

### The change in the provision recorded on the balance sheet is broken down as follows:

	31/12/2008	31/12/2007	31/12/2006
<b>Balance at the beginning of the period</b>	<b>2,808</b>	<b>2,067</b>	<b>922</b>
Change in scope	248	107	576
<u>Impact on earnings:</u>			
Cost of services rendered	738	513	421
Financial cost for the fiscal year	180	100	64
Spreading of actuarial gains and losses	35	22	84
<b>Charge recorded on the income statement</b>	<b>953</b>	<b>635</b>	<b>570</b>
<b>Balance at the end of the period</b>	<b>4,009</b>	<b>2,808</b>	<b>2,067</b>

### The following main actuarial assumptions were used:

	31/12/2008	31/12/2007	31/12/2006
Discount rate	4.25%	3.65%	3.65%
Revaluation rate for employees;	2.50%	2.00%	2.00%
Employer contribution rate:			
• Managerial staff	46.89%	46.89%	46.89%
• Non-Managerial staff	46.49%	46.49%	46.49%
Mortality table:			
• Women	TV 2004-2006	TV 2003-2005	TV 2002-2004
• Men	TD 2004-2006	TD 2003-2005	TD 2002-2004
Age at first employment:			
• Managerial staff	24 years	24 years	24 years
• Non-Managerial staff	20 years	20 years	20 years
Age at retirement	65 years	65 years	65 years

Staff turnover rate is recorded from company to company in accordance with observed historical data.

A change of plus or minus one point in the discount rate has no effect on valuing the commitment at 31 December 2008.

## 28. AUDIT FEES

Fiscal year: 2008

	DAUGE & ASSOCIES				GRANT THORNTON			
	Amount		%		Amount		%	
	N	N-I	N	N-I	N	N-I	N	N-I
<b>Audit:</b> Statutory auditors, certification, audit of company and consolidated financial statements	239	196	87%	90%	509	447	100%	77%
<b>Other assignments</b>	37	21	13%	10%		137	0%	23%
<b>Sub-total</b>	<b>276</b>	<b>217</b>	<b>100%</b>	<b>100%</b>	<b>509</b>	<b>584</b>	<b>100%</b>	<b>100%</b>
<b>Other additional services</b>								
<b>Legal, tax, social</b>								
<b>Information technology</b>								
<b>Internal audit</b>								
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
<b>Total</b>	<b>276</b>	<b>217</b>	<b>100%</b>	<b>100%</b>	<b>509</b>	<b>584</b>	<b>100%</b>	<b>100%</b>

## 29. EVENTS SUBSEQUENT CLOSING

The slowdown in economic activity felt at the end of 2008 continued during the first quarter of 2009. It is especially affecting the automotive sector, where the Group realises 20% of its turnover. The Group has implemented necessary adaptive measures (short-time, training plans for affected consultants, reallocation of resources to projects in other business sectors, reduction in committed fixed costs).

The cancellation and sudden halt of several projects in the Automotive sector; in particular for a French manufacturer; led to an increase in the percentage consultants between contracts in January (between 11 and 12% inclusive). This percentage has gradually fallen since that time. Outside of the automotive sector; the rate of consultants between contracts was acceptable, on the order of 7%. For 2009, the Group therefore expects a significant slowdown in organic growth, which should be between 0 and 3%.

Nevertheless, the Group continues to seek opportunities for strategic acquisitions. Accordingly, the following acquisitions were completed since 1 January 2009:

- in France, a company specialising in the design of vehicle systems: engine control and motorisation systems, in-car real-time software (180 consultants, annual turnover: €14M).
- in Italy, a company specialising in telecom and on-board software (150 consultants, annual turnover: €10M).

# VIII - STATUTORY AUDITORS' REPORTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the terms of our appointment by your Board of Directors, we hereby present our report for the year ended 31 December 2008 covering:

- our audit of ALTEN's consolidated financial statements, as attached to this report,
- the justification of our assessments,
- the specific verification provided by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

## I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional accounting standards. These standards require the application of procedures to obtain reasonable assurance that the consolidated financial statements do not contain any material misstatements. An audit consists of examining, on a test basis or by other means of selection, the evidence supporting the figures and the information contained in the consolidated financial statements. It also involves an assessment of the accounting principles applied, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence we have collected is an adequate and appropriate basis for our opinion.

In our opinion, with regard to the IFRS standards as adopted by the European Union, the consolidated financial statements for the fiscal year give a true and fair view of the assets and liabilities, financial position and earnings of all persons and entities included in the consolidation.

## 2. BASIS FOR ASSESSMENTS

The accounting estimates related to the preparation of the financial statements as of 31 December 2008 were made in a climate where it is clearly difficult to determine economic and financial outlooks. Under these circumstances, pursuant to the provisions of Article L 823-9 of the French Commercial Code, we would like to draw your attention to our assessments:

The principle for estimating the value of goodwill is set forth in note I "Impairment of property, plant and equipment" and in note F "Goodwill" of the consolidated financial statements. We verified the merit and proper application of the method used, assessed the reasonable nature of the data and assumptions used and also verified that the notes to the financial statements provided adequate information.

These assessments were an integral part of our audit of the consolidated financial statements and as such contributed to our opinion expressed in the first part of this report.

### 3. SPECIFIC VERIFICATION

We have also carried out the specific verification of information pertaining to the Group as required by law, which is contained in the management report.

We have no matters to report with regard to the fairness and consistency of this information with the consolidated financial statements.

Executed in Paris, 29 April 2009

The Statutory Auditors:

**Grant Thornton**  
French member of Grant Thornton International

Laurent Bouby  
Partner

**Cabinet Dauge & Associés**

Jean-Louis Rouzé  
Partner



# IX - FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

## I. BALANCE SHEET

### BALANCE SHEET - ASSETS (in thousands of euros)

ITEM	Gross	Depreciation Provisions	Net as of 31/12/08	Net as of 31/12/07	Net as of 31/12/06
<b>INTANGIBLE FIXED ASSETS</b>	23,133	4,063	19,071	13,214	9,106
<b>TANGIBLE FIXED ASSETS</b>	8,729	4,843	3,886	2,990	2,292
<b>FINANCIAL FIXED ASSETS</b>	173,936	15,966	157,970	159,821	142,844
<b>FIXED ASSETS</b>	<b>205,798</b>	<b>24,872</b>	<b>180,926</b>	<b>176,025</b>	<b>154,242</b>
<b>INVENTORY AND WORK IN PROGRESS</b>					
Inventory and work in progress	26	0	26	18	8
<b>RECEIVABLES</b>					
Trade receivables	172,287	3,079	169,208	142,381	104,296
Other receivables and prepaid expenses	15,114	102	15,012	12,064	6,690
Marketable securities	2,129	225	1,904	21	137
Cash and equivalents	599	0	599	533	492
<b>CURRENT ASSETS</b>	<b>190,155</b>	<b>3,405</b>	<b>186,750</b>	<b>155,017</b>	<b>111,623</b>
<b>Translation adjustment</b>	6	0	6	0	0
<b>GENERAL TOTAL</b>	<b>395,960</b>	<b>28,277</b>	<b>367,682</b>	<b>331,042</b>	<b>265,865</b>

**BALANCE SHEET - LIABILITIES**  
(in thousands of euros)

<b>ITEM</b>	<b>31/12/08</b>	<b>31/12/07</b>	<b>31/12/06</b>
Capital	32,246	31,976	31,400
Share premiums	14,065	12,036	8,063
Reserves and Carry-Forward	120,864	90,610	69,839
Provisions for the fiscal year	2,546	30,254	20,772
<b>SHAREHOLDERS' EQUITY</b>	<b>169,721</b>	<b>164,876</b>	<b>130,073</b>
<b>PROVISIONS FOR RISKS AND CHARGES</b>	<b>4,017</b>	<b>3,857</b>	<b>5,047</b>
Borrowings and similar debt	59,422	50,735	40,700
Trade payables	44,575	31,860	19,967
Other liabilities and deferred income	89,948	79,713	70,079
<b>DEBT</b>	<b>193,945</b>	<b>162,309</b>	<b>130,745</b>
<b>GENERAL TOTAL</b>	<b>367,682</b>	<b>331,042</b>	<b>265,865</b>

## II. INCOME STATEMENT (in thousands of euros)

ITEM	31/12/08	31/12/07	31/12/06
<b>NET TURNOVER</b>	<b>373,490</b>	<b>291,946</b>	<b>241,027</b>
REVERSAL OF DEPRECIATION AND PROVISIONS, TRANSFER OF EXPENSES	3,760	4,225	1,957
OTHER INCOME	420	1,215	203
OPERATING INCOME	377,671	297,386	243,187
PURCHASES CONSUMED AND EXTERNAL CHARGES	138,777	99,157	75,678
TAXES OTHER THAN INCOME TAX	10,148	8,166	6,755
PAYROLL CHARGES	195,300	158,195	134,428
CHARGES TO DEPRECIATION AND PROVISIONS	3,031	2,894	2,160
OTHER OPERATING EXPENSES	679	866	365
OPERATING EXPENSES	347,935	269,278	219,386
<b>OPERATING INCOME</b>	<b>29,735</b>	<b>28,108</b>	<b>23,801</b>
<b>FINANCIAL CHARGES AND INCOME</b>	<b>-17,281</b>	<b>1,031</b>	<b>-1,338</b>
<b>PRE-TAX EARNINGS</b>	<b>12,455</b>	<b>29,138</b>	<b>22,464</b>
<b>NON-RECURRING CHARGES AND INCOME</b>	<b>-201</b>	<b>13,301</b>	<b>7,499</b>
EMPLOYEE PROFIT-SHARING	2,587	2,695	2,269
INCOME TAX	7,120	9,490	6,921
<b>EARNINGS FOR THE FISCAL YEAR</b>	<b>2,546</b>	<b>30,254</b>	<b>20,772</b>

## III. APPENDIX

### BUSINESS SECTOR AND ALTEN'S ACTIVITY

ALTEN does not compete against conventional information technology service providers. The scope of ALTEN's business covers all outsourced technology consulting and engineering services.

### HIGHLIGHTS

#### Acquisitions completed in France

- In January 2008, acquisition of 100% of DIXID, a company specialising in ergonomics and design consulting, implementation and testing of product and service interfaces (32 employees).
- In July 2008, acquisition of 100% of WINWISE, a company with expertise in Microsoft technologies (118 employees).

#### Legal transactions

- On 15 June 2008, ALTEN SA dissolved ALTEN SERVICES, DEVELOP4@ALL and SAGEIS through a merger of assets and liabilities with ALTEN SA.

In accordance with regulation 2004-01 dated 4 May 2004 of the Comité de la réglementation Comptable (Accounting Regulatory Committee), the loss from the merger arising from this complete transfer of assets and liabilities is recorded under intangible assets on the asset balance sheet after validation of the calculated value of the assets

#### Other events

- The end of fiscal year 2008 was marked by a slowdown in activity. ALTEN analysed the value of its financial assets. It had to write down the securities of certain subsidiaries, especially those affected by the slowdown in the automotive sector. It recorded a charge of €15.4M for the write-down of its equity interests.

#### Post-closing events

- The slowdown in economic activity felt at the end of 2008 continued during the first quarter of 2009. It is especially impacting the automotive sector, where ALTEN realises a portion of its turnover. First and foremost, ALTEN is implementing all necessary adaptive measures (training, repositioning consultants in other business sectors, reduction of committed fixed costs).
- In France, the acquisition of 100% of B2i AUTOMOTIVE ENGINEERING in January 2009, specialising in the design of "vehicle" systems: engine control, motorisation systems and on-board software (198 employees).

### ACCOUNTING PRINCIPLES AND METHODS

The accounting principles and methods applied by ALTEN SA are consistent with France's generally accepted accounting standards (Plan Comptable Général).

General accounting conventions has been applied, in accordance with the principle of prudence and the fundamental accounting concepts of:

- going concern
  - same accounting methods used from one year to the next
  - discrete accounting periods
- and in accordance with the general rules for the preparation and presentation of annual accounts.

The main accounting methods used are as follows:

#### **a) Fixed assets**

Intangible assets and property, plant and equipment are valued at acquisition or production cost.

Amortisation is calculated on a straight-line/declining-balance basis over the following estimated useful lives:

- |                                      |                                  |
|--------------------------------------|----------------------------------|
| - Concessions-Patents-IT licenses    | 1 year / 3 years S-L             |
| - Transport equipment                | 5 years / S-L                    |
| - Office and computer equipment 1 to | 5 years / S-L – 2 to 3 years D-B |
| - Office furniture                   | 5 to 10 years / S-L              |

#### **b) Business assets**

The gross value of business assets is recognised in the balance sheet under intangible assets.

When general business conditions and/or material adverse developments lead to a determination that the projected business falls significantly below estimates at the time of acquisition, a one-time impairment loss is calculated.

#### **c) Equity interests**

Long-term financial investments are recorded on the balance sheet at acquisition cost. The acquisition cost of interests in subsidiaries comprises a fixed portion paid at the time an interest is acquired and any variable earn-outs based on the acquired entity's future revenues and earnings. These earn-outs are recognised under equity interests against debt on fixed assets.

Whenever general business conditions and/or material adverse developments cause a subsidiary to post turnover and earnings significantly below expectations at the time of acquisition, an additional one-time impairment loss on the equity interests is calculated.

Whether such one-time impairment loss is recognized is determined on the basis of the discounted cash flow based on the following assumptions:

- Business plan for an appropriate period, established for each individual entity, updated at the time the year-end budget is prepared and showing estimated turnover; EBITDA, net earnings, working capital and capital expenditure figures;
- Long-term growth rate beyond the specific horizon;
- Weighted average cost of capital;
- Net debt of the applicable entity.

#### **d) Trade Receivables**

Trade receivables are valued at nominal value. They are individually valued and, where applicable, are subject to impairment to account for any difficulties in collecting certain amounts.

Any such impairment is recognised once there is an indication of the Group's inability to recover the full amount such as bankruptcy procedures or non-payment by the due date. Impairment is recognised under other income and expenses.

For any trade receivables that are not subject to individual impairment, the Group applies the following depreciation method:

- Receivables between 1 year and 18 months: provision of 50%,
- Receivables between 18 months and 2 years: provision of 70%,
- Receivables greater than 2 years: provision of 90%,
- Receivables relating to companies undergoing court-ordered liquidation proceedings: 100%.

#### **e) Marketable securities**

Securities (money market fund) recognised in the balance sheet are valued at the lower of either their historical cost or market value.

#### **f) Provisions for risks and expenses**

Provisions for risks and expenses are recorded at year-end whenever the Group has an obligation toward a third party which is likely or certain to result in an outflow of resources for the benefit of such third party, with no anticipated consideration of equal value.

The estimate of the amount recorded under the provisions is the expense the company is likely to incur to discharge the obligation.

Among these provisions are retirement obligations as estimated by an independent actuarial firm, in accordance with CNC Notice 97-06.



Benefits payable to retiring employees are calculated on the basis of the current payroll at year end. It is based on the following items:

**Presentation of actuarial assumptions:**

	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>31/12/2006</b>
Discount rate	4.00%	4.00%	3.65%
Revaluation rate for employees; Employer contribution rate	2.50%	2.50%	2.00%
Managerial staff	46.89%	46.89%	46.89%
Non-Managerial staff	46.49%	46.49%	46.49%
Mortality table			
For women	TV 2004-2006	TV 2003-2005	TV 2002-2004
For men	TD 2004-2006	TD 2003-2005	TD 2002-2004
Age at first employment:			
Managerial staff	24 years	24 years	24 years
Non-Managerial staff	20 years	20 years	20 years
Age at retirement	65 years	65 years	65 years

**g) Recognition of revenues**

ALTEN SA generally charges for its services on a time-spent basis. Revenues are recognized as and when services are performed. Services for which a fixed price is charged account for approximately 5% of revenues. In such instances, turnover and margins are recognized as work on the project progresses.

Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance.

ALTEN SA invoices its subsidiaries for all services performed on their behalf, with a mark-up over cost.

**h) Earnings on non-recurring activities**

Earnings on non-recurring activities mainly include transactions related to the sale of tangible or intangible fixed assets. Non-recurring provisions or reversals of provisions are on a scale and of a type such that accounting for operating charges or income, leading to an erroneous understanding of the situation.

### GROSS FIXED ASSETS (in thousands of euros)

ITEM	31/12/06	Movements related to mergers	Acquisitions formation/transfers	Less disposals	31/12/07	Movements related to mergers	Acquisition formation/transfers	Less disposals	31/12/08
Intangible fixed assets	11,694	5	4,700	0	16,400	809	8,185	2,260	23,133
Property, plant and equipment	4,859	58	1,655	92	6,480	2	2,339	92	8,729
Financial fixed assets	143,557	-3,400	23,747	2,475	161,430	-1,772	15,861	1,583	173,936
<b>GENERAL TOTAL</b>	<b>160,111</b>	<b>-3,337</b>	<b>30,103</b>	<b>2,567</b>	<b>184,310</b>	<b>-961</b>	<b>26,385</b>	<b>3,935</b>	<b>205,799</b>

The change in the gross value of intangible assets mainly come from capitalisation of development costs for integrated management software expected to be put into service on 1 January 2010. This asset will be depreciated over 10 years.

### AMORTISATION AND DEPRECIATION

ITEM	31/12/06	Movements related to mergers	Increases Provisions	Acquisition formation/transfers	31/12/07	Movements related to mergers	Increases Provisions	Reductions Reversals	31/12/08
Intangible fixed assets	2,588	5	593	0	3,186	89	792	5	4,062
Property, plant and equipment	2,568	42	908	27	3,490	2	1,404	53	4,843
<b>GENERAL TOTAL</b>	<b>5,155</b>	<b>48</b>	<b>1,501</b>	<b>27</b>	<b>6,676</b>	<b>92</b>	<b>2,196</b>	<b>58</b>	<b>8,906</b>

### PROVISIONS FOR RISKS AND CHARGES

## PROVISIONS FOR RISKS AND CHARGES

ITEM	31/12/06	Movements related to mergers	Increases Provisions	Reductions Reversals (2)	31/12/07	Movements related to mergers	Increases Provisions	Reductions Reversals (2)	31/12/08
Provisions for labour disputes and labour-related risk	1,562	86	158	941	865		154	230	789
Provisions for legal disputes (1)	2,387			1,387	1,000				1,000
Provisions for miscellaneous risks	275		501		776		360	470	665
Provisions for charges	0		54		54		6	54	6
IFC provisions	822	78	262		1,162		394		1,556
<b>PROV. FOR RISKS AND CHARGES</b>	<b>5,046</b>	<b>163</b>	<b>976</b>	<b>2,328</b>	<b>3,857</b>	<b>0</b>	<b>914</b>	<b>754</b>	<b>4,017</b>

(1) The claims against ALTEN related to acquisitions have led to recognition of a €1 million provision that only covers part of the claims.  
(2) Including unused reversed provisions: €165,000 in 2008 and €1,610,000 in 2007

ITEM	31/12/06	Movements related to mergers (2)	Increases Provisions	Reductions Reversals (1)	31/12/07	Movements related to mergers (2)	Increases Provisions	Reductions Reversals (1)	31/12/08
Provisions for intangible fixed assets	0				0	84	84		168
Provisions for financial fixed assets	714		895	0	1,608	-1,023	15,381	0	15,966
Provisions for customer accounts	2,705	88	379	0	3,171	15	0	107	3,079
Other impairment	895		150	750	296	-102	236	104	326
<b>PROVISIONS FOR IMPAIRMENT</b>	<b>4,313</b>	<b>88</b>	<b>1,424</b>	<b>750</b>	<b>5,076</b>	<b>-1,026</b>	<b>15,701</b>	<b>211</b>	<b>19,539</b>
<b>TOTAL PROVISIONS</b>	<b>9,359</b>	<b>251</b>	<b>2,400</b>	<b>3,078</b>	<b>8,933</b>	<b>-1,026</b>	<b>16,615</b>	<b>966</b>	<b>23,556</b>

(1) 2007: including reversal of provision on GIAROS current account, €750,000  
(2) 2008: including reversal of financial provision for SAGEIS securities for €1,023,000 and reversal of provision for SAGEIS current account following the complete transfer of assets and liabilities: €112,000

Of which	Provisions	Reversals	Other
Operations	919	958	0
Financial	15,612	120	1,023
Non-recurring	84	0	0
<b>Total</b>	<b>16,615</b>	<b>1,078</b>	<b>1,023</b>

STATEMENT OF MATURITY DATES OF RECEIVABLES AND PAYABLES (in thousands of euros)					
MATURITIES OF RECEIVABLES	Gross amounts			Up to 1 year	More than 1 year
	2006	2007	2008		
<b>From fixed assets</b>					
Receivables from equity interests	38	38	38	0	38
Loans	45	33	33	33	
Other fixed financial assets (3)	2,304	2,732	9,315	0	9,315
	2,387	2,803	9,386	33	9,353
<b>Current assets</b>					
Other trade receivables	107,000	145,552	172,287	172,287	
Personnel and related accounts	30	87	66	66	
Income tax			0		
Value-added tax	2,952	4,943	6,201	6,201	
Groups and affiliated companies	3,741	3,136	2,374	2,374	
Miscellaneous receivables	405	418	1,833	1,833	
	114,128	154,136	182,761	182,761	
Prepaid expenses (1)	458	3,777	4,640	4,640	
<b>GENERAL TOTAL</b>	<b>116,973</b>	<b>160,715</b>	<b>196,787</b>	<b>187,433</b>	<b>9,353</b>

STATEMENT OF DEBTS	Gross amounts			Up to 1 year	More than 1 year, max. 5 years	More than 5 years
	2006	2007	2008			
Borrowings from credit institutions maturing in 1 year or less						
Bank borrowings	8,425	13,906	37,089	37,071	18	
Miscellaneous financial borrowings and debt	3	12	12	12		
Trade payables	19,967	31,860	44,575	44,575		
Staff and social security debts	31,295	36,267	40,819	40,819		
Tax Debts	25,441	35,199	38,482	38,482		
Fixed asset debts and related accounts	8,218	865	0	0	0	
Group and affiliated companies (2)	32,272	36,817	22,321	22,321		
Other liabilities	2,459	2,705	7,743	7,128	538	77
Deferred income	2,665	4,678	2,904	2,904		
<b>GENERAL TOTAL</b>	<b>130,745</b>	<b>162,309</b>	<b>193,945</b>	<b>193,311</b>	<b>557</b>	<b>77</b>

(1) 2008 – including €2,879,000 related to advance invoicing by subsidiaries

(2) 2008 – Net current accounts are comprised of €55,876,000 from current accounts with a negative balance and €78,197,000 from current accounts with a positive balance

(3) 2008 - including €6,308,000 which corresponds to treasury shares.

**OUTSTANDING CHARGES**  
(in thousands of euros)

	<b>2008</b>	<b>2007</b>	<b>2006</b>
Trade payables	11,089	7,965	4,972
Taxes and social security payable	34,050	29,703	26,388
Fixed assets payable	0	865	8,218
Cash, outstanding charges	216	176	149
Other debt	5,540	1,310	1,593
<b>Total</b>	<b>50,896</b>	<b>40,020</b>	<b>41,319</b>

**REVENUE ACCRUALS**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
Trade receivables	26,137	31,059	17,045
Receivables from the government	1,656	1,238	730
<b>Total</b>	<b>27,793</b>	<b>32,297</b>	<b>17,775</b>

**Change in Shareholders' Equity**  
(in thousands of euros)

Dates	Number of shares	Capital	Premiums	Reserves	Other reserves and carry-forwards	Total shareholders' equity	Earnings (Group share)
At 31 December 2006	30,901,991	31,400	8,063	3,110	66,729	109,302	20,772
Allocation of 2006 earnings				30	20,741	20,772	-20,772
Capital increase	558,399	577	3,973			4,549	
31 December 2007 earnings							30,254
<b>At 31 December 2007</b>	<b>31,460,390</b>	<b>31,977</b>	<b>12,036</b>	<b>3,140</b>	<b>87,470</b>	<b>134,623</b>	<b>30,254</b>
Allocation of 2007 earnings				58	30,196	30,254	-30,254
Capital increase	265,345	270	2,030			2,299	
31 December 2008 earnings							2,546
<b>At 31 December 2008</b>	<b>31,725,735</b>	<b>32,246</b>	<b>14,065</b>	<b>3,198</b>	<b>117,666</b>	<b>167,176</b>	<b>2,546</b>

The number of shares issued in 2007 corresponds to the issue of shares following the exercise of stock options (558,399 shares).

The number of shares issued in 2008 corresponds to the issue of shares following the exercise of stock options (265,345 shares).

The implied par value is €1.016.

## INFORMATION ON CAPITAL

The Combined General Meeting of 7 January 1999 delegated to the Board of Directors the power to award share subscription options within a limit of 8% of the share capital. This power was increased to 14% at the Combined General Meeting of 25 June 2003 and was renewed during the Combined General Meeting of 27 June 2006. To this end, it granted the Board of Directors full powers to award these share purchase options in one or more transactions during a period of 38 months and to set the terms and conditions of the award.

- with regard to the delegation of authority granted 7 January 1999, 2,413,120 options were awarded, conferring a right to 276,018 shares not yet exercised at the time of this report, i.e. 0.87% of the share capital.

- with regard to the delegation of authority granted 25 June 2003, 496,500 options were awarded, conferring a right to 295,375 shares not yet exercised at the time of this report, i.e. 0.93% of the share capital.

- with regard to the delegation of authority granted 27 June 2006, 1,812,570 options were awarded, conferring a right to 1,271,380 shares not yet exercised at the time of this report, i.e. 4% of the share capital.

In all, 1,842,773 options awarded have yet to be exercised, i.e. 5.81 % of the share capital.

Note: Under the delegation by the Combined General Meeting of 27 June 2006, on 23 October 2006 the Board of Directors awarded 1,189,780 stock options to certain beneficiaries, subject to certain conditions precedent to achieve objectives set by Management.

## STOCK OPTION PLANS

PLAN	1	2	3	4	5
Date awarded by the Board	16/12/1999	27/09/2000	09/01/2001	25/01/2002	13/03/2003
Number of beneficiaries	190	50	180	214	237
<b>Number of options awarded</b>	<b>292,900</b>	<b>174,250</b>	<b>283,000</b>	<b>438,400</b>	<b>359,150</b>
including the number of shares awarded to employees	292,900	174,250	283,000	438,400	359,150
including the number of shares awarded to officers and directors					
First possible exercise date	16/12/2003	27/09/2004	09/01/2005	25/01/2006	13/03/2007
Last possible exercise date	16/12/2007	27/09/2008	09/01/2009	25/01/2010	13/03/2011
Date of first possible sale	16/12/2004	27/09/2005	09/01/2006	25/01/2006	13/03/2007
<b>Number of shares which may be exercised as of 1 January 2007</b>	<b>64,150</b>	<b>37,250</b>	<b>62,500</b>	<b>32,052</b>	<b>321,900</b>
Number of shares cancelled					
Number of shares exercised as of 31 December 2007	14,900	1,750	11,170	18,119	246,452
Number of shares voided as of 31 December 2007	49,250	500	21,500	-3,700	1,750
Fair value of the option in euros					3.59
<b>Number of shares exercisable as of 31 December 2007</b>	<b>0</b>	<b>35,000</b>	<b>29,830</b>	<b>17,633</b>	<b>73,698</b>
<b>2007 annual charge</b>					<b>87,359</b>
<b>Number of shares which may be exercised as of 1 January 2008</b>	<b>0</b>	<b>35,000</b>	<b>29,830</b>	<b>17,633</b>	<b>73,698</b>
Number of shares cancelled					
Number of shares exercised as of 31 December 2008		35,000		3,413	50,248
Number of shares voided as of 31 December 2008					-2,000
Fair value of the option in euros					
<b>Number of shares exercisable as of 31 December 2008</b>	<b>0</b>	<b>0</b>	<b>29,830</b>	<b>14,220</b>	<b>25,450</b>
<b>2008 annual charge</b>					<b>7,173</b>

PLAN (continued)	6	7	8	9	10	TOTAL
Date awarded by the Board	25/07/2003	06/01/2004	24/03/2005	23/10/2006	18/02/2008	
Number of beneficiaries	6	259	356	598	794	
<b>Number of options awarded</b>	<b>450,000</b>	<b>318,970</b>	<b>496,500</b>	<b>1,189,780</b>	<b>622,790</b>	<b>4,625,740</b>
including the number of shares awarded to employees	450,000	318,970	496,500	1,173,780	622,790	4,609,740
including the number of shares awarded to officers and directors				16,000		16,000
First possible exercise date	25/07/2007	06/01/2008	29/03/2009	23/10/2010	18/02/2012	
Last possible exercise date	25/07/2011	06/01/2012	29/03/2013	23/10/2014	18/02/2016	
Date of first possible sale:	25/07/2007	06/01/2008	29/03/2009	23/10/2010	18/02/2012	
<b>Number of shares which may be exercised as of 1 January 2007</b>	<b>449,500</b>	<b>277,320</b>	<b>426,750</b>	<b>1,189,780</b>	<b>0</b>	<b>2,861,202</b>
Number of shares cancelled						0
Number of shares exercised as of 31 December 2007	265,568	32,150	62,600	1,760		557,959
Number of shares voided as of 31 December 2007						165,810
Fair value of the option in euros	4.32	7.13	6.83	10.58		
<b>Number of shares exercisable as of 31 December 2007</b>	<b>183,932</b>	<b>245,170</b>	<b>364,150</b>	<b>1,188,020</b>	<b>0</b>	<b>2,137,433</b>
<b>2007 annual charge</b>	<b>273,862</b>	<b>393,492</b>	<b>580,255</b>	<b>2,859,602</b>		<b>4,194,570</b>
						<b>0</b>
<b>Number of shares which may be exercised as of 1 January 2008</b>	<b>183,932</b>	<b>245,170</b>	<b>364,150</b>	<b>1,188,020</b>	<b>0</b>	<b>2,137,433</b>
Number of shares awarded					622,790	622,790
Number of shares cancelled						0
Number of shares exercised as of 31 December 2008	93,932	117,652		502,180	37,250	265,245
Number of shares voided as of 31 December 2008		11,000	68,775			652,205
Fair value of the option in euros						0
<b>Number of shares exercisable as of 31 December 2008</b>	<b>90,000</b>	<b>116,518</b>	<b>295,375</b>	<b>685,840</b>	<b>585,540</b>	<b>1,842,773</b>
<b>2008 annual charge</b>	<b>0</b>	<b>(19,037)</b>	<b>602,771</b>	<b>2,844,718</b>	<b>930,203</b>	<b>4,365,828</b>

## FREE SHARE ALLOCATION PLAN

PLAN	Total
Date awarded by the Board	11/04/2008
Number of beneficiaries	2
<b>Number of options awarded</b> including the number of shares awarded to employees including the number of shares awarded to officers and directors	<b>105,600</b> 105,600
Date of definitive award	11/04/2011
First possible exercise date	11/04/2013
Last possible exercise date	11/04/2017
Date of first possible sale:	11/04/2013
<b>Number of shares allocated of 1 January 2008</b>	<b>0</b>
Number of vested shares as of 31 December 2008	48,400
Number of non-vested shares as of 31 December 2008	57,200
Fair value of the option in euros	20.08
<b>Number of shares awarded as of 31 December 2008</b>	<b>105,600</b>
<b>2008 annual charge</b>	<b>972,026</b>

This charge is recorded under payroll charges.



### Information concerning taxable items and tax rates (in thousands of euros)

#### 1. Income tax.

	12-2008	12-2007	12-2006
Net Earnings:	2,546	30,254	20,772
Tax expense	7,120	9,490	6,921
Pre-tax earnings	9,666	39,744	27,693
Tax rate payable by consolidating entity	33.33%	33.33%	33.33%
Theoretical tax	3,222	13,248	9,230
Social security contributions 3.3%	366	377	344
Temporary and permanent differences (1)	3,532	-4,134	-2,653
Effective tax reported	7,120	9,490	6,921

(1) - 2008: temporary differences: shares + €4,880,000  
 Permanent difference: Income from tax consolidation: -1450, donations - 88, others 190

#### 2. Breakdown of tax on current and non-recurring profit (in thousands of euros)

	2008	2007	2006
Current profit	7,158	9,498	6,959
Earnings on non-recurring activities	-37	-8	-38
Total tax	7,120	9,490	6,921

#### 3. Deferred taxes

	2008
Deferred tax is broken down as follows:	
Timing differences	1,846
<b>Total tax – timing differences</b>	<b>1,846</b>

## NOTES ON EARNINGS

### TURNOVER

ALTEN SA's turnover amounted to €373 million in 2008, up 27.9 % from the previous year (€291 million). 98.7% of ALTEN SA's turnover was realised in France and 1.3% in Europe, in the context of assignments carried out on behalf of French customers.

#### Breakdown of turnover by geographic region (in millions of euros)

	2008	2007	2006
France	368.5	286.8	232.0
Abroad	5.0	5.1	9.0
<b>Total</b>	<b>373.5</b>	<b>291.9</b>	<b>241.0</b>

### TRANSFER OF EXPENSES

The balance of the Transfer of Expenses account is €2.8 million. It is mainly composed of adjustments on training costs and payroll charges.

It reflected the following:

	2008	2007	2006
- Dividends and income from subsidiaries:	0.00	3.02	0.01
- Write-downs of loans and investments:	-15.49	-0.26	-0.60
- Other financial earnings:	-1.79	-1.73	-0.75
<b>Total</b>	<b>-17.28</b>	<b>1.03</b>	<b>-1.34</b>

### EARNINGS ON NON-RECURRING ACTIVITIES (in millions of euros)

	2008	2007	2006
Redundancy compensation	0.00	0.00	0.00
Capital gains and losses on the disposal of assets	-0.11	13.41	7.68
Miscellaneous	-0.09	-0.11	-0.18
<b>Total</b>	<b>-0.20</b>	<b>13.30</b>	<b>7.50</b>

### AFFILIATES (in millions of euros)

#### Balance sheet

	2008	2007	2006
Receivables from fixed assets	1.19	1.18	1.19
Group trade receivables	16.80	16.53	8.86
Group trade payables	35.32	24.97	16.17
Other Group receivables	55.87	16.90	9.31
Other Group liabilities	78.20	53.74	37.84

#### Income statement

	2008	2007	2006
Group operating income	42.03	32.27	20.79
Group operating expenses	86.05	54.84	38.86
Group financial income	1.73	0.52	0.22
Group financial expenses	2.77	1.72	0.77
Group income from non-recurring activities	0	14.98	17.09

## OTHER INFORMATION

### Exposure to interest-rate and currency risk

Alten has negotiated bank overdraft lines indexed to the Eonia. Thus, it is exposed to interest rate risk based on changes in the Eonia.

### Workforce

Average workforce by category:

	31/12/2008	31/12/2007	31/12/2006
Managerial staff	3,438	2,909	1,967
Non-Managerial staff	288	175	423
<b>Total</b>	<b>3,726</b>	<b>3,084</b>	<b>2,390</b>

The number of individual training entitlements (Droits Individuels de Formation) represented 136,669 hours for fiscal year 2008.

### Remuneration of officers and directors

There are three directors on the Board of Directors, including the Chairman who is a founder. During fiscal year 2008, remuneration paid to the officers and directors totalled €257,000, compared with €273,600 in 2007 and €347,600 in 2006.

In accordance with legislation in force, no advances or credits were granted to the company directors or officers.

### Tax consolidation

ALTEN S.A. is the Group's entity which consolidates several subsidiaries.

Tax payable by the Group amounted to €22,329,000. ALTEN S.A.'s tax savings was €1,450,000. The tax attributable to ALTEN SA itself was €8,491,000.

### Financial commitments in thousands of euros

Commitments given or reciprocated	2008	2007	2006
Bonds and Guarantees provided	638	824	646
Bonds and Guarantees received	3867	3448	3492

## TREASURY SHARES

Within the scope of the share repurchase programme adopted by the Combined General Meetings of 27 June 2007 and 27 June 2008, between the opening date and the close of the prior fiscal year the Company carried out treasury share transactions within the scope of its liquidity contract as well as purchases of treasury shares.

Under the Liquidity Contract:

Shares held at opening	786
Shares purchased	158,514
Shares sold	158,747
Shares held at closing	553

Purchase of treasury shares:

Execution date	Value date	Quantity	Share price
11/01/2008	16/01/2008	20,668	21.06
14/01/2008	17/01/2008	15,886	21.65
15/01/2008	18/01/2008	408	21.98
17/01/2008	22/01/2008	21,939	20.48
18/01/2008	23/01/2008	22,937	19.77
21/01/2008	24/01/2008	23,681	18.09
22/01/2008	25/01/2008	81	17.91
09/01/2008	14/01/2008	17,435	21.01
10/01/2008	15/01/2008	20,603	21.36
22/01/2008	25/01/2008	6,362	17.91
13/03/2008	18/03/2008	25,000	18.40
13/03/2008	18/03/2008	22,155	18.43
14/03/2008	19/03/2008	21,183	18.47
17/03/2008	20/03/2008	22,808	18.09
18/03/2008	25/03/2008	24,624	17.94
19/03/2008	26/03/2008	4,230	17.82
08/10/2008	13/10/2008	3,332	18.45
23/10/2008	29/10/2008	11,398	18.92
24/10/2008	29/10/2008	150,511	18.00
22/12/2008	29/12/2008	15,000	14.14
Total shares		450,241	

For a total of 450,241 shares purchased for a total amount of €8,429,000.

Thus, treasury shares are recognised under financial fixed assets in the amount of €6,308,000, and in the amount of €2,121,000 under marketable securities for shares vested in the scope of the award of free shares.

SUMMARY OF TRANSACTIONS DURING THE YEAR:

	2008
Shares held at opening	786
Shares purchased	608,755
Shares sold	158,747
Shares held at closing	450,794

## SUBSIDIARIES AND PARTICIPATING INTERESTS

ALTEN SA										
Closing on: 31/12/2008										
	Capital	Shareholders' equity Other than capital	Share of capital held in %	Book value of shares held		Loans and advances granted by the company not yet reimbursed	Amount of securities and endorse- ments given by the company	Turnover excluding tax for the past fiscal year	Earnings for the past fiscal year ended	Dividends paid to the Group by the company during the fiscal year
				Gross	Net					
<b>1- Subsidiaries more than 50% directly controlled (in thousands of euros)</b>										
Alten SIR	20,003	34,291	100.00	26,221	26,221			118,598	9,320	
Abilog	16	-4	99.80	68	15			0	-1	
Alten Sud-Ouest	15,061	14,242	100.00	15,939	15,939			51,924	3,387	
Gist	9,540	37,840	100.00	15,274	15,274			92,102	9,165	
mi-Gso	40	19,579	100.00	11,941	11,941			36,280	2,718	
alten Cash Management	77	-243	100.00	77	77	16,169		0	-9	
alten Europe	57,120	15,790	100.00	58,072	58,072	20,183		0	5,895	
Pegase SI	100	258	76.00	76	0			6,355	339	
Cisia Ingenierie	8,072	1,841	99.99	10,573	5,911			13,590	-37	
Groupe Idestyle	150	-1,236	100.00	9,921	0	2,967		733	-199	
Avenir Conseil Formation	50	710	99.96	533	533	6,539		12,832	1,281	
Anotech Energy France	37	412	100.00	37	37	540		14,448	359	
Alten Aerospace	37	5,698	100.00	37	37			22,098	2,740	
HPTI	40	-232	100.00	40	0	3,224		0	-171	
Dixid	38	121	100.00	342	342	183		1,789	116	
Winwise	773	1,564	100.00	7,500	7,500			5,081	122	
Aten Si Techno Romania	1	-204	100.00	0	0	471		2,208	-15	
<b>2 Aggregated information on other securities</b>										
Xange				3,751	3,751					
Ausy				3,493	3,493					
Smart Trade				634	161					
Extia				8	8	2				
S&H				1	1					2
Axen				8	8					
Axen SRAL				1	1	283				
Alten Benelux				4	4	41				3
Total autres titres				7,898	7,426	326				5

# X – STATUTORY AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS

In accordance with the terms of our appointment by your Board of Directors, we hereby present our report for the year ended 31 December 2008 covering:

- our audit of ALTEN's financial statements, as attached to this report,
- the justification of our assessments,
- specific procedures and information required by law.

The financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

## I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional accounting standards applicable in France. These standards require the application of procedures to obtain reasonable assurance that the financial statements do not contain any material misstatements. An audit consists of examining, on a test basis or by other means of selection, the evidence supporting the figures and information contained in the financial statements. It also involves an assessment of the accounting principles applied, the significant estimates made and the overall presentation of the financial statements. We believe that the evidence we have collected is an adequate and appropriate basis for our opinion.

In our opinion, the accompanying financial statements give a true and fair view of the assets and liabilities, the financial position and the results of the Company for the fiscal year just ended.

## II. BASIS FOR ASSESSMENTS

The accounting estimates related to the preparation of the financial statements as of 31 December 2008 were made in a climate where it is clearly difficult to establish economic and financial outlooks. Under these circumstances, pursuant to the provisions of Article L. 823-9 of the French Commercial Code, we would like to draw your attention to our assessments:

The principle for estimating the value of equity interests is described in note c “Equity interests” under the heading “Accounting Principles and Methods” in the appendices. Our audit consisted in forming an opinion on the data and assumptions on which the company relied in valuing these assets and in verifying that note c “equity interests” provided adequate information.

These assessments were an integral part of our audit of the financial statements and as such contributed to forming our opinion as expressed in the first part of this report.

### III. SPECIFIC AUDITS AND INFORMATION

We also examined the specific information required by law.  
We have no matters to report regarding:

- the fairness and consistency with the financial statements of the information provided in the Board of Directors' Management Report and in the documents sent to the shareholders concerning the financial position and the financial statements,
- the fairness of information provided in the Board of Directors' Management Report concerning remuneration and benefits awarded to company representatives and any commitments toward company representatives in relation to the acceptance, termination or change in their functions.

In accordance with the law, we have verified that the information relating to the acquisition of interests or control and to the identity of the owners of the share capital and voting rights have been presented in the Management Report.

Executed in Paris, 29 April 2009

The Statutory Auditors:

**Grant Thornton**  
French member of Grant Thornton International

Laurent Bouby  
Partner

**Cabinet Dauge & Associés**

Jean-Louis Rouzé  
Partner



# STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

In our capacity as Statutory Auditors for your Company, we hereby present our report on the Company's regulated agreements.

## I. AGREEMENTS AND UNDERTAKINGS APPROVED DURING THE FISCAL YEAR

Pursuant to Article L 225-40 of Commercial Code, we have been informed of the agreements and undertakings requiring prior authorization by your Board of Directors.

Our assignment does not involve seeking out the potential existence of any other such agreements and commitments but consists of informing you, on the basis of the information provided to us, of the main characteristics and terms and conditions of those agreements brought to our attention, without having to express an opinion on their usefulness or appropriateness. Pursuant to Article R. 225-31 of the French Commercial Code, it is your responsibility to assess the benefits to the Company of signing these agreements and commitments with a view to their approval.

We have applied the procedures we deem necessary with regard to the professional doctrine of the Compagnie National des Commissaires aux Comptes as related to this assignment. These procedures consisted in verifying that the information provided to us is consistent with the source information on which it is based.

### \*TAX CONSOLIDATION AGREEMENT

The tax consolidation agreement signed between your company and certain of its subsidiaries was extended on 7 May 2008, retroactive to 1 January 2008 with ABILOG, ANOTECH ENERGY France, IDESTYLE TECHNOLOGIES, GROUPE IDESTYLE, IDESTYLE SERVICES, ECAM, GROUPE CISIA INGENIERIE, CISIA INVESTISSEMENTS, CISIA INGENIERIE, CISIA EXATERM, CISIA CETOP, AVENIR CONSEIL FORMATION and HPTI.

Under this agreement, ALTEN is solely liable for payment of income tax on behalf of subsidiaries, which are responsible for indemnifying ALTEN for this expense. In the event a subsidiary records a loss, this is also transferred to ALTEN SA; however the subsidiary may not claim reimbursement of its tax savings obtained.

This agreement enabled your company to generate income for ALTEN SA of €1,447,000 due to losses recorded for the following companies:

- HPTI	€56 K
- GROUPE IDESTYLE	€66 K
- IDESTYLE TECHNOLOGIES	€1,066 K
- CISIA CETOP	€25 K
- CISIA INVESTISSEMENTS	€234 K

## 2. AGREEMENTS AND UNDERTAKINGS APPROVED DURING PREVIOUS YEARS AND EXECUTED DURING THE PAST YEAR ENDED

Furthermore, in accordance with the French Commercial Code, we have been informed that the performance of the following previously authorized agreements and undertakings continued during the past fiscal year:

### • **LOAN AGREEMENT WITH IMP ENGINEERING, WHICH BECAME ALTEN GMBH ON 1 JANUARY 2008**

The loan granted by ALTEN to its German subsidiary ALTEN GMBH was €1,100,000 at the beginning of this fiscal year.

No repayments were made during 2008.

The loan is subject to a fixed interest rate equalling the 12-month Euribor +3%. Interest remaining due is €87,400 at 31 December 2008.

### • **TAX CONSOLIDATION AGREEMENT**

The tax consolidation agreement between your Company and GIST, ALTEN SIR, MI-GSO, ALTEN SUD OUEST, ALTEN CASH MANAGEMENT, ALTEN EUROPE, and ALTEN AEROSPACE remained in effect during the past year ended.

This agreement enabled your company to generate income of €3,000 due to losses recorded by ALTEN CASH MANAGEMENT.

Executed in Paris, 29 April 2009

The Statutory Auditors:

**Grant Thornton**  
French member of Grant Thornton International

Laurent Bouby  
Partner

**Cabinet Dauge & Associés**

Jean-Louis Rouzé  
Partner



## XII - COMPOSITION OF THE EXECUTIVE, ADMINISTRATIVE AND SUPERVISORY BODIES AND FUNCTIONS PERFORMED

### I - COMPOSITION OF THE EXECUTIVE COMMITTEE

Simon Azoulay  
Chief Executive Officer

Gérald Attia  
Deputy Managing Director  
Director of Commercial Coordination,  
Development and the Technical Division

Rémy Vialettes  
Company Secretary

Bruno Benoliel  
Vice President  
Chief Financial Officer

Hélène Grignon-Boulon  
Vice President  
Human Resources Director

Benoît Maistre  
Vice President  
Responsible for Techno subsidiaries

Pierre Marcel  
Vice President  
Responsible for Regions

Philippe Carette  
Vice President  
Responsible for Northern and Eastern Europe  
and Solutions Subsidiaries

For information on the operation of the Executive Committee, please see the Chairman's Report on the work of the Board of Directors and internal control procedures, page 114, paragraph 1.9.1.

### 2. COMPOSITION OF THE ADMINISTRATIVE COMMITTEE

Simon Azoulay  
Chief Executive Officer

Bruno Benoliel  
Vice President  
Chief Financial Officer

Charles-Antoine Roucayrol  
Head of the Legal Department

Rémy Vialettes  
Company Secretary

Hélène Grignon-Boulon  
Vice President  
Human Resources Director

For information on the operation of the Administrative Committee, please see the Chairman's Report on the work of the Board of Directors and internal control procedures, page 114, paragraph 1.9.2.

### 3. INTERESTS OF DIRECTORS AND OFFICERS IN THE COMPANY'S CAPITAL, IN THE CAPITAL OF A PARENT COMPANY OR A COMPANY SUBSIDIARY OR IN THE CAPITAL OF A MAJOR CUSTOMER OR SUPPLIER OF THE COMPANY

Not applicable except for SGTI (see the Management Report, page 79, paragraph 3.2).

### 4. INFORMATIONS PARTICULIÈRES RELATIVES AUX MANDATAIRES SOCIAUX

To the exclusion of the marital relationship between Mr. Simon Azoulay and Mrs. Catherine Behar (wife of Mr. Azoulay), there are no other related family members among the company's officers and directors.

For the purpose of their corporate mandates, the Members of the Board of Directors and General Management are domiciled at the Company's registered office.

To the Company's knowledge and at the date on which this document was prepared, within the past five years no Members of the Board of Directors:

- have been indicted for fraud,
- have been the subject of bankruptcy, receivership or liquidation proceedings,
- have been charged with a criminal offence or been the subject of an official sanction handed down by a statutory or regulatory authority,
- have been prohibited by a tribunal from acting as member of an administration, management or supervisory division or intervening in the management of a company's business activities.



## 5. LIST OF OFFICES HELD BY COMPANY OFFICERS AND DIRECTORS DURING THE PAST FIVE YEARS

First and last name of member	Initial appointment date:	Term of office expires	Main position held in the Company	Significant position held outside the Company	Other appointments and positions held in any company during past five years
<b>Simon Azoulay</b> Born on 29/05/1956 in Rabat (Morocco)	22/09/1998 (Chief Executive Officer) 19/02/1997 (Director)	General Meeting held to approve the 2008 financial statements.	Chief Executive Officer	None	<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN, legal entity Chairman of the SAS: ALTEN SUD OUEST (formerly ANOTECH), GIST, ALTEN SIR (formerly APTECH), ANPTECH ENERGY, DEVELOP4@LL (until 15 June 2008), ALTEN-SI (until 2 January 2006), ALTEN SUD OUEST (formerly ANOTECH, until 1 February 2007), COGITEL (until 1 July 2005), HUMELECTECHOLOGIES (until 1 July 2005), ALTEN XPE (until 31 December 2004)</li> <li>• Chairman of SAS SGTI (since 18 April 2007)</li> <li>• Director of SA AVENIR CONSEIL FORMATION (formerly IDESTYLE SERVICES SA), GROUPECYBER (until 30 December 2005), SA DES SYSTEMES ET DES HOMMES</li> <li>• Manager of: ABLOG, ALTEN EUROPE, ALTEN SERVICES (until 18 April 2007), ALTEN BENELUX Sprl (Belgium), AXEN Sprl (Belgium)</li> <li>• Director of ALTEN LIMITED (Great Britain), SD Partners</li> <li>• Permanent representative of ALTEN EUROPE</li> <li>• Administrador unico of ALTEN INGENIERIA SLU (formerly ALTEN EXPANA)</li> <li>• Consejero of ALTENTIC (formerly SBD) and GRUPO ALTEN SOPORTE GLOBAL SLU</li> <li>• Manager of: SCI AVENIR MONTMORENCY, SIMALEP and CAKCIV (outside of the Group)</li> </ul>
<b>Gérald ATTIA</b> Born on 06/04/1962, in Livry-Gargan	21/12/1998 (Deputy Managing Director) 23/01/1998 (Director)	General Meeting held to approve the 2008 financial statements (Deputy Managing Director) and General Meeting held to approve the 2009 financial statements (Director)	Deputy Managing Director and Director	None	<ul style="list-style-type: none"> <li>• Permanent representative of ALTEN SA, Director of SMART TRADE TECHNOLOGIES SA</li> <li>• Permanent representative of ALTEN SA, member of the Supervisory Board of X ANGE CAPITAL SA</li> <li>• Chief Executive Officer of EUROTCHNA SA (until 4 August 2003)</li> <li>• Chairman of SAS EUROTCHNA (until 25 May 2004), ETIC SOFTWARE (until 30 December 2005)</li> <li>• Manager of PROXYM SARL (outside of the Group)</li> <li>• Director of SD PARTNERS Limited (Great Britain)</li> <li>• Apoderado of ALTEN INGENIERIA SL (formerly ALTEN EXPANA)</li> <li>• Styrelse ledamot of XDIN Aktiebolag (publ) (Sweden)</li> </ul>
<b>Laurent SCHWARZ</b> Born on 29/11/1957 in Courbevoie	30/06/1999 (Director)		Director	Néant	<ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board of Novedia SA</li> <li>• Director of NOVEDIA DECISION SA</li> <li>• Manager of Luckyway SARL (outside of the Group)</li> <li>• Deputy Managing Director of EUROTCHNA SA (until 30 June 2007)</li> </ul>
<b>Catherine BEHAR (wife of Mr. Azoulay)</b> born on 18/11/1958 in Paris (14th)	28.06.02 (Director)	General Meeting held to approve the 2013 financial statements.	Director	None	<ul style="list-style-type: none"> <li>• Manager of CAKCIV (outside of the Group)</li> </ul>

## 6. EXPERTISE AND EXPERIENCE OF MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

Mr. Azoulay and Mr. Schwarz are both graduates of SUPELEC. After having managed the R&D laboratory of THALÈS and AÉROSPATIALE, they founded ALTEN in 1988 with Mr. Thierry Woog (a graduate of CENTRALE in Paris), who left the Group in 2000.

Mr. Gerald Attia (a Hartford MBA graduate) became a partner in 1993 and developed the subsidiary GIST.

## 7. CONFLICTS OF INTEREST AT THE LEVEL OF ADMINISTRATIVE, EXECUTIVE AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

To the Company's knowledge and at the date on which this document was prepared, no conflicts of interests have been identified between the duties of each of the Members of the Board of Directors and General Management toward the Company in relation to their capacities as company representatives and their private interests or other duties.

To the Company's knowledge and at the date on which this document was prepared, there are no pacts or agreements concluded with the main shareholders, customers or suppliers under which a Member of the Board of Directors or General Management has been designated as such.

To the Company's knowledge and at the date on which this document was prepared, no restriction has been agreed to by the members of the Board of Directors and the other members of management concerning the sale of their interests in the Company's share capital.

## 8. TOTAL REMUNERATION AND BENEFITS AWARDED DURING THE YEAR, DIRECTLY OR INDIRECTLY, TO THE DIRECTORS AND COMPANY REPRESENTATIVES BY THE COMPANY OR ANY OTHER COMPANY WITHIN THE GROUP

Le tableau ci-dessous complète les informations figurant en pages 91 et 92 du Rapport de Gestion.

Company Officers and Directors	Employment contract	Supplemental pension plan	Compensation or benefits owed or likely to be owed due to termination or change in duties	Compensation related to a non-competition provision
Simon Azoulay Chief Executive Officer Term of office begins: 25/06/2003 Term of office ends: 23/06/2009	No	No	No	No
Gérald ATTIA Deputy Managing Director Term of office begins: 25/06/2003 Term of office ends: 23/06/2009	No	No	No	No

## 9. OPTIONS TO SUBSCRIBE TO OR PURCHASE SHARES GRANTED TO EACH COMPANY OFFICER OR DIRECTOR AND OPTIONS EXERCISED BY THEM

Mr. Gérald Attia was awarded 16,000 share subscription options by the Board of Directors on 23 October 2006. Furthermore, no options were exercised by company representatives during the 2008 fiscal year.

## 10. TRANSACTIONS BETWEEN THE COMPANY AND ITS MANAGING DIRECTORS, DEPUTY MANAGING DIRECTORS, DIRECTORS AND SHAREHOLDERS OWNING MORE THAN 10% OF VOTING RIGHTS OR, WHERE THE SHAREHOLDER IS A COMPANY, THE CONTROLLING COMPANY, WHICH ARE NOT CONSIDERED ORDINARY TRANSACTIONS CONCLUDED UNDER STANDARD CONDITIONS

### Tax consolidation agreement:

It has been stated that the ALTEN Group opted for the tax consolidation regime in 2000, which was renewed in 2008.

Therefore, subsidiaries that meet the legal requirements to be included in the scope of consolidation for tax purposes enter into a tax consolidation agreement with ALTEN (the Group's parent company).

This agreement stipulates the payment terms pertaining to income tax by each subsidiary.

## 11. OVERALL INFORMATION REGARDING LOANS AND GUARANTEES GRANTED TO OR IN FAVOUR OF MEMBERS OF THE COMPANY'S ADMINISTRATIVE, EXECUTIVE OR SUPERVISORY BODIES

Not applicable.

## 12. DISCLOSURE OF EMPLOYEE PROFIT-SHARING PLANS

### 1) MANDATORY AND DISCRETIONARY EMPLOYEE PROFIT-SHARING PLANS

ALTEN has not implemented any discretionary employee profit sharing plans.

As regards mandatory employee profit-sharing plans, Group companies with more than fifty employees which record a profit have implemented profit-sharing plans as required by law.

Company	Date of agreement
ALTEN	27/05/92
GIST	23/09/96
ALTEN SIR	12/02/99
ALTEN SUD OUEST (ex. ANOTECH)	15/12/01
ANOTECH ENERGY (<50)	06/12/07
MI-GSO	15/11/06
AVENIR CONSEIL FORMATION	20/01/02

In addition, certain companies such as ALTEN, GIST, ALTEN SIR and AVENIR CONSEIL FORMATION, benefit from the FCP Multipar Sécurité (mutual fund).

All mandatory employee profit-sharing plans at Group companies stipulate the same terms and conditions and offer the employee a choice of the following funds:

- FCP ALTEN
- FCP Epargne Entreprise Prudence
- FCPE Epargne Entreprise Equilibre
- FCP Multipar Solidaire Dynamique

All of these funds have all been approved by the AMF.

In addition, certain acquired companies already have their own employee profit-sharing plans, specifically:

Company	Date of agreement
IDESTYLE TECHNOLOGIES	14/12/02
ECAM	14/12/02
CISIA INGENIERIE	28/06/01

Winwise, acquired in July 2008, has an older PEE agreement (company savings plan) still in effect. In addition, an employee profit-sharing plan was signed on 27 March 2009.

## 2) AMOUNTS PAID IN RESPECT OF EMPLOYEE PROFIT-SHARING PLANS OVER THE PAST FIVE YEARS

ALTEN S.A	2004	2005	2006	2007	2008
Employee profit-sharing in €	1,046,567	2,377,700	2,269,486	2,695,411	2,587,163

## 13. SHARE SUBSCRIPTION OR SHARE PURCHASE OPTIONS AWARDED TO THE TEN EMPLOYEES (OTHER THAN DIRECTORS AND OFFICERS) WITH THE HIGHEST NUMBER OF OPTIONS AND OPTIONS EXERCISED BY THESE BENEFICIARIES

### INFORMATION ON SHARE SUBSCRIPTION OR SHARE PURCHASE OPTIONS

Options to subscribe to or acquire shares granted to the Directors and Officers, and stocks options exercised by them	Number of stock options awarded	Price	Maturity date
Options granted during the fiscal year to each company officer or director by ALTEN and by any Group company (nominal list)	0	N/A	N/A
Options exercised during the year by each company officer or director (nominal list)	0	N/A	N/A

Options to subscribe or purchase shares granted to the ten employees (other than directors and officers) with the highest number of options, and options exercised by these beneficiaries	Number of stock options awarded	Weighted average price	Earlier plans	2006 and 2008 plans
Options granted during the year by ALTEN and by any company within its Group granting options, to the ten employees of ALTEN and all companies included in the group which grants options with the highest number of options (comprehensive information)	144,000	N/A	N/A	N/A
Options for ALTEN and other aforementioned companies previously exercised during the fiscal year by the ten employees of ALTEN and such other companies with the highest number of options thus purchased or subscribed for (comprehensive information)	2,400 93,932 51,264	15,72 7,3 10,73	25/01/2002 25/07/2003 06/01/2004	-

## XIII - FORESEEABLE DEVELOPMENTS AND PROSPECTS

### I. FORESEEABLE DEVELOPMENTS IN FRANCE AND OVERSEAS

ALTEN will continue its development strategy in 2009, continuing to set up a managerial and administrative organisation suited to the Group's future size and to the development of its packages. ALTEN will also capitalise on sectoring and the Information and Networks System business in order to speed its regional and international development.

Finally, ALTEN will continue its targeted acquisition strategy, especially abroad (mainly in Northern Europe and Germany), in a more favourable environment (easing of prices, less competition from private equity funds, etc.).

### 2. FUTURE OUTLOOK

Deteriorating business conditions have affected all business sectors, especially the Automotive industry.

The sudden cessation of projects in the beginning of 2009 led the Group to record an inactivity rate of approximately 25% in the Automotive sector, with only an 8% rate in other business sectors, which is slightly above that recorded in 2008 (6.2% on average).

The Group has implemented all necessary measures to quickly resolve this situation and adjust to this level of activity. It confirmed its listings in 2009 and continues its growth in other sectors such as Aeronautics, Energy and Banking/Finance.

During the first quarter, ALTEN reported turnover of €229.1 million, up 11.1% as compared with the first quarter of 2008 (lower by 3.8% on a like-for-like basis).

The ALTEN should leave the current crisis as a stronger company, leading to consolidation in its sector and strengthening its position as the leader in Technology Consulting and Engineering.

## XIV - FEES PAID TO THE STATUTORY AUDITORS AND TO MEMBERS OF THEIR NETWORKS

This information is presented in Chapter 7 (page 177) of this reference document.

# XV - CROSS-REFERENCE TABLE ACCOMPANYING THE REFERENCE DOCUMENT

In order to facilitate the reading of this reference document, the following index identifies the main sections required by the European Commission' Regulation no. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and the Council.

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